



Genetec



2025
ANNUAL REPORT

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CORPORATE INFORMATION

Board of Directors

- **ALLEN LIK-HOOK TING**
*Chairman & Independent
Non-Executive Director*
- **CHIN KEM WENG**
*Executive Director/
Chief Executive Officer*
- **SOW EWE LEE**
*Executive Director/
Deputy Chief Executive Officer*
- **ONG PHOE BE**
Independent Non-Executive Director
- **DATO' JEEVENTHIRAN
A/L RAMANAIDU**
Independent Non-Executive Director
- **ONG SIEW MIN**
Independent Non-Executive Director

AUDIT COMMITTEE

Ong Phoe Be (*Chairperson*)
Dato' Jeeventhiran A/L Ramanaidu
Ong Siew Min

NOMINATION COMMITTEE

Ong Phoe Be (*Chairperson*)
Dato' Jeeventhiran A/L Ramanaidu
Ong Siew Min

REMUNERATION COMMITTEE

Ong Phoe Be (*Chairperson*)
Dato' Jeeventhiran A/L Ramanaidu
Ong Siew Min

RISK MANAGEMENT COMMITTEE

Sow Ewe Lee (*Chairman*)
Ong Phoe Be
Ong Siew Min

LONG-TERM INCENTIVE PLAN COMMITTEE

Sow Ewe Lee (*Chairman*)
Allen Lik-Hook Ting
Ong Phoe Be
Tan Kon Hoan (*Chief Financial Officer*)

COMPANY SECRETARY

Low Sook Kuan
(MAICSA 7047833)
(SSM PC No. 202008001384)

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

Lot 7, Jalan P10/11, Seksyen 10
Kawasan Perusahaan Bangi
43650 Bandar Baru Bangi
Selangor Darul Ehsan
Malaysia
Tel : +603 - 8926 6388
Fax : +603 - 8926 9689
Email : genetec@genetec.net
Website : www.genetec.net

REGISTRAR

Tricor Investor & Issuing House Services Sdn Bhd

Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan
Malaysia
Tel : +603 - 2783 9299
Email : is.enquiry@vistra.com

AUDITORS

Baker Tilly Monteiro Heng PLT Chartered Accountants

Baker Tilly Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur
Wilayah Persekutuan
Malaysia
Tel : +603 - 2297 1000
Fax : +603 - 2282 9980

PRINCIPAL BANKERS

United Overseas Bank (Malaysia) Berhad
HSBC Bank Malaysia Berhad
CIMB Bank Berhad

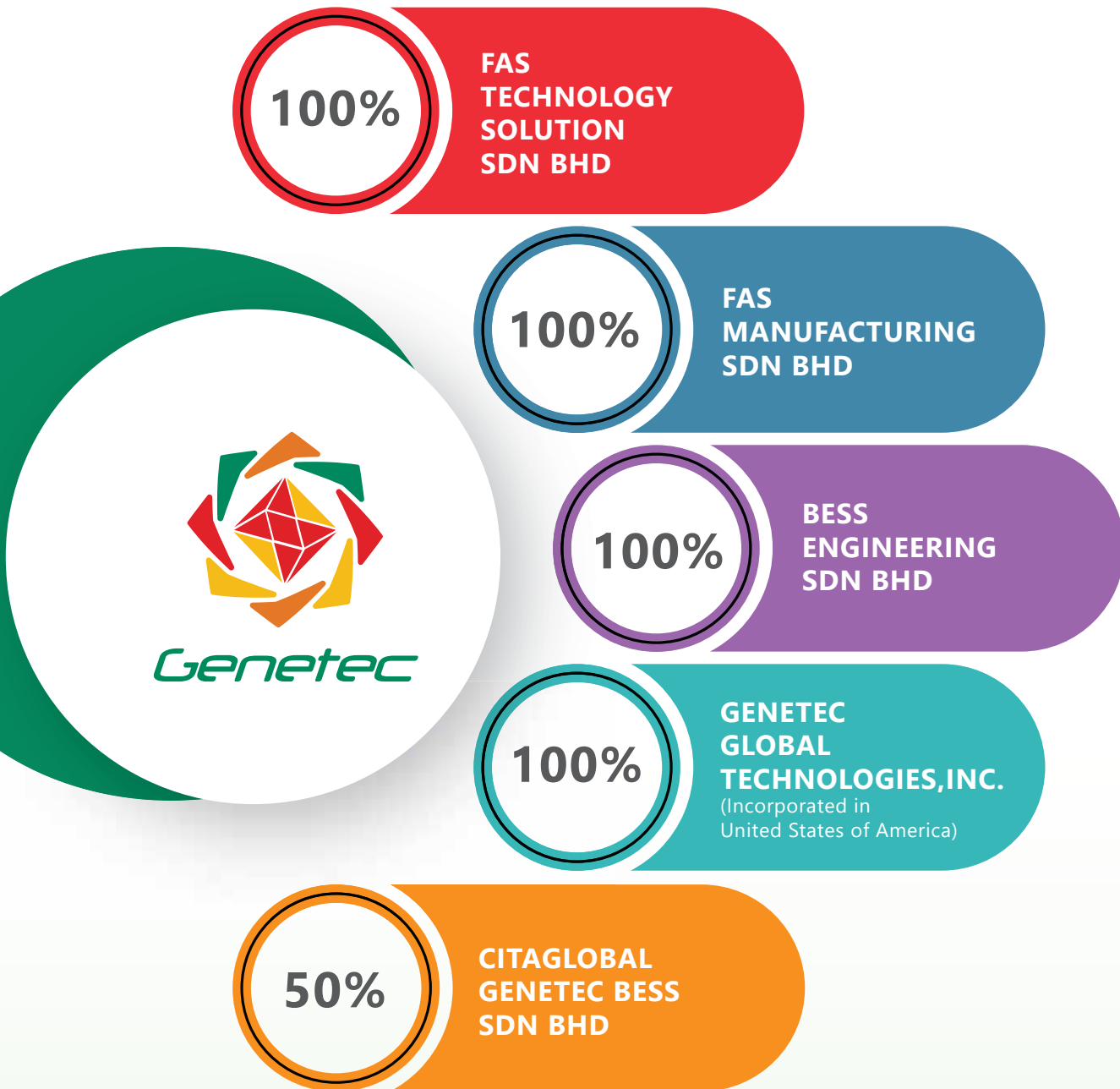
STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Date of Transfer Listing : 27 October 2023
Date of Listing : 7 November 2005
Category -
Sector : Technology
Sub-Sector : Technology
Equipment
Stock Name : GENETEC
Stock Code : 0104

CORPORATE STRUCTURE

As at 30 September 2025



PROFILE OF DIRECTORS

ALLEN LIK-HOOK TING

Independent Non-Executive Director

Age 69	Membership of Board Committee(s) Nil
Gender Male	Other Present Directorship(s) Listed Company - Nil Public Company - Nil
Nationality American	

Mr Allen Ting was appointed as the Chairman of the Board of the Company on 31 May 2023. He holds a Bachelor and Master's degree in Science Electrical Engineering from the University of Auckland, New Zealand.

Mr Allen Ting has over 40 years of experience in the engineering arena. He started his career in 1982 as a Development Engineer in Natsteel Pte Ltd, Singapore. After 2 years, he joined Advance Storage Technology, United States of America (USA) as a Design Engineer. In 1987, he joined Conner Peripherals Inc, USA as a Staff Test Engineer and was promoted to Engineering Manager in 1990 and Engineering Director in 1995. From 1996 to 2014, Mr Allen Ting served as an Engineering Director and/or Business Consultant for corporations in the USA, including Seagate Technology LLC, Quantum Corp, Innotec LLC and Palladium Energy. Currently, he is the Engineering & Business Consultant of Innotec LLC.

CHIN KEM WENG

Executive Director

Age 55	Membership of Board Committee(s) Nil
Gender Male	Other Present Directorship(s) Listed Company - Nil Public Company - Nil
Nationality Malaysian	

Mr Chin Kem Weng was appointed as the Managing Director of the Company on 27 October 1997 and was redesignated as Chief Executive Officer on 28 August 2025. He has a Diploma in Mechanical Engineering from the Institute Technology of Butterworth and specialises in the area of design.

Upon graduation in 1991, he joined Applied Magnetics Malaysia Sdn Bhd (Disc Drive Recording Heads Group) (Applied Magnetics) as a Technical Specialist. He was involved mainly in the design of mechanical tooling and the maintenance of automation equipment. He then joined Quantum Peripheral Indonesia (QPI) in Indonesia as an expatriate engineer and managed the automation project at the plant. Subsequently, he was seconded to the QPI office in the USA for a year, where he undertook research and development work related to new technology. With his expertise and technical know-how, he left QPI and then co-founded the Company in 1997.

PROFILE OF DIRECTORS

SOW EWE LEE

Executive Director

<p>Age 55</p> <p>Gender Male</p> <p>Nationality Malaysian</p>	<p>Membership of Board Committee(s) Risk Management Committee (Chairman)</p> <p>Other Present Directorship(s) Listed Company - Nil Public Company - Nil</p>
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ONG PHOE BE

Independent Non-Executive Director

<p>Age 55</p> <p>Gender Female</p> <p>Nationality Malaysian</p>	<p>Membership of Board Committee(s) Audit Committee (Chairperson) Nomination Committee (Chairperson) Remuneration Committee (Chairperson) Risk Management Committee (Member)</p> <p>Other Present Directorship(s) Listed Company - Nil Public Company - Nil</p>
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Mr Sow Ewe Lee was appointed Executive Director of the Company on 1 October 2018. On 28 August 2025, he was redesignated as Deputy Chief Executive Officer, having previously served as Chief Operating Officer. He is responsible for overseeing the overall operations of the Company and supporting the Chief Executive Officer in implementing strategic initiatives. He holds a Master of Science in Mechatronics from the University of De Montfort, Leicester, United Kingdom.

Upon his graduation in 1996, he joined Hitachi Semiconductor (M) Sdn Bhd as a design engineer and was involved in designing circuits and developing software. After one (1) year, he left to join Quantum Peripheral Indonesia (QPI) as an automation engineer, where he gained experience in the area of automation system design and setup. His forte lies in the areas of Automation Control systems and software programming. In 1998, he left QPI to join the Company as a senior software engineer.

Ms Ong Phoe Be was appointed to the Board of the Company on 18 August 2020. She completed the Malaysian Institute of Certified Public Accountants professional course in 1994.

She started her career with Messrs KPMG, an audit firm, from December 1989 to September 1994 and joined Arab-Malaysian Merchant Bank Berhad ("AMB") in 1994. She left AMB in 1996 and moved on to Tanco Holdings Berhad ("Tanco"). She was the head of the Corporate Planning Department for Tanco for about four years. She then joined KVC Industrial Supplies Sdn Bhd Group in June 2000 as its Head of Corporate Finance and subsequently was appointed as the Group Chief Financial Officer of ATIS Corporation Berhad (now known as KVC Corporation Sdn Bhd), a position that she occupied till 2005. She was appointed as an Executive Director of the Company from August 2005 until January 2011. Since then, Ms Ong has been involved in the management and operations of food and beverage franchising businesses in Malaysia.

PROFILE OF DIRECTORS

DATO' JEEVENTHIRAN A/L RAMANAIDU

Independent Non-Executive Director

Age
49

Gender
Male

Nationality
Malaysian

Membership of Board Committee(s)
Audit Committee
(Member)

Nomination Committee
(Member)

Remuneration Committee
(Member)

Other Present Directorship(s)

Listed Company - Nil
Public Company - Nil

ONG SIEW MIN

Independent Non-Executive Director

Age
59

Gender
Female

Nationality
Malaysian

Membership of Board Committee(s)

Audit Committee
(Member)

Nomination Committee
(Member)

Remuneration Committee
(Member)

Risk Management Committee
(Member)

Other Present Directorship(s)

Listed Company:

1. NetX Holdings Berhad (listed on the ACE Market of the Bursa Malaysia Securities Berhad)
 2. Fintec Global Berhad (listed on the ACE Market of the Bursa Malaysia Securities Berhad)
- Public Company - Nil

Dato' Jeeventhiran was appointed to the Board of the Company on 1 March 2022. He has a Certificate in Industrial Electrical Systems from the Malaysian Vocational Training Institute.

Dato' Jeeventhiran has broad experience in the organisation across multiple industries, in which he served in various capacities and held various responsibilities such as formulating strategic planning and overseeing & evaluating business operations. In addition, he has a strong understanding of the business philosophy and networking relationships. He has acted as a senior engineer of Beyonics Precision Machining Sdn Bhd from 1998 to 2005. Since 2008, Dato' Jeeventhiran has become an entrepreneur and also serves on the board of directors of various privately held companies in Malaysia and overseas.

Notes:

1. None of the Directors has:
 - any family relationship with any director and/or major shareholder of the Company;
 - conflict of interest or potential conflict of interest with the Company or its subsidiaries;
 - conviction for offences (other than traffic offences) within the past five (5) years; and
 - any public sanction or penalty imposed by the relevant regulatory bodies for the financial year ended 30 June 2025.
2. The details of the attendance of each Director at Board meetings are set out in the Corporate Governance Overview Statement of this Annual Report.

Ms Ong Siew Min was appointed to the Board of the Company on 2 October 2023. She is a fellow member of the Chartered Institute of Management Accountants, United Kingdom and a registered accountant with the Malaysian Institute of Accountants.

Ms Ong has more than 25 years of extensive experience ranging from the professional field of auditing, tax and consulting services for large corporations, moving on to the entertainment world of movies and television production, as well as TV and theatrical commercials.

She has valuable experience in activities such as mergers & acquisitions, receivership and due diligence assessment of new business opportunities and corporate restructuring while serving her term in the professional field.

When she was the Chief Financial Officer of the Vision Entertainment Group, she contributed significantly to the group's overall performance in attaining its goals and objectives, especially in its continuous efforts for expansion and listing. She also worked collaboratively with all levels of the management team of the group to achieve common goals, while maintaining responsibilities and commitments to the shareholders and business affiliates/partners in Malaysia and across the Asia region. She is currently taking on the role as consultant on a freelance basis.

PROFILE OF KEY SENIOR MANAGEMENT

CHIN KEM WENG

Chief Executive Officer

Age : 55
Gender : Male
Nationality : Malaysian

The profile of Mr Chin Kem Weng is listed in the Profile of Directors.

SOW EWE LEE

Deputy Chief Executive Officer

Age : 55
Gender : Male
Nationality : Malaysian

The profile of Mr Sow Ewe Lee is listed in the Profile of Directors.

TAN KON HOAN

Chief Financial Officer

Age : 54
Gender : Male
Nationality : Malaysian

Mr Tan Kon Hoan joined the Company in September 2004 as Finance Manager. Subsequently, he was promoted to Financial Controller since October 2009 and redesignated as Chief Financial Officer of the Company in January 2021.

Mr Tan graduated with a Bachelor of Commerce, majoring in Accounting from New Zealand. He registered as a Chartered Accountant with the Malaysian Institute of Accountants (MIA). Mr Tan is also a Chartered Accountant and admitted as a Member with The Chartered Accountants Australia and New Zealand (CA ANZ); a Fellow of The Association of International Accountants, United Kingdom (FAIA); a Member of the ASEAN Chartered Professional Accountants (ASEAN CPA) and a Member of The Chartered Tax Institute of Malaysia (CTIM). Mr Tan is also a Certified Financial Planner (CFP).

Prior to joining the Company, Mr Tan has overall 11 years working experience in property management and manufacturing industry. Currently, he is overseeing the finance, accounting, tax, human resources and administrative functions of the Group.

CHUA KEAN POH

*Senior Vice President,
Strategic Operations & Corporate Affairs*

Age : 42
Gender : Male
Nationality : Malaysian

Mr Chua Kean Poh joined the Company in November 2023 as General Manager, Business Services and was redesignated as Senior Vice President, Strategic Operations & Corporate Affairs in September 2025. He holds a Bachelor's Degree in Electrical and Electronics Engineering from Universiti Tenaga Nasional (UNITEN) and a Master of Business Administration (MBA) from the University of Malaya.

Prior to joining the Company, he accumulated over 17 years of experience in the power generation industry. He began his career in 2006 as a Control and Instrumentation Engineer at a 322MW combined-cycle power plant in Melaka, Malaysia. He later joined General Electric International Inc. (GE) as a Controls Technical Advisor, where he built and commissioned GE gas turbine power plant projects worldwide. He subsequently served at Edra Power Holdings Sdn. Bhd., where he was responsible for the development, construction, and completion of a 2,242MW combined-cycle power plant in Melaka from 2016 to 2022.

As Senior Vice President, Strategic Operations & Corporate Affairs, Mr Chua oversees the Company's Battery Energy Storage System (BESS) business, Project Management Department, Risk Management, Contracts & Compliance, Sustainability, and Corporate Communications.

PROFILE OF KEY SENIOR MANAGEMENT

TAN CHONG KUAN

*Senior Vice President,
Business Development*

Age : 46
Gender : Male
Nationality : Malaysian

Mr Tan Chong Kuan graduated with a Bachelor's degree in Mechanical Engineering (Manufacturing) from Universiti Teknologi Malaysia. He brings over two decades of experience in engineering and business development. Since joining the Company in 2002 as a Mechanical Design Engineer, Mr Tan has held several key positions, including Assistant Manager of Design & Development, Project Manager, and Sales and Application Manager.

In April 2021, Mr Tan was appointed as Vice President of Business Development and was redesignated as Senior Vice President, Business Development in September 2025. He has been instrumental in shaping the Company's business strategies and driving growth, with a strong focus on expanding market opportunities and building lasting client relationships.

FOO JEN KAH

*Senior Vice President,
Corporate & Operations Finance*

Age : 38
Gender : Male
Nationality : Malaysian

Mr Foo Jen Kah joined the Company in April 2024 as General Manager, Corporate & Operations Finance and was redesignated as Senior Vice President, Corporate & Operations Finance in September 2025.

He is a Fellow of the Association of Chartered Certified Accountants (ACCA) and a member of the Malaysian Institute of Accountants (MIA).

Mr Foo has over 17 years of experience in the auditing and finance profession. He began his career in 2008 with an international accounting firm, where he progressed through various roles and was eventually promoted to Senior Audit Manager. He then joined Datasonic Group Berhad as an Assistant Financial Controller in July 2016, where he was later promoted to Financial Controller and was responsible for the financial affairs of the group.

In November 2022, he assumed the role of Chief Financial Officer at Samaiden Group Berhad, before leaving in April 2024 to take up his current position with the Company.

Notes:

None of the key senior management has:

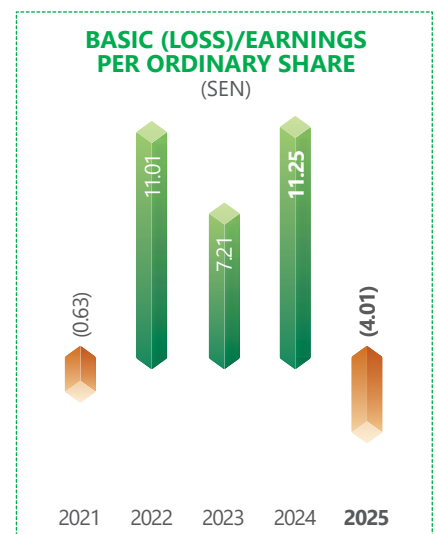
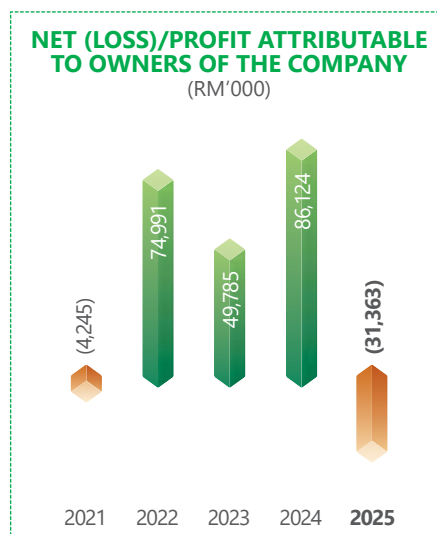
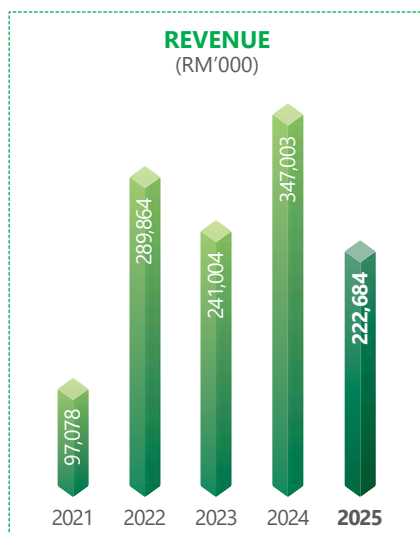
- any directorship in public companies and listed corporations.
- any family relationship with any director and/or major shareholder of the Company.
- entered into any transaction, whether directly or indirectly, which has a conflict of interest or potential conflict of interest with the Company or its subsidiaries.
- any conviction for any offences, other than traffic offences (if any), within the past five (5) years and any public sanction or penalty imposed by the relevant regulatory bodies for the financial year ended 30 June 2025.

FIVE YEARS GROUP FINANCIAL HIGHLIGHTS

	2021 RM'000 (Restated)	2022 RM'000	2023 RM'000	2024 RM'000 *	2025 RM'000
OPERATING RESULTS					
Revenue	97,078	289,864	241,004	347,003	222,684
EBITDA	(1,213)	89,086	64,962	101,523	(18,111)
(Loss)/Profit Before Tax	(4,825)	83,872	57,819	90,391	(25,034)
(Loss)/Profit After Tax	(4,386)	77,715	51,727	84,550	(24,963)
Net (Loss)/Profit Attributable to Owners of the Company	(4,245)	74,991	49,785	86,124	(31,363)
KEY BALANCE SHEET DATA					
Total Assets	124,403	315,730	505,046	567,709	521,473
Share Capital	68,760	88,215	266,207	269,980	279,730
Capital and Reserves	84,257	180,374	409,716	496,728	435,697
PROFITABILITY RATIOS					
Return on Total Assets (%)	(4)	25	10	15	(5)
Return on Average Equity (%)	(5)	59	18	19	(5)
GEARING RATIO					
Net Debt to Capital and Reserves (Times)	-	0.37	0.06	-	0.05
VALUATION					
Basic (Loss)/Earnings per ordinary share (Sen)	(0.63)**	11.01	7.21	11.25	(4.01)

* Genetec had on 1 November 2023 changed its financial year end from 31 March to 30 June. The FPE 30 June 2024 was made up results for 15 months covering the period from 1 April 2023 to 30 June 2024.

** Has been adjusted pursuant to the bonus issue on the basis of twelve (12) new ordinary share for every one (1) existing ordinary share held on 10 January 2022.



MANAGEMENT DISCUSSION & ANALYSIS

INTRODUCTION

Genetec Technology Berhad (“**Genetec**” or the “**Company**”) is a public listed company on the Main Market of Bursa Malaysia and a global leader in customised, turnkey smart factory automation solutions. We serve a broad range of industries including e-mobility and energy storage, automotive, hard disk drives (HDD), consumer electronics, appliances, and pharmaceuticals. With nearly three decades of experience, our solutions are trusted by clients worldwide, and our international footprint enables us to meet the evolving demands of industries across Asia, Europe, and the Americas. Genetec remains committed to continuous innovation, disciplined execution, and strategic partnerships that strengthen our clients’ competitiveness and resilience in today’s dynamic global marketplace.

VISION AND STRATEGIC DIRECTION

Our vision is to establish Genetec as the world’s most competitive leader in industrial automation, underpinned by innovation, operational efficiency, and talent excellence. We remain focused on sustaining growth in our core e-mobility and energy storage segments while diversifying into new industries such as semiconductors, consumer electronics, and medical devices.

BUSINESS AND OPERATIONS OVERVIEW

FY2025 was a year of investment, strengthening, and transformation. Global headwinds including logistics cost escalation, supply chain challenges, and shifting global trades dynamics, have created a more complex operating environment. At the same time, these dynamics also opened new opportunities, as manufacturers re-evaluated their global production footprints and sought greater resilience in their supply chains. This year, Genetec expanded into new areas of production within the vast manufacturing operations of our trusted clients, deepening our role as a strategic partner. As we ventured into these new scopes, projects carried additional safety requirements and heightened complexity, necessitating the engagement of external consultants and specialised expertise. In navigating this landscape, the Company took proactive steps to reinforce its operational resilience and strengthen organisational capacity, laying the foundation for long-term growth.

Recurring orders from long-standing clients in the e-mobility and energy storage segment remained resilient, underlining the trust placed in our execution capabilities. Engagements with European clients expanded into new scopes, while in North America, we successfully ventured beyond battery cell and pack assembly into autonomous vehicle manufacturing processes. These horizontal diversifications reflect the Company’s ability to evolve alongside client needs and broaden its role in their production ecosystems.

Diversification efforts beyond the automotive and EV space gained momentum during the year. Our business development team advanced promising leads in consumer electronics, Electrical & Electronics (E&E), and medical devices, many of which were generated through our participation in international exhibitions. Several of these opportunities have now progressed into proposal submissions and vendor qualification stages, reflecting tangible progress in our diversification journey and offering new avenues for growth while reducing client concentration risks.

On the Battery Energy Storage System (BESS) front, we executed recurring projects in the Middle East while actively bidding for larger utility-scale tenders. Domestically, demand for BESS strengthened, driven by tariff revisions that enhance the business case for peak demand management. The Malaysian government’s Corporate Renewable Energy Supply Scheme (CRESS) also spurred interest in pairing solar with storage. With BESS becoming increasingly critical to renewable integration and data centre resiliency, Genetec’s proven track record positions us favourably for future growth.

Operationally, the Company focused on building capacity for the future, bringing in strategic hires to enhance efficiency and competitiveness, broadening supplier diversification, and maintaining prudent cost management. These initiatives are laying the groundwork for sustainable growth and long-term performance.

MANAGEMENT DISCUSSION & ANALYSIS

Operational Efficiency And Organisational Strengthening

In FY2025, we upheld our commitment to reliability, ensuring project deliveries remained on track despite elevated logistics costs. Our strong culture of execution and client-first mindset safeguarded trust and continuity. At the same time, we strengthened our organisational capabilities through strategic recruitment in engineering, project management, purchasing, and logistics, positioning the Company to meet evolving client requirements.

We also placed strong emphasis on cost management, focusing on efficiency across procurement, production, project execution and logistics. By optimising processes and leveraging scale, we continue to drive improvements in input costs management while maintaining quality. At the same time, we deepened our supplier network, strengthening long-term partnerships and diversifying sources to enhance resilience, ensure continuity of supply, and secure competitive pricing for critical materials. These initiatives are part of a continuous journey to sharpen our competitiveness and build lasting resilience for the future.

Financial Performance

The Group had changed its financial year end from 31 March to 30 June in the previous year. Consequently, the financial statements for the financial period ended 30 June 2024 covered a 15-month period from 1 April 2023 to 30 June 2024. Accordingly, the discussion and analysis presented herein compares the Group’s performance for the 12-month financial year ended 30 June 2025 against the 15-month financial period ended 30 June 2024.

Revenue

During the financial year under review, the Group recorded total revenue of RM222.7 million, mainly contributed by two core business segments comprise the e-mobility & energy storage and HDD segments.

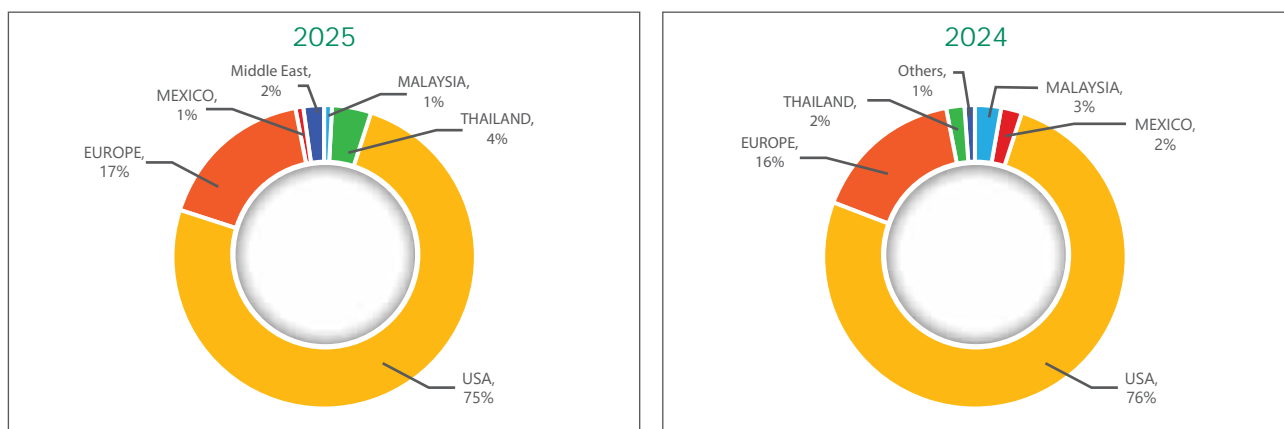
The e-mobility & energy storage segment contributed RM210.6 million in revenue during the financial year. Despite there is decrease of 34.3% from RM320.7 million from the previous financial year, it’s remained as the largest contributor to the Group’s total revenue for the financial year, accounting for 94.6% of the Group’s total revenue (2024: 92.4%).

The HDD segment recorded RM9.1 million in revenue, increased by 26.4% from RM7.2 million in the preceding year, accounting for 4.1% of the Group’s total revenue as compared to 2.1% in the preceding year.

The consumer goods & healthcare segment contributed RM3.0 million, a decrease of 84.3% compared to RM19.1 million in previous year, representing only 1.3% of the Group’s total revenue (2024: 5.5%).

In terms of geographical markets, 99% of the Group’s products were exported (2024: 97%), with the USA and Europe the largest contributors, followed by Thailand, the Middle East, Mexico and Malaysia.

Revenue by Geographical Locations



MANAGEMENT DISCUSSION & ANALYSIS

Profit Before Tax

The Group recorded a Loss Before Tax of RM25.0 million for the financial year, compared to a Profit Before Tax of RM90.4 million in the preceding financial period, representing a decline of 127.6%. A key contributing factor was the weaker USD exchange rate during the year, which resulted in lower translated revenue and also gave rise to realised and unrealised net foreign currency losses amounting to RM14.2 million.

Further impacting the results was a one-off impairment of RM2.4 million on an amount owing from a joint venture. In addition, the Group recognised non-operational expenses of RM16.0 million under the Long-Term Incentive Plan, arising from employee share grants and other emoluments relating to performance in the preceding financial year.

Statement of Financial Position

The Group continued to invest in its operations with capital expenditure of RM22.8 million on property, plant and equipment during the financial year. After taking into account depreciation charges of RM6.6 million and the disposal of a subsidiary amounting to RM19.0 million, the carrying value of property, plant and equipment decreased marginally by RM2.8 million to RM132.0 million as at 30 June 2025 (2024: RM134.8 million).

Throughout the financial year, the Group managed its working capital and cash flow prudently to support project execution and timely delivery to customers. Trade receivables increased significantly to RM122.3 million (2024: RM43.8 million), driven by higher billings during the financial year. Meanwhile, cash and bank balances together with short-term investments declined to RM44.0 million (2024: RM164.2 million).

The Group's total borrowings increased to RM31.8 million (2024: RM22.5 million). Despite this, the Group maintained a low gearing ratio of 0.07 times as at 30 June 2025, reflecting a healthy balance sheet position.

CORPORATE EXERCISE

On 4 November 2024, on behalf of the Board of Directors of the Company, TA Securities Holdings Berhad announced that the Company had on the same date entered into a conditional share sale agreement with Tan Moon Teik ("Purchaser") in relation to the proposed disposal of 6,183,750 ordinary shares in CLT Engineering Sdn Bhd ("CLT"), representing 51% equity interest in CLT to Purchaser for a total disposal consideration of RM21,627,559 to be settled via cash ("Disposal").

On 28 March 2025, the disposal had been completed following the fulfilment of the terms and conditions in the share sale agreement. Accordingly, CLT ceased to be a subsidiary of the Company.

SHARE PERFORMANCE

HIGHEST SHARE PRICE WITHIN FYE2025 **RM2.40** ▲

LOWEST SHARE PRICE WITHIN FYE2025 **RM0.66** ▼

TOTAL VOLUME TRADED: 3 BILLION 4 HUNDRED 2 MILLION 3 HUNDRED 90 THOUSAND SHARES

TOTAL MARKET CAPITALISATION: 7 HUNDRED 21 MILLION

DIVIDEND

The Board adopted a dividend policy to recommend and distribute dividend up to 20.0% of the Group's annual audited profit after tax attributable to owners of the Company, depending on its financial performance, the availability of adequate distributable reserves and on condition that such distribution will not be detrimental to the Group's cash flows requirements.

During the financial year, the Company paid an interim single-tier dividend of 2.0 sen per ordinary share amounting to RM15.7 million on 4 October 2024, in respect of the financial period ended 30 June 2024.

The Board of Directors has not recommended any dividend for the financial year ended 30 June 2025.

MANAGEMENT DISCUSSION & ANALYSIS

RISK FACTORS

Genetec’s dedicated Risk Management Committee (RMC) oversees our risk management. In May 2025, we launched a revised Risk Management Framework outlining the Group’s risk management policy, structures, and the RMC Terms of Reference.

The following table summarises the risks identified in our 2024 risk assessment, along with our strategies to manage them:

Risk identified	Description	Risk management strategy
Geopolitical trade policy risks	Changes in international trade policies and tariffs, can cause uncertainty and increase costs associated with cross-border transactions. Depending on the agreed delivery terms, the company may be exposed to additional import duties and associated charges.	<ul style="list-style-type: none"> Engage with clients to review contractual terms and agree on a fair allocation of import-related costs. Adopt delivery terms that clearly assign responsibility for customs duties to the customer.
New scope of work beyond core expertise	Scope of work outside of core technical skills can result in execution inefficiencies and increased costs.	<ul style="list-style-type: none"> Engage qualified and experienced external consultants and contractors for specialised work. Conduct comprehensive scope reviews and technical clarifications during the proposal phase. Exclude non-core scopes unless supported by validated internal or third-party capabilities.
Competition in the global market	The entry of lower-cost players into the market has heightened competition.	<ul style="list-style-type: none"> Diversification by engaging with new clients and exploring new markets with higher margins and greater growth potential. Form strategic partnerships with suppliers to strengthen cost competitiveness and market presence. Strengthen value proposition with customised solutions, flexibility, and robust after-sales support. Implement various internal cost optimisation measures.
Foreign exchange volatility	Currency fluctuations can impact financial performance, particularly for projects with cross-border transactions or long-term contracts.	<ul style="list-style-type: none"> Implement currency hedging strategies to mitigate exchange rate risks. Maximise the use of natural currency hedging to reduce foreign exchange market (forex) exposure.

These proactive mitigation strategies ensure that Genetec remains resilient against external and operational challenges.

Forward-Looking Statement

As Genetec approaches its 30th anniversary, FY2026 is expected to see earnings normalise as logistics costs stabilise and projects are executed with greater efficiency. The Company remains optimistic that the foundations laid in FY2025 through investment, strengthening, and transformation, will translate into stronger operational performance and sustainable growth.

Demand in the e-mobility and energy storage sectors is expected to remain robust, particularly as global adoption of electric vehicles continues to accelerate and governments worldwide continue to incentivise clean transportation. Leveraging its long-standing expertise in customised automation, Genetec is positioned as a preferred partner for global manufacturers as they re-evaluate their production footprints in response to shifting global trade dynamics. Broader trends such as onshoring, and automation-driven efficiency are expected to accelerate, and Genetec is well placed to capitalise on these shifts by supporting multinational corporations in building competitive, resilient, and future-ready factories.

MANAGEMENT DISCUSSION & ANALYSIS

The battery energy storage system (BESS) segment is set to play an increasingly important role in the global energy transition, creating growth opportunities across both domestic and international markets. In Malaysia, revised electricity tariff structures have already begun to drive interest in peak demand management solutions, while internationally, the integration of renewable energy and the rapid expansion of data centres are driving new requirements for reliable storage capacity. With a proven track record in executing complex BESS projects across multiple geographies, Genetec is well positioned to capture these opportunities and strengthen its presence in this fast-evolving sector.

Diversification efforts beyond the automotive and EV space will continue to gain traction in FY2026. Encouraging developments in the E&E, consumer electronics, and medical devices segments are progressing through proposal and vendor qualification stages, offering tangible prospects for broadening the Company's addressable market. By expanding into these industries, Genetec will reduce client concentration risks while creating new engines of growth.

Guided by innovation, resilience, and a client-centric approach, Genetec is confident of building on its healthy orderbook and expanding opportunities. The Company remains committed to prudent investment, deepening long-term client partnerships, and enhancing organisational capabilities to deliver sustainable value for clients, shareholders, and stakeholders alike.

Disclaimer:

These forward-looking statements are based on management's forecasts, assumptions, and expectations at the time of writing, taking into account various factors that may affect the business. They are not guarantees of future performance, and undue reliance should not be placed on them. Such statements involve known and unknown risks and uncertainties, which may cause actual performance or financial results to differ materially from those expressed or implied. Genetec undertakes no obligation to update these statements should circumstances, estimates, or opinions change in the future, unless required by Bursa Malaysia listing requirements, by applicable securities regulations, or by law. Readers are therefore cautioned against placing undue reliance on forward-looking statements.

