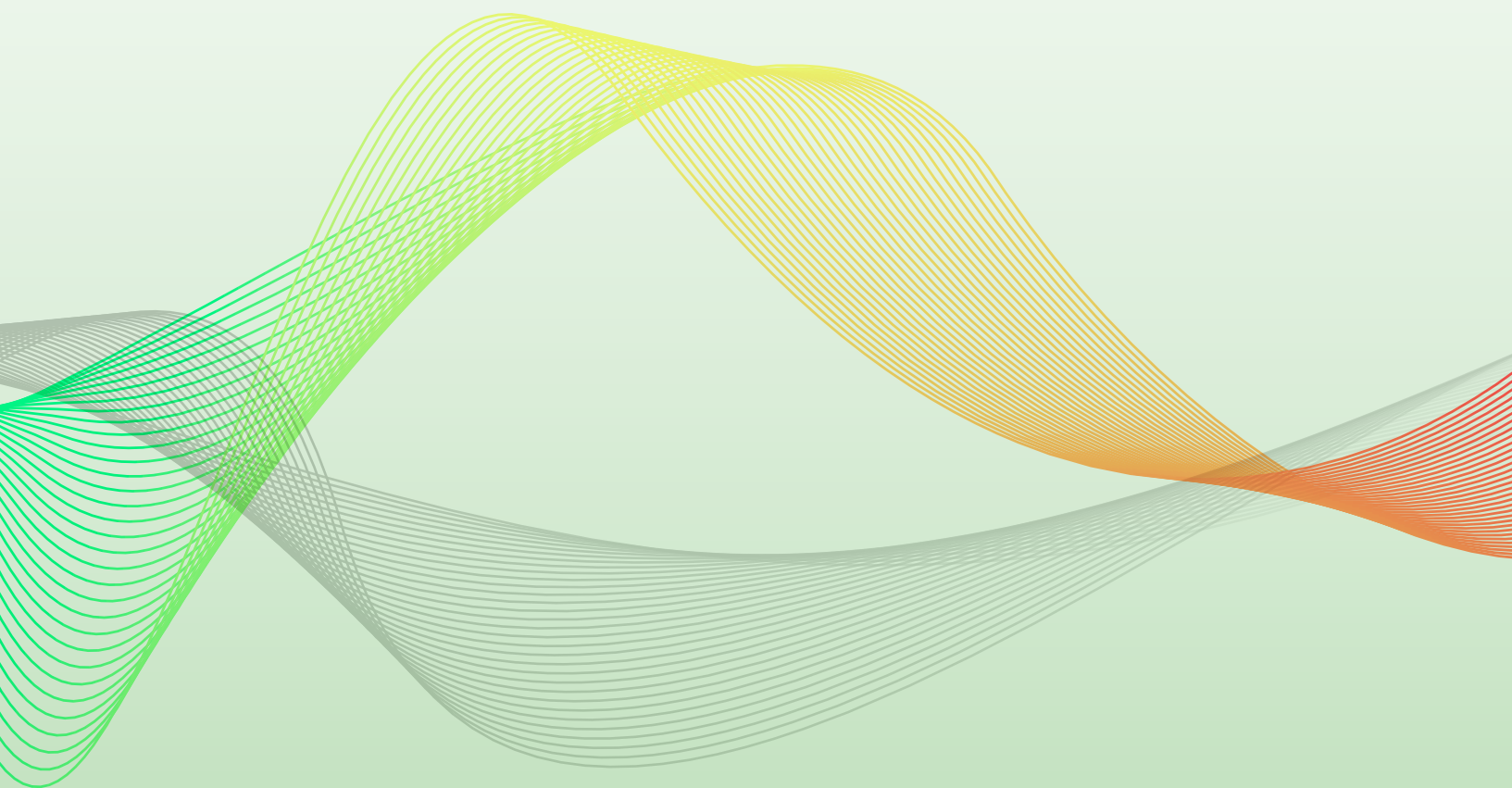




Genetec



2026
ANNUAL REPORT

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CORPORATE INFORMATION

Board of Directors

ALLEN LIK-HOOK TING

Chairman & Independent
Non-Executive Director

ONG PHOE BE

Independent Non-Executive
Director

DATUK WIRA JEEVENTHIRAN A/L RAMANAIDU, JP

Independent Non-Executive
Director

ONG SIEW MIN

Independent Non-Executive
Director

CHIN KEM WENG

Executive Director/
Chief Executive Officer

SOW EWE LEE

Executive Director/
Deputy Chief Executive Officer

AUDIT COMMITTEE/ NOMINATION COMMITTEE/ REMUNERATION COMMITTEE

Ong Phoe Be (Chairperson)
Datuk Wira Jeeventhiran
a/l Ramanaidu, JP
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

**Vistra Investor & Issuing House
Services Sdn Bhd**
(formerly known as 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

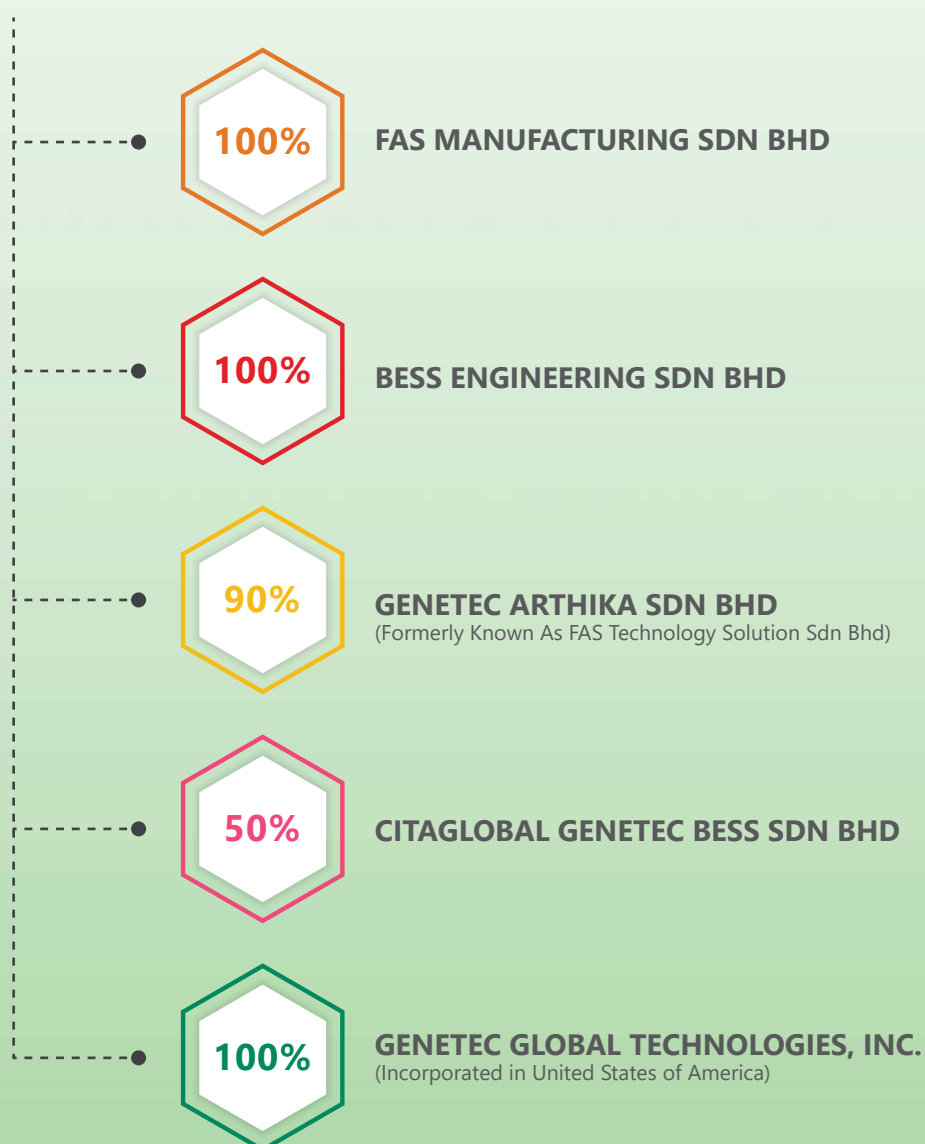
As at 30 September 2026



Genetec

GENETEC TECHNOLOGY BERHAD

[Registration No. 199701030038 (445537-W)]



PROFILE OF DIRECTORS

ALLEN LIK-HOOK TING

Independent Non-Executive Director

Age
70

Gender
Male

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.

Membership of Board Committee(s)
Nil

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.

Other Present Directorship(s)
Listed Company - Nil
Public Company - Nil

CHIN KEM WENG

Executive Director

Age
56

Gender
Male

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.

Membership of Board Committee(s)
Nil

Upon graduation in 1991, he joined Applied Magnetism Malaysia Sdn Bhd (Disc Drive Recording Heads Group) (Applied Magnetism) 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.

Other Directorship(s)
Listed Company - Nil
Public Company - Nil

PROFILE OF DIRECTORS

SOW EWE LEE

Executive Director

Age 56 **Gender** Male **Nationality** Malaysian

Membership of Board Committee(s)

Risk Management Committee (Chairman)

Other Present Directorship(s)

Listed Company - Nil

Public Company - Nil

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.

ONG PHOE BE

Independent Non-Executive Director

Age 56 **Gender** Female **Nationality** Malaysian

Membership of Board Committee(s)

Audit Committee (Chairperson)
Nomination Committee (Chairperson)
Remuneration Committee (Chairperson)
Risk Management Committee (Member)

Other Present Directorship(s)

Listed Company - Nil

Public Company - Nil

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 the Executive Director of the Company from August 2005 until January 2011. Since then, Ms Ong has been involved in advisory and management of various businesses in Malaysia.

PROFILE OF DIRECTORS

DATUK WIRA JEEVENTHIRAN A/L RAMANAIDU, JP

Independent Non-Executive Director

Age
50

Gender
Male

Nationality
Malaysian

Datuk Wira 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.

**Membership of
Board Committee(s)**

Audit Committee (Member)
Nomination Committee (Member)
Remuneration Committee (Member)

Datuk Wira 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 plans 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, Datuk Wira Jeeventhiran has become an entrepreneur and also serves on the boards of directors of various privately held companies in Malaysia and overseas.

Other Present Directorship(s)

Listed Company - Nil
Public Company - Nil

ONG SIEW MIN

Independent Non-Executive Director

Age
61

Gender
Female

Nationality
Malaysian

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.

**Membership of
Board Committee(s)**

Audit Committee (Member)
Nomination Committee (Member)
Remuneration Committee (Member)
Risk Management Committee (Member)

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.

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

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 a consultant on a freelance basis.

Notes:

- 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 and/or its subsidiaries;
 - conviction for offences (other than traffic offences) within the past five (5) years; and
 - any public sanction or penalty imposed by any relevant regulatory body during the financial year ended 30 June 2026.
- The details of the attendance of each Director at Board meetings are set out in the Corporate Governance Overview Statement of this Annual Report.

PROFILE OF KEY SENIOR MANAGEMENT

CHIN KEM WENG

Chief Executive Officer

Age: 56 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: 56 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: 55 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). He 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.

FOO JEN KAH

*Senior Vice President,
Corporate & Operations
Finance*

Age: 39 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 18 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.

PROFILE OF KEY SENIOR MANAGEMENT

TAN CHONG KUAN

*Senior Vice President,
Business Development*

Age: 47 Gender: Male Nationality: Malaysian

Mr Tan Chong Kuan was appointed as Vice President of Business Development in April 2021 and 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.

Mr Tan 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.

LIM KHENG HANG

Engineering Director

Age: 52 Gender: Male Nationality: Malaysian

Mr Lim Kheng Hang joined the Company in September 2025 as Engineering Director. He holds a Bachelor of Engineering (Mechanical & Material Engineering) with Honours from Universiti Kebangsaan Malaysia (National University of Malaysia).

Prior to joining the Company, he accumulated over 25 years of experience in manufacturing and plant engineering across the hard disk drive, electronics SMT, air-conditioning, and glove manufacturing industries. He began his career in 1999 as a Facilities Engineer at Komag USA (M) Sdn Bhd and a Mechanical Engineer at Bauer Equipment Sdn Bhd. He subsequently built a 22-year career at Western Digital from 2000 to 2022, holding multiple engineering leadership positions culminating as Director of Manufacturing Engineering at Western Digital Batu Kawan. Between 2022 and 2025, he was General Manager - Factory Engineering at Panasonic Appliances Air Conditioning Sdn Bhd, before serving as General Manager - Plant Engineering & Maintenance Engineering and Project Management Office (PMO - Backend Automation) at Kossan Management Sdn Bhd.

As Engineering Director, Mr Lim oversees the Company's engineering portfolio across the full spectrum of project delivery, encompassing proposal and application selection stage, mechanical, electrical, and software design, through to automation system assembly, commissioning, and on-site resident engineering support. Additionally, he manages Facility Engineering, IT, and Operational Transformation programs focused on business process improvement, digitalisation, and operational excellence.

Notes:

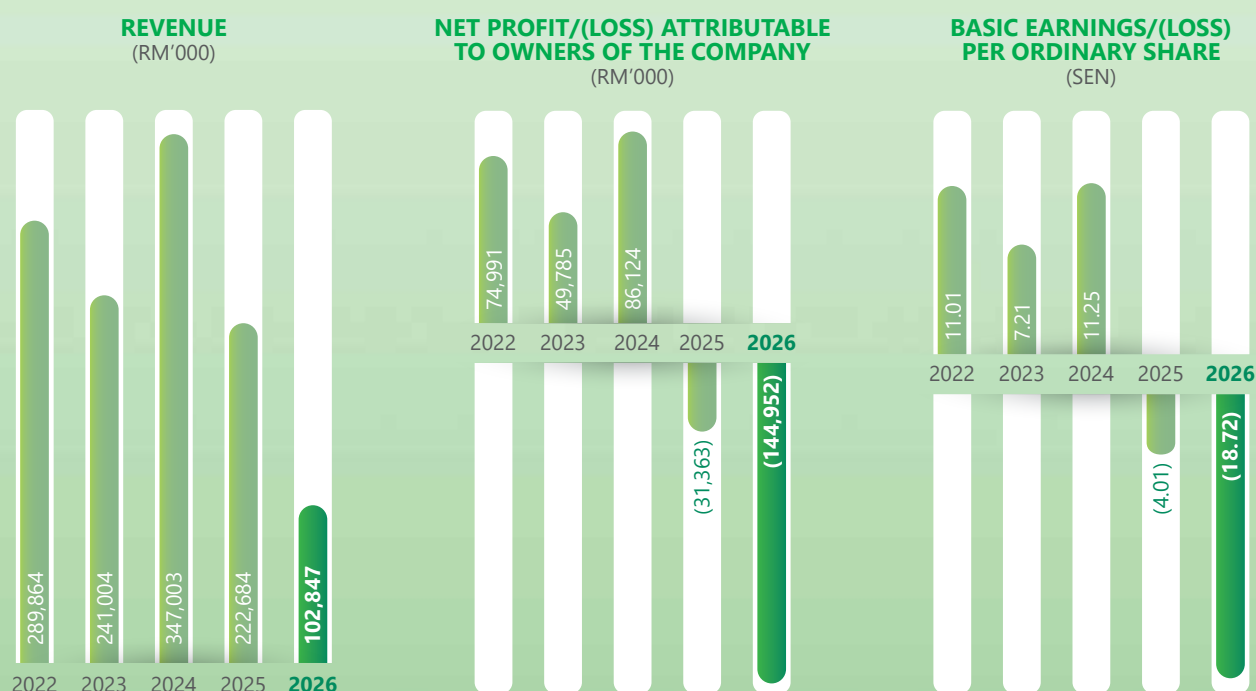
None of the key senior management has:

- 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 and/or its subsidiaries.
- conviction for any offences, other than traffic offences (if any), within the past five (5) years and any public sanction or penalty imposed by any relevant regulatory body during the financial year ended 30 June 2026.

FIVE YEARS GROUP FINANCIAL HIGHLIGHTS

	2022 RM'000	2023 RM'000	2024* RM'000	2025 RM'000	2026 RM'000
OPERATING RESULTS					
Revenue	289,864	241,004	347,003	222,684	102,847
EBITDA/(LBITDA)	89,086	64,962	101,523	(18,111)	(135,095)
Profit/(Loss) Before Tax	83,872	57,819	90,391	(25,034)	(144,712)
Profit/(Loss) After Tax	77,715	51,727	84,550	(24,963)	(144,952)
Net Profit/(Loss) Attributable to Owners of the Company	74,991	49,785	86,124	(31,363)	(144,952)
KEY BALANCE SHEET DATA					
Total Assets	315,730	505,046	567,709	521,473	409,786
Share Capital	88,215	266,207	269,980	279,730	279,730
Capital and Reserves	180,374	409,716	496,728	435,697	287,000
PROFITABILITY RATIOS					
Return on Total Assets (%)	25	10	15	(5)	(35)
Return on Average Equity (%)	59	18	19	(5)	(40)
GEARING RATIO					
Net Debt to Capital and Reserves (Times)	0.37	0.06	-	0.05	0.25
VALUATION					
Basic Earnings/(Loss) per ordinary share (Sen)	11.01	7.21	11.25	(4.01)	(18.72)

* 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.



MANAGEMENT DISCUSSION & ANALYSIS

INTRODUCTION

Genetec Technology Berhad ("**Genetec**" or the "**Company**") and its subsidiaries (collectively, the "**Group**") is a Malaysia-based provider of customised, turnkey smart factory automation and energy solutions. Listed on the Main Market of Bursa Malaysia, the Group designs, develops and integrates advanced manufacturing systems for customers across a range of industries, including e-mobility and energy storage, automotive, hard disk drives ("**HDD**"), consumer electronics, electrical and electronics ("**E&E**"), and healthcare. With nearly three decades of experience, the Group serves customers across Asia, Europe and the Americas.

During the financial year ended 30 June 2026, the Group remained focused on disciplined project execution, cost competitiveness, customer and industry diversification, and the progressive development of its energy business. These priorities were supported by continued efforts to strengthen organisational capabilities, operational controls and risk management practices to build a more resilient foundation for sustainable long-term growth.

VISION AND STRATEGIC DIRECTION

Our vision is to be the most competitive and a world leader in industrial automation. We pursue this vision by developing as a continuously learning organisation that attracts and develops capable talent, delivers competitive engineering solutions that support our clients' productivity and business, and builds the operational capacity required for scalable machine replication.

During FY2026, the Group pursued this vision by deepening relationships with existing customers while selectively broadening its customer and industry base. Strategic emphasis was placed on repeatable and scalable opportunities that align with the Group's technical capabilities, alongside the progressive development of the energy business. These efforts were supported by a continued focus on disciplined execution, margin protection and controlled growth.

BUSINESS AND OPERATIONS OVERVIEW

FY2026 was a challenging operating year, shaped by geopolitical tensions, evolving global trade policies, foreign exchange movements and elevated logistics and on-site execution costs. Uncertainty in the global economic environment also affected customers' capital expenditure plans and programme decisions, resulting in changes to project timing, scope and order conversion. Against this backdrop, the Group maintained a measured approach to business development while placing greater emphasis on project execution and margin protection.

The Automation business remained anchored by recurring engagements with long-standing international customers, particularly within the e-mobility, energy storage and automotive sectors. During the year, the Group continued to support ongoing projects and secured work involving machine replication, upgrades, engineering changes and build-to-print manufacturing. These engagements allowed the Group to apply its established capabilities across a broader range of its customers' manufacturing operations.

The Group also continued its efforts to broaden its customer and industry base. Engagements and proposals were pursued across selected industries, including consumer electronics, E&E and medical devices, although these opportunities remained at various stages of development. Genetec's participation in the largest automation exhibition in the United States of America ("**USA**") generated new prospective business leads, which the Group will continue to evaluate and develop, as part of our diversification strategy.

Greater emphasis was placed on opportunities that offer stronger technical alignment, repeatability and scalable potential. This included build-to-print manufacturing, machine replication, upgrades and automation systems that draw on Genetec's existing experience. The Group believes this approach can complement its customised automation business by supporting more predictable execution and better utilisation of its engineering and manufacturing resources.

The Energy business continued to be developed progressively as part of the Group's longer-term diversification. During FY2026, the Group evaluated BESS opportunities across domestic and selected international markets, including applications for peak demand management, renewable energy integration, microgrids and power resilience. Potential projects and commercial models were assessed selectively, taking into account technical readiness, commercial viability and expected returns.

MANAGEMENT DISCUSSION & ANALYSIS

Operationally, the Group strengthened its approach to project planning, cost control and resource allocation during the year. Greater attention was placed on project schedules, budget-to-actual cost monitoring, early identification of bottlenecks and timely escalation of critical matters. The Group also continued to prioritise the completion and commercial closure of ongoing and legacy projects to improve resources allocation, achieve outstanding contractual milestones and reduce prolonged execution exposure.

Lessons learned from project execution were incorporated into improvements in bid-stage reviews, cost estimation and cross-functional coordination. Procurement, warehouse and logistics processes were further refined to improve material readiness, inventory management and shipment planning. The Group also continued to broaden its supplier base and sourcing options to strengthen supply chain resilience and cost competitiveness.

Organisational capabilities were reinforced through strategic appointments and capability development across engineering, project management, procurement, warehouse and logistics functions. These efforts were intended to strengthen accountability, improve coordination between departments and provide the operational capacity required to support the Group's existing projects and future growth opportunities.

The Group also made further progress on the expansion of its EPIC facilities during FY2026. Construction of the new office and factory buildings have reached substantial completion, followed by handover and the continuation of the relevant regulatory approval processes. The additional facilities are intended to support the Group's future operational and manufacturing requirements as business activity develops.

FINANCIAL PERFORMANCE

REVENUE

During the financial year under review, the Group recorded total revenue of RM102.8 million, mainly contributed by two business segments comprise the e-mobility and energy storage segments.

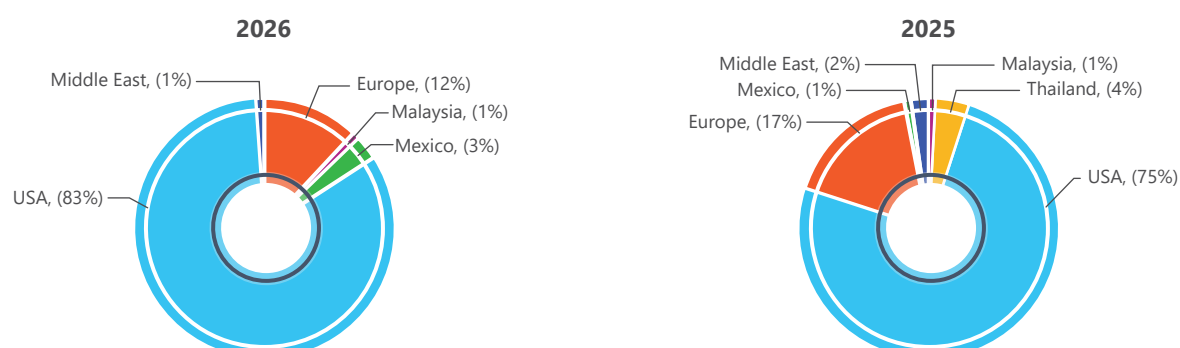
The e-mobility segment contributed RM82.1 million in revenue during the financial year, a decrease of 40.1% from RM137.0 million in the previous financial year. This segment remained the largest contributor to the Group's total revenue for the financial year, accounting for 79.8% of the Group's total revenue (2025: 61.5%).

The energy storage segment recorded RM20.1 million in revenue, decreased by 72.7% from RM73.6 million in the preceding year, accounting for 19.6% of the Group's total revenue as compared to 33.1% in the preceding year.

The HDD and consumer goods & healthcare segments contributed RM0.6 million in aggregate, a decrease of 95.0% compared to RM12.1 million in previous year, representing 0.6% of the Group's total revenue (2025: 5.4%).

In terms of geographical markets, 99% of the Group's products were exported (2025: 99%), with the USA and Europe the largest contributors, followed by Mexico, the Middle East and Malaysia.

REVENUE BY GEOGRAPHICAL LOCATIONS



MANAGEMENT DISCUSSION & ANALYSIS

LOSS BEFORE TAX

The Group recorded a Loss Before Tax of RM144.7 million for the financial year, compared to a Loss Before Tax of RM25.0 million in the preceding financial year. The decline was primarily attributable to lower revenue recognition following project deferrals requested by customers, unfavourable foreign exchange movements, higher shipment expenses, additional on-site support and improvement costs. The Group continued to work closely with customers to progress the deferred projects and strengthen project execution and cost management.

STATEMENTS OF FINANCIAL POSITION

The Group continued to invest in its operations with capital expenditure of RM24.1 million on property, plant and equipment during the financial year. After taking into account depreciation charges and derecognition of right-of-use assets of RM6.1 million, the carrying value of property, plant and equipment increased by RM18.0 million to RM150.0 million as at 30 June 2026 (2025: RM132.0 million)

Throughout the financial year, the Group continued to manage its working capital and cash flow to support project execution and timely delivery to customers. Trade receivables increased to RM169.3 million (2025: RM122.3 million), primarily attributable to higher billings during the year. Meanwhile, cash and bank balances together with short-term investments declined to RM39.5 million (2025: RM44.0 million).

The Group’s total borrowings increased to RM100.2 million (2025: RM31.8 million). Despite this, the Group maintained a low gearing ratio of 0.35 times as at 30 June 2026, reflecting a healthy balance sheet position.

SHARE PERFORMANCE		
HIGHEST SHARE PRICE WITHIN FYE2026	RM0.955	▲
LOWEST SHARE PRICE WITHIN FYE2026	RM0.145	▼
TOTAL VOLUME TRADED: 2 BILLION 9 HUNDRED 56 MILLION 50 THOUSAND SHARES		
TOTAL MARKET CAPITALISATION: 2 HUNDRED 39 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.

The Board of Directors has not recommended any dividend for the financial year ended 30 June 2026.

RISK FACTORS

Genetec’s Risk Management Committee (“**RM**C”) oversees the Group’s risk management framework, supported by the Risk Management Working Group (“**RM**WG”), which is responsible for identifying, assessing and monitoring risks across the business. During FY2026, the RMWG conducted periodic reviews of the Group’s risk register and updated the relevant assessments and mitigation measures in response to changes in the operating environment.

In May 2026, an internal audit was conducted to review the effectiveness of the Group’s Risk Management Framework. The review identified opportunities to further strengthen areas including risk governance, ownership, categorisation and alignment with the Group’s risk appetite. The recommendations were deliberated by the RMWG, and an implementation plan is being developed.

MANAGEMENT DISCUSSION & ANALYSIS

The following table summarises the principal risk areas relevant to the Group's operations and the measures adopted to manage them:

Risk Identified	Description	Key Risk Management Measures
Geopolitical and trade policy risks	Geopolitical developments and changes in international trade policies and tariffs may affect customers' capital expenditure plans, project timing, supply chains and the cost of cross-border transactions.	The Group monitors relevant geopolitical and trade developments and maintains close engagement with customers on potential implications. Where appropriate, contractual terms are structured to provide clarity on the allocation of tariffs, customs duties and other import-related costs.
Foreign exchange volatility	The Group is exposed to foreign currency risk arising from transactions and balances denominated in foreign currencies. Exchange-rate movements may result in financial losses, increased project costs and volatility in reported earnings.	The Group monitors foreign exchange exposure and market movements regularly, implements appropriate hedging strategies where required, considers currency exposure during project costing and contract negotiations, and follows up on collections to reduce prolonged exposure.
Project execution, costing and resource planning	Inadequate understanding of project requirements, incomplete bid assumptions, ineffective resource allocation, material-planning deficiencies or delays in project close-out may result in project delays, rework, higher costs, margin erosion and inefficient utilisation of resources.	The Group continues to strengthen pre-bid costing reviews, project handover and scope clarification processes, resource planning, project scheduling and budget-to-actual cost monitoring. Material and inventory controls, project close-out monitoring, targeted training and appropriate digital tools are also used to support project execution.
Supply chain, vendor and contract management	External disruptions, limited sourcing options or weaknesses in supplier and contract management may affect material availability, project schedules, procurement costs and compliance.	The Group broadens its supplier and logistics networks, conducts appropriate supplier due diligence and performance reviews, and strengthens procurement strategy and contractual safeguards. Critical purchase orders and delivery schedules are monitored closely to identify potential delays (if any) at an early stage for timely mitigation measures to be taken.
Cybersecurity and information security	Cybersecurity incidents may disrupt business operations, compromise confidential information, create legal or contractual liabilities and affect stakeholder confidence.	The Group continues to strengthen its information security controls, conduct cybersecurity awareness training and monitor relevant risks. It is also implementing ISO 27001 Information Security Management System certification.
Health and safety	Workplace incidents or unsafe working conditions may result in injuries, operational disruption, regulatory penalties and reputational consequences.	The Group provides safety training, implements occupational health and safety procedures and conducts workplace risk assessments and safety inspections. Appropriate personal protective equipment and insurance coverage are maintained, together with activities to strengthen safety awareness.

The risks described above may change as the Group's business and operating environment evolve. The RMC and RMWG will continue to monitor material risks and the effectiveness of the corresponding controls and mitigation measures.

MANAGEMENT DISCUSSION & ANALYSIS

FORWARD-LOOKING STATEMENT

Looking ahead to FY2027, the Group will continue to pursue diversification in a measured and disciplined manner. Alongside deepening relationships with existing customers, the Group will selectively engage potential new customers and explore opportunities in industries where its engineering, system integration and automation capabilities can be effectively applied. These engagements are at various stages of development. Priority will be given to opportunities that align with the Group's capabilities, offer repeatable or scalable potential, and present manageable execution risks and appropriate commercial returns.

To support this approach, management will continue to strengthen project management, bid-stage costing, cost controls, procurement management and resource allocation. The Group will carefully assess the technical requirements, execution risks and commercial merits of each potential project before committing its resources. As ongoing and legacy projects are progressively completed and resources are redirected towards new projects assessed and costed under these strengthened controls, management expects these measures to support margin recovery and the gradual normalisation of the Group's operating performance.

The Energy business will continue to be developed progressively as part of the Group's longer-term diversification strategy. The Group will work to deepen its technical capabilities, strengthen strategic partnerships and evaluate opportunities across domestic and selected international markets. Projects will continue to be pursued selectively, taking into consideration execution readiness, risk profile, commercial viability and expected returns.

The Group remains mindful of uncertainties arising from geopolitical developments, including the continuing conflict in the Middle East, evolving global trade conditions, foreign exchange movements and potential changes in customers' capital expenditure plans. These factors may affect the timing, conversion and execution of the opportunities being pursued. The Group will continue to monitor these developments and adjust its business development, resource allocation and execution priorities as appropriate.

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 Group's 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 that 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, unless required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, applicable securities regulations or law. Readers are therefore cautioned against placing undue reliance on these 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, covering our economic, environmental, and social performance data from July 2025 to June 2026 (FY2026). This statement has been prepared in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Sustainability Reporting Guide (3rd Edition). It has also been prepared with reference to voluntary disclosure frameworks, namely the Global Reporting Initiative (GRI) and the United Nations Sustainable Development Goals (SDGs).

In preparation for the phased adoption of the IFRS Sustainability Disclosure Standards - IFRS S1 and S2 - as prescribed under Malaysia's National Sustainability Reporting Framework (NSRF), Genetec conducted a readiness assessment this year. We will use outcomes from this study to improve and ready our disclosure for when Genetec comes into scope of the reporting requirements.

Scope and boundaries

This statement covers 100% of our operations in Malaysia, comprising Genetec Prime¹ (office and assembly plant, Lot 7) and EPIC (office and assembly plant, Lot 6). These facilities represent our primary operational base and account for the most significant sustainability impacts. As of October 2025, Selaman (fabrication plant, no. 59) has been leased out and is excluded from our operational boundaries. Satellite offices and service locations overseas are also excluded.

The data in this report specifically covers governance, greenhouse gas (GHG) emissions, energy consumption, waste management, water usage, human resources (HR), health and safety, and material procurement for FY2026 where available, with historical data included where relevant. Environmental and health and safety data from previous reporting periods have been revised to exclude CLT Engineering, following its divestment in March 2025, to align with our current operational scope and improve comparability. Where relevant, historical data relating to CLT Engineering may be included to provide context on the Company's performance.

Assurance

We have not engaged an internal audit or sought independent assurance for this publication, but our report and data collection processes have undergone internal audits in previous years. We will consider conducting an internal audit if there are material changes in how our data is captured and reported for future reports.

¹ Genetec Prime refers to our headquarters in Bandar Baru Bangi.

SUSTAINABILITY STATEMENT

Our approach to sustainability

Genetec acknowledges the importance of environmental, social, and governance (ESG) considerations and our responsibility in contributing to the global sustainability agenda. Beyond achieving financial performance, we are committed to understanding and managing our ESG impacts while seeking opportunities to integrate sustainable practices across our operations. We also support sustainable growth by collaborating with stakeholders across our value chain.

Materiality

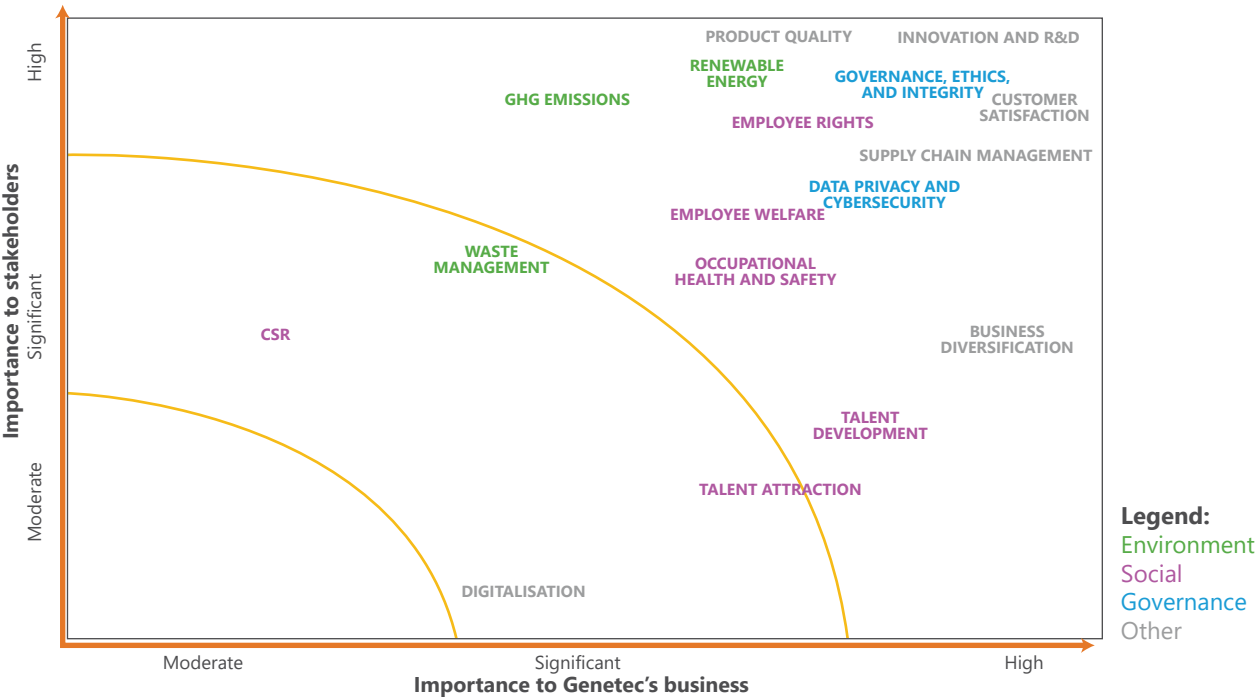
[GRI 2-12, 2-14, 3-1, 3-2]

This statement covers 17 sustainability-related topics deemed material to Genetec. These topics were initially identified in our inaugural materiality assessment in 2023 and have been reviewed annually since, in line with the development of our sustainability statements. They remain relevant to Genetec’s operations and stakeholder priorities.