SUSTAINABILITY STATEMENT

About this statement

[GRI 2-1, 2-2, 2-3, 2-5]

This is Genetec Technology Berhad’s (‘Genetec’ or ‘the Company’) sustainability statement, outlining our economic, environmental, and social performance data for the period from July 2024 to June 2025 (FY2025). This statement has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, with reference to the Sustainability Reporting Guide (3rd Edition). It has also been prepared in line with voluntary disclosure frameworks, specifically the Global Reporting Initiative (GRI) Standards and the United Nations Sustainable Development Goals (SDGs).

Scope and boundaries

This report covers data on governance, greenhouse gas (GHG) emissions, electricity consumption, waste management, water usage, human resources (HR), health and safety, and material procurement for our Malaysia operations, which is our main operational base with the most significant sustainability impacts and consist of:

Entities	Scope
<ul style="list-style-type: none"> - Genetec Prime: office and assembly plant (Lot 7) - Selaman: fabrication plant (No. 59) - EPIC: office and assembly plant (Lot 6) 	Data for FY2025, with historical data where relevant.
CLT Engineering: fabrication and assembly plant (Lot 11734)	As of March 2025, Genetec has divested from CLT Engineering Berhad (see Corporate Exercise section under Management Discussion and Analysis for further details). Data up to March 2025 has been included for environmental and health and safety data. Human Resources data has been reported as of financial year-end and excludes CLT Engineering. Moving forward, CLT Engineering will no longer be included in the scope of our reporting.

The statement also does not cover our satellite offices and service locations overseas.

Internal audit

This statement has been reviewed by the Company’s internal auditor, appointed by the Company’s Audit Committee, to ensure data accuracy and disclosure compliance against Bursa Malaysia’s Sustainability Reporting Guidelines (3rd Edition). We recognise that seeking independent assurance can increase confidence in the quality, reliability, and accuracy of data and disclosures. We will consider this option for future statements in line with improved data collection and reporting.

Our approach to sustainability

[GRI 2-23, 2-24]

Genetec recognises the importance of environmental, social, and governance (ESG) considerations and our responsibility in contributing to the global sustainability agenda. We prioritise more than just financial objectives and are committed to understanding our ESG impacts while exploring opportunities to integrate these principles into our operations. To foster business growth, we also support and engage with stakeholders in our value chain.

Throughout 2023 and 2024, we completed a series of baseline activities to lay the foundation of our sustainability measures. These included:

- A materiality assessment, which identified priority focus areas and was presented in our materiality matrix.
- A sustainability road map and strategy aligned to our material topics and the three ESG pillars.
- A list of sustainability targets and key performance indicators (KPIs), which were formalised with our teams and heads of departments (HODs) and integrated into our data and report tracking systems for progress monitoring and evaluation.
- Strengthened sustainability governance, which included clearer structures and terms of reference for the company’s sustainability oversight.

SUSTAINABILITY STATEMENT

Aligning with reporting requirements

When developing our measures, we remain cognisant of mandatory and voluntary reporting standards. In addition to ensuring compliance with the Bursa sustainability reporting guidance, we use the globally recognised GRI Standards. We will consider adopting the IFRS S1 and S2 Standards for sustainability and climate-related disclosures ahead of our 2027 financial year when Genetec comes into scope in line with the National Sustainability Reporting Framework.

We aim to ensure relevant personnel remain informed of reporting requirements. In March 2025, the Genetec Sustainability Committee as well as employees from departments involved in sustainability initiatives and data collection attended a one-day training on sustainability implementation and reporting in March 2025. This was followed by a dedicated training for the Board and senior management on sustainability-related disclosure in April 2025.



Genetec included in the FTSE4Good Indexes

We are proud to announce that Genetec Technology was listed on the FTSE4Good Bursa Malaysia Index (F4GBM) and the FTSE4Good Bursa Malaysia Shariah Index (F4GBMS) effective 23 June 2025. The F4GBM Index measures the performance of publicly listed companies with good liquidity and strong ESG practices, while the F4GBMS Index tracks the F4GBM constituents that are Shariah-compliant.

Genetec believes that our inclusion in these indices reflects our positive societal contributions and ESG risk management efforts, which have been communicated through our strengthened sustainability disclosures in recent years.



FTSE4Good

FTSE Russell (the trading name of FTSE International Limited and Frank Russell Company) confirms that Genetec Technology Bhd has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to become a constituent of the FTSE4Good Index Series. Created by the global index provider FTSE Russell, the FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. The FTSE4Good indices are used by a wide variety of market participants to create and assess responsible investment funds and other products.

SUSTAINABILITY STATEMENT

Materiality

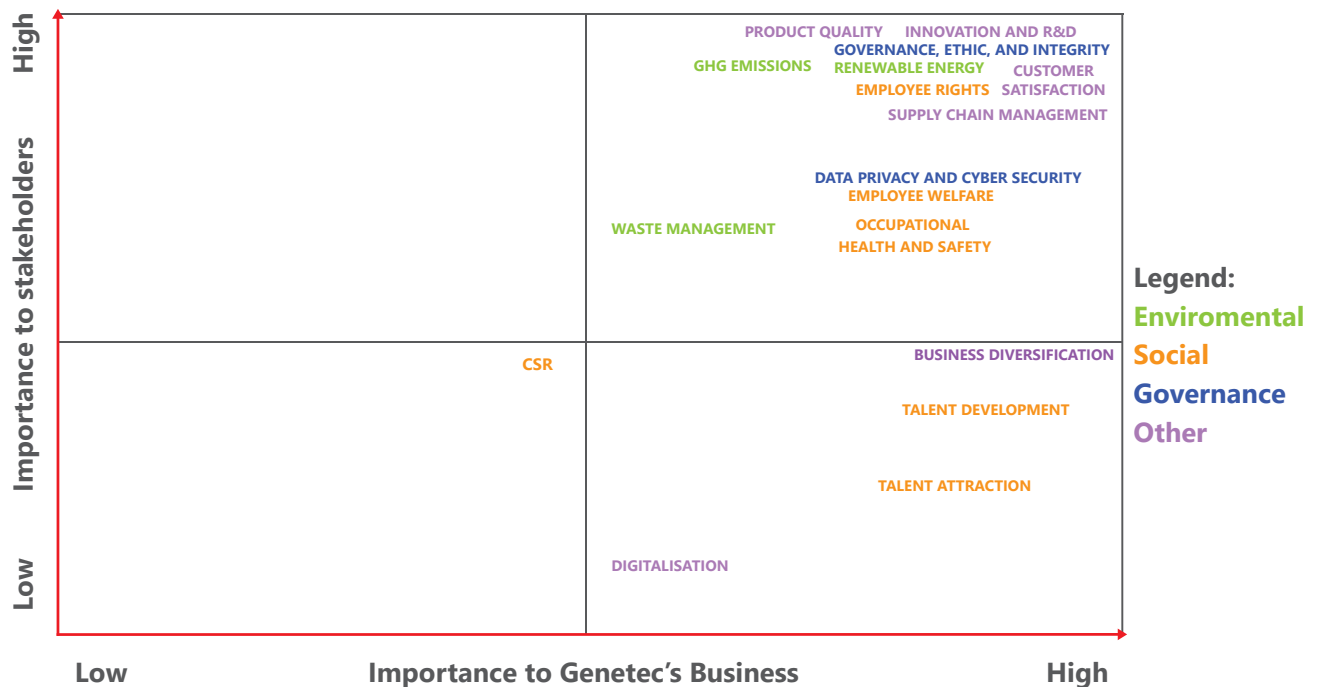
[GRI 2-12, 2-14, 3-1, 3-2]

This statement covers 17 sustainability-related topics deemed material to Genetec. These were first identified in 2023 through desktop research, based on industry benchmarking, external reporting, sustainability-related questionnaires, and reporting standards – such as the Bursa common material matters and GRI Standards – and a Genetec senior management workshop. In 2024, these topics were tested and revised following a stakeholder consultation process involving four representatives from financial institutions. Outcomes from the materiality assessment was approved by the Board in October 2024.

We have in 2025 continued to engage with external stakeholders, including conducting interviews with two stakeholders for this statement (See “Stakeholder engagement” for details). There have been no changes to our material topics since the publication of our 2024 report. We will consider reviewing our material matters for our FY2026 statement and explore integration of financial-related sustainability disclosure to align with the IFRS S1 Standards.

For a comprehensive overview of the materiality process, refer to the Materiality section of our 2024 Annual Report.

Materiality matrix



SUSTAINABILITY STATEMENT






Material topic definitions

Material topic	Definition
Business diversification	Exploring business diversification and expansion plans to meet new and growing market demands
CSR	Implementing corporate social responsibility (CSR) programmes and community initiatives
Customer satisfaction	Providing excellent product quality and service to guarantee customer satisfaction
Data privacy and cybersecurity	Protecting sensitive and confidential data, including customer, employee, and intellectual property information; using multi-tiered security to prevent cyberattacks, security breaches, leakage, or misuse; meeting data protection regulatory requirements
Digitalisation	Adopting and integrating digital technologies to transform business and production processes, enhancing operational efficiency, and reducing paper usage
Employee rights	Upholding labour and human rights in line with statutory requirements for employees and contractors; advancing fair and equal opportunities for all employees
Employee welfare	Promoting employee welfare and well-being by providing a balanced and supportive work environment with attractive facilities and benefits
GHG emissions	Understanding our carbon footprint and exploring reduction measures
Governance, ethics, and integrity	Implementing good corporate governance and business conduct throughout our operations; upholding high standards of anti-corruption, ethics, integrity, and accountability
Innovation and R&D	Pioneering innovation and research and development (R&D) to introduce new products to market; meeting customer demand for highly customisable products and designs
Occupational health and safety	Prioritising the health and safety of employees and contractors; minimising the risk of workplace accidents through safety measures and training
Product quality	Ensuring that product quality meets customer expectations through rigorous quality control measures while regularly reviewing customer feedback for continuous improvement
Renewable energy	Bringing renewable energy solutions to market; increasing renewable energy use at Genetec operations
Supply chain management	Securing a stable supply of raw materials from suppliers at optimum cost; understanding product origins to mitigate supply chain sustainability risks
Talent attraction	Increasing human capital by sourcing and attracting qualified and skilled talent (including employees and contractors) to support company growth
Talent development	Nurturing a highly skilled workforce by offering employees opportunities for talent development, such as training and upskilling, while retaining talent and minimising turnover
Waste management	Managing and responsibly disposing of production waste

SUSTAINABILITY STATEMENT

Supporting the United Nations Sustainable Development Goals

Genetec remains attentive to global sustainability issues and recognises the vital role businesses play in advancing the United Nations Sustainable Development Goals (UN SDGs). We have aligned our material topics with five of the 17 SDGs that are most relevant to our sustainability efforts. Going forward, we will identify specific areas and initiatives that enable us to directly or indirectly contribute to these SDGs and their targets.

SDG Goal	Material topic and objective
 SDG 7: AFFORDABLE AND CLEAN ENERGY	Renewable energy
 SDG 8: DECENT WORK AND ECONOMIC GROWTH	Employee rights Employee welfare Occupational health and safety
 SDG 9: INDUSTRY, INNOVATION, AND INFRASTRUCTURE	Business diversification Innovation and R&D Product quality Customer satisfaction Data privacy and cybersecurity
 SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION	Waste management Digitalisation Supply chain management
 SDG 13: CLIMATE ACTION	GHG emissions

Targets and progress

This section outlines our progress against our sustainability targets that guide our initiatives. These targets are also reviewed and improved on as we learn from our implementation year-on-year.

Corresponding material topic	Target	Target year	FY2025 progress
Governance			
Governance, ethics, and integrity	Target revised¹: Communicate our Code of Conduct, Code of Ethics, and Anti-Bribery and Corruption (ABC) Policy to all employees	YoY	Achieved: Communicated our Code of Conduct, Code of Ethics, and ABC Policy through our Sustainability Day training event; circulated policies to all employees with email access; made all policies available on our internal portal
Governance, ethics, and integrity	Ensure at least 30% of Board members are women	YoY	Achieved

¹ Target revised from '100%' to 'all' employees as we currently do not have a mechanism for tracking the percentage of employees who have received communications. Instead, our communication efforts are focused on ensuring all employee have access to the relevant policies.

SUSTAINABILITY STATEMENT

Corresponding material topic	Target	Target year	FY2025 progress
Governance (continued)			
Data privacy and cybersecurity	Train 100% of employees on IT and cybersecurity	YoY	<p>Actions taken: Delivered IT and cybersecurity training at our Sustainability Day event; Distributed IT and cybersecurity best practice materials, including phishing awareness, password security, and data protection guidelines, via company-wide email to all employees with email access, ensuring 100% coverage of the workforce</p> <p>Target revised for FY2026 onwards: Conduct IT and cybersecurity awareness training for all employees with company computer access during the reporting year</p>
Environment			
GHG emissions	New: Complete Phase 3 of solar photovoltaics (PV) panel installation at EPIC, to bring a total of 954.58kWp of solar energy generation capacity	Q2 2026	On track: Currently operating a rooftop solar system with a capacity of 432 kWp. Construction of Phase 3 is underway
	New: Complete BESS integration with solar PV system to optimise EPIC energy consumption.	Q4 2025	On track
	Develop Scope 3 inventory	2025	Achieved for two of the 15 Scope 3 categories: employee commuting to work and business travel since FP2024. We will review other priority categories in future reporting
	Target revised²: Transition to IFRS S1 and S2 standards in line with NSRF ³	FY2026	To conduct IFRS readiness assessment in FY2026
Waste management	Recycle 100% of all non-hazardous waste generated (excluding domestic waste)	YoY	Achieved
Social			
CSR	Target revised: Annually determine CSR budget allocations based on the priority groups identified for each year	Annually	Achieved for FY2025
Occupational health and safety	Achieve zero work-related fatalities	YoY	Achieved

² Target revised from 'Complete comprehensive TCFD assessment by 2024/2025'.

³ National Sustainability Reporting Framework (NSRF)

SUSTAINABILITY STATEMENT

Corresponding material topic	Target	Target year	FY2025 progress
Social (continued)			
Talent attraction	Maintain a low turnover rate of below 10%	YoY	Achieved: Turnover rate was 5.6%
Talent development	<p>Target revised⁴: Conduct sustainability training for all employees</p> <p>Ensure all relevant employees are informed, per their job responsibilities, our sustainability roadmap and objectives</p>	YoY	Achieved: Provided sustainability training at our Sustainability Day event; conducted a one-day training session for relevant employees with sustainability job functions; circulated information on sustainability-related targets, policies and programmes to employees via email
Other			
Product quality/ Customer satisfaction	Measure and maintain customer satisfaction rates of above 80% each year	YoY	Achieved a customer satisfaction score of above 95%
Supply chain management	Integrate ESG requirements into supplier/ vendor contracts and assess suppliers against ESG requirements	2025	Progress made: ESG requirements have been integrated into the Supplier Code of Conduct. This has been communicated to all new suppliers and will be implemented for all existing suppliers. We are also designing a supplier ESG assessment questionnaire for roll-out by the end of 2025

YoY: Year-on-year

Responsible business and good governance

[GRI 2-9, 2-11, 2-12, 2-13, 2-14, 2-16, 2-17, 3-3]

Genetec strongly emphasises the importance of maintaining high corporate governance standards throughout our operations to ensure that the company is managed in the best interests of all our stakeholders. Our Code of Conduct applies to directors and all employees, fostering integrity, accountability, and honesty in all our business dealings.

Genetec is led by a Board of Directors, which is collectively responsible for overseeing the company’s policies and decision making, operational performance, and strategic direction, including sustainability matters identified from the materiality assessment and the company’s sustainability initiatives. The Board comprises six members, with the Chairman being a United States citizen and the remaining five members being Malaysian. Among the members, four are independent, five are over 50 years old, and two are women.

The Board has established several committees to oversee various aspects of the company, including audit, nomination, remuneration, risk management, sustainability, and long-term incentive plans (LTIP). Board charter, together with the terms of reference, and other policies are available on our website.

⁴ Target revised from ‘100%’ to ‘all’ employees as we currently do not have a mechanism for tracking percentage of employees that have received training. However, we implement training for all employees.

SUSTAINABILITY STATEMENT

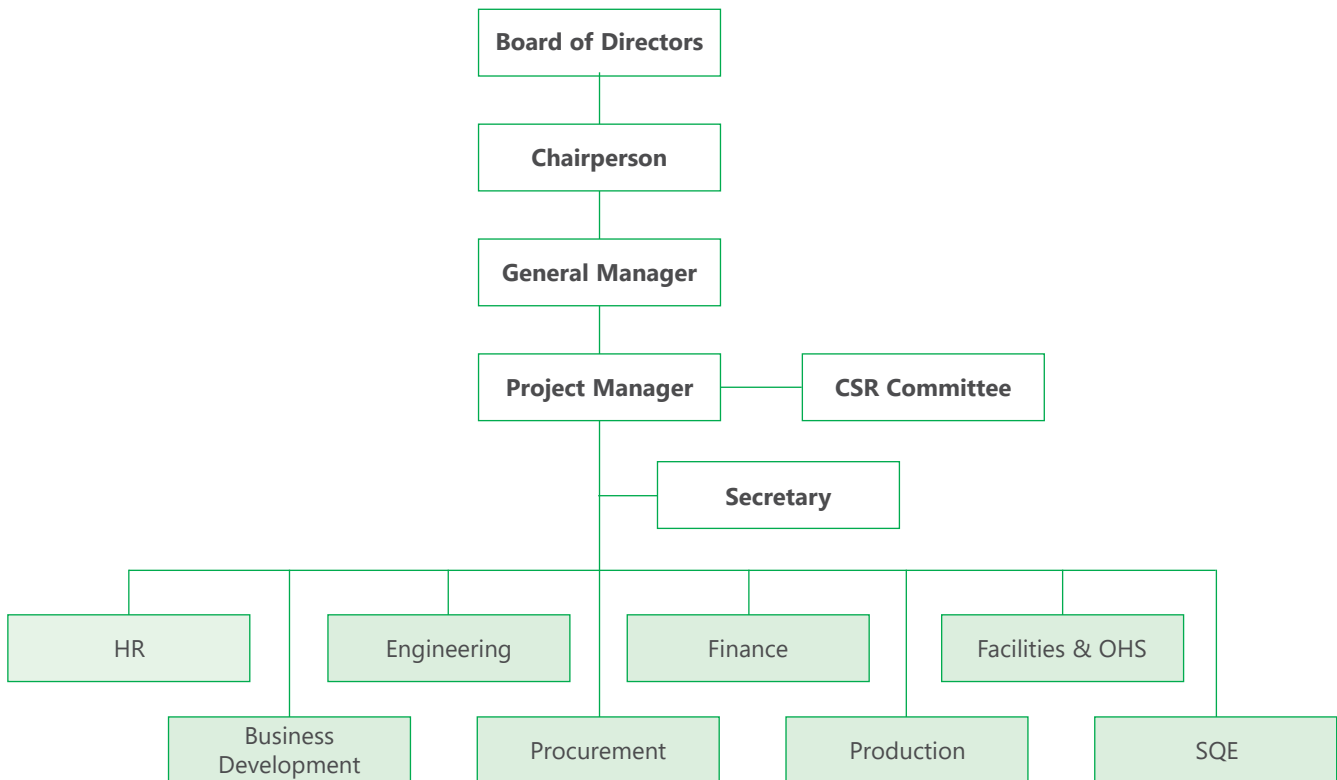
Sustainability governance

Sustainability policies, practices, and day-to-day implementation are overseen and carried out by a dedicated Sustainability Committee, comprising managers and representatives from various departments within the company. The Committee is chaired by Mr Sow Ewe Lee, our Deputy Chief Executive Officer, who also reports to the Board. The Committee meets at least twice a year and comprises at least five members whom the Chairman appoints for a two-year term. Additionally, a dedicated Corporate Social Responsibility (CSR) committee supervises Genetec's community engagement initiatives.

The Sustainability Committee was formally established in June 2024. Its inaugural meeting took place in January 2025, where members discussed targets, policies, initiatives, critical concerns, and preparations for the sustainability statement. A second meeting was held in June 2025.

All Genetec's sustainability governance roles and responsibilities are outlined in our Terms of Reference for Sustainability Governance. This was approved by the Board in October 2024. The Board also approved integrating sustainability-related performance indicators into the performance evaluations of both the Board and senior management for FY2025. All Board members have attended sustainability training held in April 2025.

Sustainability organisation chart



Note: This has been updated as of end-FY2025 to exclude CLT Engineering after its divestment, and to reflect the inclusion of two other existing departments (Engineering and Business Development).

SUSTAINABILITY STATEMENT

Revised risk management framework

Genetec’s dedicated Risk Management Committee (RMC) oversees our risk management. In May 2025, we launched a revised Risk Management Framework outlining the Group’s risk management policy, structures, and the RMC Terms of Reference. In particular, two new elements were incorporated in the revised framework to strengthen compliance and governance — anti-bribery and corruption compliance and sustainability-related risks and opportunities. These updates will assist in our eventual adoption of the IFRS S1 and S2 Standards. We also undertake periodic risk assessments and risk mitigation measures to support our business strategy, planning, and operations.

For an overview of risk management, please refer to the Statement on Risk Management and Internal Control in our 2025 Annual Report.

Risk management at Genetec

The following table summarises the risks identified in our 2025 risk assessment, along with our strategies to manage them:

Risk identified	Description	Risk management strategy
Geopolitical trade policy risks	Changes in international trade policies and tariffs, can cause uncertainty and increase costs associated with cross-border transactions. Depending on the agreed delivery terms, the company may be exposed to additional import duties and associated charges.	<ul style="list-style-type: none"> Engage with clients to review contractual terms and agree on a fair allocation of import-related costs. Adopt delivery terms that clearly assign responsibility for customs duties to the customer.
New scope of work beyond core expertise	Scope of work outside of core technical skills can result in execution inefficiencies and increased costs.	<ul style="list-style-type: none"> Engage qualified and experienced external consultants and contractors for specialised work. Conduct comprehensive scope reviews and technical clarifications during the proposal phase. Exclude non-core scopes unless supported by validated internal or third-party capabilities.
Competition in the global market	The entry of lower-cost players into the market has heightened competition.	<ul style="list-style-type: none"> Diversification by engaging with new clients and exploring new markets with higher margins and greater growth potential. Form strategic partnerships with suppliers to strengthen cost competitiveness and market presence. Strengthen value proposition with customised solutions, flexibility, and robust after-sales support. Implement various internal cost optimisation measures.
Foreign exchange volatility	Currency fluctuations can impact financial performance, particularly for projects with cross-border transactions or long-term contracts.	<ul style="list-style-type: none"> Implement currency hedging strategies to mitigate exchange rate risks. Maximise the use of natural currency hedging to reduce foreign exchange market (forex) exposure.

SUSTAINABILITY STATEMENT

Ethics and integrity

[GRI 2-23, 2-24, 2-26, 2-27, 3-3, 205-1, 205-2, 205-3]

Genetec is committed to maintaining the highest standards of ethical and professional conduct, in accordance with all applicable regulations and certifications. All directors and employees are expected to act with integrity and promote a business environment that is free from bribery and corruption, as specified in our Code of Conduct, Code of Ethics, and Anti-Bribery and Corruption Policy. These policies are communicated during employee onboarding and remain accessible to staff, stakeholders, and the public on our website. In FY2025, we reinforced awareness of these policies through a dedicated briefing held during our Sustainability Day event (see more in First Sustainability Day 2025 section). To further ensure continued access, the policies were uploaded to our internal employee portal, which is commonly used for leave requests and payroll. We also send annual email reminders to employees with email access and post our policies on bulletin boards across our operations for ground staff.

As part of our risk management approach, we assess 100% of our operations each year for corruption risks. In FY2025, no incidents of corruption were reported. Moving forward, we plan to develop a corruption risk assessment framework and re-evaluate our risk identification protocols to extend beyond typical business threats to also include other ESG risks. Additionally, we plan to introduce structured training modules on anti-corruption to further strengthen employee awareness. Anti-bribery and corruption training for our Board of Directors and senior management is scheduled for Q4 2025, followed by training for other employees.

Our Whistleblowing Policy is communicated to employees through our employee handbook and induction programmes. It is also publicly available to stakeholders, including suppliers and the general public, via our website. Employees can report any cases of misconduct or policy violations by telephone, email, post, or directly to their line manager, the Head of Human Resources, or the Chair of the Audit Committee. All reports are thoroughly reviewed by the Audit Committee, with strict protocols in place to maintain confidentiality and protect the identity of the whistleblower. To date, no grievances or complaints have been reported.

Stakeholder engagement

[GRI 2-29]

Genetec aims to foster long-term partnerships with our stakeholders through open and ongoing dialogue. We gather stakeholder responses through several channels, including meetings, interviews, focus group discussions, surveys, and feedback programmes. These interactions help us address any concerns and gain a deeper understanding of their needs and expectations.

Stakeholder engagement overview

Stakeholder group	Key engagements	Engagement method	Frequency
Communities	CSR programmes and community initiatives	Community projects Donations and sponsorships	As and when required
Customers	Delivery of products and services, after-sales support, customer satisfaction, customer complaints, product quality and safety, codes of conduct, and NDAs	Surveys and feedback forms One-on-one meetings Online meetings Emails Media and website announcements	Annually As and when required
Employees	Policies, practices, employee rights, benefits, diversity and equal opportunities, career development	Appraisals and performance reviews Staff meetings Training sessions	Annually As and when required

SUSTAINABILITY STATEMENT

Stakeholder group	Key engagements	Engagement method	Frequency
Financial institutions and investors	Corporate and financial information, per our Corporate Disclosure Policy	Direct engagement Corporate website Investor Relations page Investor briefings (financials and corporate exercises) Investor/analyst site visits <u>Bursa News Company announcements</u> Annual reports Annual general meetings	Annually Quarterly As and when required
Government/regulators	Corporate development, business activities, financial performance, annual reports, and compliance with legislation	Media and website announcements Direct engagements and meetings Emails Annual reports <u>Bursa News Company announcements</u>	Annually Quarterly As and when required
Media	Major corporate exercises, financial performance, and branding	Direct engagement Analyst briefings Press releases	As and when required
Shareholders	Corporate and financial information, per our Corporate Disclosure Policy	Media and website announcements Quarterly results Annual reports Annual general meetings	Annually Quarterly As and when required
Suppliers and business partners	Codes of conduct and NDAs, product quality evaluation, meetings to discuss product requirements and/or project execution matters	Quality audits and evaluation One-on-one meetings Direct engagements and meetings Online meetings Emails	Biennially As and when required

Transparency and reporting

Genetec is dedicated to transparent communication with our stakeholders, including shareholders and customers. In accordance with Bursa Malaysia’s listing requirements, we publish comprehensive details on our financial performance, corporate governance, and sustainability efforts through our annual reports and statements, which are publicly accessible on our website. We also engage with investors by responding to their enquiries and assisting customers in meeting their own reporting obligations.

When developing our sustainability reports, we reference international frameworks, standards, and best practices, such as the Global Reporting Initiative (GRI) Standards. Although we initially planned to complete a comprehensive Taskforce on Climate-related Financial Disclosures (TCFD) assessment in 2025, we will instead focus on reviewing our disclosures based on the prevailing International Financial Reporting Standards (IFRS) S1 and S2 Sustainability Disclosure Standards requirements, which will come into effect for Genetec for FY2027 reporting. We will begin with a readiness assessment for the implementation of IFRS next year.

Since October 2025, our website has been updated to feature sustainability content and to enhance access to investor relations materials.

Internally, we have ramped up sustainability-related communication to all employees. In addition to training, we have circulated information on Genetec’s sustainability targets, policies and initiatives. This includes our Sustainability Committee organisational chart, governance policies, health and safety information, and our recycling initiatives to all employees via email.

SUSTAINABILITY STATEMENT

Data security

[GRI 2-23, 2-24, 3-3, 418-1]

Genetec prioritises data privacy and security by adopting measures to safeguard intellectual property and sensitive information, such as customised product designs and technical documentation. Where necessary, we formalise confidentiality through non-disclosure agreements with customers and suppliers. Our data protection practices comply with the 2010 Personal Data Protection Act and are supported by a robust cybersecurity framework designed to prevent breaches, misuse, and unauthorised third-party access.

All employees must comply with our Information Security Policy, which outlines our commitments to maintaining comprehensive protection and clear accountability for Genetec's information assets and resources. The policy is shared with all employees via email and can be accessed through our internal portal. To enhance cybersecurity awareness, our Information Technology (IT) department provides regular updates and practical tips on topics such as avoiding phishing scams and maintaining secure passwords. As part of our protocol, all employees are required to update their passwords every three months. In FY2025, we also conducted IT and cybersecurity training as part of our Sustainability Day event (see more in First Sustainability Day 2025 section). We have also distributed IT and cybersecurity best practice materials – including phishing awareness, password security, and data protection guidelines – via company-wide email to all employees with computer access, ensuring 100% coverage of the relevant workforce. Moving forward, we will prioritise training employees in high-risk departments.

There were no reported incidents of customer privacy breaches or data losses during the reporting year.

Environmental management

[GRI 2-27, 3-3]

Genetec is committed to upholding environmental responsibility throughout all of our operations. Guided by our ISO 14001:2015-certified Environmental Management System (EMS), we comply with all relevant laws and regulations established by the Department of Environment. We continue to actively explore ways to optimise energy and water consumption efficiencies and enhance our waste management practices.

In addition to reducing our operational footprint, we are contributing to the global green energy transition through our products and services. Since 2014, we have supplied production lines and automation solutions to the global electric vehicle (EV) and energy storage markets. We have also broadened our offerings to include battery energy storage systems (BESS) for both local and international markets.

Emissions

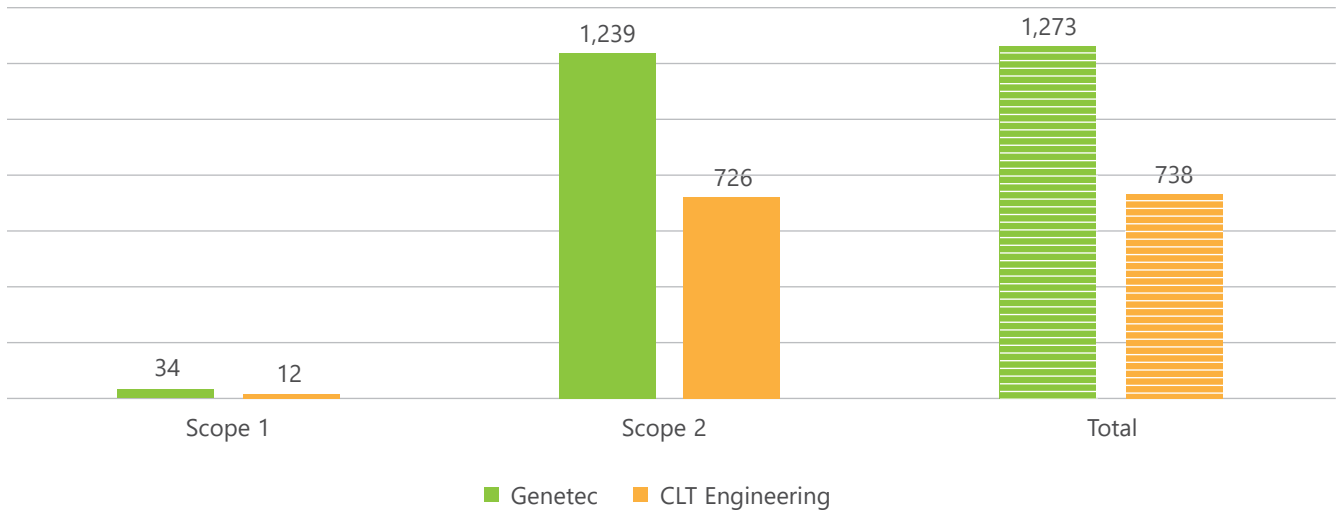
[GRI 3-3, 305-1, 305-2, 305-3, 305-4]

We acknowledge the vital role businesses play in reducing carbon emissions to combat climate change. To support this, we track and measure our greenhouse gas (GHG) emissions across our operations. We follow the widely used GHG Protocol and established our carbon baseline assessment in August 2023.

In FY2025, our combined Scope 1 and 2 GHG emissions totalled 2,011 tonnes of carbon dioxide equivalent (tCO₂e). Scope 2 emissions is the dominant contributor for our Group emissions, accounting for 97.7%, while Scope 1 made up the remaining 2.3%. A significant portion of these emissions (63.3%) originated from our operations in Bandar Baru Bangi, with a smaller proportion (36.7%) from CLT Engineering. Moving forward, our emissions reporting will exclude CLT Engineering given the divestment in March 2025.

SUSTAINABILITY STATEMENT

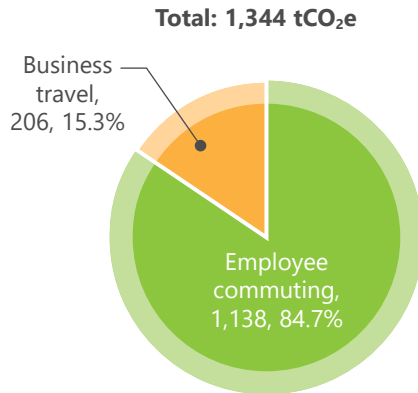
Scope 1 and Scope 2 emissions by subsidiary FY2025 (tCO₂e)



Note: CLT Engineering data is up to March 2025.

We began tracking Scope 3 emissions in FP2024 in accordance with Bursa Malaysia’s guidelines for business travel and employee commuting. Our total Scope 3 emissions for FY2025 were 1,344 tCO₂e, with 84.7% attributable to employee commuting and 15.3% to business travel.

Group Scope 3 emissions by category FY2025 (tCO₂e, %)



Note: Inclusive of CLT Engineering data up to March 2025.

To help lower these emissions, we encourage the use of EVs through various stimulus schemes, including financial incentives for EV purchases and offering complimentary EV charging facilities at our offices and factories. Although travel is sometimes necessary because of Genetec’s operational needs, we aim to minimise it by carefully planning and optimising our business visits.

Looking ahead, we will focus on identifying and prioritising other Scope 3 categories that are material to Genetec. We will provide more information in future reporting.

SUSTAINABILITY STATEMENT

Energy management

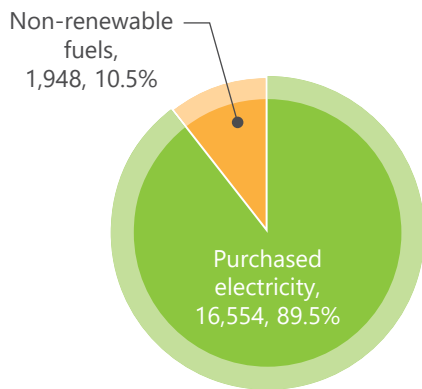
[GRI 3-3, 302-1, 302-3, 302-4, 305-5]

At our operations

We monitor our energy consumption to identify usage patterns and improve efficiency throughout our operations. Grid electricity is Genetec's primary energy source, accounting for 82.9% of total usage. During FY2025 we have completed the installation of solar panels (see the section on [Solar PV at EPIC](#)). This means renewable energy now accounts for 8.8% of the total energy mix. The remaining 8.3% of energy sources come from diesel and petrol used for on-site vehicles.

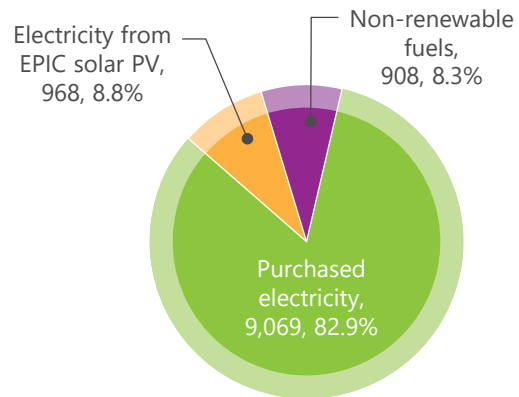
Energy consumption by sources FP2024*
(GJ, %)

Total: 18,502 GJ



Energy consumption by sources FY2025
(GJ, %)

Total: 10,946 GJ



Notes:

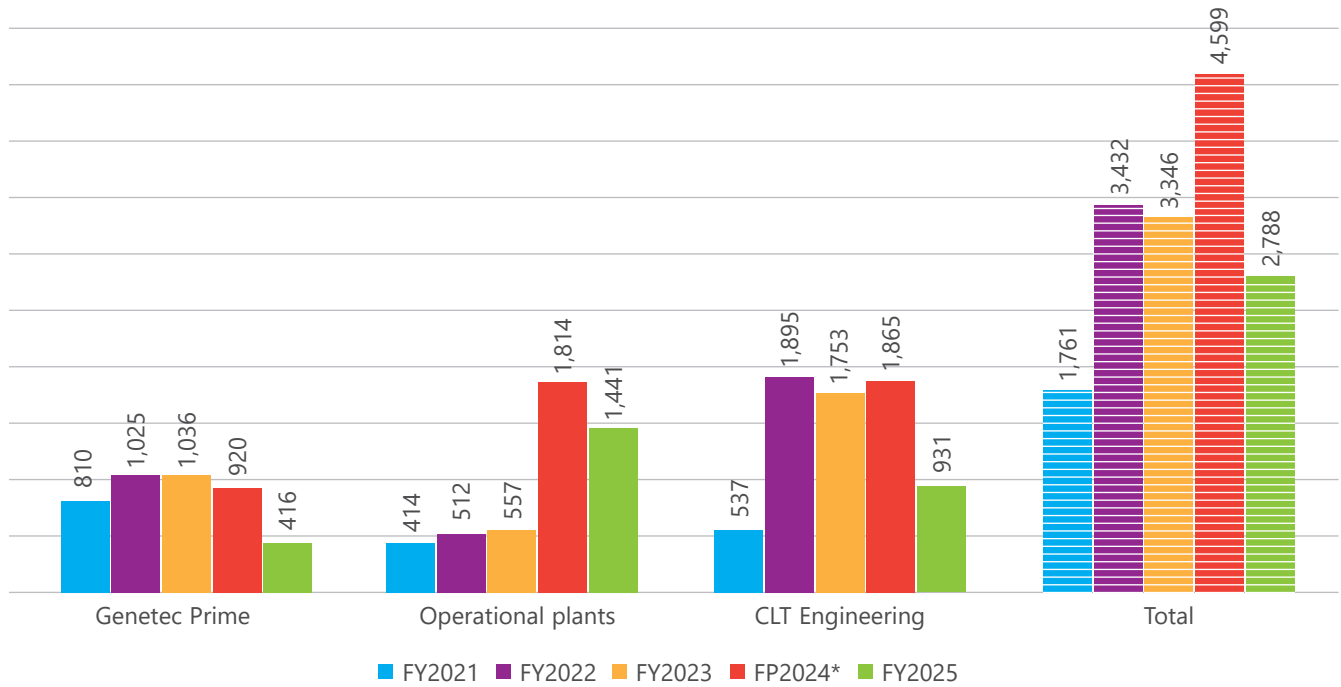
- *FP2024 denotes a 15-month period from 1 April 2023 to 30 June 2024 to reflect the adjustment to Genetec's financial year-end.
- Inclusive of data from CLT Engineering up to March 2025.

In FY2025, our total electricity consumption was 2,788 megawatt hours (MWh). Since 2023, electricity consumption at our operational plants have been range-bound and correspond to our production volumes and manufacturing activities. Operational plants electricity consumption increased over that same period as the majority of our staff have moved from Genetec Prime to the EPIC plant over a phased approach and explains the reduction in consumption by 54.7% at Genetec Prime since FP2024.

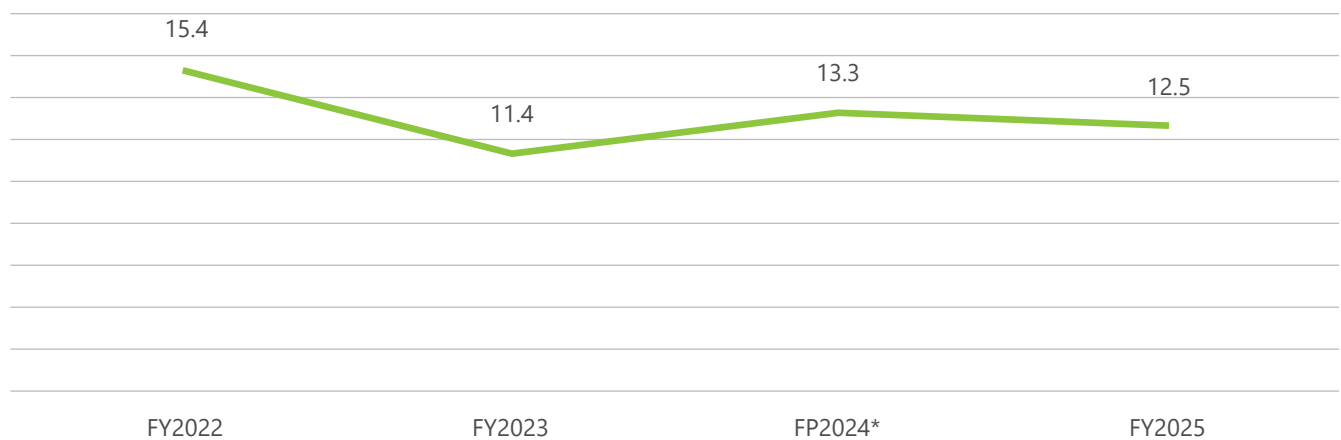
Our electricity intensity for the reporting year was 12.5 kWh/revenue (RM '000), a 5.5% improvement from FP2024.

SUSTAINABILITY STATEMENT

Electricity consumption FY2021-FY2025 (MWh)



Electricity consumption intensity (kWh/revenue (RM'000))



Notes:

1. *FP2024 denotes a 15-month period from 1 April 2023 to 30 June 2024 to reflect the adjustment to Genetec's financial year-end.
2. CLT Engineering data is up to March 2025.

SUSTAINABILITY STATEMENT

To reduce our environmental footprint and operational expenses, we have implemented various energy efficiency measures, such as controlling indoor temperatures and using timers to regulate air conditioning in our offices and factories. We continue to explore further opportunities to optimise our energy consumption and increase the use of renewable energy.

Solar PV at EPIC

At our EPIC plant, we have installed a state-of-the-art solar energy system that includes photovoltaic panels with a 432-kilowatt peak (kWp) capacity. We are currently installing an additional 522 kWp of rooftop solar capacity (Phase 3) to our existing 432 kWp system, with completion expected in Q1 2026. This will increase our total installed capacity to nearly 1 megawatt peak (MWp). The 954 kWp solar system once completed, is expected to generate up to 1,189,000 kWh of energy annually, potentially reducing emissions by an estimated 920 tCO₂e per year and savings of over RM354,000 in annual energy cost.

In December 2024, we have also equipped our on-site EV chargers with BESS and an energy management system to support our internal EV charging infrastructure. Full integration with multiple BESS units is planned for Q4 2025.

These initiatives reduce our dependence on grid electricity and decrease our carbon footprint.



Bringing renewable energy storage solutions to market

Beyond our own operations, we offer a highly scalable and customised energy storage solutions for our customers. Launched in 2023, BESS addresses challenges in renewable energy deployment and enhances intermittent solar power through improved grid stability, energy reliability, and essential stabilisation functions. It is a system that enables commercial and industrial users to implement peak shaving, load shifting, and store surplus renewable energy for future use, thereby improving energy efficiency and reducing costs.

SUSTAINABILITY STATEMENT

To date, we have expanded BESS deployment in Malaysia and internationally, with completed and ongoing projects in Malaysia, the Middle East and the United States. These initiatives reflect our commitment to advancing renewable energy infrastructure and align with both national and global objectives to achieve net-zero carbon emissions by 2050.

Malaysia’s first MyHijau-certified BESS

In July 2024, our BESS received the MyHijau certification, making it the first BESS in Malaysia to achieve this recognition. The MyHijau mark allows our clients to take advantage of green technology tax incentives offered by the Malaysian government, including the Green Investment Tax Allowance (GITA).

Waste management

[GRI 3-3, 306-1, 306-2, 306-3, 306-4, 306-5]

Genetec’s manufacturing operations generate two types of waste: hazardous (scheduled) and non-hazardous (non-scheduled or general). Hazardous waste, such as soiled rags and gloves, spent hydraulic and mineral oils from heavy machinery operations, is safely disposed of by a licensed service provider. Non-hazardous waste includes scraps and off-cuts of virgin metals and plastics which are 100% recycled. The remaining non-hazardous waste is domestic waste which is non-recyclable and handled by a licensed waste collector. All waste is collected, sorted, and temporarily stored in designated areas on site before being recycled or disposed of in a responsible manner, in accordance with local regulations.

In FY2025, we generated a total of 56,348 kilograms (kg) of non-hazardous and hazardous waste:

Non-hazardous waste disposed of/recycled FY2025 (kg)

Non-hazardous waste		Disposed/recycled (kg)
Non-recyclables (disposed of)	Domestic waste	10,650
	Scrap metals	32,843
Recyclables (recycled)	Scrap plastic	161
	Total recyclables	33,004
Total non-hazardous waste		43,654

Notes:

1. Scrap metals include aluminium, brass, copper, iron, and stainless steel.
2. CLT Engineering data is up to March 2025.

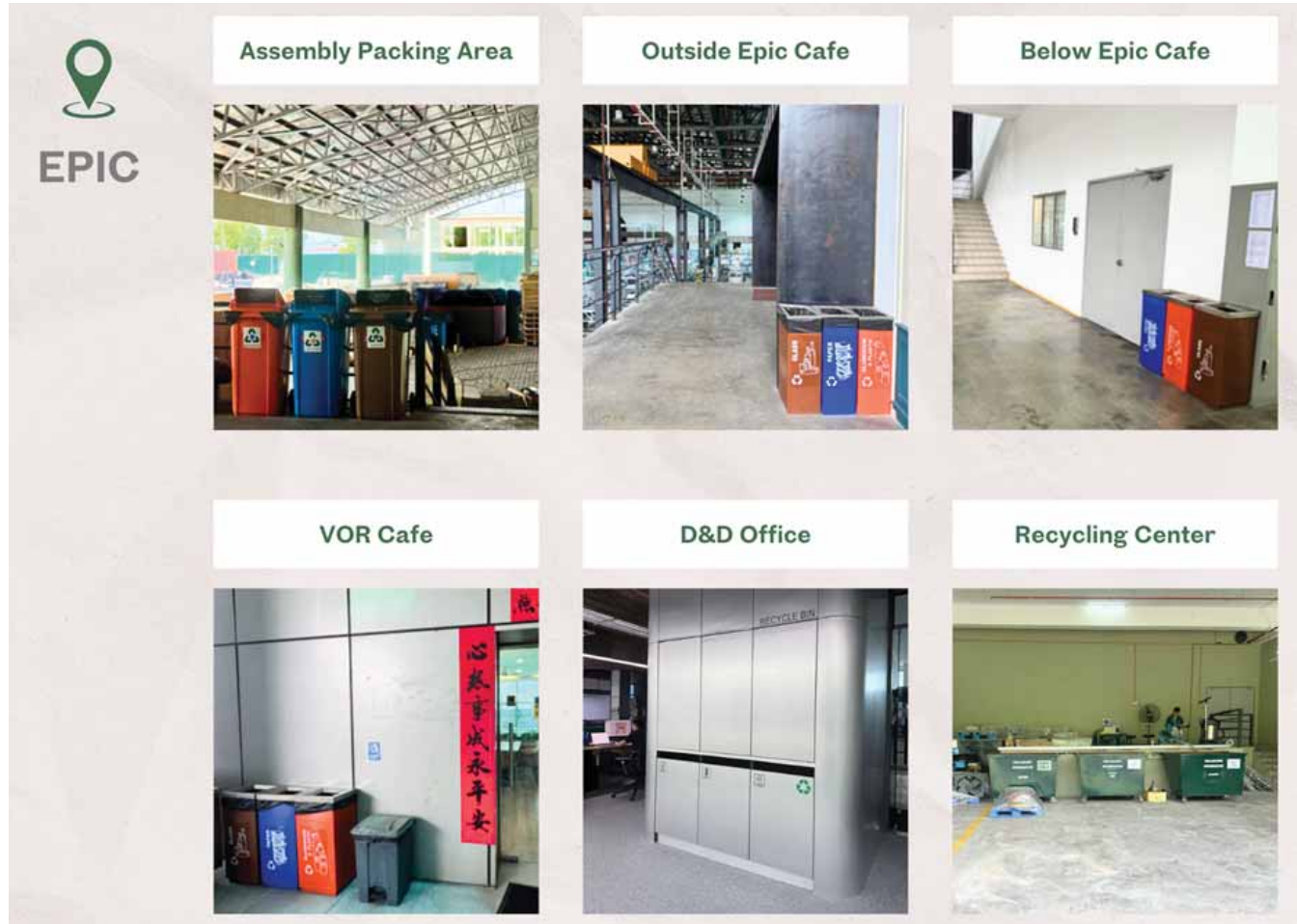
Hazardous waste disposed of FY2025 (kg)

Hazardous waste	Disposed (kg)
Rags and gloves	1,278
Disposable containers	194
Spent mineral oil	10,722
Spent hydraulic oil	500
Total hazardous waste	12,694

Note: CLT Engineering data is up to March 2025.

SUSTAINABILITY STATEMENT

In FY2025, we strengthened our internal waste management efforts by promoting recycling across the company. Recycling stations were installed in key strategic areas such as common offices, the Genetec café and assembly areas to make recycling more accessible for all employees. We complemented this with regular e-mail awareness messages and reminders to help employees better understand the importance of recycling and their role in reducing waste.



In addition, we are increasing the adoption of digital solutions across our business and production processes to streamline workflows and reduce paper use. We also encourage waste reduction beyond our facilities by offering retooling and retrofitting services through our after-sales support, thereby helping customers extend the lifespan of their equipment. Furthermore, we collaborate with our battery suppliers to recycle used batteries from our BESS products when the need arises.

Water management

Our manufacturing processes use very little water, with the majority of consumption taking place in our office spaces and toilet facilities. In FY2025, our total water consumption was 12,284 cubic metres (m³).

SUSTAINABILITY STATEMENT

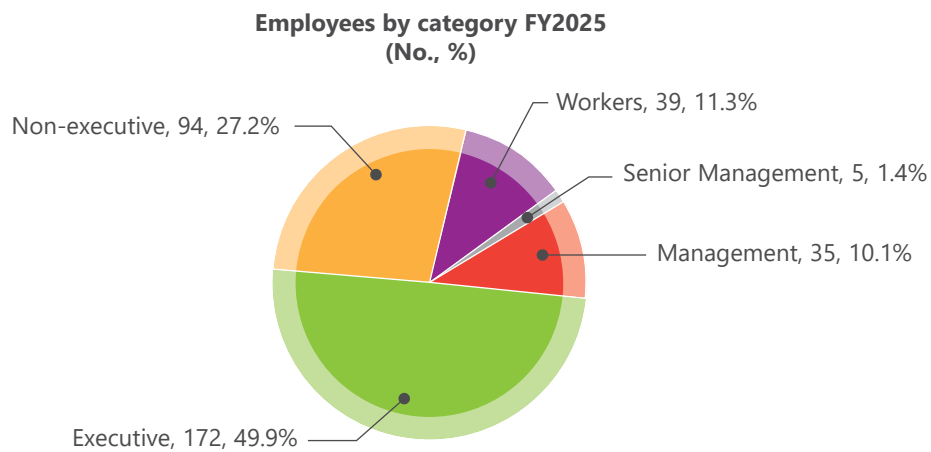
Our workforce

At Genetec, we acknowledge that our employees are key to maintaining our competitive edge. We are committed to upholding their rights, complying with all legal requirements related to employment, pay, and welfare, and providing targeted initiatives for their development and well-being, while upholding rigorous health and safety standards.

Employee overview

[GRI 2-7, 2-8]

As of the end of FY2025, our workforce comprises 345 permanent, full-time employees based across three plants in Bandar Baru Bangi. All our employees are Malaysian citizens. Genetec does not hire temporary employees.



Note: Data is as at the end of FY2025 and excludes CLT Engineering.

In addition to handling operations in Malaysia, some local employees are occasionally assigned to customers’ factories located overseas to provide support with on-site installation, testing and commissioning, as well as after-sales services. These secondments typically last from one to six months and are rotated as per visa regulations and project needs.

Wages, working conditions, and employee welfare

[GRI 3-3, 202-1, 401-2, 401-3, 403-3, 403-6]

Genetec ensures fair compensation for all employees, strictly in accordance with Malaysian labour laws, and guarantees at least minimum wage for entry-level positions. We also maintain a standard five-day work week for everyone, offering overtime pay for any additional hours worked. All employees receive equal conditions and benefits, regardless of their position or location.

Employee benefits offered comply with the Employment Act 1955. These include contributions to the Employee Provident Fund (EPF), Social Security Organization (SOCSO), medical insurance (covering dental care, hospitalisation, surgery, and personal accident), travel insurance and allowances, share option schemes, and several types of leave, including annual, medical, sickness, compassionate, and parental. Genetec employees are also eligible for a corporate discount on health screening packages at our panel hospital, a benefit that is extended to their immediate family members. In FY2025, 18 men and two women took parental leave, all of whom returned to work and are still employed as of financial year-end.

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To further enhance employee well-being and satisfaction, we offer the following:



We also facilitate compassionate donations and regularly coordinate fundraising efforts to support our employees during challenging times, particularly those facing personal hardships such as bereavement or health issues. In FY2025, we raised a total of RM20,600 to contribute to the medical treatment of a former Genetec employee.

Foreign workers at CLT⁵

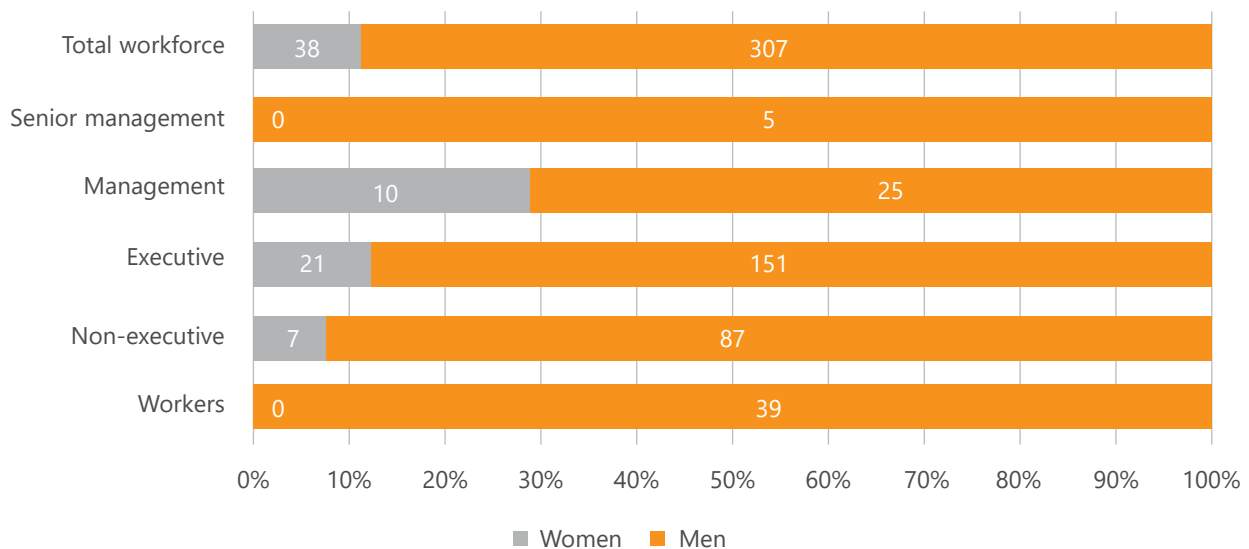
All foreign workers directly employed by CLT Engineering work a standard five-day week and are paid overtime for any additional hours. These workers are offered free lodging in double-storey houses (including utilities) located within cycling distance of our operations. All housing complies with the relevant regulatory requirements. To ensure production demands are met, CLT Engineering periodically hires contract workers through a third-party agency licensed by the Department of Labour (*Jabatan Tenaga Kerja [JTK]*). As of March 2025, 28 foreign workers were outsourced.

Workforce diversity

[GRI 3-3, 405-1, 406-1]

Genetec employs a diverse workforce and does not discriminate based on gender, race, religion, or disability. Out of our total workforce, 38 employees (11.0%) are women. We recognise the historically low representation of women in Malaysia's engineering sector and are continuing to actively explore strategies to improve our workforce diversity.

Workforce category by gender FY2025 (No.)

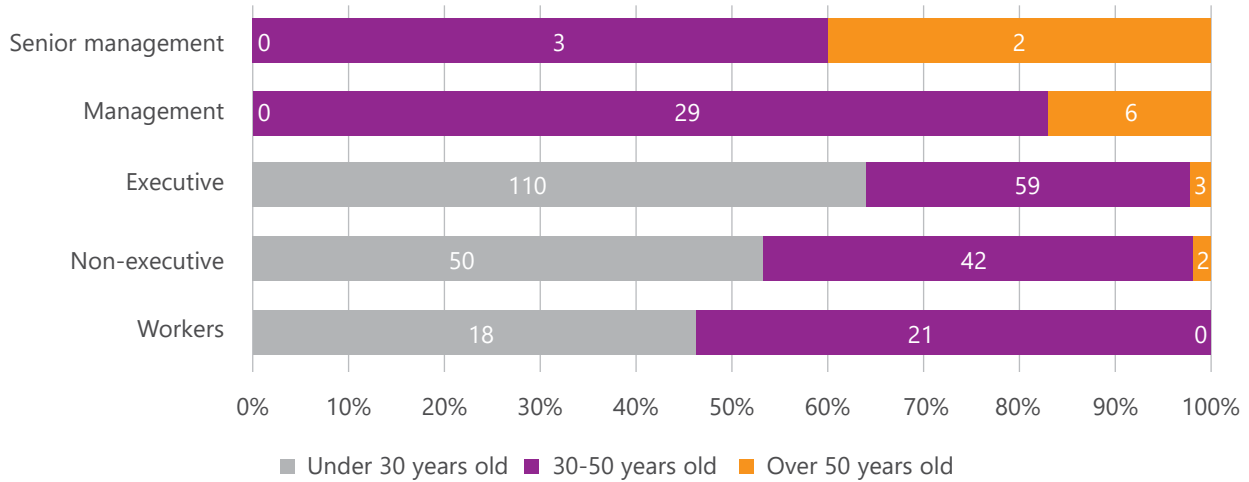


Note: Data as of the end of FY2025, excluding CLT Engineering.

⁵ Reporting scope covers up to March 2025 only, following Genetec's divestment in CLT Engineering in March 2025.

SUSTAINABILITY STATEMENT

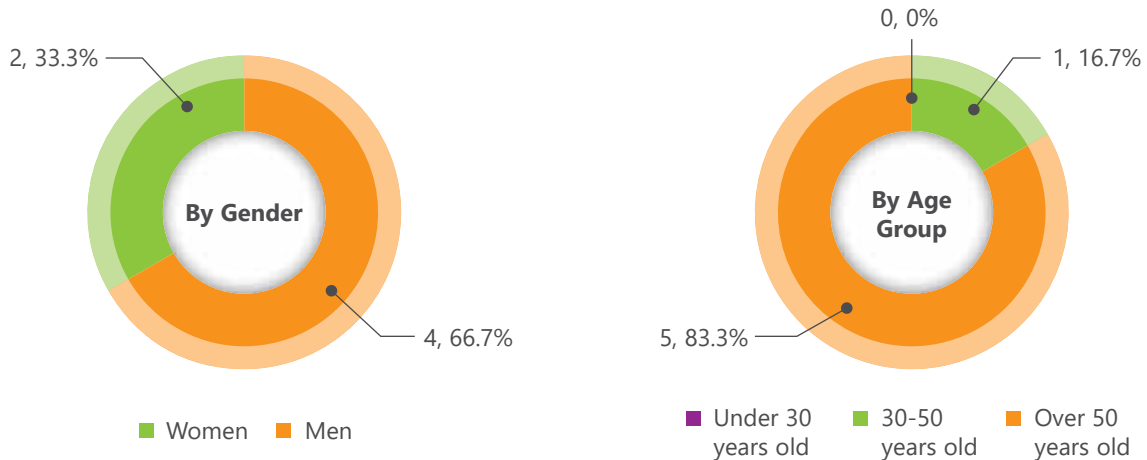
Workforce category by group FY2025 (No.)



Note: Data as of the end of FY2025, excluding CLT Engineering.

Board of directors by gender and age group as of end FY2025

Total: 6



Health and safety

[GRI 2-23, 2-24, 2-27, 3-3, 403-1, 403-2, 403-3, 403-4, 403-5, 403-7, 403-8, 403-9]

Guided by our Safety and Health Policy, Genetec is dedicated to ensuring the welfare of all individuals involved in the manufacture, distribution, and use of our products. We comply with all applicable legal requirements, relevant codes, and standards, and take additional measures as necessary. These procedures involve assigning clear responsibilities to line managers, who are accountable for the safety and health of their teams. We also ensure robust communication on safety and health procedures and updates, actively encourage employees to take steps to prevent harm, and maintain the safe production, transportation, use, and disposal of our products. Overall safety and health oversight is led by the Employee Safety and Health Committee, which includes both management and employee representatives.

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Safety and health training

All employees receive regular in-house safety training sessions and briefings tailored to their roles and responsibilities. Topics include equipment handling, fire safety, forklift safety, mechanical and electrical safety, chemical spillage control, basic occupational first aid and CPR AED,⁶ and general safety awareness. Safety training topics are also selected based on the specific activities undertaken during the period.

Additionally, some employees attend training sessions hosted by third parties. Some of the courses in FY2025 included:

- Handling of forklift trucks and powered industrial trucks
- National Institute of Occupational Safety and Health (NIOSH) Tenaga Safety Passport
- Two Occupational Safety and Health Administration (OSHA) construction safety training programmes (30 and 10 hours)

In FY2025, a total of 33 training sessions were conducted, with 346 employees participating in these sessions⁷.

Apart from training, we regularly administer the following activities:

- Annual Hazard Identification, Risk Assessment, and Risk Control (HIRARC) exercises to evaluate the likelihood and severity of potential health and safety risks across all operational activities, ensuring proactive risk mitigation strategies are in place
- Fire drills to ensure employee preparedness and efficient response times
- Safety walkabouts around our factory and operational areas to identify hazards and establish timely mitigation measures
- Audiometric screenings to safeguard employees' hearing.

In FY2025, we have begun planning on monthly safety campaigns based on specific themes. Our first one was held in June 2025 and focused on first-aid training.



Emergency preparedness

We also maintain robust Emergency Response Procedures. Our dedicated emergency response team enforces these protocols, ensuring continued readiness to quickly address potential emergencies, such as chemical spills. Standard Operating Procedures (SOPs) are in place for the handling of chemicals, the proper use of personal protective equipment (PPE), and processes for chemical disposal. A Chemical Health Risk Assessment (CHRA) conducted across Genetec's Prime key work units in February 2025 identified moderate risks associated with certain chemicals, indicating the need for enhanced controls. The assessment recommended improvements in labelling, PPE usage and training, with appropriate control measures to mitigate safety risks.

⁶ Cardiopulmonary resuscitation and automated external defibrillator (CPR AED) training equips individuals to effectively respond to cardiac emergencies.

⁷ Inclusive of data from CLT Engineering up to March 2025.

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Our initial plans to build a first-aid room at our EPIC plant are currently on hold because of ongoing construction at the site. We are exploring an alternative location that will provide a more suitable space for immediate medical treatment for employees who require on-site medical assistance. In the meantime, first aid is administered directly at the factory, and employees who require further treatment are referred to nearby clinics located in close proximity to the factory.

Accident reporting

In FY2025, our lost-time injury rate was 0.29, a 38.6% decrease from FP2024 indicating fewer number of injuries resulting in lost time. However, severity rates have increased from 1.00 to 4.00 in FY2025, which means more serious health injuries. We take this seriously and are taking corrective actions to minimise risk of recurrence.

There have been zero work-related fatalities at our operations since our inception, in line with our target.

Lost-time injury rate and severity rate for employee FP2024*–FY2025

Description	FP2024*	FY2025
Lost-time injury rate		
Genetec	0.56	0.36
CLT Engineering	0	0
Group total	0.47	0.29
Severity rate		
Genetec	1.00	4.00
CLT Engineering	0	0
Group total	1.00	4.00

Notes:

1. *FP2024 denotes a 15-month period from 1 April 2023 to 30 June 2024 to reflect the adjustment to Genetec's financial year-end.
2. LTIFR measures lost productivity due to accidents. It is calculated by dividing the number of accidents by the hours worked and then multiplying this by 200,000 hours worked.
3. The severity rate is the number of days lost divided by the number of accidents.

Employee attraction and development

[GRI 3-3, 401-1, 404-2, 404-3]

Genetec prioritises hiring and developing a highly skilled workforce, particularly in design engineering. We actively seek to attract talented graduates from local universities through initiatives like career fairs and sponsoring university competitions. Genetec also motivates and retains employees by offering competitive performance-based pay and long-term incentive plans (LTIP).

All employees receive internal and external training and development opportunities. These programmes not only enhance their skills, knowledge, and performance but can also provide a pathway to managerial positions. Additionally, we encourage employees to join professional and technical associations by reimbursing their membership fees. All employees receive annual performance reviews from their direct supervisors and senior management.

Many Genetec employees have been with us for a considerable time. This is a testament to our positive work environment and successful talent retention strategies.

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Long-serving employees as of end of FY2025

Years of service	No.	%
>5 years	30	8.6%
>10 years	70	20.0%
>20 years	41	11.7%

Note: Data is as of the end of FY2025 and excludes CLT Engineering.

In FY2025, our employees completed a total of 1,329.5 training hours, averaging 3.85 hours per employee. One of our recent training programmes focuses on sustainability and targets employees whose job roles align with our sustainability road map and objectives. A one-day training session was held with over 20 relevant employees in March 2025.

Employee training hours by category FY2025

Employee category	Hours trained	Average hours trained
Senior management	7	1.40
Manager	311.5	8.90
Executive	638.5	3.71
Non-executive	372.5	3.96
Workers	0	0
Total	1,329.5	3.85

Note: Data as of the end of FY2025, excluding CLT Engineering.

Our employee turnover rate in FY2025 was 5.6%. While this is well within our target is to maintain an annual turnover rate of below 10%, we recognise there is room to improve. Turnover is largely attributed to an influx of new and more challenging projects to meet client demand. This has led to a higher-pressure work environment for our existing employees, who have had to learn on-the-job and take on additional roles to their day-to-day tasks. We take this seriously and are exploring ways to re-configure project management to ensure adequate staffing with the relevant skillset is allocated to each project, and that employees are not subject to burn-out. This includes considering external consultants or specialists for certain roles. We are also intensifying our employee well-being programmes to support work-life balance.

Employees hired and left by category FY2025

Employee category	No. hired	No. left
Manager	0	0
Executive	27	16
Non-executive	26	2
Total	53	18

Note: Data as of the end of FY2025, excluding CLT Engineering.

SUSTAINABILITY STATEMENT

Inaugural Sustainability Day 2025

On 14 February 2025, Genetec hosted its inaugural Sustainability at our EPIC site, bringing together over 100 employees from all departments. The half-day session included 'Quick Talk and Quiz' sessions covering key topics such as Genetec's sustainability roadmap and initiatives, workplace safety and health, Codes and Policies (including Code of Conduct and Anti-Bribery and Corruption Policy), and IT and cybersecurity. A free employee health check was also provided. The sessions helped raise awareness of Genetec's ESG priorities and clarified the role each employee plays in supporting the company's long-term sustainability objectives.



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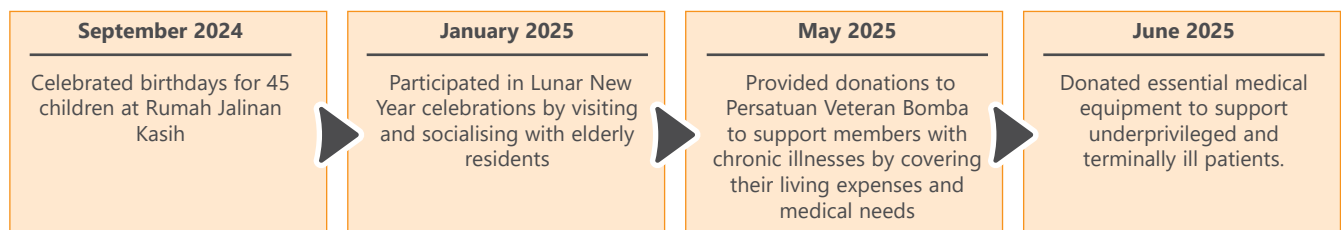
Community support

[GRI 3-3, 203-1]

Genetec supports local communities as part of our broader social responsibility. Our Corporate Social Responsibility (CSR) initiatives are overseen by our dedicated CSR committee, which is also responsible for developing our annual CSR strategy. This includes identifying priority impact areas for the reporting year, with a focus on charitable causes and welfare funds, particularly in the communities of Bandar Baru Bangi and Cheras.

In FY2025, we contributed a total of RM 17,155 towards CSR initiatives, benefiting four organisations: *Persatuan Veteran Bomba dan Penyelamat Malaysia* (Malaysian Fire and Rescue Veterans Association), *Pertubuhan Kebajikan Warga Emas Sungai Chua* (a retirement home for old folks), *Rumah Jalinan Kasih* (an orphanage) and *Pertubuhan Membantu Pesakit Parah Miskin Malaysia*. Activities included the following:

CSR initiatives FY2025



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Our marketplace

[GRI 3-3]

We aim to deliver high-quality, innovative, cost-effective automated industrial systems and equipment solutions to our clients. Our services encompass a full spectrum of customer needs: from design to procurement, installation, testing and commissioning, and after-sales support. In addition to developing new products, we also offer retrofitting, retooling, and upgrading automated manufacturing processes to meet our customers' evolving needs.

Industries served	Markets served
<ul style="list-style-type: none"> - Automotive (internal combustion engines [ICE], hybrids, and electric vehicles [EV]) - Renewable energy - Hard disk drives (HDD) - Consumer goods - Healthcare 	Brazil, China, Germany, Mexico, Poland, Thailand, the Middle East, the United Kingdom, and the United States

Delivering quality products

In line with our goal to become a world-class manufacturer, we offer our customers innovative, customised products and services that add value to their finished product. To ensure continued success, we are dedicated to the ongoing development of cutting-edge automation systems.

Stringent quality control measures allow us to deliver products that surpass our customers' expectations. As part of our commitment to excellence and ongoing improvement, we also regularly review customer feedback.

Genetec strictly adheres to rigorous procedures and is certified to internationally recognised standards such as ISO 9001:2015 for quality management systems (QMS) and ISO 14001 for environmental management systems (EMS). This ensures our products and services consistently meet the needs of our customers and regulatory authorities.

Customer satisfaction

[GRI 3-3, 416-2]

Genetec is committed to delivering an exceptional customer experience. Our engineers and technicians provide ongoing client support and perform regular site visits to address our customers' specific needs. We also conduct annual customer surveys to gather feedback on all our products and services, with a particular focus on employee competency, delivery processes, and product quality. Additionally, Genetec has participated in Sedex Members Ethical Trade Audits (SMETA) to ensure we continue to meet customer expectations.⁸

In FY2025, there were no product recalls, returns, or significant customer complaints regarding product quality.

We also conduct annual customer satisfaction surveys to measure customer sentiment and identify areas for improvement, including staff competency (such as technical support), product quality, and delivery timelines. Our most recent survey revealed that we achieved excellent levels of customer satisfaction, with average ratings exceeding 95%. We are committed to maintaining this high level of customer satisfaction every year.

⁸ SMETA audits are part of a broader initiative by Sedex (Supplier Ethical Data Exchange), a global platform that helps companies manage and improve their ethical and sustainable practices. The evaluation aims to provide transparency and build trust across supply chains by offering a standardised approach to ethical trade assessments.

SUSTAINABILITY STATEMENT

Innovation and R&D

[GRI 3-3]

To remain competitive, we continually focus on enhancing our technological capabilities. We closely collaborate with our customers to develop bespoke solutions that cater to their evolving needs. We also work with industry peers to foster strategic partnerships that drive innovation and progress.

Working with suppliers

[GRI 3-3, 204-1]

Genetec sources from both local and international suppliers. This encompasses raw materials such as aluminium, mild steel, and plastics; it also includes standard manufacturing components like batteries and robotic parts. We prioritise sourcing raw materials from local suppliers whenever feasible. However, for standard manufacturing components, sourcing is determined by product availability, price competitiveness, and specifications. In FY2025, our procurement expenditure on local suppliers accounted for 75.1%⁹ of our total procurement spend.

Wherever possible, Genetec strives to maintain traceability of purchased raw materials to their countries of origin. This helps avoid sourcing from countries with known human rights risks and ensures compliance with any potential trade sanctions or restrictions.

All suppliers are required to adhere to our Supplier Code of Conduct and submit evaluation forms and declarations. We conduct supplier evaluations every six months, assessing criteria such as product quality, timely delivery, and responsiveness. Suppliers who fail to meet our standards will receive a written warning, with required improvements and corrective actions to be taken within a specified timeframe. Failure to comply will result in removal from the sourcing list and termination of supply contract. In FY2025, we integrated ESG requirements into the Supplier Code of Conduct. These have been implemented and communicated to all new suppliers, and by the end of 2025, will be extended to all existing suppliers. Moving forward, we are developing a questionnaire to assess suppliers against ESG requirements. We aim to have this completed by the end of 2025, with a phased rollout in 2026.

Genetec maintains robust long-term partnerships with our suppliers and strategically mitigates supply chain risks to ensure uninterrupted supply of standard parts and materials. This includes increasing buffer periods for delayed deliveries and improving stock capacity for high-demand items.

Our 2025 sustainability statement showcases Genetec's efforts and achievements in promoting responsible business practices. We remain dedicated to improvement as we continue to make positive contributions to our business, society, and the environment.

⁹ Calculation for procurement expenditure has been revised from purchase-order based to invoices received to reflect actual expenditure.