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

As part of our preparation for IFRS S1 and S2 reporting, we intend to refresh our materiality assessment in FY2027 to encompass financial materiality, covering sustainability-related risks and opportunities.

Materiality matrix



SUSTAINABILITY STATEMENT

Material topic definitions

Material topic	Definition
Business diversification	Exploring business diversification and expansion plans to meet new and emerging 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, enhance operational efficiency, and reduce paper use
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 (SDGs). We have aligned our material topics with five of the 17 SDGs that are most relevant to our sustainability efforts.

SDG goal	Material topic
 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 the sustainability targets that guide our initiatives, which are aligned with our material topics and categorised under the three ESG pillars. These targets are reviewed annually by our Sustainability Committee, with support from relevant departments, and are integrated into our data and report tracking systems to support progress monitoring and performance evaluation.

Corresponding material topic	Target	Target year	FY2026 progress
Governance			
Governance, ethics, and integrity	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 at our Sustainability Day event; circulated policies to all employees with email access; made all policies available on our internal portal
	Ensure a minimum of 30% of Board members are women	YoY	Achieved
	Full adoption of IFRS S1 and S2 Standards in line with National Sustainability Reporting Framework (NSRF)	FY2029 ²	On track: Conducted an IFRS readiness assessment

² Target year revised from FY2026 to align with the implementation timeline prescribed under the NSRF.

SUSTAINABILITY STATEMENT

Corresponding material topic	Target	Target year	FY2026 progress
Governance			
Data privacy and cybersecurity	Conduct IT and cybersecurity awareness training for all employees with access to company computers	YoY	Achieved: Delivered two IT and cybersecurity training sessions in FY2026
Environment			
GHG emissions	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	Achieved in Q1 2026, ahead of schedule
	Complete BESS integration with solar PV system to optimise EPIC energy consumption	Q4 2025	Achieved
Waste management	Recycle 100% of all non-hazardous waste generated (excluding domestic waste)	YoY	Achieved
Social			
CSR	Annually determine Corporate Social Responsibility (CSR) budget allocations based on the priority groups identified for each year	YoY	Achieved
Occupational health and safety	Achieve zero work-related fatalities	YoY	Achieved
Talent attraction	Maintain a turnover rate of below 10%	YoY	Not achieved: Turnover rate was 16.8%
Talent development	Conduct sustainability training for all employees	YoY	Achieved: Provided sustainability training at our Sustainability Day event
Other			
Product quality/Customer satisfaction	Measure and maintain annual customer satisfaction rates of above 80%	YoY	Achieved: Recorded a customer satisfaction score of above 90%
Supply chain management	Integrate ESG requirements into supplier/vendor contracts and assess suppliers against ESG requirements	2025	Delayed but achieved in FY2026: Rolled out supplier ESG assessment questionnaire in FY2026

YoY: Year-on-year

SUSTAINABILITY STATEMENT

Responsible business and good governance

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

Genetec is committed to upholding high standards of corporate governance across its operations to ensure we are managed responsibly and in the best interests of our stakeholders. Guided by our Code of Conduct, all directors and employees are expected to uphold our principles of integrity, accountability, and ethical behaviour in all our business activities.

Genetec is governed by a Board of Directors that is collectively responsible for providing strategic oversight, guiding the Company’s direction, overseeing operational performance, and ensuring effective governance, including the integration of sustainability considerations into decision-making. The Board comprises six members: five Malaysian directors and one United States citizen. Of the six members, four are independent directors, all are aged over 50, and two are women.

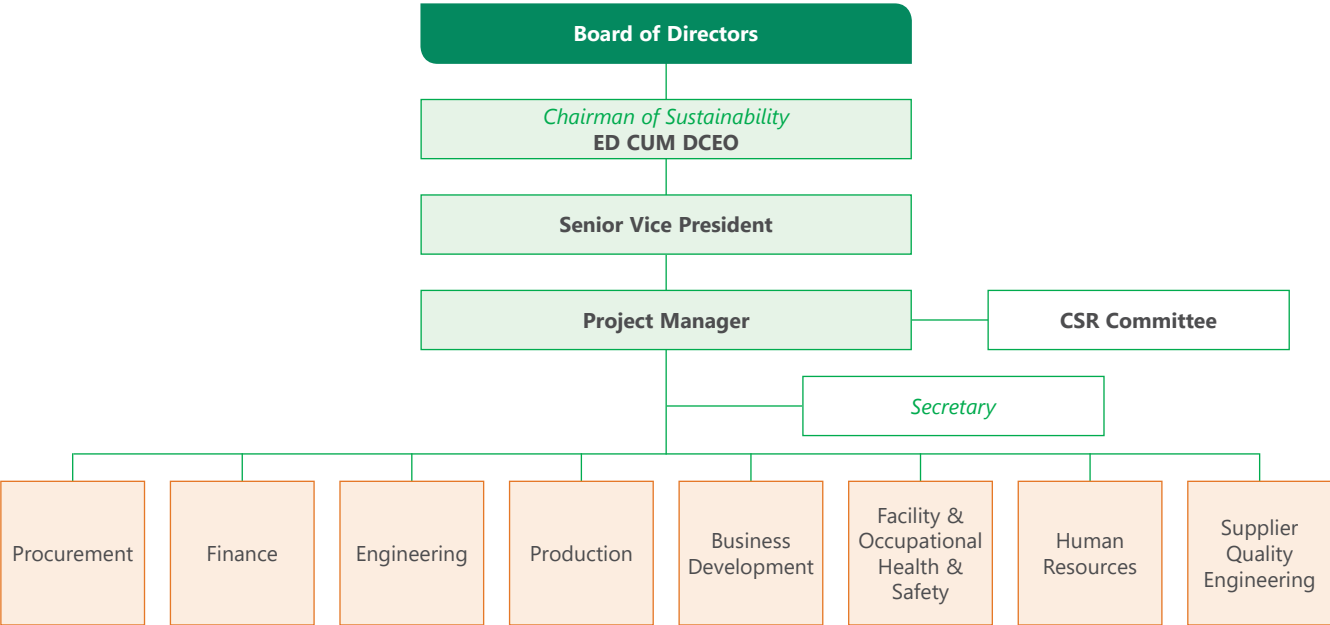
To support the effective implementation of its responsibilities, the Board has established several committees to oversee key governance functions, including audit, nomination, remuneration, risk management, sustainability, and long-term incentive plans (LTIP). Our Board charter, terms of reference, and other policies are available on our website.

Sustainability governance

Genetec has a dedicated Sustainability Committee, comprising managers and representatives from several departments within the Company, responsible for overseeing our sustainability policies, practices, and daily implementation of initiatives. The Sustainability Committee is chaired by Mr Sow Ewe Lee, our Executive Director-cum-Deputy Chief Executive Officer, who also reports to the Board. Appointed by the Chairman for a two-year term, the Sustainability Committee includes at least five members and meets at least twice a year to review sustainability targets, policies, terms of reference, and key initiatives. Additionally, a dedicated Corporate Social Responsibility (CSR) committee supervises Genetec’s community engagement initiatives.

All Genetec’s sustainability governance roles and responsibilities are outlined in our Sustainability Governance Terms of Reference.

Sustainability organisation chart



SUSTAINABILITY STATEMENT

Risk management framework

Genetec's dedicated Risk Management Committee (RMC) oversees our risk management framework, which incorporates sustainability-related risks as part of our overall risk assessment process. Supporting the RMC is the Risk Management Working Group (RMWG), which is responsible for identifying, assessing, and monitoring risks across the business. Throughout FY2026, the RMWG conducted periodic reviews of Genetec's risk register, updating risk assessments and mitigation measures to address evolving business risks, while supporting the Company's strategic objectives and day-to-day operations.

For an overview of risk management, please refer to the Statement on Risk Management and Internal Control in our 2026 Annual Report.

In May 2026, Genetec conducted an internal audit to review the design and effectiveness of our Risk Management Framework. The review assessed the framework against leading risk management practices and identified opportunities to further strengthen governance, including enhancements to risk governance, risk ownership, risk categorisation, and alignment with risk appetite. The internal audit report was reviewed by the Audit Committee and subsequently reported to the Board. The recommendations for improvement are being deliberated at the RMWG level, and an implementation plan is being developed, including a further update to the risk management framework.

Risk management at Genetec

The following table summarises the sustainability-related risks identified in our 2026 risk assessment together with our strategies to manage them:

Risk identified	Risk level	Description	Existing controls and planned mitigation measures
Inadequate project resources planning <i>(Material topic: Talent development)</i>	Medium	Ineffective resource planning and allocation could lead to project delays, reduced productivity, inefficient utilisation of personnel, and inconsistent project execution	- Implement structured resource planning and project scheduling to optimise resource allocation - Strengthen workforce capabilities through targeted training and competency development - Enhance project monitoring, standardised processes, and digital tools to improve planning and execution
Cybersecurity and information security <i>(Material topic: Data privacy and security)</i>	Low	Cybersecurity incidents may disrupt business operations, compromise confidential information, and undermine stakeholder confidence	- Implement ISO 27001 Information Security Management System certification programme - Strengthen information security controls and monitor cybersecurity risks on an ongoing basis
Health and safety of personnel <i>(Material topic: Occupational health and safety)</i>	Low	Workplace incidents or unsafe working conditions may result in employee injuries, operational disruption, regulatory penalties, and reputational damage	- Provide regular safety training to employees and contractors - Implement and monitor occupational health and safety procedures across our operations
Supply chain disruption <i>(Material topic: Supply chain management)</i>	Low	External events such as geopolitical tensions, natural disasters, and market disruptions may disrupt the supply of critical parts and materials, affecting project delivery schedules and increasing costs	- Developing business continuity plans for key suppliers - Maintaining multiple freight forwarders as contingency partners - Conducting regular supplier progress reviews - Including contractual safeguards and appropriate insurance coverage to strengthen supply chain resilience

SUSTAINABILITY STATEMENT

Risk identified	Risk level	Description	Existing controls and planned mitigation measures
Vendor sourcing and contract management <i>(Material topic: Supply chain management)</i>	Low	Weak supplier management or procurement practices may result in higher procurement costs, increased governance and compliance risks, and limited supplier resilience	• Conduct enhanced due diligence during supplier selection • Monitor supplier performance through defined Key performance indicators (KPIs) and periodic reviews • Strengthen procurement governance through policies and anti-bribery and corruption training • Identify alternative suppliers to reduce single source dependency

Ethics and integrity

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

Genetec is committed to upholding the highest standards of ethical and professional conduct in compliance with all applicable laws, regulations, and certifications. We expect all our directors and employees to act with integrity and foster a workplace free from bribery and corruption, in accordance with our Code of Conduct, Code of Ethics, and Anti-Bribery and Corruption Policy.

These policies are communicated during employee onboarding and remain accessible to employees, stakeholders, and the public on our website. In FY2026, we further strengthened awareness by conducting a dedicated briefing during our annual Sustainability Day event (see Sustainability Day 2026 section). To improve accessibility, the policies were also made available on our internal employee portal, which is regularly used for leave applications and payroll services. Annual email reminders are also sent to employees with access to company email, while printed copies are displayed on noticeboards across our operations to ensure visibility for operational employees.

Although no formal corruption related risk assessment was performed, no corruption incidents were reported in FY2026. We recognise the importance of strengthening our anti-corruption programme and aim to develop a formal corruption risk assessment framework to enhance our ability to identify and manage corruption-related risks. In FY2027, we also plan to deliver structured anti-corruption training, beginning with our Board of Directors and senior management, followed by a phased rollout to employees at greater risk of bribery and corruption.

Our Whistleblowing Policy is communicated to employees through our employee handbook and induction programmes and is publicly available on our website for stakeholder, including suppliers and the wider public. Employees may report suspected misconduct or policy violations through multiple reporting channels, including telephone, email, post, or directly to their line manager, the Human Resource Manager or the Chair of the Audit Committee. All reports are reviewed by the Audit Committee, with strict measures in place to safeguard confidentiality and protect the identity of whistleblowers. In FY2026, no grievances or whistleblowing complaints were recorded.

Stakeholder engagement

[GRI 2-29]

Genetec is committed to fostering long-term relationships with our stakeholders through open and ongoing engagement. We seek stakeholder feedback through a range of engagement channels, including meetings, interviews, focus group discussions, surveys, and other feedback mechanisms. These help us to better understand stakeholder perspectives, address concerns, and consider their needs and expectations in our decision-making processes.

SUSTAINABILITY STATEMENT

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 Non-disclosure agreements (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
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 Bursa News Company announcements Annual reports Annual general meetings	Annually Quarterly As and when required
Government/regulators 	Corporate development, business activities, financial performance, annual reports, and legislation compliance	Media and website announcements Direct engagements and meetings Emails Annual reports	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

SUSTAINABILITY STATEMENT

Transparency and reporting

Genetec is dedicated to maintaining transparent and timely communication with our stakeholders, including shareholders, investors, and customers. In accordance with Bursa Malaysia's Listing Requirements, we disclose information on our financial performance, corporate governance, and sustainability initiatives through our annual reports and sustainability statements, which are publicly available on our website. We also stay responsive to investor queries and help customers fulfil their own sustainability disclosure needs.

To enhance the quality and credibility of our disclosures, our sustainability reports reference internationally recognised frameworks, standards, and best practices, including the Global Reporting Initiative (GRI) Standards. Building on the IFRS Sustainability Disclosure Standards readiness assessment conducted during the year, we will continue to strengthen our sustainability reporting practices in line with the phased adoption of the IFRS S1 and S2 Sustainability Disclosure Standards in accordance with the National Sustainability Reporting Framework (NSRF) timeline.

Internally, we have strengthened sustainability-related communication to all our employees. In addition to training, we have circulated information on Genetec's sustainability targets, policies, and initiatives, including our Sustainability Committee organisational chart, governance policies, health and safety information, and recycling initiatives, distributed to all employees via email. We also host an annual Sustainability Day to strengthen sustainability awareness across the company (see Sustainability Day 2026 section).

Data security

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

Genetec places a strong emphasis on data privacy and security, implementing measures to protect intellectual property and sensitive information, such as customised product designs and technical documentation. We establish confidentiality through NDAs with customers and suppliers. Our data protection practices align with the Personal Data Protection Act 2010 and are reinforced by a robust cybersecurity framework designed to guard against breaches, misuse, and unauthorised third-party access.

All employees are required to comply with our Information Security Policy, which outlines our commitment to comprehensive protection and clear accountability over Genetec's information assets and resources. This policy is distributed to all employees by email and remains accessible on our internal portal.

To further build cybersecurity awareness throughout the company, Genetec's IT department shares regular updates and offers practical guidance on maintaining data security. As part of our security protocol, employees must update their passwords every three months. During FY2026, we conducted two cybersecurity awareness sessions as part of our ISO 27001 certification exercise:

- Board of Directors and senior management: Attended by 22 participants, the session provided an overview of common cybersecurity and AI-related risks and their business implications, including risks targeting management, building a security culture, and effective incident response.
- Employees: Attended by 209 participants, the session strengthened day-to-day cybersecurity practices by covering password security and management, awareness of malware and insider threats, responsible use of AI in the workplace, and lessons learned from real-world cyber incidents.

We also distributed best-practice materials on IT and cybersecurity, covering phishing awareness, password security, and data protection, through a company-wide email to all employees with computer access, achieving full coverage of the relevant workforce.

SUSTAINABILITY STATEMENT

In 2026, Genetec continued to strengthen our information security management by preparing for ISO/IEC 27001 certification, a globally recognised standard for information security management systems. Achieving this certification will support our ongoing efforts to protect sensitive data, mitigate cybersecurity risks, and strengthen stakeholder confidence in our data protection measures. We aim to complete the certification process in Q1 2027.

No incidents of customer privacy breaches or loss of customer data were reported during the reporting year.

Environmental management

[GRI 2-27, 3-3]

Genetec remains committed to responsible environmental management across all our operations. Guided by our ISO 14001:2015-certified environmental management system (EMS), we comply with all applicable Department of Environment (DoE) regulations and continually improve our environmental performance by using energy and water more efficiently and enhancing our waste management practices.

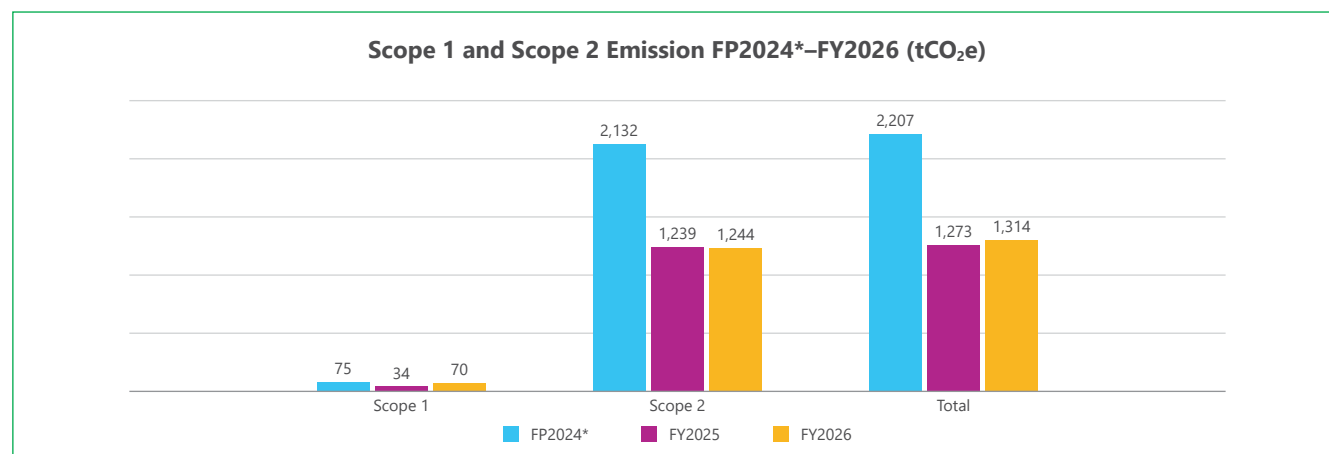
In addition to reducing our environmental footprint, we advance renewable energy infrastructure through our products and engineering expertise, supporting the global transition towards green energy and net-zero emissions by 2050. Since 2014, we have provided production lines and automation solutions for the electric vehicle (EV) and energy storage sectors, and began supplying battery energy storage systems (BESS) in 2023, with projects in Malaysia, the Middle East, and the United States. Our BESS was the first in Malaysia to receive MyHIAU certification in July 2024, enabling eligible customers to benefit from government incentives for green technology, including the Green Investment Tax Allowance (GITA).