SUSTAINABILITY STATEMENT

Appendices

Performance data table

Indicator	Measurement Unit	2024	2025
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Senior Management	Percentage	0.00	80.00
Management	Percentage	0.00	60.00
Executive	Percentage	0.00	33.72
Non-executive	Percentage	0.00	30.85
Workers	Percentage	0.00	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	107.01	46.25
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	3,586.74	1,964.96
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	1,846.27	1,344.20
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	5,139.59	3,040.37
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	101.41 *	56.35
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	60.65 *	33.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	40.75 *	23.34
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	20.719000	12.284000

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Indicator	Measurement Unit	2024	2025
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Senior Management Under 30	Percentage	0.00	0.00
Senior Management Between 30-50	Percentage	50.00	60.00
Senior Management Above 50	Percentage	50.00	40.00
Management Under 30	Percentage	0.00	0.00
Management Between 30-50	Percentage	89.47	82.86
Management Above 50	Percentage	10.53	17.14
Executive Under 30	Percentage	56.15	63.95
Executive Between 30-50	Percentage	41.71	34.30
Executive Above 50	Percentage	2.14	1.74
Non-executive Under 30	Percentage	39.36	53.19
Non-executive Between 30-50	Percentage	56.38	44.68
Non-executive Above 50	Percentage	4.26	2.13
Workers Under 30	Percentage	13.20	46.15
Workers Between 30-50	Percentage	84.91	53.85
Workers Above 50	Percentage	1.89	0.00
Gender Group by Employee Category			
Senior Management Male	Percentage	100.00	100.00
Senior Management Female	Percentage	0.00	0.00
Management Male	Percentage	73.68	71.43
Management Female	Percentage	26.32	28.57
Executive Male	Percentage	82.89	87.79
Executive Female	Percentage	17.11	12.21
Non-executive Male	Percentage	90.43	92.55
Non-executive Female	Percentage	9.57	7.45
Workers Male	Percentage	100.00	100.00
Workers Female	Percentage	0.00	0.00
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	66.67	66.67
Female	Percentage	33.33	33.33
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	16.67	16.67
Above 50	Percentage	83.33	83.33
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.47	0.29
Bursa C5(c) Number of employees trained on health and safety standards	Number	90	256

SUSTAINABILITY STATEMENT

Indicator	Measurement Unit	2024	2025
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Senior Management	Hours	0	7
Management	Hours	384	312
Executive	Hours	1,480	639
Non-executive	Hours	839	373
Workers	Hours	0	0
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	6.83	0.00
Bursa C6(c) Total number of employee turnover by employee category			
Senior Management	Number	0	0
Management	Number	4	0
Executive	Number	14	16
Non-executive	Number	14	2
Workers	Number	0	0
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	25,233.00	17,155.10
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	4	4
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	61.60 *	75.10

Internal assurance

External assurance

No assurance

(*)Restated

Clarifications for restated data for FP2024

1. Waste data for FP2024 is restated to reflect the prescribed unit of measurement of metric tonnes instead of kilograms.
2. Proportion of spending on local suppliers for FP2024 is restated to reflect the recognised expenditure rather than issuance of purchase orders to suppliers.

SUSTAINABILITY STATEMENT

GRI Content Index

The Global Reporting Initiative (GRI) is a multi-stakeholder standard for sustainability reporting. It offers guidance on determining report content and indicators. GRI is the most widely adopted global standard for sustainability reporting. It is designed to enhance the comparability and quality of global information on environmental and social impacts, increasing organisations’ transparency and accountability. This statement and its preparation align with the 2021 GRI Standards.

Statement of use	Genetec Technology Berhad has reported in accordance with the GRI Standards for the period of 1 July 2024 to 30 June 2025.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Location or Reason for omission
1. The organization and its reporting practices		
GRI 2: General Disclosures 2021	2-1 Organizational details	About this statement, p.15 AR2025 Corporate Information, p.2
	2-2 Entities included in the organization's sustainability reporting	About this statement, p.15
	2-3 Reporting period, frequency and contact point	About this statement, p.15 AR2025 Corporate Information, p.2
	2-4 Restatements of information	Available throughout, where relevant
	2-5 External assurance	About this statement, p.15 The report has only undergone internal audits.
2. Activities and workers		
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	AR2025 Management discussion & analysis, p.10
	2-7 Employees	Employee overview, p.33
	2-8 Workers who are not employees	Employee overview, p.33
3. Governance		
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Responsible business and good governance, p.21 AR2025, Profile of Directors, p.4
	2-10 Nomination and selection of the highest governance body	AR2025, Corporate Governance Overview Statement, p.54
	2-11 Chair of the highest governance body	Responsible business and good governance, p.21
	2-12 Role of the highest governance body in overseeing the management of impacts	Responsible business and good governance, p.21 Materiality, p.17
	2-13 Delegation of responsibility for managing impacts	Responsible business and good governance, p.21

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GRI Standard	Disclosure	Location or Reason for omission
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	Materiality, p.17 Responsible business and good governance, p.21
	2-15 Conflicts of interest	Information unavailable
	2-16 Communication of critical concerns	Responsible business and good governance, p.21
	2-17 Collective knowledge of the highest governance body	Responsible business and good governance, p.21
	2-18 Evaluation of the performance of the highest governance body	Information unavailable
	2-19 Remuneration policies	AR2025, Corporate Governance Overview Statement, p.54
	2-20 Process to determine remuneration	AR2025, Corporate Governance Overview Statement, p.54
	2-21 Annual total compensation ratio	Confidentiality constrains
4. Strategy, policies and practices		
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Information unavailable
	2-23 Policy commitments	Ethics and integrity, p.24 Data security, p.26 Health and safety, p.35
	2-24 Embedding policy commitments	Ethics and integrity, p.24 Data security, p.26 Health and safety, p.35
	2-25 Processes to remediate negative impacts	Information unavailable
	2-26 Mechanisms for seeking advice and raising concerns	Ethics and integrity, p.24
	2-27 Compliance with laws and regulations	Ethics and integrity, p.24 Environmental management, p.26 Health and safety, p.35
	2-28 Membership associations	Information unavailable
	5. Stakeholder engagement	
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Stakeholder engagement, p.24
	2-30 Collective bargaining agreements	Information unavailable
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality, p.17
	3-2 List of material topics	Materiality, p.17

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GRI Standard	Disclosure	Location or Reason for omission
Innovation and R&D		
GRI 3: Material Topics 2021	3-3 Management of material topics	Innovation and R&D, p.43
Governance, ethic, and integrity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Ethics and integrity, p.24
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Ethics and integrity, p.24 Performance data table, p.44
	205-2 Communication and training about anti-corruption policies and procedures	Ethics and integrity, p.24 Performance data table, p.44
	205-3 Confirmed incidents of corruption and actions taken	Ethics and integrity, p.24 Performance data table, p.44
Customer satisfaction		
GRI 3: Material Topics 2021	3-3 Management of material topics	Customer satisfaction, p.42
Supply chain management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Working with suppliers, p.43
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Working with suppliers, p.43 Performance data table, p.44
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Working with suppliers, p.43
	301-2 Recycled input materials used	Information unavailable
	301-3 Reclaimed products and their packaging materials	Information unavailable
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Information unavailable
	308-2 Negative environmental impacts in the supply chain and actions taken	Information unavailable
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Information unavailable
	414-2 Negative social impacts in the supply chain and actions taken	Information unavailable
Renewable energy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Energy management, p.28
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy management, p.28 Performance data table, p.44
	302-2 Energy consumption outside of the organization	Information unavailable
	302-3 Energy intensity	Energy management, p.28
	302-4 Reduction of energy consumption	Energy management, p.28
	302-5 Reductions in energy requirements of products and services	Information unavailable

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GRI Standard	Disclosure	Location or Reason for omission
Employee rights		
GRI 3: Material Topics 2021	3-3 Management of material topics	Wages, working conditions, and employee welfare, p.33 Workforce diversity, p.34
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Wages, working conditions, and employee welfare, p.33
	202-2 Proportion of senior management hired from the local community	Information unavailable
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Workforce diversity, p.34
	405-2 Ratio of basic salary and remuneration of women to men	The ratio of basic salary between women and men is 1:1 for both executives and non-executives, while for management positions the ratio is slightly lower for women, at 0.6.
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Information unavailable
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Information unavailable
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Information unavailable
Product quality		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our marketplace, p.42
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Information unavailable
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Customer satisfaction, p.42
GHG emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Emissions, p.26 Performance data table, p.44

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GRI Standard	Disclosure	Location or Reason for omission
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions, p.26 Performance data table, p.44
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions, p.26 Performance data table, p.44
	305-3 Other indirect (Scope 3) GHG emissions	Emissions, p.26
	305-4 GHG emissions intensity	Emissions, p.26
	305-5 Reduction of GHG emissions	Energy management, p.28
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable
Data privacy and cybersecurity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Data security, p.26
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data security, p.26 Performance data table, p.44
Employee welfare; Talent attraction		
GRI 3: Material Topics 2021	3-3 Management of material topics	Wages, working conditions, and employee welfare, p.33 Employee attraction and development, p.37
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employee attraction and development, p.37 Performance data table, p.44
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	Wages, working conditions, and employee welfare, p.33
	401-3 Parental leave	Wages, working conditions, and employee welfare, p.33
Occupational health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Wages, working conditions, and employee welfare, p.33 Health and safety, p.35

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GRI Standard	Disclosure	Location or Reason for omission
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and safety, p.35
	403-2 Hazard identification, risk assessment, and incident investigation	Health and safety, p.35
	403-3 Occupational health services	Wages, working conditions, and employee welfare, p.33 Health and safety, p.35
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health and safety, p.35
	403-5 Worker training on occupational health and safety	Health and safety, p.35
	403-6 Promotion of worker health	Wages, working conditions, and employee welfare, p.33
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety, p.35
	403-8 Workers covered by an occupational health and safety management system	Health and safety, p.35
	403-9 Work-related injuries	Health and safety, p.35 Performance data table, p.44
	403-10 Work-related ill health	Information unavailable
Waste management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste management, p.31
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste management, p.31
	306-2 Management of significant waste-related impacts	Waste management, p.31
	306-3 Waste generated	Waste management, p.31
	306-4 Waste diverted from disposal	Waste management, p.31
	306-5 Waste directed to disposal	Waste management, p.31
Business diversification		
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible business and good governance, p.21 AR2025, Management Discussion & Analysis, p.10

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GRI Standard	Disclosure	Location or Reason for omission
Talent development		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee attraction and development, p.37
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee attraction and development, p.37
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee attraction and development, p.37
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee attraction and development, p.37
Digitalisation		
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste management, p.31
CSR		
GRI 3: Material Topics 2021	3-3 Management of material topics	Community support, p.40
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Community support, p.40 Performance data table, p.44
	203-2 Significant indirect economic impacts	Information unavailable
413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Information unavailable
	413-2 Operations with significant actual and potential negative impacts on local communities	Information unavailable

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of Genetec Technology Berhad (“Genetec” or “the Company”) acknowledges the importance of upholding exemplary standards of corporate governance. The Board is dedicated to embedding and sustaining robust corporate governance practices across the Company and its subsidiaries (“the Group”). This commitment is integral to managing the Group’s business effectively, aligning with the best interests of the Company and its stakeholders.

The Board is pleased to present this Corporate Governance Overview Statement for the financial year ended 30 June 2025 (“FY2025”), which provides an overview of the practices and measures adopted by the Company to align with the Principles outlined in the Malaysian Code on Corporate Governance (“MCCG”) in achieving the intended outcomes premised on its three Principles, namely Board Leadership and Effectiveness, Effective Audit and Risk Management, Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This Corporate Governance Overview Statement is prepared in compliance with Paragraph 15.25 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). It should be read in conjunction with the Corporate Governance Report 2025 of the Company, which is available on the corporate website at www.genetec.net, as well as via an announcement on the Bursa Securities website.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

Strategic Aims, Values and Standards

The Board is collectively responsible for leading and managing the Company in an effective and accountable manner, ensuring that shareholders and stakeholders can create long-term sustainability within the Group. The overall business and affairs of the Group are managed under the direction and oversight of the Board. The Board has the responsibility to establish the core values, adopt and uphold proper standards of conduct, and periodically review and approve the overall business strategies and organisational policies of the Group to ensure operations are conducted with integrity and in compliance with all applicable laws, regulations, and governance requirements.

All Directors discharge their fiduciary duties objectively and in the best interests of the Company at all times. To enhance its effectiveness in pursuing the Group’s corporate objectives, the Board assumes, amongst others, the following key roles and responsibilities:

- Reviewing and adopting strategic plans for the Company, which will enhance the future growth of the Company;
- Overseeing and evaluating the conduct of the Company’s business to ensure the business is properly managed;
- Ensuring the Group has an appropriate risk management process/framework and adequate internal control systems to identify, analyse, evaluate, manage and control significant financial and non-financial risks;
- Establishing policies for strengthening the financial and operational performance of the Group and ensuring proper and effective execution of the policies;
- Formalising the Company’s strategies for promoting sustainability, focusing on environmental, social and governance aspects;
- Reviewing the adequacy and the integrity of the Group’s internal control systems and management information systems, including systems which include an appropriately sound framework/systems of reporting for compliance with applicable law, regulations, rules, directives and guidelines;
- Ensuring that there is in place an appropriate succession plan for members of the Board and senior management.

In discharging its stewardship responsibilities, the Board has established various Board Committees, including the Audit Committee, Nomination Committee, Remuneration Committee, Risk Management Committee, and other committees, such as the Sustainability Committee and the Long-Term Incentive Plan (LTIP) Committee (collectively referred to as the “Committees”). These Committees operate under their respective approved terms of reference to provide focused oversight of specific aspects of the Company’s affairs and to support the Board in making well-informed decisions through the reports of findings and recommendations on matters within their respective areas of responsibility.

Notwithstanding the delegation of specific powers to the Committees, the Board remains fully responsible for the overall direction and control of the Group to safeguard stakeholders’ interests and to enhance shareholders’ value.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

I. Board Responsibilities (continued)

Board Leadership

Mr Allen Lik-Hook Ting serves as the Independent Non-Executive Chairman of the Board. Together with other Directors, he leads the Board in driving focus on strategy, governance, and compliance, and in ensuring effective deliberation. During Board meetings, the Chairman promotes open dialogue by encouraging active participation and allowing dissenting views to be expressed freely.

In line with the recommendation of MCCG, the Board has adopted the practice that the Chairman of the Board should not serve as a member of any Board Committee.

Separation of the Positions of the Chairman and Chief Executive Officer (“CEO”)

The Board structure ensures that no individual or group of individuals dominates the Board’s decision-making process. The positions of Chairman of the Board and CEO are held by different individuals, namely Mr Allen Lik-Hook Ting and Mr Chin Kem Weng, to maintain an appropriate balance of power, increased accountability, and strengthen the Board’s capacity for independent decision-making. The distinct duties and responsibilities of the Chairman and the CEO are clearly defined in the Board Charter.

The Chairman is responsible for leading the Board, ensuring the adequacy and effectiveness of its performance and governance processes, and facilitating Board meetings so that all Directors’ contributions are welcomed and no individual member dominates discussions. He also promotes constructive interaction among Directors, both within and outside the Boardroom, and guides discussions toward consensus and timely resolution.

The CEO, supported by the Executive Director and senior management, is responsible for implementing the Group’s decisions and policies as approved by the Board. He oversees the Group’s operations and leads the formulation, coordination, and execution of strategic initiatives.

Company Secretary

The Board is supported by an in-house company secretary who holds the requisite credentials and is qualified to act as company secretary under Section 235 of the Companies Act 2016, thereby fulfilling the fiduciary duties.

The company secretary is responsible for ensuring the Company’s Constitution, policies and procedures are adhered to by the Board. The company secretary also assists the Board in applying corporate governance best practices and ensuring compliance with applicable laws, regulations and directives issued by regulatory authorities, including advising on their implications to the Company and the Directors in the discharge of their duties and responsibilities. In addition, the company secretary keeps the Board informed of the changes to the MMLR of Bursa Securities and the MCCG.

The company secretary attends all Board, Board Committee and general meetings to ensure the proper recording of proceedings and follow up on matters arising from these meetings. She also facilitates the annual assessment for the Board and Board Committees and ensures proper maintenance of statutory registers and secretarial records.

Access to Information and Advice

The Directors are furnished, in a timely manner and in advance of each Board and Board Committee meeting, with the agenda and relevant materials, including financial, corporate and business updates, internal and external audit reports, risk management reports, and sustainability activities and reporting. These materials are circulated electronically and followed by hard copies, where necessary, typically seven (7) days before the meeting to allow adequate time for review. Management provides comprehensive explanations, along with supporting information and documentation, to facilitate informed deliberation and address any matters that arise during meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

I. Board Responsibilities (continued)

Access to Information and Advice (continued)

The Board recognises the importance of adopting and periodically reviewing the Group's strategic plan, as well as overseeing the conduct of the business. Directors are regularly updated on the Company's activities and operations to ensure that the business is effectively managed. The Board reviews the Group's performance by considering quarterly financial results and business updates.

In addition to having full and unrestricted access to management, the company secretary, and the internal and external auditors for clarification or further information, the Board may seek independent professional advice, at the Company's expense, whenever necessary. This ensures that Directors are equipped with the requisite knowledge and guidance to discharge their fiduciary duties and make well-informed decisions.

Board Charter, Code of Conduct & Ethics and Policies

The Board approved and adopted the Board Charter on 22 May 2013, and the last review, revision, and approval were performed on 16 October 2025. The Board Charter serves as a key reference document and primary induction guide for Directors and management, outlining the Board's functions, duties, and responsibilities, as well as the legislation and regulations governing its conduct. It incorporates principles and practices of good corporate governance to guide the Board in fulfilling its fiduciary obligations.

The Company has adopted two distinct sets of Codes of Conduct and Ethics for its Directors and employees as a guide in discharging their duties and responsibilities, demonstrating sound judgment, loyalty, and integrity, which align with best practices and applicable laws, rules, and regulations.

To promote transparency and accountability, the Group has established a Whistleblowing Policy, as set out in the Board Charter, which is designed to create a positive environment in which Directors, employees, and stakeholders may, in good faith, report genuine concerns regarding unethical behaviour, malpractice, illegal acts, or non-compliance with regulatory requirements. Reports can be made without fear of retaliation, enabling prompt and appropriate corrective action.

In line with the enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 in 2020, the Board has approved and adopted the Anti-Bribery and Corruption Policy to demonstrate the Group's commitment to conducting its business with integrity and in compliance with all applicable laws related to anti-corruption and bribery. The reporting mechanism forms part of the Group's Whistleblowing Policy and provides a channel for addressing corruption or unethical practices.

The Board has also approved a Conflict of Interest Policy, which requires Directors to declare any personal interest, direct or indirect, in proposals or matters under consideration by the Board, including interests arising through family members, in line with statutory disclosure requirements. Any Director with a declared interest must abstain from participating in the related discussion and decision-making process.

Beyond these key policies, the Board has adopted additional governance policies to ensure sound and consistent practices across the Group, wherever applicable:

- Shareholders' Communication Policy (part of Board Charter)
- Corporate Disclosure Policy
- Remuneration Policy for Directors and Senior Management
- Directors' Fit and Proper Policy

The Board Charter, Code of Conduct and Ethics and all policies above will be reviewed from time to time to ensure their continued relevance and effectiveness.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

I. Board Responsibilities (continued)

Sustainability Governance

The Board, together with the senior management, acknowledges their responsibility for driving sustainability efforts across the environmental, social and governance (“ESG”) dimensions within the Group, while creating long-term value for shareholders and stakeholders. The commitment to sustainability starts with the Board and senior management and is then reinforced at all levels within the organisation.

The Board oversees the overall sustainability strategy, targets and actions across the Group to ensure the integration of sustainable practices within the Group’s operations and that sustainability considerations are embedded into the Group’s decision-making process. For effective execution and monitoring of sustainability initiatives, the Company has established a Sustainability Committee, which is chaired by the Executive Director/Deputy Chief Executive Officer and comprises representatives from key functions across the Group, ensuring cross-functional input and diverse perspectives. The Chairperson of the Sustainability Committee reports sustainability matters to the Board, including key risks and performance indicators, and presents recommendations from the committee for the Board’s consideration.

As addressing material sustainability risks and opportunities is the responsibility of the Board, the Board’s performance evaluation takes into account ESG considerations and sustainability matters to ensure these are integrated into its oversight and decision-making processes.

The Board is attentive to the evolving sustainability reporting landscape, particularly with the introduction of the National Sustainability Reporting Framework (“NSRF”) by the Ministry of Finance Malaysia in September 2024. The NSRF establishes a more structured and standardised approach, requiring all listed companies and large non-listed companies to provide transparent, consistent, and comparable disclosures on common sustainability matters, with implementation rolled out in phases based on company size and market segment. While the Company will be subject to the reporting requirements under a later phase of implementation, the Board is taking steps to progressively strengthen its sustainability disclosures in line with the NSRF standards.

The Board endorses the Sustainability Statement before its publication to ensure it accurately reflects the Company’s sustainability governance, commitments, and progress. This Sustainability Statement is detailed in the Annual Report, providing stakeholders with comprehensive information on sustainability practices and governance.

II. Board Composition

Board Composition And Balance

The Board is committed to maintaining a composition that reflects the diversity, in line with the recommendations of the MCCG. It possesses the appropriate mix of skills, experience, and balance to effectively support the Group’s strategic objectives.

As of the date of this Statement, the Board consists of six (6) members, comprising two (2) Executive Directors and four (4) Independent Non-Executive Directors, including the Chairman.

The Board currently includes two women Directors, which constitutes 33.33% of its total membership, thereby meeting Practice 5.9 of the MCCG, which recommends a minimum of 30% women directors.

While supporting and adhering to this gender diversity recommendation, the Board remains committed to a merit-based approach in the selection of Directors and employees. Appointments are made based on qualifications, skills, and experience, ensuring that all candidates are assessed fairly and equitably, regardless of gender or cultural background. This approach upholds high standards of governance and effectiveness in Board composition and decision-making.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

Board Composition And Balance (continued)

The Board is also mindful of the MCGG and the MMLR of Bursa Securities, which prescribe tenure limits of nine (9) and twelve (12) years, respectively, for Independent Directors. At present, none of the Company's Independent Directors has served on the Board for more than nine years.

Collectively, the Board members bring a wealth of diverse expertise and professional experience. The Executive Directors contribute industry-specific knowledge and strong commercial acumen, while the Independent Non-Executive Directors provide independent perspectives drawn from their backgrounds in strategic management, corporate finance, accounting and technical fields. This broad spectrum of competencies enables the Board to guide and oversee the Company's business effectively, safeguarding the interests of all stakeholders.

The Board considers its current size to be appropriate for the needs and demands of the Company and the Group's operations. The Directors' varied perspectives and expertise ensure a well-balanced approach to governance and decision-making.

Re-election of Directors

In accordance with the Company's Constitution, one-third of the Directors are required to retire by rotation and seek re-election at each Annual General Meeting ("AGM"), with each Director submitting himself or herself for re-election at least once every three years. Any Director appointed during the year holds office only until the next AGM and is eligible for re-election, but is not counted in determining the Directors subject to retirement by rotation at that meeting.

The Board adheres to these requirements at every AGM. At the forthcoming AGM, two (2) Directors, namely Mr Chin Kem Weng and Mr Sow Ewe Lee, will retire in accordance with the Constitution and, being eligible, have offered themselves for re-election. To assist shareholders in making an informed decision on these proposals, the Board has included a statement supporting the re-election of the retiring Directors in the explanatory notes to the AGM agenda.

Diverse Board and Senior Management

The Company has adopted a Diversity Policy, as outlined in the Board Charter, to promote a diverse range of talent in Board and senior management appointments. Diversity encompasses, but is not limited to, gender, age, ethnicity, and cultural background.

While the Board values diversity, it has not set numerical targets for gender, ethnic, or age composition. Candidates are assessed primarily on competency, character, integrity, time commitment, and relevant experience, ensuring fair and equal opportunity for individuals of the right calibre.

A clear division of responsibilities between Executive and Non-Executive Directors further strengthens this approach. Executive Directors drive the identification and development of senior management talent, while Non-Executive Directors provide independent challenge to ensure that recruitment and succession planning remain merit-based and inclusive. By combining these complementary roles, the Board fosters a leadership pipeline that reflects diverse skills, experiences, and backgrounds, supporting effective succession planning and the Group's long-term sustainability.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

Board and Board Committees Meetings

Directors are required to devote sufficient time to the Company to discharge their responsibilities effectively and to use their best endeavours to attend meetings. Attendance of the Directors at the Board and Board Committees meetings for FY2025 is as follows:

Type of Meetings Name of Directors	Board of Directors	Audit Committee	Nomination Committee	Remuneration Committee	Risk Management Committee
Chin Kem Weng	5/5	N/A	N/A	N/A	N/A
Sow Ewe Lee	5/5	N/A	N/A	N/A	1/1*
Allen Lik-Hook Ting	5/5	N/A	N/A	N/A	N/A
Ong Phoe Be	5/5	5/5	1/1	3/3	1/1*
Dato' Jeeventhiran a/l Ramanaidu	5/5	5/5	1/1	3/3	N/A
Ong Siew Min	5/5	5/5	1/1	3/3	1/1*

Note * - reflect the number of meetings attended from the date of restructuring of the committee.

Based on the above, all Directors have complied with the minimum 50% attendance requirement for Board meetings as stipulated by the MMLR of Bursa Securities. The Directors have demonstrated a strong commitment to their roles and responsibilities, devoting sufficient time to discharge their duties effectively.

The Board ordinarily schedules meetings on a quarterly basis, with additional meetings convened as necessary to address urgent and significant matters that arise between scheduled meetings. All Board and Board Committees meetings are scheduled in advance to facilitate the Directors' planning for attendance and participation. Where appropriate, decisions may be made through circular resolutions, which are accompanied by comprehensive information and explanations to facilitate informed decision-making.

The Board maintains a formal schedule of matters specifically reserved for its decision, ensuring that the direction and control of the Group remain firmly within its purview. These matters include, among others, the establishment of new businesses, approval of the annual strategic plan, significant capital expenditure, acquisitions and disposals, appraisal of significant business proposals, and any other strategic issues that may affect the Group's business. The Directors are aware of and observe the requirement that they do not participate in the deliberations on matters in which they have a material personal interest, and abstain from voting on such issues.

The Directors, upon appointment and at any time during their tenure, shall notify the Chairman and the company secretary before accepting any new directorships, including an indication of the expected time commitment. In compliance with the MMLR of Bursa Securities, all Directors hold no more than five (5) directorships in listed corporations to ensure they devote sufficient time and attention to the Company's affairs.

Directors' Training

The Board recognised that continuing education programmes are essential for Directors to remain practical and well-informed amid evolving regulatory requirements and a dynamic business environment. To this end, the Board encourages its members to participate in relevant continuing education programmes and seminars to enhance their knowledge, sharpen their skills, and strengthen their ability to serve the Company's interests.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

Directors' Training (continued)

All Directors have completed the Mandatory Accreditation Programme as required by Bursa Securities. During FY2025, the Directors have also complied with the training requirement as prescribed by the Nomination Committee. The Directors have attended at least one of the following training/programmes:-

- Sustainability Related Disclosures for Board of Directors and Senior Management
- Compliance with Listing Requirements – Reporting of Financial Statements
- Conflict of Interest (COI) & Governance of COI

The Board is kept informed of any new amendments and updates issued by various regulatory authorities from time to time through the company secretary via emails, briefings and hard copies, whichever is deemed appropriate and applicable.

Nomination Committee

The Nomination Committee of the Company comprises three (3) members, all of whom are Independent Non-Executive Directors.

The Nomination Committee is entrusted by the Board with the responsibility of ensuring a formal and transparent procedure for the appointment of new Directors and the selection of members for Board Committees, as well as to oversee the ongoing assessment of Directors' performance. Its key responsibilities include:

- Board Composition & Succession – Continuously reviewing the size, structure, and diversity of the Board to ensure it remains appropriate and aligned with the Company's strategic direction, and recommending succession plans for Directors and key senior management.
- Appointments & Recommendations – Identifying and recommending suitable candidates for appointment to the Board and its Committees based on a well-defined skill matrix.
- Performance Evaluation – Conducting annual evaluations of the performance of the Board, individual Directors, and Board Committees.
- Development & Training – Reviewing and recommending continuing education programmes to enhance Directors' skills and knowledge.

Through this comprehensive process, the Nomination Committee supports the Board in maintaining an effective, diverse, and strategically focused leadership team.

During FY2025, one (1) meeting was held. A summary of activities undertaken by the Nomination Committee in discharging its duties is as follows:-

- Reviewed and assessed the composition and balance of the Board;
- Reviewed and assessed the independence of Independent Directors;
- Facilitated the self and peers' assessment of each Director;
- Reviewed the required mix of skills, experience and other qualities of the Board;
- Reviewed and assessed the effectiveness of the Board as a whole and the Board Committees;
- Reviewed the succession planning for Directors and senior management;
- Reviewed and assessed the term of office and performance of the Audit Committee and each of its members; and
- Reviewed and assessed the Directors who were due for re-election at the Company's AGM to determine whether or not to recommend their re-election.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

Board Appointment

The Board, through the Nomination Committee, regularly reviews the optimum size and required mix of skills, experience, independence, and diversity (including diversity in gender, ethnicity, and age) collectively to ensure the Board can effectively fulfil its responsibilities.

All new appointments are first assessed by the Nomination Committee, which evaluates each candidate's skills, expertise, relevant work experience, integrity, time commitment, and overall ability to discharge their duties. This process includes the necessary declarations under the Directors' Fit and Proper Policy, ensuring alignment with the Company's governance standards and strategic objectives.

While recommendations often arise from the networks of existing Directors, senior management, and business associates, the Nomination Committee and the Board also consider independent sources to broaden the pool of potential candidates. Regardless of the source, every appointment decision is made objectively and in the best interests of the Company, with careful attention to the diverse skills, experience, and perspectives required for a well-balanced Board.

The Board retains ultimate responsibility for all appointments. Upon joining, each new Director undergoes a structured induction programme to gain a thorough understanding of the Group's operations, culture, and expectations of the role.

Annual Assessment of Effectiveness of the Directors, Board and Board Committees

The Nomination Committee is responsible for reviewing the performance of individual Directors, assessing the independence of Independent Directors, and evaluating the overall effectiveness of the Board and its Board Committees on an annual basis. These assessments are designed to reinforce strengths, identify areas for improvement, and ensure the Board remains well-positioned to meet the Group's strategic objectives.

The evaluation is conducted through an annual survey and questionnaire, administered and facilitated by the company secretary without the involvement of external facilitators. After the end of each financial year, the questionnaires are circulated to all Directors, allowing adequate time for completion. The company secretary then collates the responses for the Nomination Committee's deliberation. The Chairperson of the Nomination Committee subsequently presents the findings and recommendations to the Board for consideration and follow-up action where necessary.

This structured review covers the collective skills, experience, competencies, and diversity of the Board, as well as the core competencies and effectiveness of individual Directors. The process ensures that the Board is well-equipped to address the challenges of the Company's strategic objectives and uphold high standards of governance, while also identifying potential gaps to support succession planning and future appointments.

Based on the assessment conducted by the Nomination Committee for FY2025, the Nomination Committee concluded that the Board and its Board Committees maintained a balanced composition and operated effectively. All Directors demonstrated the requisite competence, capacity, and commitment to discharge their responsibilities, and the Independent Directors were confirmed to have preserved their independence in providing objective judgment and oversight. All evaluations and findings were duly documented, ensuring transparency and accountability in the assessment process.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

III. Remuneration

Remuneration Committee

The Remuneration Committee of the Company comprises three (3) members, all of whom are Independent Non-Executive Directors.

The Remuneration Committee is entrusted with assisting the Board in determining, developing, and recommending appropriate remuneration packages to attract, retain, and motivate both directors and senior management. The Board has authorised the Nomination Committee to conduct an annual performance review of the Directors. Based on this review, the Remuneration Committee recommends to the Board any necessary adjustments to directors' fees and remuneration packages to ensure they reflect each Director's contributions and responsibilities throughout the year.

Remuneration Policy

The Company has established a Remuneration Framework for the Board, designed to provide a fair and competitive remuneration package that aligns with prevailing market practices and ensures that compensation remains appropriate and competitive within the industry.

The Remuneration Policy for Directors and Senior Management is formulated to support the Company's key strategies and foster a strong performance-oriented environment. The policy aims to attract, motivate, and retain talented Directors and senior management, thereby contributing to the overall success and sustainability of the Company.

The remuneration package for the Executive Directors and senior management comprises salaries, allowances and performance-based incentives, including bonus and other customary benefits, as appropriate. The remuneration for Executive Directors and senior management takes into account the scope of their duties and responsibilities, experience, corporate and individual performance, as well as prevailing market practices within the industry. The remuneration of senior management is the prerogative of the Chief Executive Officer, who oversees the recruitment, management and performance evaluation of the senior management, while the Board retains overall policy oversight.

Non-Executive Directors are solely paid fixed annual fees as members of the Board, which are to be approved by the shareholders at the AGM. Additional fees will be established for the lead roles, such as the chairperson of the Board or Board Committees. The determination of the directors' fees for Non-Executive Directors is a matter for the Board as a whole.

In matters concerning remuneration, the Director concerned is required to abstain from deliberating and voting on decisions regarding their own remuneration, whether at the Remuneration Committee or Board level, as applicable. This practice safeguards transparency, fairness and adherence to good governance principles.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

III. Remuneration (continued)

Directors' Remuneration

Pursuant to the MMLR of Bursa Securities and in line with the MCCG, the remuneration received by Directors of the Company, on a named basis, from the Company and Group for the FY2025 is disclosed as follows:

	Fees		Salaries	Bonus	Benefits- in-kind	Other emoluments*	Total	
	Group	Company					Group	Company
	RM	RM	RM	RM	RM	RM	RM	RM
Executive Directors								
Chin Kem Weng	-	-	822,134	3,816,800	27,996	-	4,666,930	4,666,930
Sow Ewe Lee	-	-	506,949	1,128,716	23,952	2,536,049	4,195,666	4,195,666
Non-Executive Directors								
Allen Lik-Hook Ting	144,000	144,000	-	-	-	-	144,000	144,000
Ong Phoe Be	120,000	120,000	-	-	-	-	120,000	120,000
Dato' Jeeventhiran a/l Ramanaidu	72,000	72,000	-	-	-	-	72,000	72,000
Ong Siew Min	72,000	72,000	-	-	-	-	72,000	72,000
Total	408,000	408,000	1,329,083	4,945,516	51,948	2,536,049	9,270,596	9,270,596

* Other emoluments comprise solely share-based payments pursuant to the Company's Long-Term Incentive Plan.

At the Extraordinary General Meeting ("EGM") held on 29 August 2024, the shareholders approved the establishment of a Long-Term Incentive Plan ("LTIP") of up to 5% of the Company's total issued shares (excluding treasury shares, if any). The allocation of Share Grant Awards under the LTIP to the Executive Director was also approved by shareholders at the said EGM.

The Audit Committee has undertaken a verification of the Share Grant Awards allocated during the financial year under the Company's LTIP to ensure that the allocation of Share Grant Awards was consistent with the criteria prescribed in the LTIP By-Laws, as approved by the shareholders.

Remuneration of Top Five Senior Management

The remuneration of the top five Senior Management for FY2025 is set out as follows:

Remuneration Range	Number of Senior Management Staff
RM500,000-RM550,000	2
RM900,000-RM950,000	1
RM1,400,000-RM1,450,000	1
RM3,000,000-RM3,050,000	1

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

III. Remuneration (continued)

Remuneration of Top Five Senior Management (continued)

The Remuneration Committee and the Board are of the view that it is not to the Company's advantage or best interest to disclose the senior management personnel's names and the various remuneration components in detail, considering the highly competitive market for senior management personnel with the requisite knowledge, technical expertise and working experience in the industry in which the Company operates. Accordingly, such disclosure of specific remuneration information may give rise to recruitment and talent retention issues.

As an alternative, the Remuneration Committee and the Board believe that the transparency and accountability aspects of corporate governance as applicable to the senior management's remuneration are appropriately served by disclosure in RM50,000 bands. The disclosure of the remuneration of the top five (5) senior management excludes remuneration paid to Directors.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Audit Committee of the Company comprises three (3) members, all of whom are Independent Non-Executive Directors. The Audit Committee is chaired by a Director who is not the Chairman of the Board, and the Board Chairman is not a member of the Audit Committee. This separation preserves the Board's objectivity when considering the Audit Committee's findings and recommendations.

At present, none of the current Audit Committee members is a former key audit partner. In line with MCGG, the Company's Auditors' Policy stipulates that a former key audit partner must observe a minimum cooling-off period of three (3) years before being eligible for appointment to the Audit Committee. This requirement enhances transparency and governance by mitigating the risk of undue influence over the audit process or the preparation of the Company's financial statements.

The Board ensures that the Audit Committee members are financially literate and possess a thorough understanding of the Group's business and matters under the Audit Committee's purview. The Audit Committee is responsible, among other things, for providing advice on financial reporting, external audit matters, the internal control environment, the internal audit process, reviewing related-party transactions, and identifying potential conflict-of-interest situations. While the Board retains ultimate responsibility for the quality and completeness of the Group's quarterly and annual financial statements, it relies on the Audit Committee to provide informed oversight and assurance that those statements are prepared in accordance with consistently applied accounting policies, supported by sound judgment and estimates, and compliant with applicable financial reporting standards.

The Audit Committee follows the procedures outlined in the Auditors' Policy to monitor and annually assess the suitability, objectivity, and independence of the External Auditors. This assessment allows the Audit Committee to make informed recommendations to the Board regarding the appointment, re-appointment, or termination of the External Auditors.

To preserve the integrity of their role, External Auditors are prohibited from providing services that could impair their independence or create a conflict of interest. To further safeguard the integrity of financial reporting, the Audit Committee has adopted a policy outlining the types of non-audit services permitted for the External Auditors and/or their affiliates, with the requirement that any non-assurance services obtain the Audit Committee's prior approval.

The Company maintains a professional and transparent relationship with both internal and external auditors, seeking their professional advice to ensure compliance with accounting standards, risk management and internal control matters. The Audit Committee was granted the authority to communicate directly with the auditors, without the presence of the Executive Directors and the management, ensuring open dialogue and enhancing the effectiveness of the audit process.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (continued)

I. **Audit Committee** (continued)

Details of the Audit Committee's composition, meeting attendance and a summary of its activities in discharging its functions and duties for FY2025 are presented separately in the Audit Committee Report of this Annual Report.

II. **Risk Management And Internal Control Framework**

The Board acknowledges its overall responsibility for maintaining a sound system of internal control and for implementing an effective Risk Management Framework to achieve the Group's strategic objectives while safeguarding shareholders' investments and the assets of the Company and the Group. Risk management is integrated into the Group's business operations, and ongoing reviews are conducted by the Board, with the assistance of the Risk Management Committee and Audit Committee. However, the Board recognises that no cost-effective internal controls and risk management systems can eliminate all errors and irregularities. These systems are designed to manage, rather than remove, the risk inherent in achieving business objectives and can provide only reasonable, but not absolute, assurance against material misstatement or loss. The Board remains committed to continuously enhancing these systems to address an evolving risk landscape.

The Risk Management Framework includes maintenance of a Risk Register that profiles identified risks and outlines the corresponding mitigation plans. The Risk Management Committee reviews the Risk Registers regularly, focusing on significant risks and the management actions taken to address them. The Board receives semi-annual updates on the adequacy of the risk management function and the effectiveness of internal controls. This ongoing assessment ensures that the Company remains proactive in managing risks and responsive to changes in the business environment.

To enhance the effectiveness of the Audit Committee in discharging its oversight responsibilities, the Company has outsourced its internal audit function to an independent professional firm. The internal audit function operates in accordance with the Internal Audit Charter as approved by the Audit Committee and adopts a risk-based, structured and systematic approach, performing its duties with impartiality, competence, and due professional care. The internal audit function reports directly to the Audit Committee, ensuring the Audit Committee receives timely and relevant information. Through its reviews and assessments, the internal audit function provides the Board, via the Audit Committee, with reasonable assurance on the adequacy and effectiveness of the Group's governance, risk management and internal control systems, thereby supporting the Audit Committee in fulfilling its oversight responsibilities.

A more detailed overview of the Group's state of risk management and internal controls is provided in the Statement on Risk Management and Internal Control included in this Annual Report.

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

I. **Communication With Stakeholders**

The Company recognises the importance of transparency and accountability to its stakeholders through effective communication and the cultivation of constructive relationships. To facilitate this, the Board ensures the timely delivery of clear and comprehensive information, enabling stakeholders to engage actively with the Company. The handling and dissemination of corporate information to shareholders, investors, and other stakeholders are managed in accordance with the Company's Corporate Disclosure Policy, ensuring that all communications remain consistent and compliant with regulatory requirements.

Key communication platforms include the Annual Report, which provides detailed information on the Company's financial performance, strategic objectives and governance practices; and a dedicated Investor Relations section on the Company's website (www.genetec.net), where stakeholders can access comprehensive corporate information such as the Board Charter, terms of reference, key policies, management discussion and analysis, corporate governance reports, details of general meetings and all announcements released to Bursa Securities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (continued)

I. **Communication With Stakeholders** (continued)

To promote two-way communication, the Company offers multiple feedback channels, including a general telephone and fax line, a general enquiries email address, and an instant messaging feature under the “Contact Us” section of its website, enabling stakeholders to submit queries or comments directly. In addition, when appropriate, the Company conducts media and analyst briefings to explain major corporate initiatives and discuss the Group’s financial performance, thereby ensuring that shareholders, investors, analysts, and other interested parties are provided with accurate and up-to-date information.

II. **Conduct of General Meetings**

General meetings remain vital platforms for shareholders to exercise their ownership rights and engage in dialogue with the Board and senior management. The Company’s AGM serves as the principal forum for such interaction, encouraging active shareholder participation. Adequate time is allocated for shareholder questions on key matters, fostering an open environment for discussion and reinforcing the Company’s commitment to transparency and accountability in its communications with shareholders.

During FY2025, the 26th AGM and the Extraordinary General Meetings (“EGMs”) of the Company were held virtually on 26 November 2024, 29 August 2024 and 27 February 2025, accordingly (collectively “General Meetings”) via live streaming and online remote voting through Remote Participation and Voting facilities provided by Tricor Investor & Issuing House Service Sdn Bhd. This arrangement enabled shareholders to cast their votes in absentia and participate remotely in the proceedings, ensuring convenient and effective exercise of their ownership rights.

The notice and agenda of the 26th AGM and EGMs, together with the proxy form, were circulated to shareholders at least 28 days and 14 days, respectively, prior to the General Meetings, allowing shareholders to make the necessary arrangements for participation and voting. Where applicable, the Board ensured that each item of special business in the notice of meeting was accompanied by a detailed written explanation of the resolution and its implications. This approach facilitated shareholders’ understanding and evaluation of the matters at hand, promoting informed decision-making during the General Meetings.

The Directors and senior management participated virtually in the General Meetings to provide meaningful responses to the questions raised by the shareholders. External Auditors (for AGM) and Advisers and Legal Counsel involved in the corporate exercise (for EGMs) were also present virtually at the respective meeting to offer appropriate clarifications on pertinent matters. Following the General Meetings, the minutes, including the questions and answers discussed, were published on the corporate website within a reasonable timeframe, ensuring that shareholders had access to this information. This practice reinforces the Company’s commitment to transparency and effective communication with its stakeholders.

COMPLIANCE STATEMENT

The Board is satisfied that, to the best of its knowledge, the Company is substantially in compliance with the practices outlined in the MCCG, except for the departures noted in the Corporate Governance Report 2025. Any practices in the MCCG that were not implemented during the FY2025 will be reviewed by the Board for potential implementation where feasible.

This Statement was presented and approved by the Board on 16 October 2005.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

INTRODUCTION

The Board of Directors of Genetec Technology Berhad (“the Board”) is committed in maintaining a sound risk management framework and internal control system throughout the Group and is pleased to provide the following statement which outlines the nature and scope of risk management and internal control of the Group during the year under review.

This Internal Control Statement is made in accordance with Principle B of the Malaysian Code on Corporate Governance 2021 and paragraph 15.26 (b) of the Bursa Malaysia Securities Berhad Listing Requirements, which requires Malaysian public listed companies to make a statement about their state of risk management and internal control, as a Group, in their Annual Report.

BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility in establishing a sound risk management framework and internal control system as well as reviewing its adequacy and effectiveness. In addition, the Board also affirms its overall responsibility to identify principal risks, ensure the implementation of an appropriate control environment and framework to manage risks, and evaluate the operational effectiveness and efficiency of the Group. In view of the limitations that are inherent in any system of internal control, this system is designed to manage, rather than eliminate the risk of failure to achieve business goals and objectives. It can therefore only provide reasonable, rather than absolute assurance against material misstatement, fraud or loss.

RISK MANAGEMENT FRAMEWORK

The Board believes firmly that risk management is essential for continued profitability and to safeguard shareholders’ investment. Accordingly, the Group has established a system of risk management framework and internal control comprising clear accountabilities, company procedures/policies, budgeting and evaluation process and has reviewed the adequacy and effectiveness of the risk management framework.

The Group refers to ISO 31000 Risk Management Standard as a guideline for identifying, evaluating, managing and monitoring significant risks by the Group in order to align its risk management processes with the ever-changing business environment.

The Risk Management Committee (“RMC”) which comprises of not less than three (3) members, with a majority of them being independent appointed by the Board to appraise and evaluate the effectiveness of the overall risk management and internal control system and report to the Board on weaknesses and significant risks which will affect the operations, industrial relations, financial position and compliance status of the Group.

Major incidents, if any, are reported to the RMC/Board to facilitate their review of the effectiveness of crisis management and the adequacy of mitigating measures taken by the Group to address the underlying risks. Risk Management Working Group evaluate the risks under their purview, which are subsequently consolidated and prioritised for review by the RMC. The RMC also maintains oversight of second-tier risks to ensure overall adequacy and effectiveness of risk mitigation plans and controls. Incidents that took place in the industry are also reviewed and learning points are applied to strengthen the Group’s crisis management processes.

Based on the framework, the RMC has carried out the following:

- establish the strategic context of risk in relation to the Group’s risk appetite, i.e. how risks are perceived and the levels at which they are acceptable or otherwise;
- identify risks in relation to the objectives of every business function of the Group’s operating companies;
- identify emerging risks faced by the Group in the operating environment;
- assess the likelihood and impact of such risks identified;
- evaluate the severity of the risks and their treatment options to set priority of management’s attention and devise appropriate actions;
- The RMC met at least twice (2) during the financial year to review the adequacy and effectiveness of the risk management measures; and
- Communicate to the Board the changes to the key risk profile and the course(s) of action to be taken by management in managing the changes.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

RISK MANAGEMENT FRAMEWORK (continued)

The Group adopts control objectives and procedures from the ISO 9001 for its day-to-day operational processes and implements standard operating policies to mitigate business risks and negative outcome. The Board meets and discuss matters brought to its attention by RMC as well as to carry out the review of any potential risks. Strategic risks pertaining to the Group's business are overseen directly by the Board.

INTERNAL AUDIT

The Board recognises that effective monitoring on a continuous basis is vital for a sound internal control system. In this respect, the Board through the Audit Committee is responsible for the review of the reports on internal control from its internal audit function.

The internal audit function of the Group has been outsourced to an independent professional firm ("**Internal Auditor**") which supports the Audit Committee, and by extension, the Board, by providing independent assurance on the effectiveness of the Group's system of internal control.

In particular, the Internal Auditor appraises and contributes towards improving the Group's risk management and control systems and reports to the Audit Committee on a half-yearly basis. In assessing the adequacy and effectiveness of the system of internal control and financial control procedures of the Group, the Audit Committee reports to the Board on its activities, significant audit results or findings and the necessary recommendations or actions needed to be taken by management to rectify those issues.

The internal audit work plan, which reflects the risk profile of the Group's major business operations is reviewed and approved by the Audit Committee. The scope of Internal Auditor's function covered the audit and review of governance, risk assessment, compliance, operational and financial control across all business units.

INTERNAL CONTROL SYSTEM

The Group's key internal control processes are based on the principles of COSO (Committee of Sponsoring Organisations of the Treadway Commission) Guidance on Internal Controls – Integrated Framework as follows:

Control Environment

- The Group has established a clear vision, mission, corporate philosophy and strategic direction that serve as the road map to the Group's direction and are communicated to employees at all levels.
- The Board is supported by various established committees in discharging its responsibilities that include the Audit Committee, Nomination Committee, Remuneration Committee and RMC.
- A defined organisational and reporting structure has been established at all levels within the Group and is aligned to business and operational requirements.
- The Group values ethical conduct, quality, timely delivery and customer satisfaction as project quality and deliverables have a direct impact on the Group's bottom line.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

Control Activities

- The ISO procedures and Group's standard operating policies and procedures reflect current practices of the business processes and key functions. Internal control measures and practices have been incorporated into these procedures to enhance controls and monitoring of day-to-day operations. Where relevant, they are periodically reviewed and revised to reflect current practices and relevancy.
- The Group has cascaded down these documented procedures to its employees for implementation. Compliance in their day-to-day operations is monitored by the respective departmental managers to ensure quality of work and products.
- Internal audit and ISO audit are carried out yearly to ensure that the Group's policies and procedures are in place and appropriate actions are being taken on highlighted internal control weaknesses to improve operational efficiencies and consistency of quality of products and work standards.

Information and Communication

- The Group implemented enterprise resource planning system to provide informative and relevant reports, thus assisting in the decision-making process.
- Timely and comprehensive flow of information and reports are submitted to the Board and Management on all aspects of the Group's operations to facilitate the monitoring of performance against strategic plans.
- Management meetings are convened at Group and subsidiaries levels to share information, discuss financial and business development, progress and performance monitoring as well as to decide upon operational matters. The proceedings of these meetings are documented in the minutes for further action and reference.

Monitoring

- Management constantly monitors the gaps and highlighted issues through the conduct of follow-up audits to improve on current processes and internal controls.
- Quarterly reviews on financial results are conducted to highlight any instances of significant variances that arose during the year which may require immediate management action.
- Internal audit reports were discussed with Management and tabled to the Audit Committee for their consideration and further action. Follow-up status reports were also dealt with in similar manner.

ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Board has received formal assurance from the Chief Executive Officer and Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

CONCLUSION

The Board confirmed that ongoing process of identifying, evaluating and managing the Group's risks exists and has operated throughout the year covered in this Annual Report and up to the date of its approval. Based on the reviews of the Group's risk management framework and internal control system, policies and practices performed by the RMC and the Management of the Group, the Board is of the view that the Group's risk management and internal control system which the Group considers relevant and material to its operations, was adequate and effective for the current year under review. The Board has found no significant evidence to suggest that the Group's business risks are not being satisfactorily managed.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control* included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 30 June 2025, and reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

- (a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or
- (b) is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The auditors 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.

This statement was made in accordance with a resolution of the Board dated 16 October 2025.

AUDIT COMMITTEE REPORT

The Board of Directors (“Board”) of Genetec Technology Berhad (“Genetec” or “the Company”) is pleased to present the Audit Committee (“AC”) Report for the financial year ended 30 June 2025 (“FY2025”).

COMPOSITION AND DESIGNATION OF THE AC

The AC comprises the following members:

Name	Designation
Ong Phoe Be	Chairperson, Independent Non-Executive Director
Dato’ Jeeventhiran a/l Ramanaidu	Member, Independent Non-Executive Director
Ong Siew Min	Member, Independent Non-Executive Director

The Company has complied with Paragraphs 15.09 and 15.10 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, which require that all AC members must be Non-Executive Directors, with a majority being Independent Directors, and that the AC is chaired by an Independent Director. The Company has also adopted the Step-Up Practice 9.4 of the Malaysian Code on Corporate Governance (“MCCG”), where the AC comprises solely of Independent Directors.

To further strengthen independence, the Company has adopted a policy requiring a minimum three-year cooling-off period for former key audit partners before their appointment as AC members, in accordance with Practice 9.2 of the MCCG.

TERMS OF REFERENCE OF THE AC

Members of the AC are appointed by the Board from among the Directors and must satisfy the following requirements:

- The AC shall consist of not fewer than three (3) members;
- All members must be Non-Executive Directors, with a majority being Independent;
- The Chairman of the AC, who must be an Independent Director, is appointed by the Board and shall not also be the Chairman of the Board;
- At least one (1) member of the AC:
 - (a) must be a member of the Malaysian Institute of Accountants (MIA); or
 - (b) if he is not a member of MIA, he must have at least three (3) years’ working experience and:
 - i. he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - ii. he must be a member of one (1) of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
 - iii. fulfil such other requirements as may be prescribed or approved by Bursa Malaysia Securities Berhad from time to time.
- Alternate directors are not eligible for appointment to the AC.

Ms Ong Siew Min is a member of the Malaysian Institute of Accountants (MIA). All AC members are financially literate and possess relevant accounting or financial expertise. They keep abreast of developments, including updates and changes to accounting standards and regulatory requirements, and consider the implications of such changes on the financial statements through briefings provided by the External Auditors.

The AC is guided by its Terms of Reference (“TOR”), which is available on the Company’s website at www.genetec.net. The TOR was last reviewed on 28 November 2023 and will be updated as necessary.

AUDIT COMMITTEE REPORT

MEETINGS AND ATTENDANCE

During FY2025, the AC convened five (5) meetings. The attendance of each member is as follows:

AC Member	Attendance
Ong Phoe Be	5/5
Dato' Jeeventhiran a/l Ramanaidu	5/5
Ong Siew Min	5/5

Meetings were scheduled in advance to facilitate members' availability. Meetings were held according to a predetermined schedule, with due notice issued, and agendas planned and itemised to facilitate comprehensive deliberation and discussion.

At each Board meeting, the AC Chairperson briefs the Board on key matters discussed at the most recent AC meeting. The minutes of each AC meeting are circulated to the Board at the subsequent Board meeting for notation.

The Chief Financial Officer ("CFO") and Senior Vice President, Corporate & Operations Finance ("SVP Finance") are regularly invited to attend AC meetings. The AC may also invite the External and/or Internal Auditors, as well as any other management personnel of the Company, as deemed necessary.

REVIEW OF THE AUDIT COMMITTEE

The Board, through the Nomination Committee, conducted an annual review of the AC, covering its term of office and performance as well as the performance of each of its members to assess whether they have discharged their duties effectively in accordance with the TOR. Based on the most recent assessment, the Nomination Committee is satisfied that the AC has performed its functions diligently in compliance with the TOR and supported the Board in upholding high standards of corporate governance.

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AC

During FY2025, the principal activities undertaken by the AC are summarised as follows:

Financial Reporting

- Reviewed unaudited quarterly financial results, including related announcements, prior to recommending to the Board for approval. The CFO and SVP Finance provided detailed explanations on the Group's performance and cash flow trends.
- Reviewed the consolidated audited financial statements of the Company and the Group, which were drawn up in accordance with the applicable Malaysian Financial Reporting Standards and International Financial Reporting Standards and the requirements of the Companies Act 2016, prior to recommending to the Board for approval.

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AC (continued)

During FY2025, the principal activities undertaken by the AC are summarised as follows: (continued)

External Audit

- Reviewed and approved the External Auditors' audit planning memorandum, which covered the audit engagement team, auditors' independence declaration, audit timeline and activities, risk assessment and audit approach, and communication of Key Audit Matters.
- Considered audit status updates, findings, and management's responses, and scrutinised potential Key Audit Matters on revenue recognition raised by the External Auditors to ensure that sufficient audit work had been performed to support the audit conclusion and assess the overall impact on the financial statements.
- Held private discussions with the External Auditors, without the presence of Executive Directors and management, to discuss audit findings and the assistance provided by management. No major concerns were raised by the External Auditors during these sessions.

Internal Audit

- Reviewed internal audit reports, including findings, recommendations and management responses, to ensure that all key risks were addressed and corrective actions were implemented promptly.
- Monitored management's follow-up actions and evaluated the effectiveness of remediation efforts on outstanding audit issues.
- Assessed the adequacy and effectiveness of the Group's overall internal control environment and governance framework.

Related Party Transactions (RPTs)

- Reviewed recurrent RPTs entered into by the Group on a quarterly basis.
- Reviewed the draft Circular to Shareholders for the proposed renewal of the shareholders' mandate on existing and new RPTs, including the adequacy and appropriateness of the procedures for RRPT and the AC Statement stated therein.
- Reviewed the Independent Adviser's assessment of the proposed disposal of a subsidiary by the Company to a related party and formulated the AC Statement for inclusion in the Circular to Shareholders.

Other Matters

- Reviewed and monitored any actual or potential conflict of interest situations; none were identified during the financial year.
- Assessed the performance, independence, and suitability of the External Auditors in accordance with the Company's Auditors' Policy, taking into consideration objectivity, independence, and quality of service delivery, prior to recommending their reappointment and audit fees of the Group to the Board for endorsement and approval accordingly.
- Reviewed the provision of internal audit services, including the proficiency, adequacy of resources, and independence of the Internal Auditors, in line with the Company's Auditors' Policy.
- Reviewed and recommended the Statement on Risk Management and Internal Control and this Audit Committee Report to the Board for inclusion in the Annual Report.

AUDIT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION, ACTIVITIES AND COSTS

The internal audit function is outsourced to CGRM Infocomm Sdn Bhd, an independent professional firm. It reports directly to the AC and provides independent assurance to the Board, through the AC, on governance, risk management, and internal control processes.

CGRM Infocomm Sdn Bhd is fully independent and maintains objectivity in the conduct of its audits, as it has no involvement in operational decision-making. The director-in-charge is a Certified Internal Auditor, Certified Risk Management Assessor, and Chartered Member of the Institute of Internal Auditors, with extensive experience in internal auditing.

The Internal Audit Charter sets out the terms of reference, role, organisation status, responsibility and authority of the internal audit function within the Group. The scope of the internal audit covers the assessment of governance and risk assessment processes within the audited scope, efficiency and effectiveness of internal controls, and compliance activities of the Group. The internal audit practices are aligned and/or guided by the International Professional Practices Framework® comprising the Global Internal Audit Standards, Topical Requirements and Global Guidance of the Institute of Internal Auditors, Inc., as well as the Internal Control – Integrated Framework developed by COSO.

The audit approach adopted by the Group is risk-based and targeted at assessing and reviewing the implementation and monitoring of controls to address the critical risk areas of the Group, which is consistent with the Group's framework in designing, implementing and monitoring its internal control system. The risk-based internal audit plan outlines the audit timetable for auditable business processes, and follow-ups are tabled for AC's review and endorsement. The AC may authorise changes to the audit plan from time to time if the need arises.

During FY2025, the Internal Auditors undertook the following activities:

- (a) Completed reviews as per the approved audit plan, with no significant issues reported:

Audit Area	Scope
Capital Expenditure & Asset Management	<ul style="list-style-type: none"> Acquisition management Disposal management Safeguarding and safekeeping
2024 Sustainability Statement Review	<ul style="list-style-type: none"> Alignment with Bursa Malaysia Sustainability Reporting Guide (3rd Edition) Accuracy and integrity of sustainability reporting disclosures

- (b) Conducted discussions with auditees, process owners and management on the observations and recommended action plans to mitigate the identified risk or control improvements required following each audit review.
- (c) Presented internal audit reports to the AC, detailing the internal audit observations and issues identified, together with recommendations and management's agreed action/improvement to address the observations/issues.

The total cost incurred for the internal audit function in FY2025 (inclusive of tax and out-of-pocket expenses) amounted to RM75,892.68.



Financial Statement

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DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2025.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, designing and building of smart automation systems, customised factory automated equipment and integrated systems from conceptual design, development of prototype to mass replication of equipment. The principal activities of its subsidiaries are stated in the Subsidiaries section of this report.

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

RESULTS

	Group RM'000	Company RM'000
Loss for the financial year, net of tax	(24,963)	(29,588)
Attributable to:		
Owners of the Company	(31,363)	(29,588)
Non-controlling interests	6,400	-
	(24,963)	(29,588)

DIVIDENDS

The amount of dividend declared and paid by the Company since the end of previous financial period were as follows:

	RM'000
Single tier interim dividend of 2 sen per ordinary share in respect of the financial period ended 30 June 2024, paid on 4 October 2024	15,698

The directors do not recommend the payment of the dividend in respect of the financial year ended 30 June 2025.

RESERVES OR PROVISIONS

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

DIRECTORS' REPORT

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 all known bad debts had been written off 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 as 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
- (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.

DIRECTORS' REPORT

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.

AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and the Company during the financial year were RM219,000 and RM210,500 respectively.

To the extent permitted by law, the Company has agreed to indemnify the auditor, Baker Tilly Monteiro Heng PLT, as part of the terms of its audit engagement against any claims arising from the audit for an unspecified amount. No payment has been made to indemnify Baker Tilly Monteiro Heng PLT during the financial year and up to the date of this report.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company:

- (i) issued 8,240,400 new ordinary shares pursuant to the exercise of the Company's Employee's Share Option Scheme ("ESOS") amounting to RM1,173,433; and
- (ii) issued 6,415,600 new ordinary shares pursuant to the Company's Long Term Incentive Plan ("LTIP") amounting to RM8,576,335.

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

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

TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirements of Section 127 of the Companies Act 2016 in Malaysia.

During the financial year, the Company repurchased 11,000,000 of its issued and paid up ordinary shares from the open market at an average price of RM1.06 per ordinary share. The total consideration paid for the share repurchased included transaction costs was RM11,660,226.

As at 30 June 2025, the Company held 11,000,000 treasury shares out of its 791,306,908 issued ordinary shares. Such treasury shares are held at a carrying amount of RM11,660,226.

DIRECTORS' REPORT

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up the unissued shares of the Company during the financial year other than the issue of options pursuant to the Employee's Share Option Scheme ("ESOS").

At an extraordinary general meeting held on 27 August 2020, the Company's shareholders approved the establishment of ESOS of not more than 15% of the total number of issued shares of the Company at any point in time during the tenure of the ESOS, to eligible Directors and employees of the Group.

The salient features of the ESOS scheme are as follows:

- (i) Eligible employees are those who must be at least eighteen (18) years of age, employed on a full time basis and have been in the employment of the Group for a period of at least six (6) months of continuous service.
- (ii) The option is personal to the grantee and is non-assignable and non-transferable.
- (iii) The option price shall be determined based on the weighted average market price of the Company's ordinary shares for the five (5) market days preceding the date of offer with a discount of not more than ten percent (10%).
- (iv) The ESOS shall be in force for a period of five (5) years from the date of implementation of the Proposed ESOS. However, an extension to the scheme may be effected by the Company upon recommendation from the ESOS Committee, subject to an aggregate duration of ten (10) years from the date of commencement.

The options offered for the subscription of unissued ordinary shares and the respective exercise prices are as follows:

Offer date	Expiry date	Exercise price	Number of options over ordinary shares			
			At 1 July 2024	Granted	Exercised	At 30 June 2025
9 October 2020	8 October 2025	^0.11	8,240,400	-	(8,240,400)	-

^ The Company completed its bonus issue exercise on 11 January 2022 and the exercise price has been adjusted accordingly.

The outstanding options of 8,240,400 were fully exercised on 6 September 2024. The Company had subsequently terminated the ESOS on 9 September 2024.

DIRECTORS

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

Chin Kem Weng *
 Sow Ewe Lee *
 Ong Phoe Be
 Dato' Jeeventhiran A/L Ramanaidu
 Allen Lik-Hook Ting
 Ong Siew Min

* Directors of the Company and subsidiaries

DIRECTORS' REPORT

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 directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	At 1 July 2024	Bought/ Addition	Sold	At 30 June 2025
Interests in the Company				
Direct interests:				
Chin Kem Weng	52,682,565	7,280,000 [^]	-	59,962,565
Sow Ewe Lee	11,700,000	1,897,100 [*]	-	13,597,100
Ong Phoe Be	800,000	68,000	-	868,000
Dato' Jeeventhiran A/L Ramanaidu	100,000	-	-	100,000
Allen Lik-Hook Ting	539,400	1,487,800	-	2,027,200

[^] Allotted pursuant to the Employee's Share Option Scheme ("ESOS")

^{*} Allotted pursuant to the Long-Term Incentive Plan ("LTIP")

	Number of options over ordinary shares			
	At 1 July 2024	Granted	Exercised	At 30 June 2025
Chin Kem Weng	7,280,000	-	(7,280,000)	-

By virtue of their interests in the shares of the Company, the Directors are also deemed interested in the shares of the subsidiaries during the financial year to the extent that Genetec Technology Berhad has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in ordinary shares or debentures of the Company during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial period, no director of the Company has received or become entitled to receive any 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.

DIRECTORS' REPORT

DIRECTORS' BENEFITS (continued)

The directors' benefits of the Group and the Company were as follows:

	Group and Company
	RM'000
Directors of the Company	
Executive directors	
- Remuneration	1,329
- Bonus	4,946
- Benefits-in-kind	52
- Long-term incentive plan	2,536
	8,863
Non-executive directors	
- Fees	408
	9,271

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, other than those shares arising from the ESOS and LTIP.

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 RM10,000,000 and RM21,400 respectively.

SUBSIDIARIES

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

Name of company	Country of incorporation	Ownership interest	Principal activities
		2025 %	
BESS Engineering Sdn. Bhd.	Malaysia	100	Manufacture batteries and accumulators, miscellaneous electrical equipment, installation of industrial machinery and equipment. The Company has not commenced its business operation since the date of incorporation.
FAS Manufacturing Sdn. Bhd.	Malaysia	100	Fabrication of machine parts and toolings for equipment. The Company has ceased operations since financial year 2012.
FAS Technology Solution Sdn. Bhd.	Malaysia	100	Design and development of standard automated industrial equipment. The Company has ceased since financial year 2012.

DIRECTORS' REPORT

SUBSIDIARIES (continued)

The details of the Company's subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Ownership interest	Principal activities
		2025 %	
Genetec Global Technologies, Inc.	United States of America	100	Dormant.

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

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 28 May 2024, the Company proposed to establish and implement a long-term incentive plan ("Proposed LTIP") of up to 5% of the Company's total issued shares (excluding treasury shares, if any) at any point of time during the duration of the LTIP for the eligible executive directors and employees of the Company and its subsidiary companies (excluding subsidiaries which are dormant) who fulfil the eligibility criteria.

Bursa Securities had approved the Proposed LTIP via its letter dated 12 July 2024.

At an extraordinary general meeting held on 29 August 2024, the Company's shareholders approved the establishment of the Proposed LTIP.

The LTIP was implemented on 10 January 2025.

- (b) On 4 November 2024, the Company entered into a conditional share sale agreement with Tan Moon Teik ("Purchaser") in relation to the proposed disposal of 6,183,750 ordinary shares in CLT Engineering Sdn. Bhd. ("CLT"), representing 51% equity interest in CLT to the Purchaser for a total disposal consideration of RM21,627,559 to be settled via cash ("Disposal").

On 28 March 2025, the Disposal had been completed following the fulfilment of the terms and conditions in the share sale agreement. Accordingly, CLT ceased to be a subsidiary of the Company.

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:

CHIN KEM WENG
Director

SOW EWE LEE
Director

Date: 16 October 2025

STATEMENTS OF FINANCIAL POSITION

As at 30 June 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	131,970	134,793	131,970	114,655
Goodwill	6	-	5,060	-	-
Investment in subsidiaries	7	-	-	1	18,348
Investment in a joint venture	8	-	-	-	250
Deferred tax assets	9	3,272	3,272	3,272	3,272
Other investments	10	-	2,280	-	2,280
Total non-current assets		135,242	145,405	135,243	138,805
Current assets					
Inventories	11	14,866	13,795	14,866	13,475
Trade and other receivables	12	145,386	57,983	145,531	47,454
Contract assets	13	176,378	186,257	176,378	179,736
Current tax assets		5,570	114	5,570	114
Short-term investments	14	33,733	122,815	33,733	122,815
Cash and bank balances	15	10,298	41,340	10,279	31,014
Total current assets		386,231	422,304	386,357	394,608
TOTAL ASSETS		521,473	567,709	521,600	533,413

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
EQUITY AND LIABILITIES					
Equity attributable to the owners of the Company					
Share capital	16	279,730	269,980	279,730	269,980
Treasury shares	17	(11,660)	-	(11,660)	-
Other reserves	18	(4,387)	(1,576)	(2,280)	266
Retained earnings		172,014	219,075	170,049	215,335
		435,697	487,479	435,839	485,581
Non-controlling interests		-	9,249	-	-
TOTAL EQUITY		435,697	496,728	435,839	485,581
Non-current liabilities					
Loans and borrowings	19	933	8,415	933	2,806
Lease liabilities	20	208	83	208	55
Deferred tax liabilities	9	-	343	-	-
Total non-current liabilities		1,141	8,841	1,141	2,861
Current liabilities					
Loans and borrowings	19	30,824	14,063	30,824	11,713
Lease liabilities	20	240	145	240	86
Derivatives financial liabilities	21	-	120	-	120
Trade and other payables	22	53,162	46,068	53,147	32,311
Contract liabilities	13	409	1,135	409	741
Current tax liabilities		-	609	-	-
Total current liabilities		84,635	62,140	84,620	44,971
TOTAL LIABILITIES		85,776	70,981	85,761	47,832
TOTAL EQUITY AND LIABILITIES		521,473	567,709	521,600	533,413

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

STATEMENTS OF COMPREHENSIVE INCOME

For the Financial Year Ended 30 June 2025

	Note	Group		Company	
		1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
Revenue	23	222,684	347,003	211,345	321,541
Cost of sales		(210,003)	(238,171)	(199,089)	(211,276)
Gross profit		12,681	108,832	12,256	110,265
Other income		13,113	7,857	6,450	6,549
Administrative expenses		(33,408)	(20,883)	(31,604)	(17,636)
Other expenses		(14,923)	(4,948)	(14,406)	(4,941)
Net (impairment losses)/reversal of impairment losses of financial assets		(2,174)	-	(2,186)	572
Operating (loss)/profit		(24,711)	90,858	(29,490)	94,809
Finance income	24	884	2,889	760	2,674
Finance costs	25	(1,207)	(3,106)	(929)	(2,516)
		(323)	(217)	(169)	158
Share of result of a joint venture, net of tax		-	(250)	-	-
(Loss)/Profit before tax	26	(25,034)	90,391	(29,659)	94,967
Tax credit/(expense)	28	71	(5,841)	71	(6,295)
(Loss)/Profit for the financial year/period		(24,963)	84,550	(29,588)	88,672
Other comprehensive (loss)/income, net of tax					
<i>Item that will not be reclassified subsequently to profit or loss</i>					
Fair value loss of equity instruments designated at fair value through other comprehensive income		(2,280)	-	(2,280)	-
<i>Item that may be reclassified subsequently to profit or loss</i>					
Exchange differences on translation of foreign operations		453	(452)	-	-
Reclassification adjustment of foreign exchange translation reserve	7(c)	(247)	-	-	-
		206	(452)	-	-
Other comprehensive loss for the financial year/period		(2,074)	(452)	(2,280)	-
Total comprehensive (loss)/income for the financial year/period		(27,037)	84,098	(31,868)	88,672

STATEMENTS OF COMPREHENSIVE INCOME

For the Financial Year Ended 30 June 2025

	Note	Group		Company	
		1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
(Loss)/Profit attributable to:					
Owners of the Company		(31,363)	86,124	(29,588)	88,672
Non-controlling interests		6,400	(1,574)	-	-
		(24,963)	84,550	(29,588)	88,672
Total comprehensive (loss)/income attributable to:					
Owners of the Company		(33,908)	85,853	(31,868)	88,672
Non-controlling interests		6,871	(1,755)	-	-
		(27,037)	84,098	(31,868)	88,672
(Loss)/Earnings per ordinary share attributable to owners of the Company (sen)					
- Basic	29	(4.0)	11.2		
- Diluted	29	(4.0)	11.1		

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

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2025

		← Attributable to owners of the Company →								
		Share capital	Translation reserves	Fair value reserve of financial assets at FVOCI	Share option reserve	Treasury shares	Retained earnings	Sub-total	Non-controlling interest	Total equity
Note	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group										
	At 1 July 2024	269,980	(1,842)	-	266	-	219,075	487,479	9,249	496,728
	Total comprehensive loss for the financial year	-	-	-	-	-	(31,363)	(31,363)	6,400	(24,963)
	Loss for the financial year	-	-	-	-	-	-	-	-	-
	Other comprehensive loss for the financial year	-	(265)	(2,280)	-	-	-	(2,545)	471	(2,074)
	Total comprehensive loss	-	(265)	(2,280)	-	-	(31,363)	(33,908)	6,871	(27,037)
	Transactions with owners									
	Issue of ordinary shares pursuant to ESOS	1,173	-	-	(266)	-	-	907	-	907
	Issue of ordinary shares pursuant to LTIP	8,577	-	-	-	-	-	8,577	-	8,577
	Dividend paid on shares	-	-	-	-	-	(15,698)	(15,698)	-	(15,698)
	Disposal of a subsidiary	-	-	-	-	-	-	-	(14,557)	(14,557)
	Dissolution of subsidiaries	-	-	-	-	-	-	-	(1,563)	(1,563)
	Shares repurchased	-	-	-	-	(11,660)	-	(11,660)	-	(11,660)
	Total transactions with owners	9,750	-	-	(266)	(11,660)	(15,698)	(17,874)	(16,120)	(33,994)
	At 30 June 2025	279,730	(2,107)	(2,280)	-	(11,660)	172,014	435,697	-	435,697

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2025

Group	Attributable to owners of the Company							Total equity RM'000
	Share capital RM'000	Share Translation reserves RM'000	Share option reserve RM'000	Retained earnings RM'000	Sub-total RM'000	Non-controlling interest RM'000		
At 1 April 2023	266,207	(1,571)	1,125	132,951	398,712	11,004	409,716	
Total comprehensive income for the financial period								
Profit for the financial period	-	-	-	86,124	86,124	(1,574)	84,550	
Other comprehensive loss for the financial period	-	(271)	-	-	(271)	(181)	(452)	
Total comprehensive income	-	(271)	-	86,124	85,853	(1,755)	84,098	
Transaction with owners								
Issue of ordinary shares pursuant to ESOS, representing total transaction with owners	3,773	-	(859)	-	2,914	-	2,914	
Total transaction with owners	3,773	-	(859)	-	2,914	-	2,914	
At 30 June 2024	269,980	(1,842)	266	219,075	487,479	9,249	496,728	

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STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2025

	← Attributable to owners of the Company →					
	Share capital RM'000	Fair value reserve of financial assets at FVOCI RM'000	Share option reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total equity RM'000
Company						
At 1 July 2025	269,980	-	266	-	215,335	485,581
Total comprehensive loss for the financial year						
Loss for the financial year	-	-	-	-	(29,588)	(29,588)
Other comprehensive loss for the financial year	-	(2,280)	-	-	-	(2,280)
Total comprehensive loss	-	(2,280)	-	-	(29,588)	(31,868)
Transactions with owners						
Issue of ordinary shares pursuant to ESOS	1,173	-	(266)	-	-	907
Issue of ordinary shares pursuant to LTIP	8,577	-	-	-	-	8,577
Dividend paid on shares	-	-	-	-	(15,698)	(15,698)
Shares repurchased	-	-	-	(11,660)	-	(11,660)
Total transactions with owners	9,750	-	(266)	(11,660)	(15,698)	(17,874)
At 30 June 2025	279,730	(2,280)	-	(11,660)	170,049	435,839

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2025

	Note	← Attributable to owners of the Company →			
		Share capital RM'000	Share option reserve RM'000	Retained earnings RM'000	Total equity RM'000
Company					
At 1 April 2023		266,207	1,125	126,663	393,995
Total comprehensive income for the financial period					
Profit for the financial period, representing total comprehensive income		-	-	88,672	88,672
Transaction with owners					
Issue of ordinary shares pursuant to ESOS, representing total transaction with owners	16	3,773	(859)	-	2,914
At 30 June 2024		269,980	266	215,335	485,581