Emissions

[GRI 3-3, 305-1, 305-2, 305-3, 305-5]

We recognise the vital role businesses play in reducing carbon emissions and addressing climate change. To better understand and manage our carbon footprint, we monitor greenhouse gas (GHG) emissions across our operations using the widely adopted GHG Protocol, building upon our carbon baseline assessment completed in August 2023.

In FY2026, our combined Scope 1 and 2 emissions accounted for 1,314 tonnes of carbon dioxide equivalent (tCO₂e). Scope 2 emissions were the dominant contributor to our Group's emissions, accounting for 94.7%, with the remaining 5.3% coming from Scope 1 emissions.



Notes:

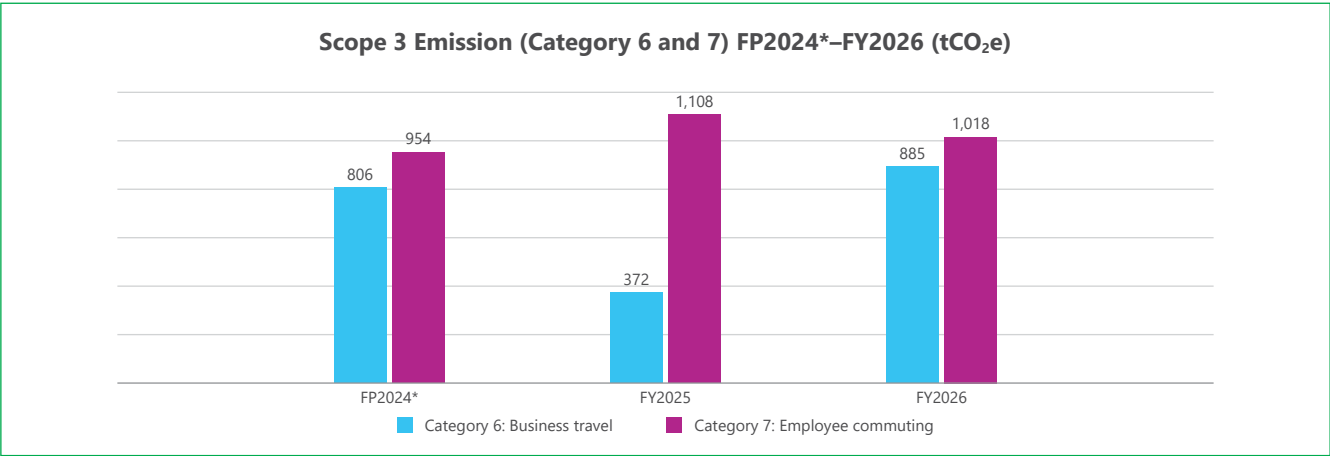
1. An operational control approach is used in determining the emission reporting boundaries.
2. *FP2024 denotes a 15-month period from 1 April 2023 to 30 June 2024, reflecting the adjustment to Genetec's financial year-end.

SUSTAINABILITY STATEMENT

We track Scope 3 emissions in accordance with Bursa Malaysia’s guidelines for business travel and employee commuting. Our total Scope 3 emissions for FY2026 were 1,903 tCO₂e, with approximately 53.5% from employee commuting and the remainder (46.5%) from business travel. Specifically, business travel emissions increased by 38.2% compared with FY2025, mainly due to project requirements that involved employees being seconded to client’s premises across various locations globally.

To help reduce employee commuting-related emissions, we encourage the transition to EVs by offering financial incentives for EV purchases and complimentary EV charging facilities at our offices and factories. We have also integrated an EV into our company vehicle fleet. Where business travel is necessary to support our operations, we attempt to minimise associated emissions through effective planning and optimisation of travel arrangements.

Moving forward, we will continue to improve our Scope 3 emissions disclosures as part of our efforts to develop a more comprehensive emissions inventory.



Notes:

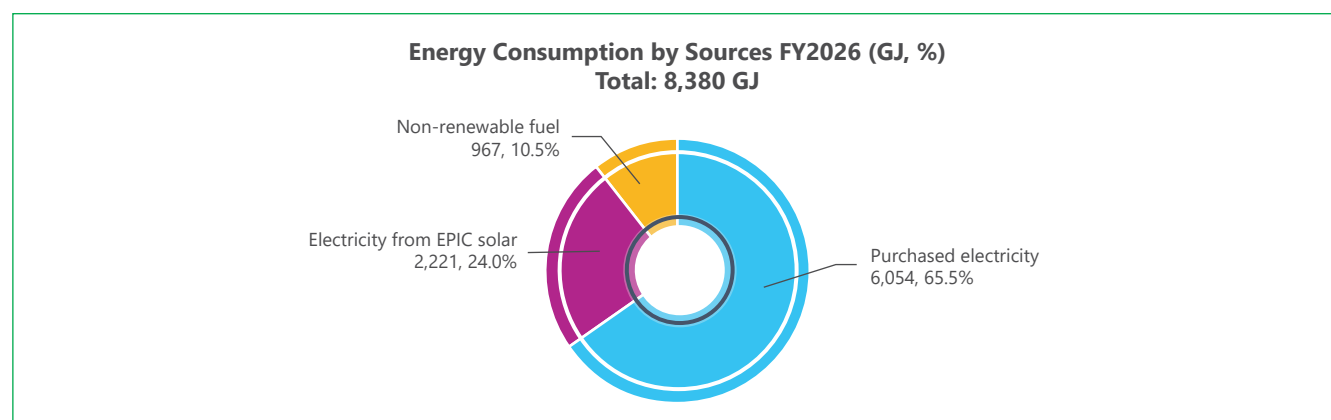
1. FY2025 business travel emissions data have been restated to include passenger kilometres travelled that were not recorded in the previous report.
2. Employee commuting emissions are calculated based on the total commuting distance driven by employees by vehicle types, applying emission factors from MYCarbon GHG Reporting Guidelines Version 1.6, 19 May 2014.
3. Business travel emissions encompass both ground and air travel distances, utilising emission factors published by the UK Government’s Department for Business, Energy & Industrial Strategy.
4. *FP2024 denotes a 15-month period from 1 April 2023 to 30 June 2024, reflecting the adjustment to Genetec’s financial year-end.

SUSTAINABILITY STATEMENT

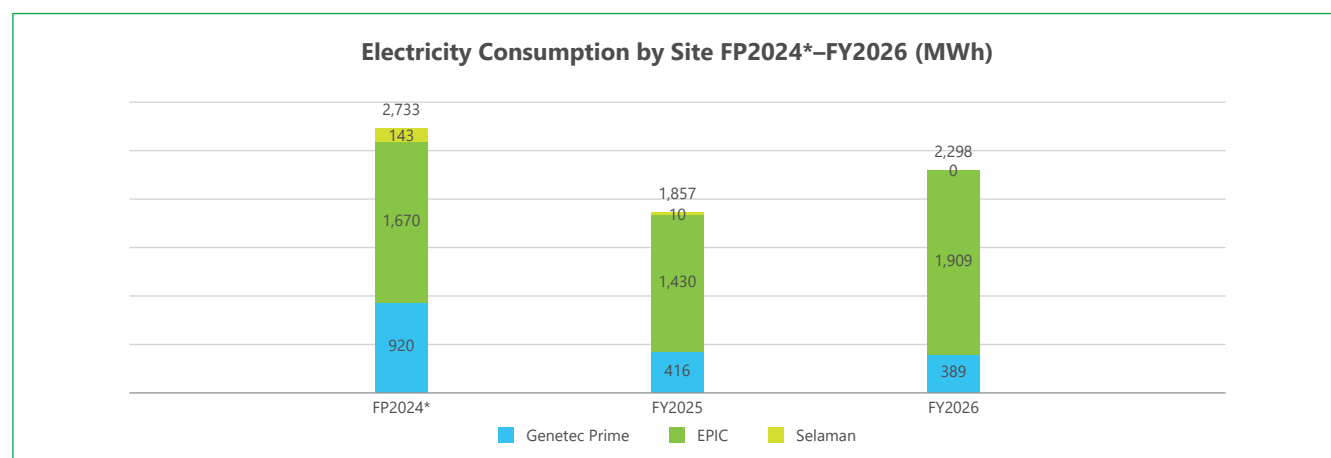
Energy management

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

Genetec monitors our energy consumption to identify opportunities for greater efficiency across our operations. Grid electricity remained our primary energy source, accounting for 65.5% of total energy consumption, followed by solar-generated renewable energy at 24.0%. Diesel and petrol used by on-site vehicles accounted for the remaining 10.5%.



Note: FY2026 data excludes electricity consumed at Selaman.



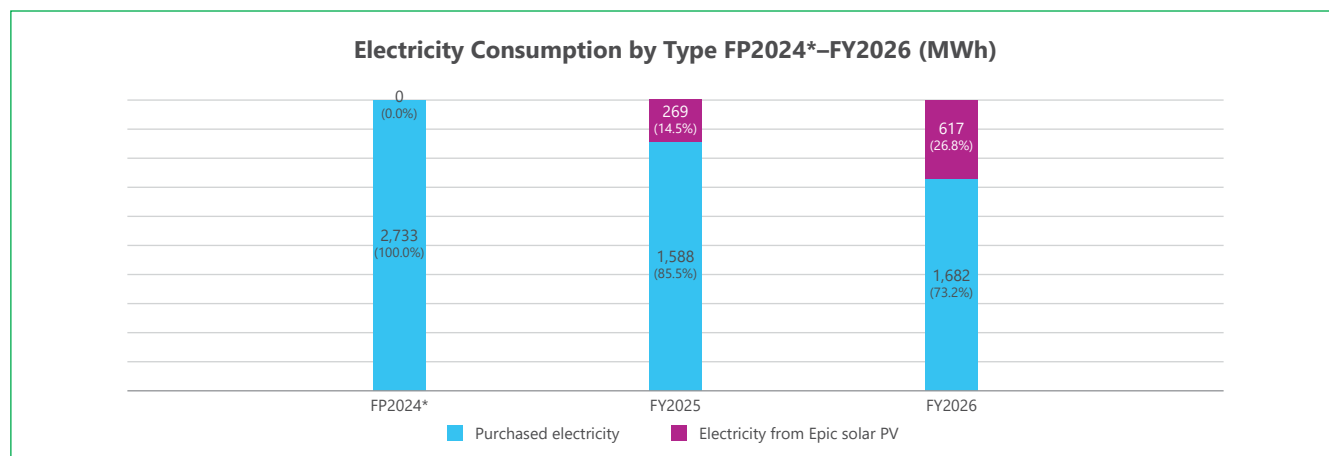
Notes:

1. FY2026 data excludes electricity consumed at Selaman, as the site has been leased out since October 2025.
2. *FP2024 denotes a 15-month period from 1 April 2023 to 30 June 2024, reflecting an adjustment to Genetec's financial year-end.

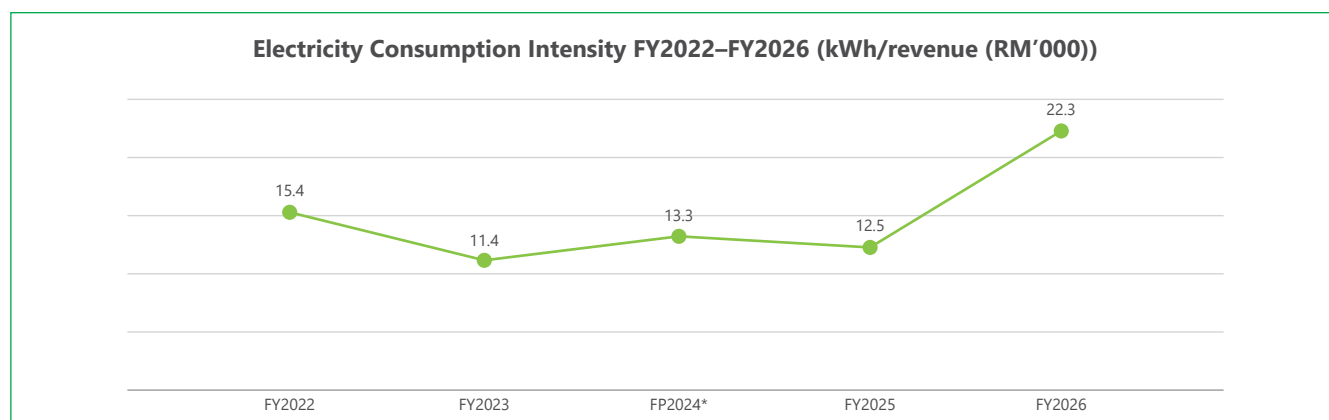
In FY2026, our electricity use totalled 2,298 megawatt hours (MWh), a 23.7% rise from FY2025, driven primarily by increased manufacturing and assembly activities. Despite higher electricity consumption, we further increased our use of renewable energy, with renewables now accounting for 26.8% of our energy mix following the completion of our Phase 3 solar PV installation (see Solar PV at EPIC), a 12.3% increase from FY2025. Since Phase 3 was completed only in Q1 2026, more representative data on solar-generated electricity will be shared in our next report, following a full year of operation. We anticipate that solar power will play an even greater role in our total electricity consumption.

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Our electricity intensity was 22.3 kWh/revenue (RM'000) in FY2026, an increase of 78.5% from FY2025, reflecting the differences in the timing and level of energy-consuming manufacturing, assembly, and testing activities relative to revenue recognition during the year. As we deliver customised automation systems and manufacturing lines, the associated energy needs of these activities vary depending on the nature and requirements of projects undertaken.



Note: *FP2024 denotes a 15-month period from 1 April 2023 to 30 June 2024, reflecting an adjustment to Genetec's financial year-end.



Notes:

1. FY2022 - FY2025 data includes CLT Engineering.
2. *FP2024 denotes a 15-month period from 1 April 2023 to 30 June 2024, reflecting the adjustment to Genetec's financial year-end.

To reduce our environmental footprint and operational costs, we have implemented a range of energy-saving initiatives in our offices and manufacturing facilities, such as adjusting indoor temperature settings and using timers to manage air conditioning. We continue to explore further opportunities to enhance our energy efficiency and expand the use of renewable energy.

SUSTAINABILITY STATEMENT

Solar PV at EPIC

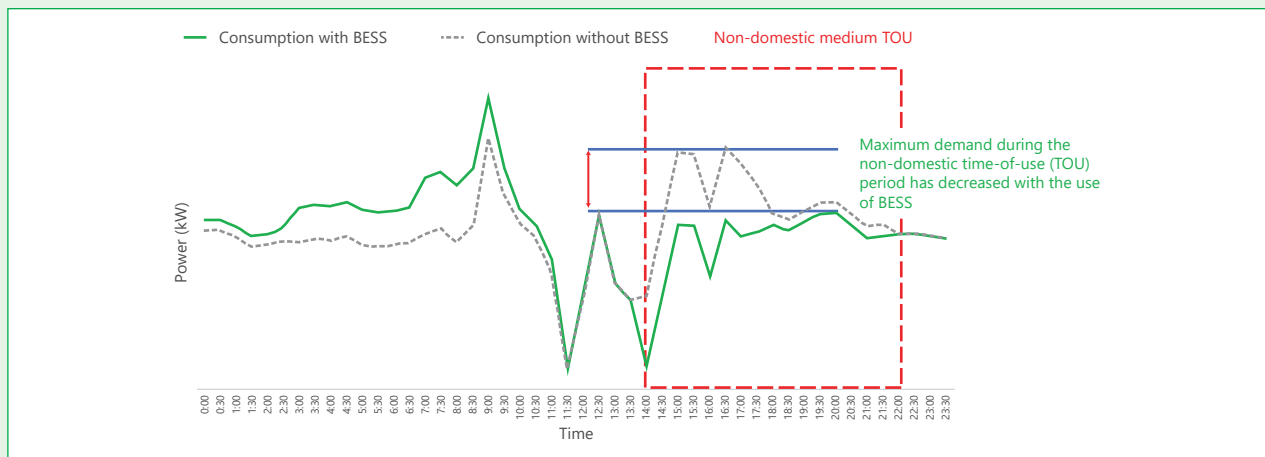
Our EPIC plant is equipped with a state-of-the-art rooftop solar photovoltaic (PV) system. We completed Phase 3 of the solar PV installation in Q1 2026, adding 522.04 kilowatt-peak (kWp) to our existing 432.54 kWp system. Our total installed capacity now stands at 954.58 kWp (approximately 1 megawatt peak [MWp]). From January to June 2026, the solar PV system generated approximately 357 MWh of electricity, contributing to an estimated 278 tCO₂e in avoided emissions and cost savings of RM112,000. Our solar system is also connected to our on-site EV charger and integrated with a battery energy storage system (BESS) and an energy management system that helps optimise energy consumption. This initiative reduces our reliance on grid-supplied power, thereby lowering our carbon footprint.



Using BESS for peak shaving at our EPIC plant

Genetec offers commercial BESS for industrial applications, providing scalable and customisable solutions that enable more efficient energy management through load shifting, peak shaving, and storing surplus renewable energy.

In FY2026, we integrated our BESS capabilities with our solar PV system to optimise energy consumption and maximise the use of solar-generated electricity. During peak hours (2–10 pm), BESS discharges stored energy to lower peak electricity demand by shifting consumption from peak to off-peak periods. This reduces our dependence on the grid supply and lowers energy costs associated with higher electricity demand, resulting in substantial savings on electricity bills. During off-peak periods or when excess renewable energy is available, BESS charges and stores energy for future use.