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

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2025

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)
Note	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
(Loss)/Profit before tax	(25,034)	90,391	(29,659)	94,967
Adjustments for:				
Bad debts written off	-	-	107	-
Depreciation of property, plant and equipment	6,600	8,026	5,427	5,912
Finance costs	1,207	3,106	929	2,516
Finance income	(884)	(2,889)	(760)	(2,674)
Fair value gain on short-term investments	(2,456)	(3,811)	(2,456)	(3,811)
Gain on disposal of property, plant and equipment	-	(24)	-	(24)
Gain on disposal of a subsidiary	(1,416)	-	(3,281)	-
Gain on dissolution of subsidiaries	(1,806)	-	-	-
Impairment loss on amount owing from joint venture	2,400	-	2,400	-
Impairment loss on amounts owing from subsidiaries	-	-	12	10
Impairment loss on investment in a joint venture	-	-	250	-
Inventories written down	101	367	101	367
Net unrealised derivative loss	-	120	-	120
Net unrealised foreign exchange loss/(gain)	10,269	(321)	10,357	(381)
Reversal of inventories written down	(170)	(9)	(170)	(9)
Reversal of impairment loss on amounts owing from subsidiaries	-	-	-	(582)
Reversal of impairment loss on trade receivables	(226)	-	(226)	-
Share of loss of joint venture	-	250	-	-
Share granted under LTIP	8,577	-	8,577	-
Waiver of debts	(6,624)	-	-	-
Operating (loss)/profit before changes in working capital, carried forward	(9,462)	95,206	(8,392)	96,411

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2025

	Note	Group		Company	
		1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
Operating (loss)/profit before changes in working capital, brought forward		(9,462)	95,206	(8,392)	96,411
Changes in working capital:					
Inventories		(1,307)	(5,571)	(1,323)	(5,581)
Trade and other receivables and derivative financial assets		(101,126)	76,643	(102,455)	75,833
Contract assets/(liabilities)		2,533	(125,898)	2,924	(132,488)
Trade and other payables and derivative financial liabilities		21,219	9,478	20,676	9,810
Cash (used in)/generated from operations		(88,143)	49,858	(88,570)	43,985
Income tax paid		(5,601)	(7,607)	(5,385)	(6,768)
Net cash (used in)/from operating activities		(93,744)	42,251	(93,955)	37,217
Cash flows from investing activities					
Acquisition of property, plant and equipment	(a)	(22,391)	(22,390)	(22,332)	(22,063)
Investment in a joint venture		-	(249)	-	(249)
Investment in a subsidiary		-	-	-	(1)
Investment in unquoted shares		-	(2,280)	-	(2,280)
Interest received		455	1,005	331	790
Proceeds from disposal of property, plant and equipment		-	24	-	24
Proceeds from disposal of subsidiaries		5,098	-	13,500	-
Withdrawal of short-term investments		91,966	30,000	91,966	30,000
Net cash from investing activities		75,128	6,110	83,465	6,221

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2025

	Note	Group		Company	
		1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
Cash flows from financing activities	(b)				
Proceeds from issuance of shares		907	2,914	907	2,914
Drawdown of trade finance facilities		66,139	75,838	66,139	75,250
Dividend paid to owners of the Company		(15,698)	-	(15,698)	-
Drawdown of term loans		-	522	-	-
Interest paid on loans and borrowings		(1,207)	(3,106)	(929)	(2,516)
Repurchase of treasury shares		(11,660)	-	(11,660)	-
Repayment of hire purchase		(2,952)	(3,623)	(2,019)	(2,136)
Repayment of trade finance facilities		(46,882)	(110,116)	(46,882)	(108,959)
Repayment of term loans		(657)	(1,628)	-	(590)
Payment of lease liabilities		(154)	(302)	(103)	(123)
Net cash used in financing activities		(12,164)	(39,501)	(10,245)	(36,160)
Net (decrease)/increase in cash and cash equivalents		(30,780)	8,860	(20,735)	7,278
Cash and cash equivalents at the beginning of the financial year/period		41,080	32,672	31,014	23,736
Effect of exchange rate changes on cash and cash equivalents		(2)	(452)	-	-
Cash and cash equivalents at the end of the financial year/period	15	10,298	41,080	10,279	31,014

- (a) During the financial year, the Group and the Company acquired property, plant and equipment which are satisfied by the following:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Purchase of property, plant and equipment	22,801	28,636	22,742	27,252
Financed by way of lease arrangements	(410)	(263)	(410)	(106)
Financed by way of hire purchase arrangements	-	(5,983)	-	(5,083)
Cash payments on purchase of property, plant and equipment	22,391	22,390	22,332	22,063

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2025

(b) Reconciliation of liabilities arising from financing activities:

	1.7.2024 RM'000	Cash flows RM'000	Non-cash		30.6.2025 RM'000
			Acquisition RM'000	Disposal of subsidiary RM'000	
Group					
Term loans	4,832	(657)	-	(4,175)	-
Hire purchase payables	7,674	(2,952)	-	(1,934)	2,788
Revolving credit	-	6,000	-	-	6,000
Bankers acceptances	9,712	13,257	-	-	22,969
Lease liabilities	228	(154)	410	(36)	448
	22,446	15,494	410	(6,145)	32,205

Company					
Hire purchase payables	4,807	(2,019)	-	-	2,788
Revolving credit	-	6,000	-	-	6,000
Bankers acceptances	9,712	13,257	-	-	22,969
Lease liabilities	141	(103)	410	-	448
	14,660	17,135	410	-	32,205

	1.4.2023 RM'000	Cash flows RM'000	Non-cash		30.6.2024 RM'000
			Acquisition RM'000		
Group					
Term loans	5,938	(1,106)	-	-	4,832
Hire purchase payables	5,314	(3,623)	5,983	-	7,674
Revolving credit	8,546	(8,546)	-	-	-
Bankers acceptances	35,444	(25,732)	-	-	9,712
Lease liabilities	267	(302)	263	-	228
	55,509	(39,309)	6,246	-	22,446

Company					
Term loans	590	(590)	-	-	-
Hire purchase payables	1,860	(2,136)	5,083	-	4,807
Revolving credit	8,546	(8,546)	-	-	-
Bankers acceptances	34,875	(25,163)	-	-	9,712
Lease liabilities	158	(123)	106	-	141
	46,029	(36,558)	5,189	-	14,660

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2025

(c) Total cash outflows for leases as a lessee:

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
Included in net cash used in operating activities:				
Payment relating to leases of:				
- low value assets	118	170	76	67
- short-term assets	375	456	292	378
Included in net cash used in financing activities:				
Interest paid in relation to lease liabilities	7	14	6	7
Payment of lease liabilities	154	302	103	123
Total cash outflows for leases	654	942	477	575

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

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Genetec Technology Berhad (“the Company”) is a public limited company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business of the Company is located at Lot 7, Jalan P10/11, Seksyen 10, Kawasan Perusahaan Bangi, 43650 Bandar Baru Bangi, Selangor Darul Ehsan.

The principal activities of the Company are investment holding, designing and building of smart automation systems customised factory automated equipment and integrated systems from conceptual design, development of prototype to mass replication of equipment. The principal activities of its subsidiaries are disclosed in Note 7.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 16 October 2025.

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 MFRSs

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

Amendments to MFRSs

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 107	Statement of Cash Flows

The adoption of the above amendments to MFRSs 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.

NOTES TO THE FINANCIAL STATEMENTS

2. BASIS OF PREPARATION (continued)

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

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:

		Effective for financial periods beginning on or after
<u>New MFRS</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysia 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	Statements of Cash Flows	1 January 2026
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

2.3.1 The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. The initial application of the applicable new MFRS and amendments to MFRSs is not expected to have material impact to the current and prior periods financial statements.

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.

NOTES TO THE FINANCIAL STATEMENTS

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, when the acquired set of activities meets the definition of a business and control is transferred to the Group.

(b) Non-controlling interests

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

(c) Joint arrangements

The Group classifies its joint arrangements as disclosed in Note 8 as “joint venture” and accounts its interests using the equity method as the Group has rights to the net assets of the arrangements.

3.2 Separate financial statements

In the Company’s statement of financial position, investments in subsidiaries and a joint venture are measured at cost less any accumulated impairment losses.

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.

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 10 that are not held for trading as equity instruments designated at fair value through other comprehensive income. The classification is determined on an instrument-by-instrument basis.

Gains 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 designed at fair value through other comprehensive income are not subject to impairment assessment.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Financial instruments (continued)

Financial liabilities – subsequent measurement and gains and losses

The Group and the Company classify the financial liabilities at amortised cost or fair value through profit or loss. Financial liabilities are classified as fair value through profit or loss if it is classified as held for trading, it is a derivative, it is contingent consideration of an acquirer in a business combination or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

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.

Derivatives

The Group and the Company uses forward foreign exchange contracts to hedge the exposure of purchases in foreign currency. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the profit or loss.

3.4 Property, plant and equipment

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

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

	Useful lives (years)
Electrical equipment, renovation, furniture and fittings	5 - 13 years
Plant and machineries	10 years
Motor vehicles	5 years

3.5 Leases

Lessee accounting

The Group and Company present right-of-use assets that do not meet definition of investment property as property, plant and equipment in Note 5 and lease liabilities in Note 20.

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise 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.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.5 Leases (continued)

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 payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

3.6 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 and consumable: purchase costs on a first-in-first-out basis.
- work-in-progress: cost of appropriate share of production overheads based on normal operating capacity. These costs are assigned on a first-in-first-out basis.

3.7 Revenue and other income

(a) Construction contracts

The Company constructs industrial automation products under long term contracts with customers. Construction service contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control of the works performed is transferred over time as the Company does not create an asset with an alternative use and the Company have an enforceable right to payment for performance completed to date. The progress towards complete satisfaction of a performance obligation is determined by the proportion of construction costs incurred for work performed to date bear to the estimated total construction costs (an input method).

Billings are made with a credit term ranging from 30 to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Company become entitled to invoice customers for construction of commercial and industrial properties based on achieving a series of performance-related milestones.

The Company recognises a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Company recognises a contract liability for the difference.

Product warranty period is usually 24 months to 36 months from the date of acceptance test as provided in the contracts with customers.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.7 Revenue and other income (continued)

(b) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(c) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss.

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 year. 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.

The areas involving a higher degree of judgement of 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:

(a) Construction revenue

The Group and the Company recognised revenue in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that construction costs incurred for work performed to date bear to the estimated total construction costs.

Significant judgement is required in determining the recognition of revenue either over time or at point in time recognition, depending on the timing when the control of the products is passed to the customers based on the terms on the customer's orders. Significant judgement is also required to determine the progress towards satisfaction of a performance obligation, the extent of the contract costs incurred, the estimated total contracts revenue and costs, as well as the recoverability of the projects. The estimated total revenue and costs are affected by a variety of uncertainties that depend on the outcome of future events.

The carrying amounts of the Group's and the Company's contract assets, contract liabilities and revenue are disclosed in Notes 13 and 23.

(b) Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences, unused tax losses and unabsorbed capital allowances based on the projected future profits of the Company to the extent that is probable that taxable profit will be available against which the temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based on the future performance and taxable profits of the Company.

The carrying amount of the Group's and the Company's recognised deferred tax assets is disclosed in Note 9.

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT

Group 2025	Building in progress RM'000	Motor vehicles RM'000	Plant and machineries RM'000	Electrical equipment, renovation, furniture and fittings RM'000	Right-of- use assets RM'000	Total RM'000
Cost						
At 1 July 2024	963	6,407	22,036	21,271	119,068	169,745
Additions	9,991	-	560	4,527	7,723	22,801
Derecognition*	-	-	-	-	(89)	(89)
Disposal of a subsidiary (Note 7(b))	-	(1,914)	(10,774)	(3,130)	(18,387)	(34,205)
At 30 June 2025	10,954	4,493	11,822	22,668	108,315	158,252
Accumulated depreciation						
At 1 July 2024	-	3,540	10,616	8,842	11,954	34,952
Depreciation charge for the financial year	-	763	1,484	1,841	2,512	6,600
Derecognition*	-	-	-	-	(89)	(89)
Disposal of a subsidiary (Note 7(b))	-	(975)	(6,295)	(2,805)	(5,106)	(15,181)
At 30 June 2025	-	3,328	5,805	7,878	9,271	26,282
Carrying amount						
At 30 June 2025	10,954	1,165	6,017	14,790	99,044	131,970

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Group 2024	Building in progress RM'000	Motor vehicles RM'000	Plant and machineries RM'000	Electrical equipment, renovation, furniture and fittings RM'000	Right-of- use assets RM'000	Total RM'000
Cost						
At 1 April 2023	-	6,443	16,787	15,845	102,675	141,750
Additions	963	173	5,585	5,426	16,489	28,636
Disposals	-	(209)	-	-	-	(209)
Written off	-	-	(336)	-	-	(336)
Derecognition*	-	-	-	-	(96)	(96)
At 30 June 2024	963	6,407	22,036	21,271	119,068	169,745
Accumulated depreciation						
At 1 April 2023	-	2,748	8,836	7,021	8,962	27,567
Depreciation charge for the financial period	-	1,001	2,116	1,821	3,088	8,026
Disposals	-	(209)	-	-	-	(209)
Written off	-	-	(336)	-	-	(336)
Derecognition*	-	-	-	-	(96)	(96)
At 30 June 2024	-	3,540	10,616	8,842	11,954	34,952
Carrying amount						
At 30 June 2024	963	2,867	11,420	12,429	107,114	134,793

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Company 2025	Building in progress RM'000	Motor vehicles RM'000	Plant and machineries RM'000	Electrical equipment, renovation, furniture and fittings RM'000	Right-of- use assets RM'000	Total RM'000
Cost						
At 1 July 2024	963	4,493	11,262	18,200	100,681	135,599
Additions	9,991	-	560	4,468	7,723	22,742
Derecognition*	-	-	-	-	(89)	(89)
At 30 June 2025	10,954	4,493	11,822	22,668	108,315	158,252
Accumulated depreciation						
At 1 July 2024	-	2,721	4,953	6,108	7,162	20,944
Depreciation charge for the financial year	-	607	852	1,770	2,198	5,427
Derecognition*	-	-	-	-	(89)	(89)
At 30 June 2025	-	3,328	5,805	7,878	9,271	26,282
Carrying amount						
At 30 June 2025	10,954	1,165	6,017	14,790	99,044	131,970

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Company 2024	Building in progress RM'000	Motor vehicles RM'000	Plant and machineries RM'000	Electrical equipment, renovation, furniture and fittings RM'000	Right-of- use assets RM'000	Total RM'000
Cost						
At 1 April 2023	-	4,529	7,175	12,839	84,445	108,988
Additions	963	173	4,423	5,361	16,332	27,252
Disposals	-	(209)	-	-	-	(209)
Written off	-	-	(336)	-	-	(336)
Derecognition	-	-	-	-	(96)	(96)
At 30 June 2024	963	4,493	11,262	18,200	100,681	135,599
Accumulated depreciation						
At 1 April 2023	-	2,189	4,291	4,413	4,780	15,673
Depreciation charge for the financial period	-	741	998	1,695	2,478	5,912
Disposals	-	(209)	-	-	-	(209)
Written off	-	-	(336)	-	-	(336)
Derecognition	-	-	-	-	(96)	(96)
At 30 June 2024	-	2,721	4,953	6,108	7,162	20,944
Carrying amount						
At 30 June 2024	963	1,772	6,309	12,092	93,519	114,655

* Derecognition of the right-of-use assets during the financial year/period was a result of termination of certain leases.

(a) Assets pledged as security

Leasehold land and buildings of the Group and of the Company with carrying amount of RM10,634,026 and RM10,634,026 (2024: RM24,462,941 and RM10,953,531) have been pledged as security to secure bank facility of the Group and of the Company as disclosed in Note 19.

(b) Assets pledged as security for hire purchase

Plant and machineries and motor vehicles of the Group and of the Company with carrying amount of RM4,956,643 and RM4,956,643 (2024: RM10,692,493 and RM6,162,998) have been pledged as security to secure hire purchase of the Group and of the Company as disclosed in Note 19.

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (continued)

(c) Right-of-use assets

The Group and the Company lease several assets including leasehold lands, leasehold buildings and hostel.

Information about leases for which the Group and the Company are lessee are presented below:

	Leasehold lands RM'000	Leasehold buildings RM'000	Hostel RM'000	Total RM'000
Carrying amount				
Group				
At 1 April 2023	35,920	57,536	257	93,713
Additions	-	16,226	263	16,489
Depreciation	(920)	(1,873)	(295)	(3,088)
At 30 June 2024	35,000	71,889	225	107,114
Additions	-	7,313	410	7,723
Depreciation	(737)	(1,621)	(154)	(2,512)
Disposal of a subsidiary (Note 7(b))	-	(13,246)	(35)	(13,281)
At 30 June 2025	34,263	64,335	446	99,044
Company				
At 1 April 2023	35,920	43,588	157	79,665
Additions	-	16,226	106	16,332
Depreciation	(920)	(1,434)	(124)	(2,478)
At 30 June 2024	35,000	58,380	139	93,519
Additions	-	7,313	410	7,723
Depreciation	(737)	(1,358)	(103)	(2,198)
At 30 June 2025	34,263	64,335	446	99,044

The Group and the Company lease lands and buildings for their office space and operation site. The leases for office space and operation site generally have useful life of 50 years.

The Group and the Company also lease hostels with lease terms from 1 to 3 years.

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (continued)

(c) Right-of-use assets (continued)

Extension and termination options

The Group and the Company have several lease contracts that include extension and termination options. These options are negotiated by the Group and the Company to provide flexibility in managing the leased-asset portfolio and align with the Group's and the Company's business needs.

The undiscounted potential future rental payments relating to periods following the exercise date of extension and terminate options that are not included in the lease term are as follows:

	Within five years RM'000	More than five years RM'000	Total RM'000
Group			
2025			
Extension options expected not to be exercised	114	-	114
2024			
Extension options expected not to be exercised	217	-	217
Company			
2025			
Extension options expected not to be exercised	114	-	114
2024			
Extension options expected not to be exercised	110	-	110

NOTES TO THE FINANCIAL STATEMENTS

6. GOODWILL

	Group RM'000
Cost	
At 1 April 2023/30 June 2024/1 July 2024	20,560
Disposal of a subsidiary (Note 7(b))	(20,560)
At 30 June 2025	-
Accumulated impairment loss	
At 1 April 2023/30 June 2024/1 July 2024	(15,500)
Disposal of a subsidiary (Note 7(b))	15,500
At 30 June 2025	-
Carrying amount	
At 30 June 2024	5,060
At 30 June 2025	-

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 Company's subsidiary, CLT Engineering Sdn. Bhd., which represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

In the previous financial period, the Group has re-evaluated the recoverable amount and concluded that no further impairment loss is necessary nor any reversal of impairment loss previously made is required.

The key assumptions used for value-in-use calculation are:

- (i) The weighted average growth rate using an estimated growth rate of 8%; and
- (ii) The discount rate of 12% applied to the cash flows projection is pre-tax and reflects management's estimate of the risk specific to the CGU at the date of assessment.

Based on the sensitivity analysis performed, the Group is of the opinion that there are no reasonable possible changes in key assumptions which would cause the carrying values of the CGU to exceed its recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENT IN SUBSIDIARIES

	Company	
	2025 RM'000	2024 RM'000
Unquoted shares, at cost		
At beginning of the financial year/period	31,558	31,557
Addition during the financial period	-	1
Disposal during the year	(31,246)	-
Dissolution during the year	(1)	-
At end of the financial year/period	311	31,558
Less: Impairment losses	(310)	(13,210)
	1	18,348

Details of the subsidiaries are as follows:

Name of company	Country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
BESS Engineering Sdn. Bhd.	Malaysia	100	100	Manufacture batteries and accumulators, miscellaneous electrical equipment, installation of industrial machinery and equipment. The Company has not commenced its business operation since the date of incorporation.
CLT Engineering Sdn. Bhd. ^{@^}	Malaysia	-	51	Fabrication of machine parts and toolings for equipment and replications of systems and equipment.
FAS Manufacturing Sdn. Bhd.	Malaysia	100	100	Fabrication of machine parts and toolings for equipment. The Company has ceased operations since financial year 2012.
FAS Technology Solution Sdn. Bhd.	Malaysia	100	100	Design and development of standard automated industrial equipment. The Company has ceased since financial year 2012.
Genetec Global Technologies, Inc. [@]	United States of America	100	100	Dormant.
Genetec Technology (Shanghai) Private Limited ^{@#}	China	-	100	Dormant.

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENT IN SUBSIDIARIES (continued)

Details of the subsidiaries are as follows: (continued)

Name of company	Country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
Subsidiary of Genetec Global Technologies Inc.				
IP Systems, Inc. ^{@#}	United States of America	-	60	Dormant.

[@] Consolidated using unaudited management financial statements.

[^] Disposed of during the current financial year.

[#] Dissolved during the current financial year.

(a) Incorporation of a subsidiary

2024

On 1 December 2023, the Company had incorporated a 100% owned subsidiary, namely BESS Engineering Sdn. Bhd. with an issued and paid-up capital of 1,000 ordinary shares of RM1 each.

(b) Disposal of CLT Engineering Sdn. Bhd.

2025

On 4 November 2024, the Company had entered into a conditional Share Sale Agreement ("SSA") with Tan Moon Teik to dispose its subsidiary, namely CLT Engineering Sdn. Bhd. for a total consideration of RM21,627,559.

On 28 March 2025, the Company had completed the disposal of its 51% equity investments in CLT Engineering Sdn. Bhd. following the fulfilment of the terms and conditions in the SSA.

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENT IN SUBSIDIARIES (continued)

(b) Disposal of CLT Engineering Sdn. Bhd. (continued)

(i) Summary of the effects of disposal of CLT Engineering Sdn. Bhd.:

	RM'000	RM'000
Assets:		
Property, plant and equipment	19,024	
Inventories	304	
Contract assets	7,070	
Trade and other receivables	9,363	
Cash and bank balances	8,402	
Goodwill	5,060	49,223
Liabilities:		
Deferred tax liabilities	(343)	
Loans and borrowings	(6,109)	
Lease liabilities	(36)	
Trade and other payables	(7,020)	
Contract liabilities	(552)	
Current tax liabilities	(394)	(14,454)
Net assets disposed		34,769
Fair value of consideration received/receivable		21,628
Less: Net assets disposed		(34,769)
Less: Non-controlling interest		14,557
Gain on disposal of CLT Engineering Sdn. Bhd.		1,416

(ii) Effects of disposal on cash flows:

	RM'000
Fair value of consideration received/receivable	21,628
Less: Consideration receivable	(8,128)
Less: Cash and cash equivalents of subsidiary disposed	(8,402)
Net cash inflows on disposal	5,098

The remaining consideration is receivable within 12 months after the reporting date which disclosed in Note 12(d).

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENT IN SUBSIDIARIES (continued)

(c) Dissolution of subsidiaries

2025

- (i) On 2 June 2025, IP Systems, Inc. has filed the Articles of Dissolution to the Colorado Secretary of State, United States and the subsidiary has been dissolved accordingly.

Summary of the effects of dissolution of IP Systems, Inc.:

	RM'000
Net assets as at date of dissolution	-
Reclassification adjustment of exchange translation reserve	255
Non-controlling interest	1,563
Gain on dissolution of IP Systems, Inc.	1,818

- (ii) On 10 June 2025, Genetec Technology (Shanghai) Private Limited has received the Notice of Registration from the Shanghai Municipal Administration for Market Regulation and the subsidiary has been deregistered accordingly.

Summary of the effects of dissolution of Genetec Technology (Shanghai) Private Limited:

	RM'000
Net assets as at date of dissolution	(4)
Reclassification adjustment of exchange translation reserve	(8)
Loss on dissolution of Genetec Technology (Shanghai) Private Limited	(12)

(d) Non-controlling interests in subsidiaries

The financial information of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows:

Equity interest held by non-controlling interests

Name of company	Country of incorporation	Ownership interest	
		2025 %	2024 %
CLT Engineering Sdn. Bhd.	Malaysia	-	49
IP Systems, Inc.	United States of America	-	40

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENT IN SUBSIDIARIES (continued)

(d) Non-controlling interests in subsidiaries (continued)

The financial information of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows: (continued)

Carrying amount of material non-controlling interests

	2025 RM'000	2024 RM'000
CLT Engineering Sdn. Bhd.	-	15,639
IP Systems, Inc.	-	(6,390)

Profit/(loss) allocated to material non-controlling interests

	2025 RM'000	2024 RM'000
CLT Engineering Sdn. Bhd.	(1,082)	(1,574)
IP Systems, Inc.	7,482	-

(e) Summarised financial information of material non-controlling interests

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material non-controlling interests as follows:

	CLT Engineering Sdn. Bhd. RM'000	IP Systems, Inc. RM'000	Total RM'000
Summarised statement of financial position			
As at 30 June 2024			
Non-current assets	20,138	-	20,138
Current assets	28,320	-	28,320
Non-current liabilities	(5,980)	-	(5,980)
Current liabilities	(10,562)	(19,883)	(30,445)
Net assets/(liabilities)	31,916	(19,883)	12,033

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENT IN SUBSIDIARIES (continued)

(e) Summarised financial information of material non-controlling interests (continued)

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material non-controlling interests as follows: (continued)

	CLT Engineering Sdn. Bhd. RM'000	IP Systems, Inc. RM'000	Total RM'000
Summarised statement of comprehensive income			
Financial period ended 30 June 2024			
Revenue	30,316	-	30,316
Loss for the financial period	(3,212)	-	(3,212)
Total comprehensive loss	(3,212)	-	(3,212)
Summarised cash flows information			
Financial period ended 30 June 2024			
Cash flows from operating activities	5,142	-	5,142
Cash flows used in investing activities	(327)	-	(327)
Cash flows used in financing activities	(3,722)	-	(3,722)
Net increase in cash and cash equivalents	1,093	-	1,093

8. INVESTMENT IN A JOINT VENTURE

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unquoted shares at cost				
At beginning of the financial year/period	250	1	250	1
Additions	-	249	-	249
At end of the financial year/period	250	250	250	250
Share of post-acquisition reserves	(250)	(250)	-	-
Less: Impairment losses	-	-	(250)	-
	-	-	-	250

NOTES TO THE FINANCIAL STATEMENTS

8. INVESTMENT IN A JOINT VENTURE (continued)

Details of the joint venture is as follows:

Name of company	Country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
Citaglobal Genetec BESS Sdn. Bhd. ("CG BESS")	Malaysia	50	50	Manufacture of electricity distribution and control apparatus, batteries and accumulators.

2024

On 6 April 2023, the Company subscribed an additional 249,500 ordinary shares in Citaglobal Genetec BESS Sdn. Bhd., a joint venture of the Group at a price of RM1 per share. The Company's effective ownership in Citaglobal Genetec BESS Sdn. Bhd. remained at 50% as a result of the additional shares subscribed.

Summarised financial information of a material joint venture

The following table illustrates the summarised financial information of joint venture:

	2025 RM'000	2024 RM'000
Assets and liabilities:		
Non-current assets	5	101
Current assets	340	4,056
Current liabilities	(4,646)	(7,211)
Net liabilities	(4,301)	(3,054)
Results:		
Loss for the year, representing total comprehensive loss	(1,246)	(3,554)
Included in total comprehensive loss		
Revenue	-	4,464
Depreciation	1	1
Reconciliation of net assets to carrying amount:		
Share of the net assets at the acquisition date	250	250
Share of post-acquisition on losses	(250)	(250)
Carrying amount in the statements of financial position	-	-

NOTES TO THE FINANCIAL STATEMENTS

8. INVESTMENT IN A JOINT VENTURE (continued)

Summarised financial information of a material joint venture (continued)

The following table illustrates the summarised financial information of joint venture: (continued)

	2025 RM'000	2024 RM'000
Group's and Company's share of result:		
Group's and Company's share of total comprehensive loss	(250)	(250)

The Group has not recognised its share of losses of joint venture amounting to RM622,988 (2024: RM1,527,238) because the Group's cumulative share of losses has exceeded its interest in that joint venture and the Group has no obligation in respect of these losses. The Group's cumulative accumulated losses not recognised were RM2,150,226 (2024: RM1,527,238).

9. DEFERRED TAX ASSETS/(LIABILITIES)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deferred tax assets/(liabilities)				
At beginning of the financial year/period	2,929	1,841	3,272	2,647
Recognised in profit or loss (Note 28)	-	1,088	-	625
Disposal of a subsidiary (Note 7(b))	343	-	-	-
At end of the financial year/period	3,272	2,929	3,272	3,272
Presented after appropriate offsetting as follows:				
Deferred tax assets	3,272	3,272	3,272	3,272
Deferred tax liabilities	-	(343)	-	-
	3,272	2,929	3,272	3,272

NOTES TO THE FINANCIAL STATEMENTS

9. DEFERRED TAX ASSETS/(LIABILITIES) (continued)

Deferred tax relates to the following:

	At 1.7.2024 RM'000	Recognised in profit or loss (Note 28) RM'000	Disposal of subsidiary RM'000	At 30.6.2025 RM'000
Group				
2025				
Deferred tax assets:				
Provisions	1,505	(1,217)	-	288
Unused tax losses	4,941	(5)	(403)	4,533
Unabsorbed capital allowance	432	1,729	(432)	1,729
Others	189	(85)	20	124
	7,067	422	(815)	6,674
Deferred tax liabilities:				
Property, plant and equipment	(3,945)	(610)	1,179	(3,376)
Others	(193)	188	(21)	(26)
	(4,138)	(422)	1,158	(3,402)
	2,929	-	343	3,272

	At 1.4.2023 RM'000	Recognised in profit or loss (Note 28) RM'000	At 30.6.2024 RM'000
Group			
2024			
Deferred tax assets:			
Provisions	1,447	58	1,505
Unused tax losses	3,744	1,197	4,941
Unabsorbed capital allowance	-	432	432
Others	249	(60)	189
	5,440	1,627	7,067
Deferred tax liabilities:			
Property, plant and equipment	(3,599)	(346)	(3,945)
Others	-	(193)	(193)
	(3,599)	(539)	(4,138)
	1,841	1,088	2,929

NOTES TO THE FINANCIAL STATEMENTS

9. DEFERRED TAX ASSETS/(LIABILITIES) (continued)

Deferred tax relates to the following: (continued)

	At 1.7.2024 RM'000	Recognised in profit or loss (Note 28) RM'000	At 30.6.2025 RM'000
Company			
2025			
Deferred tax assets:			
Provisions	1,505	(1,217)	288
Unused tax losses	4,538	(5)	4,533
Unabsorbed capital allowance	-	1,729	1,729
Others	209	(85)	124
	6,252	422	6,674
Deferred tax liabilities:			
Property, plant and equipment	(2,766)	(610)	(3,376)
Others	(214)	188	(26)
	(2,980)	(422)	(3,402)
	3,272	-	3,272
Company			
2024			
Deferred tax assets:			
Provisions	1,447	58	1,505
Unused tax losses	3,744	794	4,538
Others	237	(28)	209
	5,428	824	6,252
Deferred tax liabilities:			
Property, plant and equipment	(2,781)	15	(2,766)
Others	-	(214)	(214)
	(2,781)	(199)	(2,980)
	2,647	625	3,272

NOTES TO THE FINANCIAL STATEMENTS

9. DEFERRED TAX ASSETS/(LIABILITIES) (continued)

Unrecognised deferred tax assets

The estimated amounts of temporary differences for which no deferred tax assets are recognised in the financial statements are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unused tax losses	5,882	3,628	2,254	-
Unabsorbed capital allowance	50	50	-	-
	5,932	3,678	2,254	-
Potential deferred tax assets not recognised at 24% (2024: 24%)	1,424	883	541	-

The availability of unused tax losses for offsetting against future taxable profits of the Company and respective subsidiaries are subject to requirements under the Income Tax Act, 1967 and guidelines issued by the tax authority.

The unused tax losses are available for offset against future taxable profits of the Group and the Company up to the following years:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
2029	3,628	3,628	-	-
2035	2,254	-	2,254	-

NOTES TO THE FINANCIAL STATEMENTS

10. OTHER INVESTMENTS

	Group and Company	
	2025	2024
	RM'000	RM'000
Financial assets designated at fair value through other comprehensive income ("DFVOCI")		
Unquoted equity investment in Malaysia	-	2,280

11. INVENTORIES

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
At lower of cost and net realisable value				
Raw material	1,239	477	1,239	229
Consumables	1,315	576	1,315	504
Work-in-progress	12,312	12,742	12,312	12,742
	14,866	13,795	14,866	13,475

- (a) The cost of inventories of the Group and the Company recognised as an expense in cost of sales was RM145,483,935 and RM139,646,347 (2024: RM165,841,484 and RM148,680,877) respectively during the financial year/period.
- (b) The inventories written down of the Group and the Company was RM101,269 (2024: RM366,920) during the financial year/period.
- (c) The reversal of inventories written down of the Group and the Company was RM169,898 (2024: RM8,778), as a result of sales during the financial year/period.

NOTES TO THE FINANCIAL STATEMENTS

12. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current:					
Trade					
Amount due from a joint venture		-	3,228	-	3,228
Third parties	(a)	122,295	43,815	122,295	34,861
Less: Impairment losses for trade receivables	(b)	-	(226)	-	(226)
		122,295	46,817	122,295	37,863
Non-trade					
Amounts due from subsidiaries	(c)	-	-	4,503	4,527
Amount due from a joint venture	(c)	2,400	1,720	2,400	1,720
Other receivables	(d)	9,024	2,040	9,024	689
Deposits		158	248	153	108
Advances to suppliers		11,966	2,447	11,966	2,447
Prepayments		1,943	4,711	1,921	4,419
Less: Impairment losses for:					
- Amounts due from subsidiaries	(b)	-	-	(4,331)	(4,319)
- Amount due from a joint venture	(b)	(2,400)	-	(2,400)	-
		23,091	11,166	23,236	9,591
Total trade and other receivables		145,386	57,983	145,531	47,454

(a) Trade receivables

Trade receivables are non-interest bearing and normal credit terms offered by the Group and the Company ranging from 30 to 90 days (2024: 30 to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case by case basis.

NOTES TO THE FINANCIAL STATEMENTS

12. TRADE AND OTHER RECEIVABLES (continued)

(b) Receivables that are impaired

The Group's and the Company's trade and other receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade and other receivables are as follows:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade					
At beginning of the financial year/ period		226	226	226	226
Reversal of impairment loss	26	(226)	-	(226)	-
At end of the financial year/period		-	226	-	226
Non-trade					
At beginning of the financial year/ period		-	-	4,319	4,891
Charge for the financial year/period					
- Individual assessed	26	2,400	-	2,412	10
Reversal of impairment loss	26	-	-	-	(582)
At end of the financial year/period		2,400	-	6,731	4,319

The information about the credit exposures are disclosed in Note 31(b)(i).

- (c) Amounts due from subsidiaries and a joint venture are unsecured, non-interest bearing, repayable upon demand and are expected to be settled in cash.
- (d) Included in other receivables is an amount owing by a third party, representing the balance receipts of the proceeds for the disposal of a subsidiary totalling RM8,127,559. This amount is receivable within 12 months after the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

13. CONTRACT ASSETS/(LIABILITIES)

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Contract assets				
Contract assets relating to construction service contracts	176,378	186,257	176,378	179,736
Contract liabilities				
Contract liabilities relating construction service contracts	(409)	(1,135)	(409)	(741)

(a) Significant changes in contract balances

	2025		2024	
	Contracts assets increase/ (decrease) RM'000	Contracts liabilities (increase)/ decrease RM'000	Contracts assets increase/ (decrease) RM'000	Contracts liabilities (increase)/ decrease RM'000
Group				
Revenue recognised that was included in contract liability at the beginning of the financial period/year	-	1,135	-	1,060
Increase due to consideration received from customers, but revenue not recognised	-	(961)	-	(1,135)
Increase as a result of changes in the measure of progress	130,831	-	186,257	-
Transfer from contract assets recognised at the beginning of the period to receivables	(133,640)	-	(60,284)	-
Disposal of a subsidiary	(7,070)	552	-	-
Reversal of unrealised gain on foreign exchange of contract assets	-	-	(500)	-

NOTES TO THE FINANCIAL STATEMENTS

13. CONTRACT ASSETS/(LIABILITIES) (continued)

(a) Significant changes in contract balances (continued)

	2025		2024	
	Contracts assets increase/(decrease) RM'000	Contracts liabilities (increase)/decrease RM'000	Contracts assets increase/(decrease) RM'000	Contracts liabilities (increase)/decrease RM'000
Company				
Revenue recognised that was included in contract liability at the beginning of the financial period/year	-	741	-	1,060
Increase due to consideration received from customers, but revenue not recognised	-	(409)	-	(741)
Increase as a result of changes in the measure of progress	123,761	-	179,736	-
Transfer from contract assets recognised at the beginning of the period to receivables	(127,119)	-	(47,567)	-
Reversal of unrealised gain on foreign exchange of contract assets	-	-	(500)	-

The contract assets primarily relate to the Group and the Company's rights to consideration for work completed on contracts but not yet billed at the reporting date. Typically, the amount will be billed in the manner as established in the contracts with customers and payment is expected to be received based on agreed credit terms. The contract assets are reclassified as trade receivables when the rights to contract consideration become unconditional. Typically, the amount will be billed within 1 year and payments is expected within 30 to 90 days from the date of invoice.

The contract liabilities refer to an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. The contract liabilities are expected to be recognised as revenue over a period of 1 to 2 months.