SUSTAINABILITY STATEMENT

Waste management

[GRI 3-3, 303-2, 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, gloves, and spent hydraulic and mineral oils from heavy machinery, is safely managed and disposed of by a licensed service provider. Non-hazardous waste mainly includes scrap and offcuts from virgin metals, which are 100% recycled, as well as non-recyclable domestic waste, which is handled by a licensed waste collector. All waste is collected, sorted, and temporarily stored at designated on-site areas before being recycled or responsibly disposed of in accordance with local regulations.

In FY2026, we generated a total of 123,076 kilograms (kg) of waste, of which approximately 94.4% was non-hazardous and 5.6% hazardous.

Non-hazardous waste disposed of/recycled FP2024* - FY2026 (kg)

Non-hazardous waste		Disposed/recycled (kg)		
		FP2024*	FY2025	FY2026
Non-recyclables (disposed of)	Domestic waste	12,750	10,650	12,000
Recyclables (recycled)	Scrap metal	52,474	28,453	103,680
	Scrap plastic	931	161	505
	Others	2,038	-	-
	Total recyclables	55,443	28,614	104,185
Total non-hazardous waste		68,193	39,264	116,185

Notes:

1. Scrap metal includes aluminium, brass, copper, iron, and stainless steel.
2. *FP2024 denotes a 15-month period from 1 April 2023 to 30 June 2024, reflecting adjustment to Genetec's financial year-end.

Hazardous waste disposed of FP2024* - FY2026 (kg)

Hazardous waste		Disposed (kg)		
		FP2024*	FY2025	FY2026
Rags and gloves		1,733	1,278	1,120
Disposable containers		-	194	795
Spent mineral oil		3,847	4,601	4,814
Spent hydraulic oil		932	500	162
Total hazardous waste		6,512	6,573	6,891

Note: *FP2024 denotes a 15-month period from 1 April 2023 to 30 June 2024, reflecting the adjustment to Genetec's financial year-end.

SUSTAINABILITY STATEMENT

Our waste management initiatives include the following:

On-site

- Installing recycling stations at strategic locations to make recycling more accessible for employees
- Sending regular emails and reminders to employees to encourage waste reduction practices
- Expanding digital adoption across our business and production processes to streamline workflows and reduce paper use

Off-site

- Providing retooling and retrofitting services through our after-sales support to help customers extend the lifespan of their equipment
- Engaging battery suppliers to support the recycling of spent batteries from our BESS products, where required

Water management

[GRI 3-3, 303-1, 303-5]

Water use at our manufacturing activities is minimal. Most of our water consumption occurs in office spaces and washroom facilities, totalling 6,796 cubic metres (m³) in FY2026.

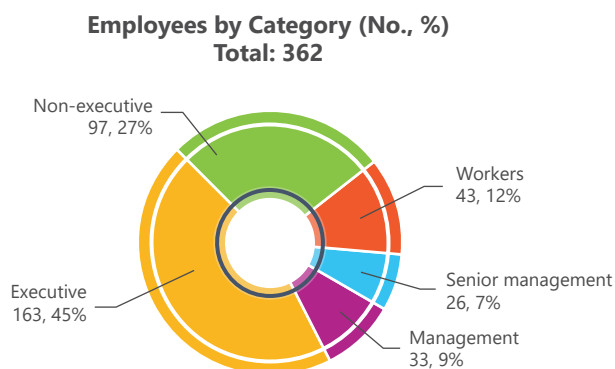
Our workforce

Genetec's employees have always been our most valuable asset and the driving force behind our competitive advantage. We are dedicated to providing a fair, safe, and supportive workplace that respects their rights and nurtures their growth and well-being. This commitment is supported by compliance with all relevant employment, remuneration, and welfare requirements, and by maintaining high standards of workplace health and safety.

Employee overview

[GRI 2-7, 2-8]

As of the end of FY2026, we employ 362 permanent, full-time employees across our Genetec Prime and EPIC operations in Bandar Baru Bangi. All our employees are Malaysian citizens, and we do not engage temporary employees.



SUSTAINABILITY STATEMENT

In addition to supporting operations in Malaysia, some local employees are occasionally seconded to customers' overseas factories to support on-site installation, testing and commissioning, and after-sales services. These assignments typically last from one to six months and are rotated according to project needs and visa regulations.

Wages, working conditions, and employee welfare

[GRI 3-3, 202-1, 405-2, 401-2, 401-3, 403-3, 403-6]

Genetec provides fair and equitable compensation for all employees in strict compliance with Malaysian labour laws. This includes maintaining a 1:1 pay ratio between male and female employees across non-executive, executive, and management positions, as well as ensuring at least minimum wage for entry-level positions. We observe a standard five-day work week, with overtime pay provided for any additional hours worked.

All Genetec employees receive equal conditions and benefits, regardless of their position or location, in accordance with the Employment Act 1955. Our employee benefits include contributions to the Employees Provident Fund (EPF) and the Social Security Organization (SOCSO), medical insurance covering dental care, hospitalisation, surgery, and personal accidents, travel insurance and allowances, employee share option schemes, and several types of leave, including annual, medical, sick, compassionate, and parental. In FY2026, seven men and two women took parental leave. All returned to work and remained employed as at the end of the financial year.

To further support employee health and well-being, Genetec employees and their immediate family members are entitled to discounted health screening packages at our panel hospital. Additionally, we offer support through compassionate donations and coordinate fundraising efforts for employees experiencing personal hardships such as bereavement or health issues.

We also provide a range of workplace initiatives to enhance employee well-being and satisfaction, including:

Subsidised meals and beverages prepared with fresh ingredients by our in-house cafés

Employee incentives for purchasing electric vehicles (EVs), with on-site EV charging facilities available

Access to the EPIC gym facility, including outside of regular office hours*

Nursing room facilities for mothers returning from maternity leave

Annual dinners where employees can participate in lucky draws

Note: *Zumba and badminton sessions were paused in FY2026 because most of our engineers were deployed to customer sites to complete projects. These sessions may resume when more employees return to the factory.

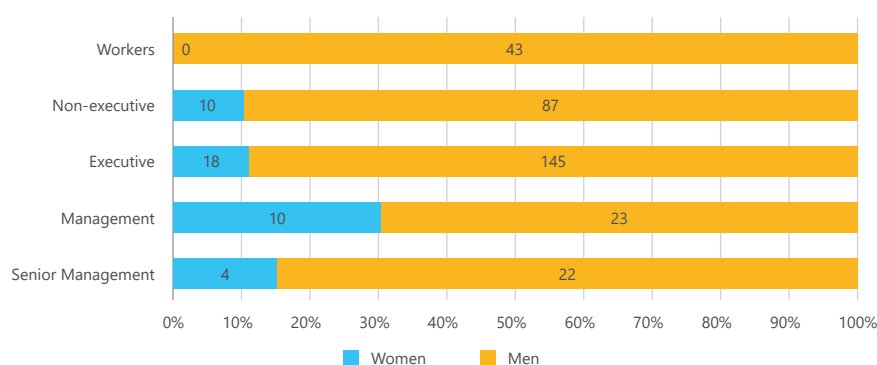
SUSTAINABILITY STATEMENT

Workforce diversity

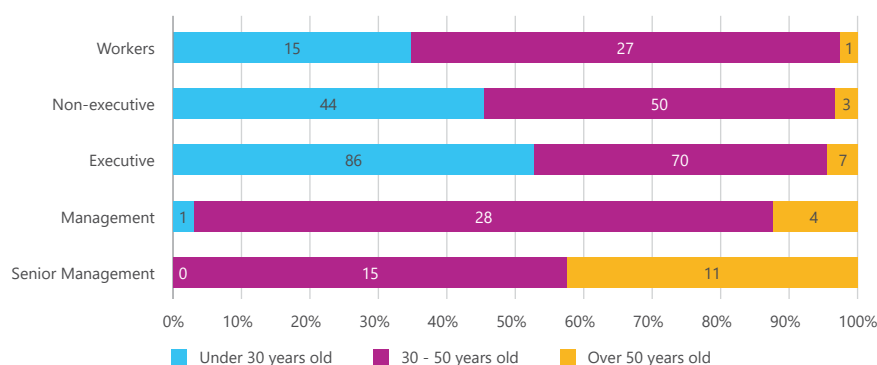
[GRI 3-3, 405-1]

Genetec offers equal employment opportunities to all employees and does not discriminate on the basis of gender, race, religion, or disability. As of FY2026, women represent 11.6% (42) of our total workforce. We recognise the historically low participation of women in Malaysia's engineering sector and are actively exploring further opportunities to improve workforce diversity.

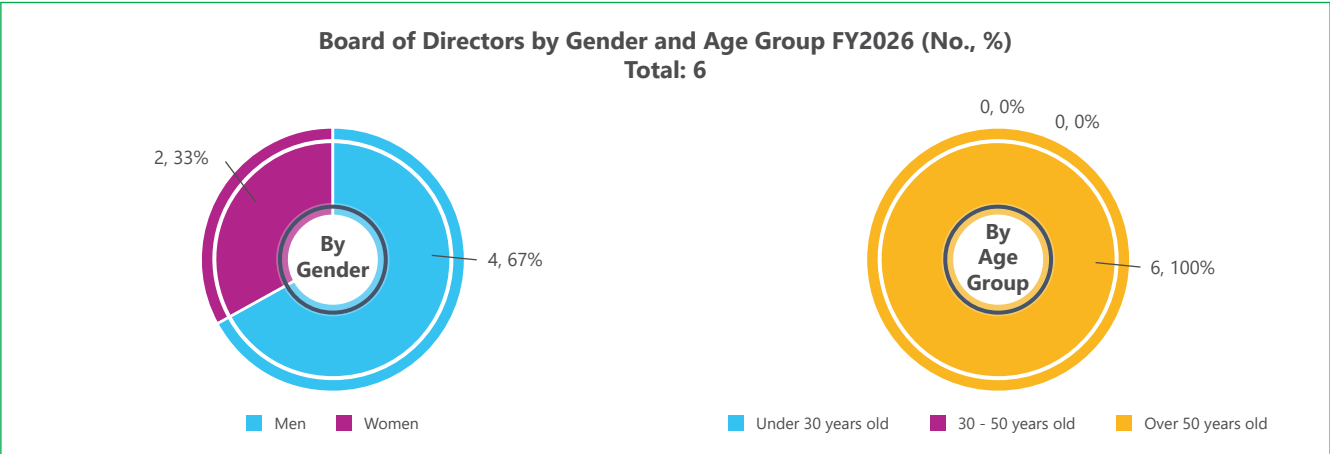
Workforce Category by Gender FY2026 (No.)



Workforce Category by Age Group FY2026 (No.)



SUSTAINABILITY STATEMENT



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]

Genetec’s Health and Safety Policy guides our commitment to safeguarding the welfare of all individuals involved in the manufacture, distribution, and use of our products. To ensure the safe production, transport, use, and disposal of our products, we adhere to all applicable legal requirements, relevant codes and standards, and implement additional controls where necessary.

Safety governance

Our Employee Safety and Health Committee, comprising both management and employee representatives, oversees occupational safety and health (OSH) matters. Line managers are responsible for day-to-day workplace safety and are accountable for their teams’ health and safety. This is reinforced through regular communication on safety procedures and updates, ensuring employees remain informed of their responsibilities in maintaining a safe working environment.

Safety and health training

We provide regular in-house safety training sessions and briefings to help our employees perform their duties safely. The training programmes are tailored to their roles and include topics such as equipment handling, fire safety, forklift safety, mechanical and electrical safety, chemical spillage control, basic occupational first aid, CPR/AED,³ and general safety awareness. Additional training is provided as needed, depending on the specific activities undertaken during a given period.

In FY2026, five training sessions were conducted, with 49 employees participating.

Safety management

Genetec takes a proactive approach to identifying and managing workplace health and safety risks. We conduct Hazard Identification, Risk Assessment, and Risk Control (HIRARC) exercises across all our operational activities to assess the likelihood and severity of potential hazards and ensure appropriate risk mitigation measures are in place. We also conduct Chemical Health Risk Assessment (CHRA) periodically, with the latest assessment completed in February 2025 across Genetec Prime’s key work units.

³ CPR AED training equips individuals to respond effectively to cardiac emergencies.

SUSTAINABILITY STATEMENT

Our factory regularly conducts safety walkabouts to identify hazards and implement timely corrective action. To strengthen workplace safety controls, we have established standard operating procedures (SOPs) for handling chemicals, using personal protective equipment (PPE) correctly, and safely disposing of chemical waste. We further safeguard employees' hearing health through periodic audiometric screening.

We maintain Emergency Response Procedures, managed by a dedicated emergency response team, to ensure continued emergency preparedness. Regular fire drills are conducted to strengthen employee readiness and improve emergency response times.

Our EPIC plant's first-aid room is scheduled to be completed by the end of October 2026 and will be fully equipped and stocked. Until then, first aid continues to be administered at the factory, and employees requiring additional care are referred to nearby clinics.

Accident reporting

In FY2026, we achieved zero lost-time injuries among our employees, reflecting our ongoing efforts to strengthen workplace safety driven by our Health and Safety Policy and related initiatives. One contractor accident was recorded during the year, in which a heavy panel fell onto the contractor's leg. We have taken this matter seriously and have implemented corrective measures to prevent recurrence, including installing cables to secure the panel and mounting the panel to the floor.

Since our inception, we have met our objective of zero work-related fatalities at our operations.

Lost-time injury rate and severity rate for FP2024* - FY2026

Description	FP2024*	FY2025	FY2026
Lost-time injury rate	0.56	0.36	0.00
Severity rate	1.00	4.00	0.00

Notes:

1. Lost-time injury rate for non-employees could not be determined because total hours worked by contractors were unavailable.
2. Lost-time injury frequency rate (LTIFR) measures lost productivity due to accidents. It is calculated by dividing the number of accidents by the hours worked, then multiplying this by 200,000 hours worked.
3. Severity rate is the number of days lost divided by the number of accidents.
4. *FP2024 denotes a 15-month period from 1 April 2023 to 30 June 2024, reflecting the adjustment to Genetec's financial year-end.

Employee attraction and development

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

Attracting, developing, and retaining a highly skilled workforce is fundamental to our continued success. To strengthen our ongoing efforts to attract future talent, Genetec focuses on recruiting talented graduates from local universities through targeted initiatives such as career fairs and sponsored university competitions.

Continued development of technical capabilities is important to support project delivery and keep pace with evolving automation and digitalisation technologies. To improve employees' technical and professional skills, Genetec offers internal and external training programmes, together with on-the-job training and mentoring. A key initiative in FY2026 was training employees in Statistical Process Control (SPC) tools relevant to their roles in engineering, assembly, and project management. These workshops provided employees with hands-on experience in using SPC tools to improve quality through data-driven measures, thereby reducing reliance on manual inspections.

SUSTAINABILITY STATEMENT

In FY2026, our employees completed a total of 1,696 training hours, averaging 5.00 hours per employee. We further support employees' professional development by reimbursing their membership fees for professional and technical associations relevant to their fields. Additionally, each employee receives an annual performance review conducted by their direct supervisors and senior management, during which constructive feedback is provided, and opportunities for growth are identified.

Employee training hours by category FY2026

Employee category	Hours trained	Average hours trained
Senior management	0	0
Manager	220	7.27
Executive	1,064	7.20
Non-executive	412	4.42
Workers	0	0
Total	1,696	5.00

Employees also receive support for ongoing career development, including opportunities to advance into managerial positions. Genetec's succession planning focuses on critical senior management and engineering roles, with HR collaborating closely with managers and head of departments (HODs) to identify employees with strong performance and potential for career progression.

Competitive performance-based remuneration and long-term incentive plans (LTIPs) complement these development initiatives. Many Genetec employees have chosen to pursue long-term careers with us, reflecting a positive work environment and our ability to retain experienced talent.

Long-serving employees as of the end of FY2026

Years of service	No.	% of total employees
>5 years	45	12.4%
>10 years	48	13.3%
>20 years	21	5.8%

In FY2026, our employee turnover rate was 16.8%, exceeding our annual target of less than 10%. Based on our records, this was mainly due to voluntary resignations arising from personal considerations and individual career decisions. In response, Genetec is reviewing the underlying causes of turnover and strengthening our employee retention measures, with a focus on:

- Improving candidate-role matching to better align employees' skills and expectations with their roles
- Enhancing the onboarding and probation management process to support new employees' transition into the company
- Reviewing employee remuneration and career development opportunities
- Strengthening engagement between employees and their respective managers, including through team building activities

SUSTAINABILITY STATEMENT

Employees hired and left by category FY2026

Employee category	No. hired	No. left
Senior manager	3	0
Manager	12	5
Executive	38	41
Non-executive	20	10
Worker	0	1
Total	73	57

Sustainability Day 2026

Genetec's second Sustainability Day was held on 22 April 2026, in conjunction with Earth Day. This half-day event brought together more than 152 employees and focused on strengthening sustainability awareness across the company. The programme featured Genetec's sustainability initiatives, workplace safety, cybersecurity awareness, and key policies, including the Anti-Bribery and Corruption Policy, complemented by interactive quizzes and prize draws. Attendees were also provided with a free employee health screening.

This year, we placed a stronger focus on employee well-being, introducing dedicated sessions on stress management and mental health. These sessions provided employees with practical strategies for managing stress and raised awareness of the importance of mental well-being and support available in the workplace.



SUSTAINABILITY STATEMENT



SUSTAINABILITY STATEMENT

Community support

[GRI 3-3, 203-1]

We support local communities as part of our broader social responsibility through our Corporate Social Responsibility (CSR) initiatives each year. Our dedicated CSR committee oversees the planning of our annual CSR programme, identifying priority areas that address the needs of communities surrounding our Bangi operations. These initiatives enable us to make a meaningful contribution to the communities where we operate while promoting employee engagement and volunteering whenever possible.