NOTES TO THE FINANCIAL STATEMENTS

14. SHORT-TERM INVESTMENTS

	Group and Company	
	2025	2024
	RM'000	RM'000
Financial assets at fair value through profit and loss		
At fair value:		
Investment funds in Malaysia	33,733	122,815

The amount represents placement in money market fund ("Fund"), of which the market price per unit of the Fund as at 30 June 2025 was range from RM0.591 to RM4.892 (2024: RM0.573 to RM1.078) and redeemable upon demand. The Group and the Company held 34,923,928 (2024: 185,069,339) units of the Fund as at 30 June 2025.

15. CASH AND BANK BALANCES

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	10,298	41,340	10,279	31,014

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances	10,298	41,340	10,279	31,014
Less: Bank overdrafts (Note 19)	-	(260)	-	-
Cash and cash equivalents as presented in statements of cash flows	10,298	41,080	10,279	31,014

NOTES TO THE FINANCIAL STATEMENTS

16. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amounts	
	2025	2024	2025	2024
	Unit'000	Unit'000	RM'000	RM'000
Issued and fully paid up (no par value)				
At the beginning of the financial year/period	776,651	750,158	269,980	266,207
Issuance of shares pursuant to:				
- ESOS	8,240	26,493	1,173	3,773
- LTIP	6,416	-	8,577	-
At the end of the financial year/period	791,307	776,651	279,730	269,980

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

During the financial year, the Company:

- (i) issued 8,240,400 new ordinary shares pursuant to the exercise of the Company's Employee Share Option Scheme ("ESOS") which amounted to RM1,173,433; and
- (ii) issue 6,415,600 new ordinary shares pursuant to the Company's Long-Term Incentive Plan ("LTIP") which amounted RM8,576,335.

In the previous financial period, the Company issued 26,493,000 new ordinary shares pursuant to the exercise of the Company's ESOS which amounted RM3,772,603.

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

NOTES TO THE FINANCIAL STATEMENTS

17. TREASURY SHARES

	Group and Company			
	Number of treasury shares		Amounts	
	2025	2024	2025	2024
	Unit'000	Unit'000	RM'000	RM'000
At the beginning of the financial year/period	-	-	-	-
Shares repurchased	11,000	-	11,660	-
At the end of the financial year/period	11,000	-	11,660	-

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company. The Company's share buyback scheme was first approved by the Company's shareholders in the Extraordinary General Meeting held on 27 February 2025 for the Company to repurchase up to 10% of its issued ordinary shares. The mandate for share buybacks was renewed in each subsequent Annual General Meeting of shareholders. The share repurchases made to date were financed by internally generated funds and are being held as treasury shares in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

During the financial year, the Company repurchased 11,000,000 shares of its issued shares from the open market. The average price paid for the shares repurchased was RM1.06.

At 30 June 2025, the Company's treasury shares are held at a carrying amount of RM11,660,226.

There were no resale, cancellation or distribution of treasury shares during the financial year.

18. OTHER RESERVES

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Fair value reserve of financial assets at FVOCI	(a)	(2,280)	-	(2,280)	-
Share option reserve	(b)	-	266	-	266
Translation reserve	(c)	(2,107)	(1,842)	-	-
		(4,387)	(1,576)	(2,280)	266

NOTES TO THE FINANCIAL STATEMENTS

18. OTHER RESERVES (continued)

(a) Fair value reserve of financial assets at FVOCI

This reserve comprises the cumulative net change in the fair value of financial assets at fair value through other comprehensive income ("FVOCI") until the investments are derecognised or impaired.

The Group and the Company have elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the fair value reserve of financial assets at FVOCI. The Group and the Company transfer amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(b) Share option reserve

The share option reserve comprises the cumulative value of directors' and employees' services received for the issue of share options. When the option is exercised, the amount from the share option reserve is transferred to share capital.

The salient features of the ESOS scheme are as follows:

- (i) Eligible employees are those who must be at least eighteen (18) years of age, employed on a full time basis and have been in the employment of the Group for a period of at least six (6) months of continuous service.
- (ii) The option is personal to the grantee and is non-assignable and non-transferable.
- (iii) The option price shall be determined based on the weighted average market price of the Company's ordinary shares for the five (5) market days preceding the date of offer with a discount of not more than ten percent (10%).
- (iv) The ESOS shall be in force for a period of five (5) years from the date of implementation of the Proposed ESOS. However, an extension to the scheme may be effected by the Company upon recommendation from the ESOS Committee, subject to an aggregate duration of ten (10) years from the date of commencement.

The terms and conditions related to the grant of the share option programme are as follows; all options are to be settled by physical delivery of shares:

Grant date	Number of options Unit'000	Vesting conditions	Options life
22 October 2020	34,733	None	5 years

NOTES TO THE FINANCIAL STATEMENTS

18. OTHER RESERVES (continued)

(b) Share option reserve (continued)

Movement of share options during the financial year

The following table illustrates the number and weighted average exercise prices ("WAEP") of, and movement in, share options:

	Group and Company			
	Number	WAEP	Number	WAEP
	2025 Unit'000	2025	2024 Unit'000	2024
At beginning of the financial year/period	8,240	RM0.11	34,733	RM0.11
Exercised during the year/period	(8,240)	RM0.11	(26,493)	RM0.11
At end of the financial year/period	-	-	8,240	RM0.11
Exercisable at end of the year/period	-	-	8,240	RM0.11

In the previous financial period, the outstanding options as at 30 June 2024 have exercise price of RM0.11 and the weighted average remaining contractual life for the share options outstanding as at 30 June 2024 is 1.3 years.

The fair value of the share options granted were determined using a Black-Scholes model, with the following inputs:

	2024
Fair value of share options and assumptions	
Weighted average fair value of share option at grant date (RM)	0.421
Weighted average fair value of share option subsequent to bonus issue (RM)	0.0324
Weighted average share price (RM)	3.96
Option life (years)	5
Expected dividend (%)	None
Expected volatility (%)	14

The outstanding options of 8,240,400 were fully exercised on 6 September 2024 and the Company had terminated the ESOS on 9 September 2024.

(c) Translation reserve

The translation reserves comprise 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 parts 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.

NOTES TO THE FINANCIAL STATEMENTS

19. LOANS AND BORROWINGS

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current:					
Secured					
Term loans	(a)	-	3,954	-	-
Hire purchase payables	(b)	933	4,461	933	2,806
		933	8,415	933	2,806
Current:					
Secured					
Term loans	(a)	-	878	-	-
Hire purchase payables	(b)	1,855	3,213	1,855	2,001
Revolving credit	(c)	6,000	-	6,000	-
Bankers acceptances	(d)	22,969	9,712	22,969	9,712
Bank overdrafts (Note 15)	(e)	-	260	-	-
		30,824	14,063	30,824	11,713
Total loans and borrowings:					
Term loans	(a)	-	4,832	-	-
Hire purchase payables	(b)	2,788	7,674	2,788	4,807
Revolving credit	(c)	6,000	-	6,000	-
Bankers acceptances	(d)	22,969	9,712	22,969	9,712
Bank overdrafts (Note 15)	(e)	-	260	-	-
		31,757	22,478	31,757	14,519

(a) Term loans

In the previous financial period, the term loans bore interest at rates ranging from 2.45% to 6.74% per annum and were secured and supported as follows:

- (i) Corporate guarantee by the Company; and
- (ii) Legal charge over the subsidiary's property as disclosed in Note 5.

NOTES TO THE FINANCIAL STATEMENTS

19. LOANS AND BORROWINGS (continued)

(b) Hire purchase payables

Hire purchase payable of the Group and the Company bear interest at rates ranging from 2.26% to 3.65% (2024: 2.02% to 3.65%) per annum and are secured by the Group's plant and machineries and motor vehicles under hire purchase arrangements as disclosed in Note 5.

Future minimum hire purchase payables payments together with the present value of net minimum hire purchase payables payments are as follows:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Minimum hire purchase payables payments:				
Not later than 1 year	1,971	3,577	1,971	2,236
Later than 1 year and not later than 5 years	986	4,732	986	2,974
	2,957	8,309	2,957	5,210
Less: Future finance charges	(169)	(635)	(169)	(403)
Present value of minimum hire purchase payables payments	2,788	7,674	2,788	4,807
Present value of minimum hire purchase payables payments:				
Not later than 1 year	1,855	3,213	1,855	2,001
Later than 1 year and not later than 5 years	933	4,461	933	2,806
	2,788	7,674	2,788	4,807
Less: Amount due within 12 months	(1,855)	(3,213)	(1,855)	(2,001)
Amount due after 12 months	933	4,461	933	2,806

(c) Revolving credit

The revolving credit are secured by way of legal charge over the properties as disclosed in Note 5.

The revolving credit bears effective interest rates ranging from 5.25% to 5.26% (2024: Nil) per annum.

(d) Bankers acceptances

The bankers acceptances are secured by way of legal charge over the properties as disclosed in Note 5.

The bankers acceptances bear interest rates ranging from 3.64% to 5.34% (2024: 4.44% to 5.84%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

19. LOANS AND BORROWINGS (continued)

(e) Bank overdrafts

In the previous financial period, the bank overdrafts were secured by way of:

- (a) Corporate guarantee by the Company; and
- (b) Legal charge over the subsidiary's property as disclosed in Note 5.

The bank overdraft bore effective interest rate at 6.99% per annum.

20. LEASE LIABILITIES

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Non-current:				
Lease liabilities	208	83	208	55
Current:				
Lease liabilities	240	145	240	86
	448	228	448	141

Future minimum lease payments under leases together with the present value of net minimum lease payments are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Minimum lease payments:				
Not later than 1 year	255	151	255	90
Later than 1 year and not later than 5 years	213	85	213	57
	468	236	468	147
Less: Future finance charges	(20)	(8)	(20)	(6)
Present value of minimum lease payments	448	228	448	141
Present value of minimum lease payments:				
Not later than 1 year	240	145	240	86
Later than 1 year and not later than 5 years	208	83	208	55
	448	228	448	141
Less: Amount due within 12 months	(240)	(145)	(240)	(86)
Amount due after 12 months	208	83	208	55

NOTES TO THE FINANCIAL STATEMENTS

21. DERIVATIVES FINANCIAL LIABILITIES

	Group and Company	
	2025	2024
	RM'000	RM'000
Derivatives liabilities at fair value through profit or loss:		
Forward foreign exchange contracts	-	120

Forward exchange contracts are used to manage the foreign currency exposures arising from the Group's and the Company's receivables and payables denominated in currencies other than the functional currencies of Group entities. Most of the forward exchange contracts have maturities of less than one year after the end of the reporting year. Where necessary, the forward contracts are rolled over at maturity. In the previous financial period, the contract amounts of the outstanding forward foreign exchange contracts were RM18,757,775.

22. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Current					
Trade					
Trade payables	(a)	47,559	36,578	47,559	28,695
Amounts due to related parties	(b)	-	1,046	-	1,022
Amounts due to a subsidiary	(b)	-	-	-	502
		47,559	37,624	47,559	30,219
Non-trade					
Other payables		4,638	7,085	4,633	869
Deposits received		-	42	-	-
Accruals		965	1,317	955	1,223
		5,603	8,444	5,588	2,092
Total trade and other payables		53,162	46,068	53,147	32,311

- (a) Trade payables are non-interest bearing and are normally settled on range from 30 to 90 days (2024: 30 to 90 days).
- (b) The amounts due to related parties and a subsidiary are unsecured, non-interest bearing, repayable upon demand and is expected to be settled in cash.

For explanations on the Group's and the Company's liquidity risk management processes, refer to Note 31(b)(ii).

NOTES TO THE FINANCIAL STATEMENTS

23. REVENUE

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
Revenue from contract with customers:				
Industrial automation products	222,684	347,003	211,345	321,541
Timing of recognition:				
At a point in time	23,784	42,552	20,714	35,883
Over time	198,900	304,451	190,631	285,658
	222,684	347,003	211,345	321,541

The Group and the Company apply the practical expedient in paragraph 121(a) of MFRS 15 and do not disclose information about remaining performance obligations that have original expected durations of one year or less.

24. FINANCE INCOME

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
Interest income on:				
- Short term deposits	455	994	331	790
- Short-term investments	429	1,884	429	1,884
- Other finance income	-	11	-	-
	884	2,889	760	2,674

NOTES TO THE FINANCIAL STATEMENTS

25. FINANCE COSTS

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)
	RM'000	RM'000	RM'000	RM'000
Interest expense on:				
- Term loan	170	349	-	20
- Revolving credit	-	477	-	477
- Hire purchase payables	338	644	235	407
- Bankers acceptances	689	1,616	688	1,605
- Lease liabilities	7	14	6	7
- Other finance costs	3	6	-	-
	1,207	3,106	929	2,516

26. (LOSS)/PROFIT BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at (loss)/profit before tax:

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration:				
- Statutory audit:				
- Baker Tilly Monteiro Heng PLT	213	297	205	222
- Other services:				
- Baker Tilly Monteiro Heng PLT	6	6	6	6
Bad debts written off	-	-	107	-
Depreciation of property, plant and equipment	6,600	8,026	5,427	5,912
Employee benefits expense	48,296	38,771	42,710	31,128
Expense relating to leases of:				
- low value assets	118	170	76	67
- short-term assets	375	456	292	378
Fair value (gain)/loss on derivatives:				
- realised	(328)	4,820	(328)	4,820
- unrealised	-	120	-	120

NOTES TO THE FINANCIAL STATEMENTS

26. (LOSS)/PROFIT BEFORE TAX (continued)

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at (loss)/profit before tax: (continued)

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
Fair value gain on short-term investments:				
- unrealised	(2,456)	(3,811)	(2,456)	(3,811)
Gain on disposal of property, plant and equipment	-	(24)	-	(24)
Gain on disposal of a subsidiary	(1,416)	-	(3,281)	-
Gain on dissolution of subsidiaries	(1,806)	-	-	-
Impairment losses on financial assets:				
- Impairment loss on amount owing from joint venture	2,400	-	2,400	-
- Impairment loss on amounts owing from subsidiaries	-	-	12	10
- Reversal of impairment loss on amounts owing from subsidiaries	-	-	-	(582)
- Reversal of impairment loss on trade receivables	(226)	-	(226)	-
Impairment loss on investment in a joint venture	-	-	250	-
Inventories written down	101	367	101	367
Loss/(Gain) on foreign exchange:				
- realised	4,271	(2,835)	3,397	(2,018)
- unrealised	10,269	(321)	10,357	(381)
Reversal of inventories written down	(170)	(9)	(170)	(9)
Waiver of debts	(6,624)	-	-	-
Rental income	-	(545)	-	-

NOTES TO THE FINANCIAL STATEMENTS

27. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)
	RM'000	RM'000	RM'000	RM'000
Salaries, bonuses, allowances and others	36,810	35,137	31,649	28,187
Defined contribution plan	2,909	3,634	2,484	2,941
Long-term incentive plan	8,577	-	8,577	-
	48,296	38,771	42,710	31,128

Included in employee benefits expense are:

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)
	RM'000	RM'000	RM'000	RM'000
Directors of the Company				
Executive directors				
- Remuneration	1,329	1,955	1,329	1,714
- Bonus	4,946	416	4,946	416
- Benefits-in-kind	52	86	52	56
- Long-term incentive plan	2,536	-	2,536	-
	8,863	2,457	8,863	2,186
Non-executive directors				
- Fees	408	494	408	494
	9,271	2,951	9,271	2,680

NOTES TO THE FINANCIAL STATEMENTS

28. TAX (CREDIT)/EXPENSE

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)
	RM'000	RM'000	RM'000	RM'000
Statements of comprehensive income				
Current income tax:				
- Current income tax charge	-	7,008	-	7,008
- Adjustment in respect of prior years	(71)	(79)	(71)	(88)
	(71)	6,929	(71)	6,920
Deferred tax (Note 9):				
- Origination of temporary differences	-	(1,662)	-	(1,023)
- Adjustment in respect of prior years	-	574	-	398
	-	(1,088)	-	(625)
Tax (credit)/expense recognised in profit or loss	(71)	5,841	(71)	6,295

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2024: 24%) of the estimated assessable (loss)/profit for the financial year/period.

The Company was granted pioneer status tax incentive by the Malaysian Industrial Development Authority ("MIDA") in respect of its "Smart Factory Automation System and Related Modules for Autonomous and Electric Vehicle, i.e. slip control system and autonomous driving system" activities for a period of 5 years commencing 3 December 2019 to 2 December 2024, which expired on 2 December 2024.

Subsequently, the Company was granted pioneer status tax incentive by MIDA in respect of its "Smart Factory Automation System and Related Modules to Assemble Electric Vehicle's Battery for a period of 5 years commencing 2 December 2024 to 1 December 2029.

By virtue of the pioneer status, the statutory income derived by the Company from the pioneer services during the pioneer period will be 70% tax exemption on its statutory income for a period of 5 years.

NOTES TO THE FINANCIAL STATEMENTS

28. TAX (CREDIT)/EXPENSE (continued)

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's income tax (credit)/expense are as follows:

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
(Loss)/Profit before tax	(25,034)	90,391	(29,659)	94,967
Tax at Malaysian statutory income tax rate of 24% (2024: 24%)	(6,008)	21,694	(7,118)	22,792
Non-deductible expenses	7,389	1,041	8,484	568
Income not subject to tax	(1,922)	(17,389)	(1,907)	(17,375)
Adjustment in respect of:				
- current tax	(71)	(79)	(71)	(88)
- deferred tax	-	574	-	398
Deferred tax assets not recognised during the financial year	541	-	541	-
	(71)	5,841	(71)	6,295

29. (LOSS)/EARNINGS PER SHARE

Basic (loss)/earnings per ordinary share

Basic earnings per share are based on the (loss)/profit for the financial year/period attributable to owners of the Company and the weighted average number of ordinary shares outstanding during the financial year/period, calculated as follows:

	Group	
	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
(Loss)/Profit attributable to owners/ordinary shareholders of the Company	(31,363)	86,124
Weighted average number of ordinary shares	782,661	765,777
Basic (loss)/earnings per ordinary share (sen)	(4.0)	11.2

NOTES TO THE FINANCIAL STATEMENTS

29. (LOSS)/EARNINGS PER SHARE (continued)

Diluted (loss)/earnings per ordinary share

Diluted (loss)/earnings per share are based on the profit for the financial year/period attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the financial year/period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	Group	
	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
(Loss)/Profit attributable to owners/ordinary shareholders of the Company	(31,363)	86,124
Weighted average number of ordinary shares	782,661	765,777
Effect of dilution from:		
- Share option	-	7,850
Weighted average number of ordinary shares (diluted)	782,661	773,627
Diluted (loss)/earnings per ordinary share (sen)	(4.0)	11.1

30. DIVIDENDS

	Company	
	2025 RM'000	2024 RM'000
Recognised during the financial year/period:		
Dividend on ordinary shares:		
- Single tier interim dividend for the financial period ended 30 June 2024: 2 sen per ordinary share	15,698	-

NOTES TO THE FINANCIAL STATEMENTS

31. 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) Amortised cost ("AC")
- (ii) Fair value through profit or loss ("FVPL")
- (iii) Designated fair value through profit or loss ("DFVPL")
- (iv) Designated fair value through other comprehensive income ("DFVOCI")

	Carrying amount RM'000	AC RM'000	FVPL RM'000	DFVPL RM'000
2025				
Group				
Financial assets				
Short-term investments	33,733	-	-	33,733
Trade and other receivables, excluding advances to suppliers and prepayments	131,477	131,477	-	-
Cash and bank balances	10,298	10,298	-	-
	175,508	141,775	-	33,733
Financial liabilities				
Loans and borrowings	(31,757)	(31,757)	-	-
Trade and other payables	(53,162)	(53,162)	-	-
	(84,919)	(84,919)	-	-
Company				
Financial assets				
Short-term investments	33,733	-	-	33,733
Trade and other receivables, excluding advances to suppliers and prepayments	131,644	131,644	-	-
Cash and bank balances	10,279	10,279	-	-
	175,656	141,923	-	33,733
Financial liabilities				
Loans and borrowings	(31,757)	(31,757)	-	-
Trade and other payables	(53,147)	(53,147)	-	-
	(84,904)	(84,904)	-	-

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(a) Categories of financial instruments (continued)

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned: (continued)

	Carrying amount RM'000	AC RM'000	FVPL RM'000	DFVPL RM'000	DFVOCI RM'000
2024					
Group					
Financial assets					
Other investments	2,280	-	-	-	2,280
Short-term investments	122,815	-	-	122,815	-
Trade and other receivables, receivables, excluding advances to suppliers and prepayments	50,825	50,825	-	-	-
Cash and bank balances	41,340	41,340	-	-	-
	217,260	92,165	-	122,815	2,280
Financial liabilities					
Derivative financial liabilities	(120)	-	(120)	-	-
Loans and borrowings	(22,478)	(22,478)	-	-	-
Trade and other payables	(46,068)	(46,068)	-	-	-
	(68,666)	(68,546)	(120)	-	-
Company					
Financial assets					
Other investments	2,280	-	-	-	2,280
Short-term investments	122,815	-	-	122,815	-
Trade and other receivables, receivables, excluding advances to suppliers and prepayments	40,588	40,588	-	-	-
Cash and bank balances	31,014	31,014	-	-	-
	196,697	71,602	-	122,815	2,280
Financial liabilities					
Derivative financial liabilities	(120)	-	(120)	-	-
Loans and borrowings	(14,519)	(14,519)	-	-	-
Trade and other payables	(32,311)	(32,311)	-	-	-
	(46,950)	(46,830)	(120)	-	-

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk, interest rate risk and market price risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company use derivative financial instruments, such as foreign exchange forward contracts to hedge certain exposures. The Group and the Company do not trade in financial instruments.

The Board of Directors review and agree to policies and procedures for the management of these risks, which are executed by the Group's senior management. The Risk Management Committee provides independent oversight to the effectiveness of the risk management process.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from their operating activities (primarily trade receivables), foreign exchange transactions and other financial instruments. The Company also provides loans for advances to subsidiaries and financial guarantee to banks for credit facilities granted to a subsidiary. The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally financial guarantees given by banks, shareholders or directors of customers are obtained, and credit evaluations are performed on certain customers requiring credit over a certain amount.

The Group and the Company consider a financial asset to be in default when:

- the debtor is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 30 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At the end of the reporting date, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the debtor;
- a breach of contract, such as a default of past due event;
- a concession or restructuring of loans granted by the lender of the counterpart relating to the counterpart's financial difficulty; or
- it is probable that the counterpart will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets

As at the end of the reporting date, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by their carrying amounts in the statements of financial position.

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. The Group and the Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group and the Company use ageing analysis to monitor the credit quality of trade receivables. In managing credit risks of trade receivables, the Group and the Company also take appropriate actions to recover long past due balances.

Credit risk concentration profile

The Group and the Company determine the credit risk concentration of its trade receivables and contract assets by geographic region on an ongoing basis. The credit risk concentration profile of the Group's and the Company's trade receivables and contract assets at the reporting date are as follows:

Trade receivables

	2025		2024	
	RM'000	%	RM'000	%
Group				
Malaysia	10	0%	4,996	10%
Europe	17,781	15%	5,023	11%
Mexico	444	0%	1,185	3%
United States	103,166	84%	31,843	68%
Others	894	1%	3,770	8%
	122,295	100%	46,817	100%
Company				
Malaysia	10	0%	3,260	9%
Europe	17,781	15%	5,023	13%
Mexico	444	0%	1,185	3%
United States	103,166	84%	28,081	74%
Others	894	1%	314	1%
	122,295	100%	37,863	100%

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

Credit risk concentration profile (continued)

Contract assets

	2025		2024	
	RM'000	%	RM'000	%
Group				
Malaysia	-	0%	590	0%
Thailand	-	0%	1,146	1%
Europe	27,489	16%	16,260	9%
Middle East	3,527	2%	-	0%
United States	145,362	82%	168,261	90%
	176,378	100%	186,257	100%
Company				
Europe	27,489	16%	16,260	9%
Middle East	3,527	2%	-	0%
United States	145,362	82%	163,476	91%
	176,378	100%	179,736	100%

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

Credit risk concentration profile (continued)

The Group applies the simplified approach to providing for expected credit losses (“ECL”) prescribed by MFRS 9, which permits the use of the lifetime expected credit losses provision for all trade receivables and contract assets. To measure the expected credit losses, trade receivables have been grouped based on the days past due which were estimated to be immaterial to the Group. The Group also individually assessed ECL of individual customers based on indicators such as changes in financial capability of the receivables, payment trends of the receivable and default or significant delay in payments. The determination of ECL also incorporate economic conditions during the period of historical data, current conditions and forward-looking information on the economic conditions over the expected settlement period of the receivables. The Group believes that changes in economic conditions over these periods would not materially impact the impairment calculation of the receivables.

The information about the credit risk exposure on the Group’s and Company’s trade receivables and contract assets using provision matrix are as follows:

	Contract assets RM’000	Trade receivables					Total RM’000
		Current RM’000	> 1 day past due RM’000	> 30 days past due RM’000	> 60 days past due RM’000	> 90 days past due RM’000	
Group							
2025							
Expected credit loss rate	0%	0%	0%	0%	0%	0%	0%
Gross carrying amount at default	176,378	41,140	12,848	19,838	-	48,469	122,295
2024							
Expected credit loss rate	0%	0%	0%	0%	0%	0%	0%
Gross carrying amount at default	186,257	9,507	644	7,628	415	28,623	46,817
Impairment losses	-	-	-	-	-	226	226

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

Credit risk concentration profile (continued)

The information about the credit risk exposure on the Group's and Company's trade receivables and contract assets using provision matrix are as follows: (continued)

	Contract assets RM'000	Trade receivables					Total RM'000
		Current	> 1 day past due	> 30 days past due	> 60 days past due	> 90 days past due	
		RM'000	RM'000	RM'000	RM'000	RM'000	
Company							
2025							
Expected credit loss rate	0%	0%	0%	0%	0%	0%	0%
Gross carrying amount at default	176,378	41,140	12,848	19,838	-	48,469	122,295
2024							
Expected credit loss rate	0%	0%	0%	0%	0%	0%	0%
Gross carrying amount at default	179,736	7,046	644	4,878	370	24,925	37,863
Impairment losses	-	-	-	-	-	226	226

Other receivables and other financial assets

For other receivables and other financial assets (including investment securities and cash and cash equivalents and derivatives), 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 and other financial assets 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.

Macroeconomic information (such as market interest rates or growth rates) is incorporated as part of the internal rating model.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Other receivables and other financial assets (continued)

Some intercompany balances between entities within the Group comprise loans or advances which are repayable on demand. The Company regularly monitors the financial performance and position of these entities on an individual basis. When these entities' financial performance and position deteriorates significantly, the Company assumes that there is a significant increase in credit risk, and thereby a lifetime expected credit loss assessment is necessary. As the Company is able to determine the timing of repayment of the loans or advances, the Company will consider the loans or advances to be default when these entities are unable to pay based on the expected manner of recovery and recovery period. The Company determines the probability of default for these loans or advances using internally available information. The Company considers the loans or advances to be credit-impaired when the entities are unlikely to repay their debts.

Other than the credit-impaired amounts due from a joint venture and subsidiaries, the Group and the Company consider these financial assets to be of low credit risk, for which no material loss allowance is required.

Financial guarantee contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of banking facilities granted to a subsidiary. The Company monitors the results of the subsidiary and its repayment on an ongoing basis. The maximum exposure to credit risks amounts to RM Nil (2024: RM5,093,075) representing the maximum amount the Company could pay if the guarantee is called on as disclosed in Note 31(b)(ii). As at the reporting date, there was no loss allowance for expected credit losses 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 guarantee is provided as credit enhancement to subsidiaries' secured borrowings.

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables, loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company use a series of processes to obtain maximum benefits from its flow of funds, such that they are efficiently managed to maximise income from investment and minimise cost on borrowed funds. The Group's and the Company's treasury department also ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows:

	Carrying amount RM'000	Contractual cash flows			Total RM'000
		On demand or within 1 year RM'000	Between 1 and 5 years RM'000	More than 5 years RM'000	
Group					
2025					
Trade and other payables	53,162	53,162	-	-	53,162
Hire purchase payables	2,788	1,971	986	-	2,957
Lease liabilities	448	255	213	-	468
Revolving credit	6,000	6,078	-	-	6,078
Bankers acceptances	22,969	23,287	-	-	23,287
	85,367	84,753	1,199	-	85,952
2024					
Trade and other payables	46,068	46,068	-	-	46,068
Hire purchase payables	7,674	3,577	4,732	-	8,309
Lease liabilities	228	151	85	-	236
Term loans	4,832	1,094	3,111	1,424	5,629
Bankers acceptances	9,712	9,882	-	-	9,882
Bank overdrafts	260	260	-	-	260
Derivative financial liabilities	120	120	-	-	120
	68,894	61,152	7,928	1,424	70,504

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis (continued)

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date are based on contractual undiscounted repayment obligations are as follows: (continued)

	Contractual cash flows			Total RM'000
	Carrying amount RM'000	On demand or within 1 year RM'000	Between 1 and 5 years RM'000	
Company				
2025				
Trade and other payables	53,147	53,147	-	53,147
Hire purchase payables	2,788	1,971	986	2,957
Lease liabilities	448	255	213	468
Revolving credit	6,000	6,078	-	6,078
Bankers acceptances	22,969	23,287	-	23,287
	85,352	84,738	1,199	85,937
2024				
Trade and other payables	32,311	32,311	-	32,311
Hire purchase payables	4,807	2,236	2,974	5,210
Lease liabilities	141	90	57	147
Bankers acceptances	9,712	9,882	-	9,882
Derivative financial liabilities	120	120	-	120
Financial guarantees	-	5,093	-	5,093
	47,091	49,732	3,031	52,763

(iii) Foreign currency risk

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 and purchases that are denominated in a foreign currency) and the Group's net investments in foreign subsidiaries.

Management has set up a policy that requires all companies within the Group and the Company to manage their treasury activities and exposures. The Group's and the Company's policy is to hedge all material foreign currency exposures arising from its transactions and balance using derivative instruments that have maturity periods that match the corresponding maturity periods of the hedged items. In addition, the Group and the Company also take advantage of any natural effects of its foreign currencies revenue and expenses by maintaining current accounts in foreign currencies.

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(iii) Foreign currency risk (continued)

The Group and the Company's unhedged financial assets and liabilities that are not denominated in their functional currencies are as follows:

	Functional currencies						Total RM'000
	USD RM'000	SGD RM'000	THB RM'000	RMB RM'000	EURO RM'000	Others RM'000	
Group							
2025							
Balances recognised in the statements of financial position							
Trade and other receivables	122,285	-	-	-	-	-	122,285
Cash and bank balances	3,566	-	-	8	32	4	3,610
Trade and other payables	(3,310)	(210)	(146)	-	(816)	-	(4,482)
Total	122,541	(210)	(146)	8	(784)	4	121,413
2024							
Balances recognised in the statements of financial position							
Trade and other receivables	44,340	50	-	-	-	-	44,390
Cash and bank balances	11,856	-	-	56	8	4	11,924
Derivative financial liabilities	(120)	-	-	-	-	-	(120)
Trade and other payables	(6,034)	(602)	(932)	(19)	(469)	-	(8,056)
Total	50,042	(552)	(932)	37	(461)	4	48,138

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(iii) Foreign currency risk (continued)

The Group and the Company's unhedged financial assets and liabilities that are not denominated in their functional currencies are as follows: (continued)

	Functional currencies						Total RM'000
	USD RM'000	SGD RM'000	THB RM'000	RMB RM'000	EURO RM'000	Others RM'000	
Company							
2025							
Balances recognised in the statements of financial position							
Trade and other receivables	122,285	-	-	-	-	-	122,285
Cash and bank balances	3,552	-	-	8	32	4	3,596
Trade and other payables	(3,310)	(210)	(146)	-	(816)	-	(4,482)
Total	122,527	(210)	(146)	8	(784)	4	121,399
2024							
Balances recognised in the statements of financial position							
Trade and other receivables	37,173	-	-	-	-	-	37,173
Cash and bank balances	5,139	-	-	33	8	4	5,184
Derivative financial liabilities	(120)	-	-	-	-	-	(120)
Trade and other payables	(1,730)	(473)	(932)	(18)	(470)	-	(3,623)
Total	40,462	(473)	(932)	15	(462)	4	38,614

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(iii) Foreign currency risk (continued)

Sensitivity analysis for foreign currency risk

The Group and the Company principal foreign currency exposure mainly relates to United States Dollar ("USD"), Singapore Dollar ("SGD"), Thailand Baht ("THB"), Renminbi ("RMB") and Euro ("EUR").

The following table demonstrates the sensitivity to a reasonably possible change in the USD, SGD, THB, RMB and EUR with all other variables held constant on the Group and Company's total equity and profit for the financial year/period.

	Change in rate %	Effect on profit for the financial year/period RM'000	Effect on equity RM'000
Group			
2025			
- USD	+10%	9,313	9,313
	- 10%	(9,313)	(9,313)
- SGD	+10%	(16)	(16)
	- 10%	16	16
- THB	+10%	(11)	(11)
	- 10%	11	11
- RMB	+10%	1	1
	- 10%	(1)	(1)
- EUR	+10%	(60)	(60)
	- 10%	60	60
2024			
- USD	+10%	3,803	3,803
	- 10%	(3,803)	(3,803)
- SGD	+10%	(42)	(42)
	- 10%	42	42
- THB	+10%	(71)	(71)
	- 10%	71	71
- RMB	+10%	3	3
	- 10%	(3)	(3)
- EUR	+10%	(35)	(35)
	- 10%	35	35

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(iii) Foreign currency risk (continued)

Sensitivity analysis for foreign currency risk (continued)

The following table demonstrates the sensitivity to a reasonably possible change in the USD, SGD, THB, RMB and EUR with all other variables held constant on the Group and Company's total equity and profit for the financial year/period. (continued)

	Change in rate %	Effect on profit for the financial year/period RM'000	Effect on equity RM'000
Company			
2025			
- USD	+10%	9,312	9,312
	- 10%	(9,312)	(9,312)
- SGD	+10%	(16)	(16)
	- 10%	16	16
- THB	+10%	(11)	(11)
	- 10%	11	11
- RMB	+10%	1	1
	- 10%	(1)	(1)
- EUR	+10%	(60)	(60)
	- 10%	60	60
2024			
- USD	+10%	3,075	3,075
	- 10%	(3,075)	(3,075)
- SGD	+10%	(36)	(36)
	- 10%	36	36
- THB	+10%	(71)	(71)
	- 10%	71	71
- RMB	+10%	1	1
	- 10%	(1)	(1)
- EUR	+10%	(35)	(35)
	- 10%	35	35

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(iv) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and the Company's financial instruments as a result of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their long-term loans and borrowings with floating interest rates. The Group's and the Company's policy to manage their interest rate risk is to hedge all material floating rate borrowings using interest rate swaps.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's and the Company's total equity and profit for the financial year/period.

	Change in basis points	Effect on profit for the financial year/period RM'000	Effect on equity RM'000
Group			
2025	+ 10	(22)	(22)
	- 10	22	22
2024	+ 10	(11)	(11)
	- 10	11	11
Company			
2025	+ 10	(22)	(22)
	- 10	22	22
2024	+ 10	(7)	(7)
	- 10	7	7

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(v) Market price risk

Market price risk is the risk of fluctuation in fair value or future cash flows of the Group's and the Company's financial instruments (other than interest or exchange rates).

The Group's and the Company's investments in unit trust fund are subject to market price risk.

Sensitivity analysis for equity price risk

The following table demonstrates the sensitivity to a reasonably change in the net asset value ("NAV"), with all other variables held constant on the Group's and the Company's total equity and profit for the financial year/period:

	Change in NAV %	Effect on profit for the financial year/period RM'000	Effect on equity RM'000
Group and Company			
2025	+10%	2,564	2,564
	- 10%	(2,564)	(2,564)
2024	+10%	9,334	9,334
	- 10%	(9,334)	(9,334)

(c) Fair value measurement

The carrying amounts of cash and cash equivalents, short-term receivables, payables and short-term borrowings are reasonably approximate to their fair values due to the relatively short-term nature of these financial instruments.

The fair value of long-term financial liabilities is determined by the present value of future cash flows estimated and discounted using the current interest rates for similar instruments at the end of the reporting year/period.

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers. There have been no transfers between Level 1 and Level 2 during the financial year (2024: no transfer in either directions).

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement (continued)

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments:

	Carrying amount RM'000	Fair value of financial instruments carried at fair value			Total RM'000	Fair value of financial instruments not carried at fair value			Total RM'000
		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
Group									
2025									
Financial assets									
Short-term investments	33,733	-	33,733	-	33,733	-	-	-	-
Financial liabilities									
Hire purchase payables	(2,788)	-	-	-	-	-	-	(2,823)	(2,823)
2024									
Financial assets									
Other investments	2,280	-	-	2,280	2,280	-	-	-	-
Short-term investments	122,815	-	122,815	-	122,815	-	-	-	-
Financial liabilities									
Forward foreign exchange contracts	(120)	-	(120)	-	(120)	-	-	-	-
Term loans	(4,832)	-	-	-	-	-	-	(4,832)	(4,832)
Hire purchase payables	(7,674)	-	-	-	-	-	-	(7,829)	(7,829)

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement (continued)

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments: (continued)

	Carrying amount RM'000	Fair value of financial instruments carried at fair value			Total RM'000	Fair value of financial instruments not carried at fair value			Total RM'000
		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
Company									
2025									
Financial assets									
Short-term investments	33,733	-	33,733	-	33,733	-	-	-	-
Financial liabilities									
Hire purchase payables	(2,788)	-	-	-	-	-	-	(2,823)	(2,823)
Company									
2024									
Financial assets									
Other investments	2,280	-	-	2,280	2,280	-	-	-	-
Short-term investments	122,815	-	122,815	-	122,815	-	-	-	-
Financial liabilities									
Forward foreign exchange contracts	(120)	-	(120)	-	(120)	-	-	-	-
Hire purchase payables	(4,807)	-	-	-	-	-	-	(4,919)	(4,919)

Level 2 fair value

Fair value of financial instruments carried at fair value

Derivatives

The fair value of forward exchange contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement (continued)

Level 2 fair value (continued)

Fair value of financial instruments carried at fair value (continued)

Short-term investments

The fair value of the short-term investments are based on the latest estimate or indicative net asset value (NAV) provided or published by the underlying funds.