In FY2026, we contributed a total of RM10,070 to CSR initiatives, benefiting several families and three organisations, including the following:

CSR initiatives FY2026

January 2026 | Supporting families in need

Contributed school essentials to families in need, helping to support children's education

April 2026 | *Pertubuhan Kebajikan Oku Al-Hadidi Ampang* (a welfare centre for persons with disabilities)

Provided essential food and goods, together with rental assistance, to help meet the centre's daily needs and operations

May 2026 | *Persatuan Rumah Amal Murni Kajang* (a charity home for older persons and persons with disabilities)

Donated essential food and equipment for the charity home's residents

June 2026 | *Persatuan Veteran Bomba dan Penyelamat Malaysia* (The Veteran of Fire and Rescue Association Malaysia)

Sponsored a hospital bed to enhance the organisation's capacity to provide healthcare assistance



SUSTAINABILITY STATEMENT

Our marketplace

[GRI 3-3]

We offer high-quality, innovative, cost-effective automated industrial systems and equipment solutions to customers across various industries in ten countries. Our end-to-end capabilities cover design, procurement, installation, testing, commissioning, and after-sales support, which encompass retrofitting, retooling, and relocating automated manufacturing processes to meet customers’ evolving operational needs.

Industries served	Markets served
- Automotive (internal combustion engines [ICE], hybrids, and electric vehicles [EV]) - Energy storage - Renewable energy - Hard disk drives (HDD) - Consumer goods - Healthcare	Brazil, China, Germany, Malaysia, Mexico, Poland, Thailand, Kuwait, the United Kingdom, and the United States

Delivering quality products

As part of our drive to become a world-class manufacturer, we strive to deliver innovative, customised products and services that add value to our customers’ finished products. To achieve this, we remain committed to developing cutting-edge automation systems.

Rigorous quality control measures allow us to consistently deliver products that not only meet but exceed customer expectations, while ongoing evaluation of customer feedback reinforces our ongoing commitment to excellence and continuous improvement.

Genetec adheres to strict procedures and is certified to internationally recognised standards, including ISO 9001:2015 for quality management system (QMS) and ISO 14001:2015 for environmental management system (EMS). These certifications help ensure that our products and services consistently meet the needs of our customers and applicable regulatory requirements.

Customer satisfaction

[GRI 3-3, 416-2]

Genetec strives to maintain high levels of client satisfaction through responsive support and continuous improvement. Our engineers and technicians provide ongoing client support and conduct regular site visits to understand and address our customers’ specific needs.

We regularly gather feedback through annual customer satisfaction surveys covering all our products and services. These assessments help us gauge customer sentiment and identify areas for improvement, particularly regarding staff competency, delivery processes, and product quality. In our most recent survey, we achieved an average customer satisfaction rating of over 90%, exceeding our 80% target. We remain committed to enhancing the customer experience and maintaining high standards of service.

In FY2026, there were no recorded product recalls, returns, or significant customer complaints related to product quality.

SUSTAINABILITY STATEMENT

Innovation and R&D

[GRI 3-3]

A market trend affecting automation projects is the shortening of product lifecycles, resulting in more compressed project timelines. In response, Genetec is exploring ways to accelerate design processes and improve efficiency while maintaining quality and technical requirements. This includes exploring a Product Data Management (PDM) system to centralise engineering information, such as drawings, 3D models, and specifications, making designs easier to search, retrieve, share, and reuse. Once structured, this data can flow into the Enterprise Resource Planning (ERP) system to support subsequent activities, such as purchasing and parts application.

In parallel, Genetec is broadening our sourcing strategy by considering multiple suppliers and brands for standard materials, thereby increasing flexibility and reducing the lead times for parts. We also work closely with our customers to develop customised solutions tailored to their evolving needs, while partnering with industry peers to build strategic collaborations that drive innovation and advancement.

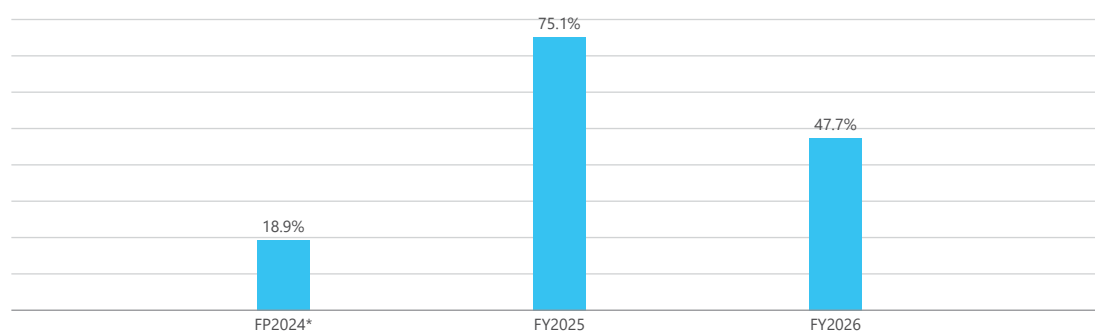
Working with suppliers

[GRI 3-3, 204-1]

Genetec sources from both local and international suppliers. Local providers mainly supply production materials such as aluminium plates, mild steel, stainless steel, tool steel, polycarbonate, and engineering plastics. Standard manufacturing components, such as batteries and robotic, automation, electrical, pneumatic, and mechanical parts, are generally sourced from international suppliers. We prioritise sourcing raw materials locally where possible, while sourcing decisions for standard manufacturing components depend on availability, price, and specifications.

In FY2026, our procurement expenditure on local suppliers accounted for 47.7% of our total spend, down from 75.1% in FY2025. This decline was mainly due to ongoing projects that required a higher proportion of standard components, materials, and services from international suppliers. This also involved hiring overseas service providers for on-site welding and rigging activities to comply with local licensing, certification, competency, and site-specific requirements.

Total Proportion of Spending on Local Suppliers FP2024* - FY2026 (%)



Notes:

1. FY2022–FY2025 data includes CLT Engineering.
2. *FP2024 denotes a 15-month period from 1 April 2023 to 30 June 2024, reflecting the adjustment to Genetec's financial year-end.

SUSTAINABILITY STATEMENT

Wherever feasible, we try to maintain traceability of purchased raw materials back to their countries of origin. This enables us to better assess potential supply chain risks, including exposure to human rights issues, trade restrictions, and sanctions.

All suppliers must adhere to our Supplier Code of Conduct, which has incorporated environmental, social, and governance (ESG) considerations since FY2025, and submit evaluation forms and declarations. We conduct supplier evaluations every six months, assessing criteria such as product quality, delivery timeliness, and responsiveness. Suppliers who fail to meet our standards receive a written warning and must implement the required improvements and corrective actions within a specified timeframe. Failure to address these issues will result in removal from our approved supplier list and termination of the supply contract.

In FY2026, we began the phased implementation of our supplier ESG self-assessment questionnaire, beginning with key suppliers based on total spend. The questionnaire is designed to provide better understand our suppliers' sustainability practices and support alignment with our sustainability goals. It is a self-declaration tool, rather than a scorecard-based assessment, covering areas such as company information, environment, labour practices, and governance and compliance. We will progressively extend the questionnaire to our other suppliers in the coming years.

Genetec also maintains long-term partnerships with our suppliers and strategically mitigates supply chain risks to ensure a steady, uninterrupted supply of standard parts and materials. These measures include extending buffer periods to account for potential delivery delays and increasing stock capacity for high-demand items.

Our 2026 Sustainability Statement highlights Genetec's efforts and achievements in fostering responsible business practices. We remain committed to continuous improvement and to making positive contributions to our business, society, and the environment.

SUSTAINABILITY STATEMENT

Appendices

Performance data table

Date & Time: 2026-10-07 08:53:53
Main Market | Group 2 | FYE 30/06/2026

GENETEC TECHNOLOGY BERHAD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Governance, ethics, and integrity	Percentage of Senior management who have received training on anti-corruption	Percentage	80.00	0.00	N/A	No assurance	N/A
Governance, ethics, and integrity	Percentage of Management who have received training on anti-corruption	Percentage	60.00	16.00	N/A	No assurance	N/A
Governance, ethics, and integrity	Percentage of Executive who have received training on anti-corruption	Percentage	33.72	60.00	N/A	No assurance	N/A
Governance, ethics, and integrity	Percentage of Non - executive who have received training on anti-corruption	Percentage	30.85	24.00	N/A	No assurance	N/A
Governance, ethics, and integrity	Percentage of workers who have received training on anti-corruption	Percentage	0.00	0.00	N/A	No assurance	N/A
Governance, ethics, and integrity	Percentage of operations assessed for corruption--related risks	Percentage	100.00	100.00	100.00	No assurance	N/A
Governance, ethics, and integrity	Confirmed incidents of corruption and action taken	Number	0	0	0	No assurance	N/A
CSR	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	17555.10	10,070.00	N/A	No assurance	N/A
CSR	Total number of beneficiaries of the investment in communities	Number	4	3	N/A	No assurance	N/A
Diversity	Percentage of male senior management	Percentage	100.00	85.00	N/A	No assurance	N/A

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SUSTAINABILITY STATEMENT

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Main Market | Group 2 | FYE 30/06/2026

GENETEC TECHNOLOGY BERHAD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Diversity	Percentage of female senior management.	Percentage	0.00	15.00	N/A	No assurance	N/A
Diversity	Percentage of male management	Percentage	71.00	70.00	N/A	No assurance	N/A
Diversity	Percentage of female management	Percentage	29.00	30.00	N/A	No assurance	N/A
Diversity	Percentage of male executive	Percentage	88.00	89.00	N/A	No assurance	N/A
Diversity	Percentage of female executive	Percentage	12.00	11.00	N/A	No assurance	N/A
Diversity	Percentage of male non-executive	Percentage	93.00	90.00	N/A	No assurance	N/A
Diversity	Percentage of female non-executive	Percentage	7.00	10.00	N/A	No assurance	N/A
Diversity	Percentage of male general worker	Percentage	100.00	100.00	N/A	No assurance	N/A
Diversity	Percentage of female general worker	Percentage	0.00	0.00	N/A	No assurance	N/A
Diversity	Percentage of senior management aged under 30	Percentage	0.00	0.00	N/A	No assurance	N/A
Diversity	Percentage of senior management aged between 30 - 50	Percentage	60.00	58.00	N/A	No assurance	N/A
Diversity	Percentage of senior management aged above 50	Percentage	40.00	42.00	N/A	No assurance	N/A
Diversity	Percentage of management aged under 30	Percentage	0.00	3.00	N/A	No assurance	N/A

SUSTAINABILITY STATEMENT

GENETEC TECHNOLOGY BERHAD
 BMLR Transition Period

 Date & Time: 2026-10-07 08:53:53
 Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Diversity	Percentage of management aged between 30 - 50	Percentage	83.00	85.00	N/A	No assurance	N/A
Diversity	Percentage of management aged above 50	Percentage	17.00	12.00	N/A	No assurance	N/A
Diversity	Percentage of executive aged under 30	Percentage	64.00	53.00	N/A	No assurance	N/A
Diversity	Percentage of executive aged between 30 - 50	Percentage	34.00	43.00	N/A	No assurance	N/A
Diversity	Percentage of executive aged above 50	Percentage	2.00	4.00	N/A	No assurance	N/A
Diversity	Percentage of non-executive aged under 30	Percentage	53.00	45.00	N/A	No assurance	N/A
Diversity	Percentage of non-executive aged between 30 - 50	Percentage	45.00	52.00	N/A	No assurance	N/A
Diversity	Percentage of non-executive aged above 50	Percentage	2.00	3.00	N/A	No assurance	N/A
Diversity	Percentage of general workers aged under 30	Percentage	46.00	35.00	N/A	No assurance	N/A
Diversity	Percentage of general workers aged between 30 - 50	Percentage	54.00	63.00	N/A	No assurance	N/A
Diversity	Percentage of general workers aged above 50	Percentage	0.00	2.00	N/A	No assurance	N/A
Diversity	Percentage of directors by Male	Percentage	67.00	67.00	N/A	No assurance	N/A

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SUSTAINABILITY STATEMENT

GENETEC TECHNOLOGY BERHAD
 BMLR Transition Period

 Date & Time: 2026-10-07 08:53:53
 Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Diversity	Percentage of directors by Female	Percentage	33.00	33.00	N/A	No assurance	N/A
Diversity	Percentage of directors under 30	Percentage	0.00	0.00	N/A	No assurance	N/A
Diversity	Percentage of directors between 30 - 50	Percentage	17.00	17.00	N/A	No assurance	N/A
Diversity	Percentage of directors above 50	Percentage	83.00	83.00	N/A	No assurance	N/A
Renewable energy	Total electricity consumption	Megawatt hours	1856.86	2298.35	N/A	No assurance	N/A
Renewable energy	Total grid electricity consumption	Megawatt hours	1557.95	1681.55	N/A	No assurance	N/A
Renewable energy	Total self-generated solar PV electricity consumption	Megawatt hours	268.91	616.80	N/A	No assurance	N/A
Occupational health and safety	Number of work-related fatalities	Number	0	0	N/A	No assurance	N/A
Occupational health and safety	Lost time incident rate ("LTIR")	Rate	0.29	0.00	—	No assurance	N/A
Occupational health and safety	Number of employees trained on health and safety standards	Number	256	49	N/A	No assurance	N/A
Talent development	Total hours of training - Senior management	Hours	7	0	N/A	No assurance	N/A
Talent development	Total hours of training - Management	Hours	312	220	N/A	No assurance	N/A
Talent development	Total hours of training - Executive	Hours	639	1064	N/A	No assurance	N/A

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SUSTAINABILITY STATEMENT

GENETEC TECHNOLOGY BERHAD
 BMLR Transition Period

 Date & Time: 2026-10-07 08:53:53
 Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Talent development	Total hours of training - non-executive / Technical Staff	Hours	372.5	412	N/A	No assurance	N/A
Talent development	Total hours of training - Workers	Hours	0	0	N/A	No assurance	N/A
Talent development	Percentage of employees that are contractors or temporary staff	Percentage	0	0	N/A	No assurance	N/A
Talent attraction	Total number of employees turnover by Manager	Number	0	4	N/A	No assurance	N/A
Talent attraction	Total executive turnover	Number	16	41	N/A	No assurance	N/A
Talent attraction	Total number of employees turnover by Non - executive / Technical staff	Number	2	11	N/A	No assurance	N/A
Talent attraction	Total number of employees turnover by General workers	Number	0	1	N/A	No assurance	N/A
Employee rights	Number of substantiated complaints concerning human rights violations	Number	0	0	N/A	No assurance	N/A
Supply chain management	Proportion of spending on local suppliers	Percentage	751	477	N/A	No assurance	N/A
Data privacy and cybersecurity	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	N/A	No assurance	N/A
Water	Total volume of water used	m3	12,284	6,796	N/A	No assurance	N/A

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SUSTAINABILITY STATEMENT

Date & Time: 2026-10-07 08:53:53
Main Market | Group 2 | FYE 30/06/2026

GENETEC TECHNOLOGY BERHAD
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Waste management	Total waste diverted from disposal	Kg	33,004.15	104,185.00	N/A	No assurance	N/A
Waste management	Total waste directed to disposal	Kg	23,343.79	18,891.00	N/A	No assurance	N/A
GHG emissions	Scope 1 emissions in tonnes of CO2e	t CO2e	34.03	69.53	N/A	No assurance	N/A
GHG emissions	Scope 2 emissions in tonnes of CO2e	t CO2e	1238.6	1244.35	N/A	No assurance	N/A
GHG emissions	Scope 3 emissions in tonnes of CO2e	t CO2e	147915	190458	N/A	No assurance	N/A
GHG emissions	Total petrol consumed	Litre	779312	22750.01	N/A	No assurance	N/A
GHG emissions	Total diesel consumed	Litre	652318	6125.7	N/A	No assurance	N/A

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 report 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 2025 to 30 June 2026.
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 AR2026 Corporate information, p.02
	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 AR2026 Corporate information, p.02
	2-4 Restatements of information	Available throughout, where relevant
	2-5 External assurance	About this statement, p.15
2. Activities and workers		
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	AR2026 Management discussion & analysis, p.10
	2-7 Employees	Employee overview, p.31
	2-8 Workers who are not employees	Employee overview, p.31
3. Governance		
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	Responsible business and good governance, p.20 AR2026 Profile of directors, p.04
	2-10 Nomination and selection of the highest governance body	AR2026 Corporate governance overview statement, p.56
	2-11 Chair of the highest governance body	Responsible business and good governance, p.20
	2-12 Role of the highest governance body in overseeing the management of impacts	Materiality, p.16 Responsible business and good governance, p.20 AR2026 Communication with stakeholders, p.70
	2-13 Delegation of responsibility for managing impacts	Responsible business and good governance, p.20
	2-14 Role of the highest governance body in sustainability reporting	Materiality, p.16 Responsible business and good governance, p.20
	2-15 Conflicts of interest	Information unavailable

SUSTAINABILITY STATEMENT

GRI Standard	Disclosure	Location or reason for omission
	2-16 Communication of critical concerns	Responsible business and good governance, p.20
	2-17 Collective knowledge of the highest governance body	Responsible business and good governance, p.20
	2-18 Evaluation of the performance of the highest governance body	AR2026 Annual Assessment of effectiveness of the directors, Board and Board committees p.65 & 66
	2-19 Remuneration policies	AR2026 Corporate governance overview statement, p.56
	2-20 Process to determine remuneration	AR2026, Corporate governance overview statement, p.56
	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.22 Data security, p.24 Health and safety, p.34
	2-24 Embedding policy commitments	Ethics and integrity, p.22 Data security, p.24 Health and safety, p.34
	2-25 Processes to remediate negative impacts	Information unavailable
	2-26 Mechanisms for seeking advice and raising concerns	Ethics and integrity, p.22
	2-27 Compliance with laws and regulations	Ethics and integrity, p.22 Environmental management, p.25 Health and safety, p.34
	2-28 Membership associations	Information unavailable
5. Stakeholder engagement		
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Stakeholder engagement, p.22
	2-30 Collective bargaining agreements	Information unavailable
Material topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality, p.16
	3-2 List of material topics	Materiality, p.16
Innovation and R&D		
GRI 3: Material Topics 2021	3-3 Management of material topics	Innovation and R&D, p.41

SUSTAINABILITY STATEMENT

GRI Standard	Disclosure	Location or reason for omission
Governance, ethic, and integrity		
GRI 3: Material Topics 2021	3-3 Management of material topics	Ethics and integrity, p.22
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Ethics and integrity, p.22 Performance data table, p.43
	205-2 Communication and training about anti-corruption policies and procedures	Ethics and integrity, p.22 Performance data table, p.43
	205-3 Confirmed incidents of corruption and actions taken	Ethics and integrity, p.22 Performance data table, p.43
Customer satisfaction		
GRI 3: Material Topics 2021	3-3 Management of material topics	Customer satisfaction, p.40
Supply chain management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Working with suppliers, p.41
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Working with suppliers, p.41 Performance data table, p.43
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Information unavailable
	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.27
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Energy management, p.27 Performance data table, p.43
	302-2 Energy consumption outside of the organization	Information unavailable
	302-3 Energy intensity	Energy management, p.27
	302-4 Reduction of energy consumption	Energy management, p.27
	302-5 Reductions in energy requirements of products and services	Information unavailable

SUSTAINABILITY STATEMENT

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.32 Workforce diversity, p.33
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.32
	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.33
	405-2 Ratio of basic salary and remuneration of women to men	Wages, working conditions, and employee welfare, p.32
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.40
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.40
GHG emissions		
GRI 3: Material Topics 2021	3-3 Management of material topics	Emissions, p.25 Performance data table, p.43
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Emissions, p.25 Performance data table, p.43
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions, p.25 Performance data table, p.43
	305-3 Other indirect (Scope 3) GHG emissions	Emissions, p.25
	305-4 GHG emissions intensity	Information unavailable

SUSTAINABILITY STATEMENT

GRI Standard	Disclosure	Location or reason for omission
	305-5 Reduction of GHG emissions	Emissions, p.25
	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.24
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data security, p.24
Employee welfare; Talent attraction		
GRI 3: Material Topics 2021	3-3 Management of material topics	Wages, working conditions, and employee welfare, p.32 Employee attraction and development, p.35
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employee attraction and development, p.35 Performance data table, p.43
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	Wages, working conditions, and employee welfare, p.32
	401-3 Parental leave	Wages, working conditions, and employee welfare, p.32
Occupational health and safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Wages, working conditions, and employee welfare, p.32 Health and safety, p.34
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and safety, p.34
	403-2 Hazard identification, risk assessment, and incident investigation	Health and safety, p.34
	403-3 Occupational health services	Wages, working conditions, and employee welfare, p.32 Health and safety, p.34
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health and safety, p.34
	403-5 Worker training on occupational health and safety	Health and safety, p.34

SUSTAINABILITY STATEMENT

GRI Standard	Disclosure	Location or reason for omission
	403-6 Promotion of worker health	Wages, working conditions, and employee welfare, p.32
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and safety, p.34 Working with suppliers, p.41
	403-8 Workers covered by an occupational health and safety management system	Health and safety, p.34
	403-9 Work-related injuries	Health and safety, p.34 Performance data table, p.41
	403-10 Work-related ill health	Information unavailable
Waste management		
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste management, p.30
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste management, p.30
	306-2 Management of significant waste-related impacts	Waste management, p.30
	306-3 Waste generated	Waste management, p.30
	306-4 Waste diverted from disposal	Waste management, p.30
	306-5 Waste directed to disposal	Waste management, p.30
Business diversification		
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible business and good governance, p.20 AR2026, Management discussion & analysis, p.10
Talent development		
GRI 3: Material Topics 2021	3-3 Management of material topics	Employee attraction and development, p.35
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee attraction and development, p.35
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee attraction and development, p.35
	404-3 Percentage of employees receiving regular performance and career development reviews	Employee attraction and development, p.35

SUSTAINABILITY STATEMENT

GRI Standard	Disclosure	Location or reason for omission
Digitalisation		
GRI 3: Material Topics 2021	3-3 Management of material topics	Waste management, p.30
CSR		
GRI 3: Material Topics 2021	3-3 Management of material topics	Community support, p.39
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Community support, p.39 Performance data table, p.43
	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") recognises the importance of upholding high standards of corporate governance and remains committed to embedding and sustaining sound corporate governance practices across the Company and its subsidiaries ("the Group"). The Board believes that effective corporate governance is fundamental to promoting transparency, accountability, integrity and sustainable long-term value creation, while safeguarding the 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 2026 ("FY2026"), which provides an overview of the corporate governance practices adopted by the Company with reference to the Principles and Practices of the Malaysian Code on Corporate Governance ("MCCG"). The Company's governance framework is guided by the three key Principles of the MCCG, namely Board Leadership and Effectiveness, Effective Audit and Risk Management, Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This Statement is prepared in compliance with Paragraph 15.25 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and should be read together with the Corporate Governance Report 2026, which provides detailed disclosures on the application of each Practice under the MCCG. The Corporate Governance Report 2026 is available on the Company's corporate website at www.genetec.net and the Bursa Securities website.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

Strategic Aims, Values and Standards

The Board is collectively responsible for the long-term success and sustainable growth of the Company and its subsidiaries. The Board provides leadership and strategic direction to the Group, ensuring that its business and affairs are conducted in a responsible, effective and accountable manner, with due regard to the interests of shareholders and other stakeholders.

In carrying out its responsibilities, the Board establishes the Group's strategic direction, promotes a strong corporate governance culture, and sets the tone from the top by fostering high standards of integrity, ethical conduct and accountability. The Board also reviews and approves the Group's strategic plans, key policies and business objectives to ensure that the Group operates in compliance with applicable laws, regulations and governance requirements.

All Directors discharge their fiduciary duties with due care, skill and diligence, acting objectively and in good faith in the best interests of the Company. In fulfilling its stewardship responsibilities, the Board undertakes, among others, the following principal roles and responsibilities:

- Reviewing and approving the Group's strategic plans and business objectives to support sustainable growth and long-term value creation;
- Overseeing the conduct and performance of the Group's business to ensure it is effectively and prudently managed;
- Ensuring that appropriate risk management and internal control frameworks are established and maintained to identify, assess, manage and monitor significant financial and non-financial risks;
- Approving policies and monitoring their effective implementation to strengthen the Group's financial and operational performance;
- Promoting sustainability by integrating environmental, social and governance ("ESG") considerations into the Group's strategies and business operations;
- Reviewing the adequacy and effectiveness of the Group's internal control and management information systems, including systems to ensure compliance with applicable laws, regulations, rules, directives and guidelines; and
- Overseeing succession planning for the Board and Key Senior Management to ensure leadership continuity and the long-term sustainability of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

I. Board Responsibilities (continued)

Strategic Aims, Values and Standards (continued)

In discharging its stewardship responsibilities, the Board has established several Board Committees, namely 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”). Each Committee operates within clearly defined terms of reference approved by the Board and assists the Board by undertaking detailed reviews and providing recommendations on matters within its respective scope of responsibilities.

While specific responsibilities have been delegated to the Committees, the Board retains overall accountability for the effective oversight, direction and stewardship of the Group. The Board remains ultimately responsible for all decisions made and continues to ensure that the Group is managed in the best interests of the Company, its shareholders and other stakeholders.

Board Leadership

Mr Allen Lik-Hook Ting serves as the Independent Non-Executive Chairman of the Board. He provides leadership to the Board by promoting sound corporate governance, setting the strategic direction of the Group and ensuring that the Board discharges its responsibilities effectively and objectively.

In leading the Board, the Chairman fosters a culture of openness and constructive debate by encouraging active participation from all Directors, ensuring that differing views are expressed and considered during the Board deliberation. This enables balanced decision-making and promotes robust discussion in the best interest of the Company.

In line with the recommendation of MCCG, the Chairman does not serve as a member of any Board Committee, thereby supporting the independence and effectiveness of the Board Committees in carrying out their respective oversight functions.

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

The Board maintains a clear division of responsibilities between the roles of the Chairman and CEO to ensure an appropriate balance of power and authority, promote accountability and facilitate objective and independent decision-making. These positions are held by different individuals, namely Mr Allen Lik-Hook Ting as the Independent Non-Executive Chairman and Mr Chin Kem Weng as the CEO. The distinct roles and responsibilities of the Chairman and the CEO are clearly set out in the Board Charter.

The Chairman is primarily responsible for providing leadership to the Board, ensuring its effectiveness and proper governance, setting the Board agenda, facilitating constructive deliberations, and promoting active participation by all Directors. He also encourages open communication and consensus-building, while ensuring that Board decisions are made in a timely and effective manner.

The CEO, supported by the Executive Director and Key Senior Management, is responsible for the day-to-day management of the Group’s operations and the implementation of the strategies, policies and decisions approved by the Board. He leads the development and execution of the Group’s strategic and operational plans and is accountable for the overall business performance of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

I. Board Responsibilities (continued)

Company Secretary

The Board is supported by an in-house Company Secretary who is qualified to act as Company Secretary under Section 235 of the Companies Act 2016 and has the requisite knowledge, experience and competencies to support the Board and its Board Committees in the effective discharge of their responsibilities.

The Company Secretary plays an integral role in supporting the Board and its Board Committees in the effective discharge of their responsibilities. She advises and assists the Board in applying corporate governance best practices and ensuring compliance with applicable laws, regulations and directives issued by regulatory authorities. She also keeps the Board informed of relevant regulatory developments and advises on their implications to the Company and the Directors in the discharge of their duties and responsibilities.

The Company Secretary attends all Board, Board Committees and general meetings, ensures that the proceedings and deliberations are properly recorded, and follows up on matters arising from the meetings. She also facilitates effective communication and the timely dissemination of information to the Board to support informed decision-making.

In addition, the Company Secretary coordinates the annual evaluation of the Board, Board Committees and individual Directors, facilitates the induction of new Directors and the organisation of Directors' continuous professional development programmes, and ensures the proper maintenance of the Company's statutory registers and other secretarial records in accordance with applicable legal and regulatory requirements.

Access to Information and Advice

The Board is provided with timely, complete and quality information to enable informed decision-making and the effective discharge of its responsibilities. Prior to each Board and Board Committees meeting, Directors receive the meeting agenda together with comprehensive Board papers, including financial and business updates, corporate developments, internal and external audit reports, risk management reports, sustainability matters, and other relevant information.

Board papers are circulated electronically, followed by hard copies, generally 7 days before each meeting to allow Directors sufficient time to review and consider the matters to be deliberated. Management provides clear explanations and supporting documentation to facilitate meaningful discussions and enable the Board to make informed decisions.

The Board regularly reviews the Group's strategic direction, business updates and key operational matters. Directors are kept informed of significant developments affecting the Group through periodic management updates, quarterly financial results and updates on key business initiatives, thereby enabling the Board to effectively oversee the Group's performance and strategic objectives.

In addition to having unrestricted access to the Key Senior Management, the Company Secretary, and the Internal and External Auditors, the Directors may seek independent professional advice, at the Company's expense, whenever considered necessary in the discharge of their duties. This ensures that the Board has access to independent expertise and relevant information to support objective and well-informed decision-making.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

I. Board Responsibilities (continued)

Board Charter, Code of Conduct & Ethics and Policies

The Board approved and adopted the Board Charter on 22 May 2013. The Board Charter was last reviewed, revised, and approved on 16 October 2025 to ensure that it remains aligned with the Group's governance practices and relevant applicable laws and regulatory requirements. The Board Charter serves as a key governance document and primary reference for Directors and management. It sets out the roles, responsibilities, composition and functions of the Board and Board Committees, the division of responsibilities between the Board and management, matters reserved for the Board's decision, and the principles of good corporate governance that guide the Board in the discharge of its fiduciary duties.

The Company has adopted separate Codes of Conduct and Ethics for Directors and employees to promote high standards of professionalism, integrity, accountability and ethical behaviour. These codes provide guidance in the discharge of their respective duties and responsibilities and reinforce the Group's commitment to conducting its business in accordance with applicable laws, regulations and recognised best practices.

To promote transparency, accountability and ethical conduct, the Group has established a Whistleblowing Policy, as set out in the Board Charter, which provides Directors, employees and stakeholders with a secure and confidential channel to report, in good faith, any genuine concerns relating to unethical conduct, malpractice, fraud, corruption, illegal acts or breaches of laws, regulations and the Group's policies. The policy provides protection against retaliation for whistleblowers acting in good faith and facilitates the prompt investigation and appropriate resolution of reported concerns.

In support of the adequate procedures requirements under Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Board has adopted an Anti-Bribery and Corruption Policy, reaffirming the Group's commitment to conducting its business with integrity, transparency and in compliance with all applicable anti-corruption laws and regulations. The reporting mechanism for corruption-related concerns forms part of the Group's Whistleblowing Policy.

The Board has also approved a Conflict of Interest Policy, which requires Directors to disclose any actual, potential or perceived conflict of interest, whether direct or indirect, including interest arising through related persons, in matters being considered by the Board. Directors with a conflict of interest are required to abstain from deliberations and voting on the relevant matters in accordance with applicable legal and regulatory requirements.

In addition, the Board has adopted the following governance policies to strengthen the Group's corporate governance framework:

- 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 the above policies are reviewed periodically to ensure that they remain relevant, effective and consistent with the Group's operational needs, evolving regulatory requirements and recognised corporate governance best practices.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

I. Board Responsibilities (continued)

Sustainability Governance

The Board, together with the Key Senior Management, recognises its collective responsibility for driving the Group's sustainability agenda across the environmental, social and governance ("ESG") pillars, while creating long-term value for shareholders and stakeholders. The Board is committed to integrating sustainability considerations into the Group's corporate strategy, business operations and decision-making processes, with a strong emphasis on responsible and sustainable business practices.

The Board provides oversight of the Group's sustainability strategy, priorities, targets and performance to ensure that material sustainability risks and opportunities are effectively identified, assessed and managed. To support the implementation and monitoring of sustainability initiatives, the Company has established a Sustainability Committee, chaired by the Executive Director/Deputy Chief Executive Officer and comprising representatives from key functions across the Group. This cross-functional composition facilitates effective coordination and ensures that sustainability considerations are embedded throughout the organisation.

The Sustainability Committee is responsible for driving the execution of the Group's sustainability initiatives, monitoring progress against sustainability objectives, and reporting regularly to the Board on key sustainability matters, including material ESG risks and opportunities, performance indicators, regulatory developments and recommendations for the Board's consideration.

Sustainability and ESG considerations form part of the Board's annual performance evaluation, including the Board's oversight of the Group's material sustainability risks and opportunities, sustainability strategies, priorities and targets. The Sustainability Committee, with support from Key Senior Management, oversees the implementation of the Group's sustainability strategies, priorities and targets, with progress against the targets monitored and reported to the Board. The performance of Senior Management is under the purview of the CEO and is not currently subject to a formal performance evaluation process that specifically incorporates sustainability-related performance considerations. Accordingly, the Company has departed from Practice 4.4 of the MCGG, as further explained in the Corporate Governance Report 2026.

The Board remains attentive to evolving developments in the sustainability reporting requirements and continues to enhance the Group's sustainability governance and reporting processes to support compliance with applicable requirements.

The Board reviews and approves the Group's Sustainability Statement prior to its publication to ensure that it fairly reflects the Group's sustainability governance, material matters, commitments, performance and progress. The Sustainability Statement, which forms part of this Annual Report, provides stakeholders with comprehensive information on the Group's sustainability strategy, governance framework and ESG performance.

II. Board Composition

Board Composition And Balance

The Board is committed to maintaining an appropriate composition that reflects diversity, independence and an effective balance of skills, knowledge, experience and perspectives, in line with the recommendations of the MCGG. The Board believes that a diverse and well-balanced composition enhances the quality of deliberations, strengthens decision-making and supports the Group's long-term strategic objectives.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

Board Composition And Balance (continued)

As of the date of this Statement, the Board comprises six (6) members, consisting of two (2) Executive Directors and four (4) Independent Non-Executive Directors, including the Chairman. Four (4) out of six (6) Directors are Independent Non-Executive Directors, representing two-thirds of the Board. This composition provides a balance between executive participation and independent oversight, enabling the Board to exercise objective judgement in the best interests of the Company.

The Board currently has two (2) women Directors, representing 33.33% of the Board, thereby meeting Practice 5.9 of the MCCG, which provides that the Board should comprise at least 30% women directors.

While supporting gender diversity, the Board remains committed to a merit-based approach in the appointment of Directors and employees. Selection and appointment of Directors and Senior Management are based on merits, taking into consideration the candidate's qualifications, experience, competencies, skills, integrity, independence, diversity of thought and ability to contribute effectively to the Company, without discrimination on the basis of gender, age, ethnicity or cultural background.

The Board is mindful of the MCCG's Practice 5.3, which provides that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years, as well as the applicable requirements under the MMLR of Bursa Securities relating to the maximum tenure of twelve (12) years for an Independent Director. As at the date of this Statement, none of the Company's Independent Non-Executive Directors has served on the Board for more than nine (9) years.

Collectively, the Directors 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 discharge its responsibilities effectively and to make balanced and well-informed decisions.

The Board considers its current size and composition to be appropriate for the Company's business, operational complexity and stage of development. The Board will continue to review its composition periodically to ensure that it remains effective and continues to meet the evolving needs of the Group and the expectations of its stakeholders.

Re-election of Directors

In accordance with the Company's Constitution, one-third of the Directors are required to retire by rotation at each Annual General Meeting ("AGM") and are eligible to offer themselves for re-election. Each Director is required to retire from office at least once every three (3) years. Any Director appointed by the Board during the financial year shall hold office only until the next AGM and shall then be eligible for re-election, but shall not be taken into account in determining the Directors who are subject to retire by rotation at that AGM.

The Board ensures compliance with these provisions at every AGM. For the forthcoming AGM, Mr Allen Lik-Hook Ting and Ms Ong Phoe Be are due to retire by rotation in accordance with the Company's Constitution and, being eligible, have offered themselves for re-election.