Level 3 fair value

Fair value of financial instruments carried at fair value

Other investments

The fair value of unquoted equity instruments has been estimated based on the most recent transaction value.

Fair value of financial instruments not carried at fair value

Term loans and hire purchase payables

The fair value of term loans and hire purchase are estimated based on discounted cash flows, method based on discount rates that reflects the issuer's borrowing rate as at the end of the reporting year.

32. COMMITMENTS

The Group and the Company have made commitments for the following capital expenditures:

	Group and Company	
	2025	2024
	RM'000	RM'000
Property, plant and equipment	19,205	25,349

33. RELATED PARTIES

(a) Identity 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 operational 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) A joint venture;
- (iii) Entities in which directors have substantial financial interest; and
- (iv) Key management personnel of the Group and the Company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS

33. RELATED PARTIES (continued)

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
Sales				
A joint venture	-	(3,228)	-	(3,228)
Entities in which directors have substantial financial interests	-	(4)	-	-
Purchases				
Subsidiaries	-	-	1,912	4,853
Related parties	-	2,136	-	1,969
Entities in which directors have substantial financial interests	71	647	-	-

(c) Compensation of key management personnel

	Group		Company	
	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000	1.7.2024 to 30.6.2025 (12 months) RM'000	1.4.2023 to 30.6.2024 (15 months) RM'000
Directors:				
- Remuneration	1,329	2,359	1,329	1,714
- Fees	408	494	408	494
- Bonus	4,946	416	4,946	416
- Benefits-in-kind	52	86	52	56
- Long-term incentive plan	2,536	-	2,536	-
	9,271	3,355	9,271	2,680
Other key management personnel	7,574	3,074	7,150	3,074
	16,845	6,429	16,421	5,754

NOTES TO THE FINANCIAL STATEMENTS

34. SEGMENT INFORMATION

The entire Group operates under a single reportable segment, the industrial automation segment, which is the Group's strategic business unit. The Group's Chief Executive Officer reviews internal management reports at least on a quarterly basis. No segment reporting is presented as the Group operates solely in the industrial automation segment.

Geographical segments

The industrial automation segment operates manufacturing facilities and sales offices mainly in Malaysia. In presenting information on the basis of geographical segments, segment revenue and non-current assets are presented based on geographical locations.

Geographical information

	Revenue RM'000	Non-current assets RM'000
2025		
Malaysia	2,184	135,242
Thailand	8,813	-
Europe	37,256	-
United States	167,562	-
Middle East	4,443	-
Mexico	1,608	-
Others	818	-
	222,684	135,242
2024		
Malaysia	10,021	145,405
Thailand	6,100	-
Europe	56,538	-
United States	265,320	-
Mexico	8,158	-
Others	866	-
	347,003	145,405

NOTES TO THE FINANCIAL STATEMENTS

34. SEGMENT INFORMATION (continued)

Major customers

The following are major customers with revenue equal or more than 10% of the Group's total revenue:

	Revenue	
	1.7.2024 to 30.6.2025 (12 months)	1.4.2023 to 30.6.2024 (15 months)
	RM'000	RM'000
Customer A	39,770	89,142
Customer B	165,229	227,067
	204,999	316,209

35. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that they maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

The Group and the Company monitor capital using debt-to-equity ratio. The debt-to-equity ratio is calculated as total debts divided by total equity. The debt-to-equity ratio at 30 June 2025 and 30 June 2024 are as follows:

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Loans and borrowings	19	31,757	22,478	31,757	14,519
Less: Cash and bank balances	15	(10,298)	(41,340)	(10,279)	(31,014)
Net debt/(cash)		21,459	(18,862)	21,478	(16,495)
Total equity		435,697	496,728	435,839	485,581
Debt to equity ratio		5%	*	5%	*

* Not meaningful as the Group and the Company are in net cash position.

There was no breach of covenants during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

36. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 28 May 2024, the Company proposed to establish and implement a long-term incentive plan ("Proposed LTIP") of up to 5% of the Company's total issued shares (excluding treasury shares, if any) at any point of time during the duration of the LTIP for the eligible executive directors and employees of the Company and its subsidiary companies (excluding subsidiaries which are dormant) who fulfil the eligibility criteria.

Bursa Securities had approved the Proposed LTIP via its letter dated 12 July 2024.

At an extraordinary general meeting held on 29 August 2024, the Company's shareholders approved the establishment of the Proposed LTIP.

The LTIP was implemented on 10 January 2025.

- (b) On 4 November 2024, the Company entered into a conditional share sale agreement with Tan Moon Teik ("Purchaser") in relation to the proposed disposal of 6,183,750 ordinary shares in CLT Engineering Sdn. Bhd. ("CLT"), representing 51% equity interest in CLT to the Purchaser for a total disposal consideration of RM21,627,559 to be settled via cash ("Disposal").

On 28 March 2025, the Disposal had been completed following the fulfilment of the terms and conditions in the share sale agreement. Accordingly, CLT ceased to be a subsidiary of the Company.

37. COMPARATIVE FIGURES

In the previous financial period, the Group and the Company changed their financial year end from 31 March to 30 June and made up their financial statements for the 15 months period to 30 June 2024. Accordingly, comparative figures for the statements of comprehensive income, statements of changes in equity, statements of cash flows and the related notes are not entirely comparable with those for the current financial year.

STATEMENT BY DIRECTORS

(Pursuant to Section 251(2) of the Companies Act 2016)

We, **CHIN KEM WENG** and **SOW EWE LEE**, being two of the directors of Genetec Technology Berhad, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 83 to 163 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 30 June 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:

CHIN KEM WENG
Director

SOW EWE LEE
Director

Date: 16 October 2025

Statutory DECLARATION

(Pursuant to Section 251(1) of the Companies Act 2016)

I, **TAN KON HOAN**, being the officer primarily responsible for the financial management of Genetec Technology Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 83 to 163 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.

TAN KON HOAN
MIA Membership No.: 54470

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 16 October 2025.

Before me:

HADINUR MOHD SYARIF
No. W761
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To the Members of Genetec Technology Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Genetec Technology Berhad, which comprise the statements of financial position as at 30 June 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 financial statements, including material accounting policy information, as set out on pages 83 to 163.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* 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"), 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 and Company

Revenue (Notes 4(a), 13 and 23 to the financial statements)

The Group's accounting policy is to recognise the revenue from sales of industrial automation products either over time or at a point in time recognition, depending on the timing when the controls of the products are passed to customers. In addition, the stage of completion for those revenue recognised overtime is determined by reference to the actual contract costs incurred for work performed to-date bear to the total estimated project costs.

We focused on this area because the Group's revenue recognition requires the exercise of significant judgement to be made by the directors, in particular with regards to determining the recognition of revenue either over time or at point in time recognition, depending on the timing when the control of the products is passed to the customers based on the terms on the customer's orders. Significant judgement is also required to determine the progress towards satisfaction of a performance obligation, the extent of the contract costs incurred, the estimated total contracts revenue and costs, as well as the recoverability of the projects. The estimated total revenue and costs are affected by a variety of uncertainties that depend on the outcome of future events.

INDEPENDENT AUDITORS' REPORT

To the Members of Genetec Technology Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

Key Audit Matters (continued)

Group and Company (continued)

Our response:

Our audit response on selected projects included, among others:

- Reading the terms and conditions of agreements with selected customers;
- Understanding the Group's process in preparing or updating project budget and the calculation of the stage of completion;
- Comparing the Group's major assumptions to contractual terms and discussing with the project managers;
- Checking the mathematical computation of recognised revenue for the projects during the financial year; and
- Testing the cut off to ensure the revenue is recognised in the correct accounting period.

Deferred tax assets (Note 4(b) and 9 to the financial statements)

As at 30 June 2025, the Group has recognised deferred tax assets for unused tax losses and deductible temporary differences that it believes are recoverable. The recoverability of recognised deferred tax assets is dependent on the directors' assessment on the Group's ability to generate future taxable profits sufficient to be utilised against the unused tax losses and the deductible temporary differences.

We focused on this area because the realisation of these deferred tax assets is often dependent on future taxable profits and there are inherent uncertainties involved in projecting the amount.

Our response:

Our audit response on selected projects included, among others:

- Comparing the actual results with previous budget to understand the performance of the business;
- Discussing with the Group on their assessment and consideration of the current economic and business environment in relation to key assumptions such as forecast growth rates, inflation rates and gross profit margin used in taxable profit projections; and
- Testing the mathematical computation of the profit projection calculation.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

INDEPENDENT AUDITORS' REPORT

To the Members of Genetec Technology Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

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

INDEPENDENT AUDITORS' REPORT

To the Members of Genetec Technology Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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.

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

Kenny Yeoh Khi Khen
No. 03229/09/2026 J
Chartered Accountant

Kuala Lumpur

Date: 16 October 2025

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for the preparation of financial statements for each financial year so as to give a true and fair view of the state of affairs of the Group and the Company and of the results and cash flows of the Group and the Company for the financial year then ended.

In preparing the financial statements, the Directors have made judgements and estimates that are reasonable and prudent, adopted appropriate accounting policies and applied them consistently, and prepared the annual audited financial statements on a going concern basis.

The Directors are responsible for ensuring that proper accounting and other records are kept which disclose with reasonable accuracy at any time the financial position of the Group and the Company and to enable them to ensure that the financial statements comply with the provisions of the Companies Act 2016 and applicable approved Financial Reporting Standards in Malaysia.

The Directors are also responsible for taking reasonable steps to safeguard the assets of the Group and of the Company, and to prevent and detect fraud and other irregularities.

LIST OF PROPERTIES HELD BY THE GROUP

As at 30 June 2025

No.	Address	Approximate tenure/Year of expiry	Description/ Existing use	Land area / Built-up area (sq. ft.)	Net book value @ 30.6.2025 (RM'000)	Age of building (years)	Date of acquisition
1.	Lot 7, Jalan P10/11, Seksyen 10, Kawasan Perusahaan Bangi, 43650 Bandar Baru Bangi, Selangor Darul Ehsan.	99 years expiring in 2098	Leasehold/ Land with 3 storey office and factory	61,450/ 44,405	9,077	17	31 March 2008
2.	No. 59, Jalan P/21, Selaman Industrial Park, Seksyen 10, 43650 Bandar Baru Bangi, Selangor Darul Ehsan.	99 years expiring in 2098	Leasehold 1½ -storey detached factory/Office building	22,723/ 13,603	1,557	20	20 March 2006
3.	Lot 6, Jalan P/10, Seksyen 10, Kawasan Perusahaan Bangi, 43650 Bandar Baru Bangi, Selangor Darul Ehsan.	99 years expiring in 2098	Leasehold/ 2 storey to 4 storey production cum office building	683,293/ 301,509	98,918	26	26 May 2022

ADDITIONAL COMPLIANCE INFORMATION

1) UTILISATION OF PROCEEDS FROM CORPORATE PROPOSAL

Private Placement

As at 30 September 2025, the proposed and actual utilisation of RM177,992,030 proceeds raised from the issuance for a total of 68,196,180 new ordinary shares at issue price per placement share of RM2.61 pursuant to the Private Placement, which was completed on 15 February 2023 are as follows:

	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Available for Utilisation RM'000	Expected Utilisation Time Frame
Expansion of manufacturing facilities	94,000	94,000	-	Within 36 months
Working capital requirements	80,992	80,992	-	Within 24 months
Estimated expenses in relation to the Private Placement	3,000	3,000	-	Within 1 month
Total	177,992	177,992	-	

2) LONG-TERM INCENTIVE PLAN ("LTIP")

At an extraordinary general meeting held on 29 August 2024, the Company's shareholders approved the establishment of LTIP in the form of an employees' share grant scheme of up to 5% of the Company's total issued shares (excluding treasury shares, if any) at any point of time during the duration of the LTIP for the eligible executive Directors and employees of Genetec and its subsidiary companies (excluding subsidiaries which are dormant) who fulfill the eligibility criteria.

During the financial year ended 30 June 2025, the Company issued 6,415,600 new ordinary shares pursuant to the LTIP.

Details of the shares granted under LTIP are as follows:

Grant Date	Issue Price (RM)	Category			Total
		Executive Directors	Senior Management	Other Eligible Employees	
<u>FYE 2025</u>					
13.2.2025	1.45	874,500	624,700	1,457,900	2,957,100
25.3.2025	1.24	1,022,600	730,500	1,705,400	3,458,500
Total number of shares granted (units)		1,897,100	1,355,200	3,163,300	6,415,600
Total number of shares granted (%)		29.6%	21.1%	49.3%	100.00%

ADDITIONAL COMPLIANCE INFORMATION

2) LONG-TERM INCENTIVE PLAN ("LTIP") (continued)

The movement of the LTIP during the financial year as follows:

Category	At 1.7.2024	Grant	Vested	At 30.6.2025
Executive Directors	-	1,897,100	(1,897,100)	-
Senior Management	-	1,355,200	(1,355,200)	-
Other Eligible Employees	-	3,163,300	(3,163,300)	-
Total number of shares granted (units)		6,415,600	(6,415,600)	-

Shares granted to Directors and Senior Management	FYE 2025
Aggregate maximum allocation in percentage	80.0%
Actual percentage granted	50.7%

3) AUDIT AND NON-AUDIT FEES

During the financial year, the audit fees and non-audit fees paid/payable to the Company's external auditors by the Group and by the Company for services rendered were as follows:

	Group (RM)	Company (RM)
Audit fee	213,000	204,500
Non-audit fee	6,000	6,000

4) MATERIAL CONTRACTS

On 4 November 2024, the Company entered into a conditional share sale agreement with Tan Moon Teik ("Purchaser") in relation to the proposed disposal of 6,183,750 ordinary shares in CLT Engineering Sdn. Bhd. ("CLT"), representing 51% equity interest in CLT to the Purchaser for a total disposal consideration of RM21,627,559 to be settled via cash ("Disposal").

On 28 March 2025, the Disposal had been completed following the fulfilment of the terms and conditions in the share sale agreement. Accordingly, CLT ceased to be a subsidiary of the Company.

Save for the above, there were no material contracts entered into by the Company and its subsidiaries involving the interests of the directors, chief executive who is not a director or major shareholders of the Company, either still subsisting at the end of the financial year, or which were entered into since the end of the previous financial year.

ADDITIONAL COMPLIANCE INFORMATION

5) RECURRENT RELATED PARTY TRANSACTION

The significant recurrent related party transactions conducted during the financial year ended 30 June 2025 were as follows:

	Related Parties	Relationship with Genetec Group	Nature of Transactions with Genetec Group	Amount (RM)
1.	CLT Engineering Sdn Bhd ("CLT")	Tan Moon Teik is a Major Shareholder and Director of CLT. Chin Kem Weng is a Major Shareholder and Director of Genetec. He is also a Director and Indirect Major Shareholder of CLT (via his shareholding in Genetec).	Purchase of fabrication parts	2,589,710
2.	Citaglobal Genetec BESS Sdn Bhd ("CG BESS")	Chin Kim Weng is a Major Shareholder and Director of Genetec. He is also a Director and Indirect Major Shareholder of CG BESS (via his shareholdings in Genetec).	Sale of battery energy storage system	-
3.	KVC Industrial Supplies Sdn Bhd ("KVC")	Chen Khai Voon is a Major Shareholder of Genetec (via his shareholdings in Genetec and KVC Corporation Sdn. Bhd. ("KVC Corp")). He is also a Director and an Indirect Major Shareholder of KVC (via his direct shareholdings in KVC Corp and indirect shareholdings in KVC Properties Sdn. Bhd. and Sonepar Malaysia Sdn. Bhd.). KVC Corp is a person connected to Chen Khai Voon, a Major Shareholder of Genetec and also an Indirect Major Shareholder of KVC (via its direct shareholdings in KVC Properties Sdn. Bhd. and indirect shareholdings in Sonepar Malaysia Sdn. Bhd.).	Purchase of electrical and pneumatics components	1,778,311
4.	TSA Industries Sdn Bhd ("TSA")	Chen Khai Voon is a Major Shareholder of Genetec (via his shareholdings in Genetec and KVC Corp). He is also an Indirect Major Shareholder of TSA (via his direct shareholdings in KVC Corp and indirect shareholdings in KVC Properties Sdn. Bhd. and TSA Group Berhad). KVC Corp is a person connected to Chen Khai Voon, a Major Shareholder of Genetec and also an Indirect Major Shareholder of TSA (via its direct shareholdings in KVC Properties Sdn. Bhd. and indirect shareholding in TSA Group Berhad).	Purchase of industrial hardware products	261,765
5.	MP Precision Sdn. Bhd. ("MP")	Tan Moon Teik is a Major Shareholder and Director of CLT. He is also a Major Shareholder of MP.	Purchase of fabrication parts	263,222

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2025

Total number of issued shares : 791,306,980 ordinary shares (including treasury shares)
 Class of shares : Ordinary Shares
 Voting rights : One (1) vote per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

Size of Holdings	No. of Holders	% of Holders	No. of Shares Held	% of Issued Shares
1 – 99	111	0.83	2,579	0.00
100 – 1,000	2,112	15.88	1,345,614	0.17
1,001 – 10,000	6,532	49.12	33,385,303	4.31
10,001 – 100,000	3,891	29.26	125,214,047	16.17
100,001 – 38,706,098 (*)	653	4.91	614,174,437	79.35
38,706,099 and above (**)	0	0.00	0	0.00
Total	13,299	100.00	774,121,980	100.00

Remarks : * Less than 5% of issued shares

** 5% and above of issued shares

DIRECTORS' SHAREHOLDINGS (as per Register of Directors' Shareholdings)

Name	Direct Interest		Indirect Interest	
	No. of shares held	%	No. of shares held	%
Chin Kem Weng	59,962,565	7.75	-	-
Sow Ewe Lee	13,597,100	1.76	-	-
Ong Phoe Be	868,000	0.11	-	-
Dato' Jeeventhiran a/l Ramanaidu	100,000	0.01	-	-
Allen Lik-Hook Ting	4,027,200	0.52	-	-
Ong Siew Min	-	-	-	-

SUBSTANTIAL SHAREHOLDERS (as per Register of Substantial Shareholders)

Name	Direct Interest		Indirect Interest	
	No. of Shares Held	%	No. of Shares Held	%
Chin Kem Weng	59,962,565	7.75	-	-
Tan Moon Teik	39,148,600	5.06	-	-
Employees Provident Fund Board	-	-	41,988,200	5.42

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2025

30 LARGEST SHAREHOLDERS

No.	Name	No. of shares held	Percentage (%)
1	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR CHIN KEM WENG (PB)</i>	35,000,000	4.52
2	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>URUSHARTA JAMAAH SDN. BHD. (2)</i>	31,187,000	4.03
3	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>EMPLOYEES PROVIDENT FUND BOARD (ASIANISLAMIC)</i>	29,056,600	3.75
4	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD <i>DEUTSCHE TRUSTEES MALAYSIA BERHAD FOR HONG LEONG DIVIDEND FUND</i>	26,695,200	3.45
5	CHIN KEM WENG	21,212,565	2.74
6	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TAN MOON TEIK (7013856)</i>	17,972,100	2.32
7	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TAN MOON TEIK (MTRUSTEE BERHAD) (463195)</i>	15,000,000	1.94
8	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD <i>KAF CORE INCOME FUND</i>	14,550,000	1.88
9	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR TAN KON HOAN (PB)</i>	14,078,200	1.82
10	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR SOW EWE LEE (PB)</i>	13,597,100	1.76
11	CARTABAN NOMINEES (TEMPATAN) SDN BHD <i>PRUDENTIAL ASSURANCE MALAYSIA BERHAD FOR PRULINK STRATEGIC FUND</i>	11,849,600	1.53
12	CIMSEC NOMINEES (ASING) SDN BHD <i>CIMB FOR THANA RATNAUBONCHAI (PB)</i>	10,895,700	1.41
13	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>NATIONAL TRUST FUND (IFM KAF) (446190)</i>	9,000,000	1.16
14	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (AIIMAN IS EQ)</i>	8,908,200	1.15
15	PUBLIC INVEST NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENTS)</i>	8,431,000	1.09
16	LEONG KAH KONG	8,137,900	1.05
17	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>EMPLOYEES PROVIDENT FUND BOARD (F TEMPLETON)</i>	7,831,600	1.01
18	CITIGROUP NOMINEES (ASING) SDN BHD <i>UBS AG</i>	7,679,300	0.99
19	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD <i>CIMB BANK BERHAD (EDP 2)</i>	7,400,500	0.96
20	HSBC NOMINEES (TEMPATAN) SDN BHD <i>HSBC (M) TRUSTEE BHD FOR PRINCIPAL ISLAMIC SMALL CAP OPPORTUNITIES FUND</i>	7,075,000	0.91

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2025

30 LARGEST SHAREHOLDERS (continued)

No.	Name	No. of shares held	Percentage (%)
21	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>LEMBAGA TABUNG HAJI (AIIMAN)</i>	6,974,900	0.90
22	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD <i>KAF TACTICAL FUND</i>	6,300,000	0.81
23	AMSEC NOMINEES (TEMPATAN) SDN BHD <i>AMBANK (M) BERHAD</i>	6,233,300	0.81
24	AFFIN HWANG NOMINEES (ASING) SDN BHD <i>DBS VICKERS SECS (S) PTE LTD FOR KGI SECURITIES (SINGAPORE) PTE. LTD.</i>	6,179,600	0.80
25	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD <i>EXEMPT AN FOR PETROLIAM NASIONAL BERHAD</i>	5,467,200	0.71
26	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>EMPLOYEES PROVIDENT FUND BOARD (AM INV)</i>	5,100,000	0.66
27	TAN MOON TEIK	4,937,400	0.64
28	CHIN KIT SEN	4,628,700	0.60
29	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>LEMBAGA TABUNG HAJI (UOB)</i>	4,597,300	0.59
30	GOH YIK YONG	4,500,000	0.58
	Total	360,475,965	46.57

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Seventh Annual General Meeting (“27th AGM” or “Meeting”) of Genetec Technology Berhad (“Genetec” or the “Company”) will be held at Halls Jade 1 & 2, Jade Hills Resort Club, Persiaran Jade Hills Utama, Jade Hills, 43000 Kajang, Selangor Darul Ehsan, on Tuesday, 25 November 2025 at 10.00 a.m. for the transaction of the following businesses:-

AGENDA

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 30 June 2025 together with the Reports of the Directors and Auditors thereon.
[Please refer to Explanatory Note (a)]
2. To approve the payment of Directors’ fees of RM408,000 payable to the Non-Executive Directors for the financial year ending 30 June 2026. **Ordinary Resolution 1**
3. To re-elect the following Directors who are due to retire pursuant to the Company’s Constitution and being eligible, have offered themselves for re-election:-
 - (i) Mr Chin Kem Weng **Ordinary Resolution 2**
 - (ii) Mr Sow Ewe Lee **Ordinary Resolution 3**
4. To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 4**

AS SPECIAL BUSINESS:

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

5. **AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016 AND WAIVER OF PRE-EMPTIVE RIGHTS** **Ordinary Resolution 5**

“THAT, subject always to the Companies Act, 2016 (“the Act”), the Constitution of the Company and approvals of Bursa Malaysia Securities Berhad (“Bursa Securities”) and any other governmental and/or regulatory authorities, where required, the Directors of the Company be empowered pursuant to Sections 75 and 76 of the Act to issue and allot shares in the Company from time to time to such persons and upon such terms and conditions and for such purposes as the Directors of the Company may, in their absolute discretion, deem fit provided that the aggregate number of shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding treasury shares, if any) of the Company for the time being AND THAT the Directors of the Company be also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

AND THAT in connection with the above, pursuant to Section 85(1) of the Act read together with Clause 63 of the Constitution of the Company, the approval be given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares of the Company arising from the issuance of new shares pursuant to Sections 75 and 76 of the Act.

NOTICE OF ANNUAL GENERAL MEETING

AND FURTHER THAT such authority shall commence immediately upon passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting or any adjournment thereof of the Company."

6. **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY")** **Ordinary Resolution 6**

"THAT, subject to the Companies Act 2016 ("the Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Listing Requirements") and the approvals of any relevant governmental and/or regulatory authorities, where such approval is required, the Company be authorised, to the fullest extent permitted by law, to purchase such number of ordinary shares in the Company ("Shares") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the best interest of the Company ("Proposed Share Buy-Back"), provided that:-

- (a) the maximum aggregate number of Shares which may be purchased by the Company and/or held as treasury shares shall not exceed 10% of the total number of issued shares of the Company at any point in time, including the Shares previously purchased and retained as treasury shares (if any);
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its own Shares shall not exceed the total amount of retained earnings of the Company; and
- (c) the authority conferred by this resolution will be effective immediately upon the passing of this resolution and shall continue to be in force until:
 - (i) the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such resolution was passed, at which time the said authority will lapse unless, by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
 - (ii) the expiration of the period within which the next AGM of the Company after that date is required by law to be held; or
 - (iii) the authority is revoked or varied by ordinary resolution passed by the shareholders in a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) made by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the provisions of the Listing Requirements and/or any applicable laws, rules, regulations, orders, guidelines and/or requirements issued by Bursa Securities and/or any other relevant authorities.

NOTICE OF ANNUAL GENERAL MEETING

THAT, upon completion of the purchase(s) by the Company of its own Shares, the Directors of the Company be authorised to deal with the Shares so purchased (“Purchased Shares”), in their absolute discretion in the following manner:-

- (a) cancel all or part of the Purchased Shares; and/or
- (b) retain all or part of the Purchased Shares as treasury shares; and/or
- (c) retain part of the Purchased Shares as treasury shares and cancel the remainder of the Purchased Shares; or
- (d) deal with the treasury shares in such other manner as permitted by the Act, the Listing Requirements and/or any other applicable laws, rules, regulations, orders, guidelines and/or requirements of the relevant authorities for the time being in force.

AND THAT authority be given unconditionally and generally to the Directors of the Company to take all such steps and do all acts, deeds and things as the Directors may consider necessary, expedient and/or relevant to finalise, implement, give full effect to and complete the Proposed Shares Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required or imposed by the relevant authorities and to do all such acts and things thereafter as the Directors may consider necessary and expedient in the best interest of the Company.”

7. To transact any other ordinary business of which due notice shall have been given.

BY ORDER OF THE BOARD

LOW SOOK KUAN (MAICSA 7047833)
SSM PC No. 202008001384
Company Secretary

Selangor Darul Ehsan
24 October 2025

Explanatory Notes to the Agenda :

Explanatory Note (a) - Audited Financial Statements and Reports

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

Ordinary Resolution 1 - Payment of Directors’ Fees For Financial Year Ending (FYE) 30 June 2026

Section 230(1) of the Act provides, amongst others, that the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. Accordingly, shareholders’ approval is sought for the payment of the directors’ fee for FYE 30 June 2026, amounting to RM408,000.

The proposed Ordinary Resolution 1 is to facilitate payment of Directors’ fees on the current financial year basis, based on the current Board size and assuming that all Directors shall hold office until the end of the next financial year. In the event the proposed Directors’ fees are insufficient, approval will be sought at the next AGM for additional fees to meet the shortfall.

NOTICE OF ANNUAL GENERAL MEETING

Ordinary Resolutions 2 and 3 - Re-election of Directors

In accordance with Clause 105 of the Company's Constitution, one-third (1/3) of the Directors shall retire by rotation at each AGM. Accordingly, Mr Chin Kem Weng and Mr Sow Ewe Lee are due for retirement as the Directors of the Company in this Meeting.

The Board, through its Nomination Committee, has undertaken an evaluation in line with the Malaysian Code on Corporate Governance to determine the eligibility of the retiring Directors for re-election, which included the following criteria:

- (i) Contribution and performance of each individual Director; and
- (ii) Fit and proper assessment.

Based on the evaluation results, the Board is satisfied that the retiring Directors have met expectations in terms of character, experience, expertise, integrity, competency, and commitment. The Nomination Committee has recommended their re-election, and the Board supports this recommendation for shareholders' approval.

Both retiring Directors, being eligible, have offered themselves for re-election at the 27th AGM and have abstained from all deliberations and decisions pertaining to their respective re-election at the Board meeting.

The profiles of the retiring Directors are set out in the 'Profile of Directors' section and their interests in the shares of the Company are disclosed under the 'Analysis of Shareholdings' section of this Annual Report.

The proposed Ordinary Resolutions 2 and 3, if passed, will allow the retiring Directors to be re-elected as Directors of the Company.

Ordinary Resolution 4 – Re-appointment of Auditors

The Audit Committee has assessed the suitability and independence of Messrs Baker Tilly Monteiro Heng PLT, the External Auditors ("EA"), and is satisfied with their performance based on the quality of audit, competency, and sufficiency of resources of the audit team assigned to the Group. The Audit Committee also concluded that the EA has demonstrated adequate objectivity and independence throughout the audit process.

The Board has endorsed the Audit Committee's recommendation for the re-appointment of Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company for the ensuing financial year.

The proposed Ordinary Resolution 4, if passed, will authorise the re-appointment of Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company for the ensuing financial year.

Ordinary Resolution 5 - Authority to Issue Shares pursuant to Companies Act 2016 And Waiver of Pre-Emptive Rights

The proposed Ordinary Resolution 5, if passed, is to grant a renewed general mandate ("General Mandate") and empower the Directors of the Company to issue and allot new shares of up to an amount not exceeding 10% of the total number of issued shares (excluding treasury shares, if any) of the Company from time to time as the Directors of the Company consider would be in the best interest of the Company, without the need to convene a separate general meeting so as to avoid incurring additional cost and time. This authority shall continue in force until the conclusion of the next AGM of the Company or any adjournment thereof, unless revoked or varied at a general meeting.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM of the Company and which will lapse at the conclusion of the 27th AGM of the Company.

This General Mandate will provide the Company with flexibility to undertake any possible fundraising activities, including but not limited to funding future investment project(s), business expansion and/or working capital. At this juncture, there is no decision to issue new shares from this General Mandate. However, the Directors consider it appropriate to retain such flexibility to respond to market developments and to enable the issuance of shares to finance business opportunities without the need to make a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the General Mandate is obtained, the Company will make the necessary announcement in respect thereof.

NOTICE OF ANNUAL GENERAL MEETING

The approval of the issuance and allotment of the new shares under Sections 75 and 76 of the Act shall have the effect of the shareholders having agreed to waive their statutory pre-emptive rights pursuant to Section 85(1) of the Act and Clause 63 of the Constitution of the Company, the shareholders of the Company hereby agree to waive and are deemed to have waived their statutory pre-emptive rights pursuant to Section 85(1) of the Act and Clause 63 of the Constitution of the Company pertaining to the issuance and allotment of new shares under Sections 75 and 76 of the Act, which will result in a dilution to their shareholding percentage in the Company.

Ordinary Resolution 6 - Proposed Renewal of Share Buy-Back Authority

The Ordinary Resolution 6, if passed, will empower the Directors to purchase and/or hold the Company's own shares up to 10% of the total number of issued shares of the Company. The authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company or any adjournment thereof or the expiry of the period within which the next AGM of the Company following the 27th AGM is required by law to be held. Further information on the Proposed Renewal of Share Buy-Back Authority is set out in the Statement to Shareholders, which is circulated together with the Annual Report 2025.

Notes on proxy and voting:

1. For the purpose of determining who shall be entitled to attend the 27th AGM, the Company shall request a Record of Depositors as at 17 November 2025. Only a depositor whose name appears on such Record of Depositors shall be regarded as a member and entitled to attend the Meeting, as well as for the appointment of proxy(ies) or authorised representative to attend the Meeting on his/her behalf.
2. A member entitled to attend and vote at this Meeting is entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. A member may appoint more than one (1) proxy to attend the Meeting, provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy. Failing which, the appointment shall be invalid. A proxy may, but need not be, a member of the Company.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint more than one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee as defined under SICDA which holds ordinary shares in the Company for the 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 provided that the proportion of holdings to be represented by each proxy must be specified.
5. The instrument appointing a proxy shall be in writing, signed by the appointer or by his attorney who is authorised in writing. Where the appointer is a corporation, the instrument appointing proxy(ies) must be made either under its common seal (if any) or signed by an officer or an attorney duly authorised.

NOTICE OF ANNUAL GENERAL MEETING

6. 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 as follows, not less than 48 hours before the time appointed for holding the Meeting or adjournment thereof at which the person named in the instrument proposes to vote, or, in case of a poll, not less than 24 hours before the time appointed for the taking of the poll at the 27th AGM and in default the instrument of proxy shall not be treated as valid. All resolutions set out in this Notice are to be voted by poll.

(a) Deposit Hardcopy of Proxy Form

To the Company Share Registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or the designated drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

Please ensure all the particulars as required in the Proxy Form are completed, signed and dated accordingly. Any alteration in the Proxy Form must be initialled.

(b) Deposit of Proxy Form Electronically

To the Company Share Registrar via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com>. Kindly refer to the Administrative Guide of the 27th AGM on the procedure for the electronic submission of the Proxy Form via The Portal.

The Proxy Form must be deposited accordingly by Sunday, 23 November 2025 at 10.00 a.m.

7. By submitting the duly executed Form of Proxy, a member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the Meeting and any adjournment thereof.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. Details of individuals who are standing for election as Directors (excluding directors standing for re-election)

As of the date of this Notice, there is no individual standing for election as a Director of the Company at the 27th AGM.

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

Details of the proposed renewal of the general mandate to issue new shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016 ("Act") and waiver of pre-emptive rights under Section 85(1) of the Act read together with Clause 63 of the Constitution of the Company are set out in the Explanatory Notes of the Notice of 27th AGM.

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CDS Account No.	
No. of shares held	

PROXY FORM

(To be completed in block letters)

I/We _____ NRIC/Passport/Company No. _____
(FULL NAME OF MEMBER(S) AS PER NRIC/PASSPORT/CERTIFICATE OF INCORPORATION)

of _____
(FULL ADDRESS)

being a member/members of GENETEC TECHNOLOGY BERHAD [Registration No. 199701030038 (445537-W)] (the "Company") hereby appoint:

First Proxy

Full Name (in block letters)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*and/or

Second Proxy

Full Name (in block letters)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*or failing him/her, the Chairman of the Meeting as my/our proxy/proxies to attend and vote for me/us on my/our behalf at the Twenty-Seventh Annual General Meeting ("27th AGM") of the Company to be held at Halls Jade 1 & 2, Jade Hills Resort Club, Persiaran Jade Hills Utama, Jade Hills, 43000 Kajang, Selangor Darul Ehsan on Tuesday, 25 November 2025 at 10.00 a.m. and any adjournment thereof in the manner as indicated below:

Ordinary Resolution		For	Against
1	To approve payment of Directors' fees		
2	To re-elect Chin Kem Weng as Director		
3	To re-elect Sow Ewe Lee as Director		
4	To re-appoint Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise the Directors to fix their remuneration		
5	To authorise the issuance of shares by the Directors pursuant to the Companies Act 2016 and waiver of pre-emptive rights		
6	To approve the Proposed Renewal of Share Buy-Back Authority		

(Please indicate with an "X" in the spaces provided above as to how you wish your vote to be cast. In the absence of specific directions, the proxy will vote or abstain from voting at his/her discretion.)

**Strike out whichever is not applicable.*

Dated this _____ day of _____ 2025.

 Signature of Member(s) / Common Seal

Tel No. (During office hours): _____

Notes:

1. For the purpose of determining who shall be entitled to attend the 27th AGM, the Company shall request a Record of Depositors as at 17 November 2025. Only a depositor whose name appears on such Record of Depositors shall be regarded as a member and entitled to attend the Meeting, as well as for the appointment of proxy(ies) or authorised representative to attend the Meeting on his/her behalf.
2. A member entitled to attend and vote at this Meeting is entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead. A member may appoint more than one (1) proxy to attend the Meeting, provided that the member specifies the proportion of the member's shareholdings to be represented by each proxy. Failing which, the appointment shall be invalid. A proxy may, but need not be, a member of the Company.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint more than one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member of the Company is an exempt authorised nominee as defined under SICDA which holds ordinary shares in the Company for the 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 provided that the proportion of holdings to be represented by each proxy must be specified.
5. The instrument appointing a proxy shall be in writing, signed by the appointer or by his attorney who is authorised in writing. Where the appointer is a corporation, the instrument appointing proxy(ies) must be made either under its common seal (if any) or signed by an officer or an attorney duly authorised.

AFFIX
STAMP

GENETEC TECHNOLOGY BERHAD
Registration No. 199701030038 (445537-W)

C/O TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN BHD
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

fold here

6. 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 as follows, not less than 48 hours before the time appointed for holding the Meeting or adjournment thereof at which the person named in the instrument proposes to vote, or, in case of a poll, not less than 24 hours before the time appointed for the taking of the poll at the 27th AGM and in default the instrument of proxy shall not be treated as valid. All resolutions set out in this Notice are to be voted by poll.
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GENETEC TECHNOLOGY BERHAD
Registration No. 199701030038 (445537-W)
(Incorporated In Malaysia)

Lot 7, Jalan P10/11, Seksyen 10
Kawasan Perusahaan Bangi
43650 Bandar Baru Bangi
Selangor Darul Ehsan, Malaysia
Tel: 603 8926 6388 Fax: 603 8926 9689

WWW.GENETEC.NET