The Nomination Committee has assessed the performance, effectiveness, independence, contribution and fitness of the retiring Directors, and recommended their re-election to the Board. Having considered the Nomination Committee's recommendation, the Board supports the proposed re-election of the retiring Directors. In accordance with the MMLR, a statement setting out the Board's rationale and recommendation for the proposed re-election of the retiring Directors is included in the explanatory notes accompanying the Notice of AGM to assist shareholders in making an informed decision.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

Diverse Board and Senior Management

The Company has adopted a Diversity Policy, as outlined in the Board Charter, to promote diversity in the composition of the Board and Senior Management. The Board recognises that a diverse leadership team enhances the quality of decision-making by bringing together a broad range of perspectives, skills, experience and backgrounds. Diversity is considered in terms of, among others, gender, age, ethnicity, and cultural background, professional experience and diversity of thought.

While the Board supports diversity as an important element of good corporate governance, it has not established specific numerical targets for gender, ethnicity or age. Appointments to the Board and Senior Management continue to be made based on merit, taking into consideration the candidates' competencies, qualifications, experience, integrity, independence (where applicable), time commitment and ability to contribute effectively to the long-term success of the Group. The Company is committed to ensuring that all appointments are made through a fair, objective and transparent process that provides equal opportunities for suitably qualified candidates.

The Board also recognises the importance of maintaining a sustainable leadership pipeline. Executive Directors are responsible for identifying, developing and retaining high-potential talent within the organisation, while the Non-Executive Directors provide independent oversight and constructive challenge to ensure that succession planning and leadership appointments are conducted in a fair, objective and merit-based manner. This collaborative approach supports leadership continuity and strengthens the Group's long-term sustainability.

Board and Board Committees Meetings

Directors are expected to devote sufficient time and commitment to discharge their responsibilities effectively and to attend Board and Board Committee meetings throughout the financial year. The attendance record of each Director at the Board and Board Committee meetings held during FY2026 is set out below:

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	4/5	N/A	N/A	N/A	2/2
Allen Lik-Hook Ting	5/5	N/A	N/A	N/A	N/A
Ong Phoe Be	5/5	5/5	1/1	1/1	2/2
Datuk Wira Jeeventhiran a/l Ramanaidu, JP	5/5	5/5	1/1	1/1	N/A
Ong Siew Min	5/5	5/5	1/1	1/1	2/2

Based on the above, all Directors attended at least 50% of the Board meetings held during FY2026, in compliance with the applicable requirements under the MMLR of Bursa Securities. The Board is satisfied that each Director has devoted sufficient time and commitment to discharge their duties and responsibilities effectively.

The Board ordinarily meets on a quarterly basis, with additional meetings convened as and when necessary to deliberate on urgent and significant matters requiring the Board's attention. The annual schedule of Board and Board Committee meetings is planned in advance to facilitate the Directors' attendance and effective participation. Where appropriate, decisions are also made by way of circular resolutions supported by comprehensive information and relevant explanations to enable informed decision-making.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

Board and Board Committees Meetings (continued)

The Board has established a formal schedule of matters reserved for its decision to ensure that the overall direction, control and stewardship of the Group remain under its oversight. Matters reserved for the Board include, among others, the approval of the Group's strategic plans and annual budget, major capital expenditure, significant investments, acquisitions and disposals, material business proposals, succession planning, key corporate policies, and other strategic matters that may have a significant impact on the Group.

The Directors recognise their obligation to avoid situations involving conflicts of interest. Where a Director has an actual or potential interest in any matter under consideration, he or she is required to declare the interest and abstain from participating in the deliberations and decision-making process, in accordance with the Companies Act 2016, the Company's Constitution and applicable regulatory requirements.

Upon appointment and throughout their tenure, Directors are required to notify the Chairman and the Company Secretary before accepting any new directorships. In compliance with the MMLR of Bursa Securities, none of the Directors holds more than five (5) directorships in listed issuers, thereby ensuring that they are able to devote sufficient time and attention to the affairs of the Company.

Directors' Training

The Board recognises that continuing professional development is essential to enable Directors to effectively discharge their duties and responsibilities in an increasingly dynamic regulatory and business environment. Directors are encouraged to participate in relevant training programmes, seminars and briefings to enhance their knowledge, keep abreast of emerging regulatory and industry developments, and strengthen their leadership and governance competencies.

All Directors have completed the Mandatory Accreditation Programme prescribed by Bursa Securities. During FY2026, all Directors participated in training programme as relevant to their roles and responsibilities and/or fulfilled the training requirements established by the Nomination Committee. The Nomination Committee reviews the training needs of the Directors on an ongoing basis to ensure that the Board collectively maintains the knowledge, skills and competencies required to effectively oversee the Group's business and affairs.

The training programmes attended by the Directors during FY2026 included:

- Anti-Bribery and Corruption (MACC Act 2009)
- Cybersecurity Awareness For Management & Leadership
- E-Invoicing Reporting Requirements in Malaysia – Latest Updates on Key Technical Changes
- Audit Oversight Board's conversation with Audit Committee

In addition, the Directors are regularly updated on relevant developments in laws, regulations, corporate governance practices and listing requirements through briefings, circulars and updates provided by the Company Secretary, as well as by External Auditors where appropriate. These updates enable the Directors to remain informed of changes affecting the Group and to discharge their responsibilities effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

Nomination Committee

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

The Board has delegated to the Nomination Committee the responsibility of overseeing matters relating to Board composition, appointments, succession planning, performance evaluation and Directors' continuous professional development. In discharging its responsibilities, the Nomination Committee assists the Board in ensuring that the Board and its Board Committees comprise individuals with an appropriate balance of skills, experience, knowledge, independence and diversity to support the Group's strategic objectives.

The principal responsibilities of the Nomination Committee include, among others:

- Board Composition and Succession Planning – Reviewing the size, composition, structure, diversity and effectiveness of the Board and Board Committees, and overseeing succession planning for Directors and Key Senior Management.
- Appointments and Re-appointments – Identifying, evaluating and recommending suitable candidates for appointment or re-appointment to the Board and Board Committees based on an appropriate mix of skills, experience, competencies, integrity, independence and diversity.
- Board Evaluation – Conducting annual assessments of the effectiveness of the Board, Board Committees and individual Directors, including the independence of Independent Directors.
- Directors' Development – Reviewing the training needs of the Directors and recommending appropriate continuing professional development programmes to ensure that the Board maintains the necessary competencies and remains abreast of regulatory and industry developments.

Through these responsibilities, the Nomination Committee supports the Board in maintaining an effective, high-performing and diverse leadership team with the appropriate competencies to meet the evolving needs of the Group.

During FY2026, the Nomination Committee held one (1) meeting. The key activities undertaken by the Nomination Committee during the financial year included the following:

- Reviewed the size, composition, balance and diversity of the Board, including the required mix of skills, experience, expertise and backgrounds of the Directors;
- Assessed the independence of the Independent Non-Executive Directors;
- Conducted the annual evaluation of the effectiveness of the Board, Board Committees and individual Directors, including peer and self-assessments;
- Reviewed the succession plans for the Board and Key Senior Management;
- Reviewed the training programmes attended by the Directors and monitored the Directors' continuing professional development;
- Reviewed the term of office and performance of the Audit Committee and each of its members in accordance with the MMLR of Bursa Securities; and
- Assessed the retiring Directors and recommended their re-election to the Board for endorsement to table the proposed re-election for shareholders approval at the forthcoming AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

Board Appointment

The Board, through the Nomination Committee, maintains a formal, rigorous and transparent process for the appointment of Directors. The Nomination Committee regularly reviews the size, composition and effectiveness of the Board to ensure that it comprises an appropriate balance of skills, experience, independence and diversity to support the Group's strategic direction and long-term objectives.

In identifying suitable candidates for appointment, the Nomination Committee evaluates each candidate based on, among others, his or her qualifications, competencies, experience, expertise, integrity, independence (where applicable), diversity, time commitment and ability to contribute effectively to the Board. The assessment also includes the declarations required under the Company's Directors' Fit and Proper Policy to ensure that all appointments are aligned with the Company's governance standards and strategic objectives.

Potential candidates are presently identified through recommendations from existing Directors, Key Senior Management, business associates. Regardless of the source, all candidates are assessed objectively against the same selection criteria, with due consideration given to the overall composition of the Board and the complementary mix of skills, experience, knowledge and diversity required to enhance the Board's effectiveness. The Company will consider suitable independent external sources, including external search firms where appropriate, when future Board vacancies arise.

The Nomination Committee makes its recommendation to the Board for consideration and approval. The Board retains ultimate responsibility for all appointments to the Board.

Upon appointment, every new Director participates in a structured induction programme coordinated by the Company Secretary and Key Senior Management. The induction programme provides an overview of the Group's business operations, organisational structure, strategic priorities, key policies, the duties and responsibilities expected of a Director, enabling the new Director to contribute effectively from the outset.

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

The Nomination Committee is responsible for undertaking an annual assessment of the effectiveness of the Board, Board Committees and individual Directors, as well as assessing the independence of the Independent Non-Executive Directors. The annual assessment enables the Nomination Committee to evaluate the performance and effectiveness of the Board's leadership and governance, identify areas for continuous improvement, and ensure that the Board continues to possess the appropriate balance of skills, experience, competencies, independence and diversity required to support the Group's strategic objectives.

The annual evaluation is conducted through a structured assessment process comprising self-assessments, peer assessments and evaluation questionnaires, which are coordinated and administered by the Company Secretary. The assessment is conducted internally, without the involvement of external facilitators. Following the close of each financial year, the evaluation questionnaires are distributed to all Directors to allow sufficient time for completion. The completed assessments are collated by the Company Secretary and presented to the Nomination Committee for review and deliberation. The Chairperson of the Nomination Committee subsequently reports the outcome of the evaluation to the Board for consideration and, where appropriate, follow-up actions.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

II. Board Composition (continued)

Annual Assessment of the Effectiveness of the Board, Board Committees and Individual Directors (continued)

The assessment covers, among others, the effectiveness of the Board and Board Committees, the performance and contribution of individual Directors, the independence of the Independent Non-Executive Directors, the Board's composition and diversity, the Board mix of skills, experience and expertise required to support the Group's current and future business needs. The evaluation also assists the Nomination Committee in identifying potential gaps to facilitate succession planning and future Board appointments.

Based on the assessment conducted for FY2026, the Nomination Committee concluded that the Board and its Board Committees continued to operate effectively and maintained an appropriate balance of skills, experience, independence and diversity. The Nomination Committee was satisfied that all Directors demonstrated the requisite competence, commitment and capacity to discharge their duties effectively, while the Independent Non-Executive Directors continued to exercise objective judgement and independent oversight in the best interests of the Company. The outcome of the evaluation was also considered in determining areas for improvement and in reviewing the Board's composition, skill and succession requirements.

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 assists the Board in establishing and reviewing the remuneration framework and policies for the Directors and Senior Management to ensure that the remuneration structure remains competitive, performance-driven and aligned with the Company's long-term strategic objectives. The Remuneration Committee also reviews and recommends to the Board the remuneration packages of the Executive Directors and the fees and benefits payable to the Non-Executive Directors, taking into consideration the responsibilities, experience and prevailing market practices.

The outcome of the annual performance evaluation of the Directors is taken into consideration by the Remuneration Committee in reviewing and recommending the remuneration of the Directors.

Remuneration Policy

The Company has established a Remuneration Policy for Directors and Senior Management to ensure that remuneration is fair, competitive and aligned with the Group's business objectives, long-term sustainability and market practices. The policy aims to attract, motivate and retain individuals with the appropriate calibre, experience and expertise required to lead the Group effectively.

The remuneration package of the Executive Directors and Senior Management comprises salary, allowances, performance-based incentives, bonuses and other customary benefits, where applicable. In determining the remuneration of the Executive Directors and Senior Management, the Remuneration Committee and the Board take into consideration, among others, the scope and complexity of their responsibilities, individual and corporate performance, experience, competencies and prevailing market practices. The remuneration of the Key Senior Management is the prerogative of the CEO in accordance with the approved remuneration framework, while the Board retains overall oversight of the remuneration policy.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

III. Remuneration (continued)

Remuneration Policy (continued)

The Non-Executive Directors receive fixed annual Directors' fees in recognition of their responsibilities and contributions as members of the Board and Board Committees. The level of Directors' fees is determined by the Board, taking into consideration the responsibilities assumed, the time commitment required and prevailing market practices. The Directors' fees are subject to shareholders' approval at the AGM in accordance with Section 230(1) of the Companies Act 2016.

To uphold good corporate governance, any Director with an interest in the remuneration under consideration abstains from deliberating and voting on the relevant matter at both the Remuneration Committee and Board meetings, as applicable.

Directors' Remuneration

Pursuant to the MMLR of Bursa Securities and in line with the MCCG, the remuneration received by the Directors of the Company from the Company and the Group for FY2026 is disclosed on a named basis, as follows:

	Fees		Salaries	Bonus	Benefits-in-kind	Total	
	Group	Company				Group	Company
	RM	RM	RM	RM	RM	RM	RM
Executive Directors							
Chin Kem Weng	-	-	822,193	67,800	27,996	917,989	917,989
Sow Ewe Lee	-	-	507,008	41,765	23,952	572,725	572,725
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
Datuk Wira Jeeventhiran a/l Ramanaidu, JP	72,000	72,000	-	-	-	72,000	72,000
Ong Siew Min	72,000	72,000	-	-	-	72,000	72,000
Total	408,000	408,000	1,329,201	109,565	51,948	1,898,714	1,898,714

Remuneration of Top Five Senior Management

The Remuneration Committee and the Board are of the view that the disclosure of the names of the top five (5) Senior Management personnel (excluding Directors) and their individual remuneration details is not in the best interests of the Company. Given the highly competitive market for senior management personnel possessing the requisite knowledge, technical expertise and industry experience, such disclosure may place the Company at a competitive disadvantage in attracting and retaining key talent.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (continued)

III. Remuneration (continued)

Remuneration of Top Five Senior Management (continued)

As an alternative, the Company has disclosed the remuneration of the top five (5) Senior Management personnel (excluding Directors) in bands of RM50,000, without identifying individual Senior Management personnel, as set out below:

Remuneration Range	Number of Senior Management Personnel
RM300,001 - RM350,000	1
RM350,001 - RM400,000	3
RM400,001 - RM450,000	1

This alternative disclosure provides shareholders with visibility of the overall remuneration levels of the top five (5) Senior Management personnel while addressing the Company's concerns regarding the disclosure of individual remuneration details.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Audit Committee comprises three (3) members, all of whom are Independent Non-Executive Directors. The Audit Committee is chaired by an Independent Non-Executive Director who is not the Chairman of the Board. In line with the recommendations of the MCGG, the Chairman of the Board is not a member of the Audit Committee. This separation of roles reinforces the independence of the AC and enables the Board to objectively consider its findings and recommendations.

None of the current Audit Committee members is a former partner of the Company's External Auditors. In line with the MCGG and the Company's Auditors' Policy, a former partner is required to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee. This requirement safeguards the independence and objectivity of the AC and mitigates any risk of undue influence over the external audit process.

The Board ensures that the Audit Committee comprises members who are financially literate and possess the requisite knowledge, experience and understanding of the Group's business to effectively discharge their responsibilities. At least one member of the Audit Committee is a member of the Malaysian Institute of Accountants. Among its principal responsibilities, the Audit Committee oversees the integrity of the Group's financial reporting, reviews the effectiveness of the internal control and risk management systems, monitors the internal and external audit functions and considers situations involving potential conflicts of interest.

While the Board retains overall responsibility for the integrity of the Group's quarterly and annual financial reporting, it relies on the Audit Committee to review the financial reporting process and provide assurance that the financial statements have been prepared in accordance with applicable Malaysian Financial Reporting Standards, the Companies Act 2016 and other relevant regulatory requirements, based on appropriate accounting policies, significant judgements and reasonable estimates.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (continued)

I. Audit Committee (continued)

The Audit Committee reviews the suitability, independence and effectiveness of the External Auditors on an annual basis in accordance with the Auditors' Policy. The assessment covers, among others, the External Auditors' performance, objectivity, independence, quality of services, audit engagement team, audit fees and communications with the Audit Committee. Based on the assessment outcome, the Audit Committee makes recommendations to the Board regarding the appointment, reappointment, or termination of the External Auditors.

To safeguard the independence of the External Auditors, the Audit Committee has established a policy governing their engagement in non-audit services. The policy specifies the types of permissible non-audit services and requires the Audit Committee's prior approval for any non-audit engagement. The Audit Committee also monitors the nature and extent of non-audit services provided to ensure that the External Auditors' independence and objectivity are not impaired.

The Audit Committee maintains an open and professional working relationship with both the Internal and External Auditors and has unrestricted access to them at all times. The Audit Committee also meets separately with the External Auditors, and where necessary the Internal Auditors, without the presence of the Executive Directors and management, to facilitate open and candid discussions on audit findings, financial reporting, internal controls and other matters of concern.

Further details on the composition of the Audit Committee, its terms of reference, meeting attendance and activities undertaken during FY2026 are set out 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 risk management and internal control to safeguard shareholders' investments and the assets of the Company and the Group, while supporting the achievement of the Group's strategic objectives. The Board, with the assistance of the Risk Management Committee and the Audit Committee, regularly reviews the adequacy and effectiveness of the Group's risk management and internal control systems to ensure that principal risks are appropriately identified, evaluated, managed and monitored.

The Board recognises that the Group's system of risk management and internal control is designed to manage, rather than eliminate, the risk of failure to achieve its business objectives. Accordingly, the system can provide only reasonable, and not absolute, assurance against material misstatement, fraud or loss. The Board remains committed to continuously strengthening the Group's governance, risk management and internal control framework in response to the evolving business and regulatory environment.

The Group's Risk Management Framework incorporates a structured process for identifying, assessing, monitoring and managing risks across the organisation. A comprehensive Risk Register is maintained to document the Group's principal risks, risk owners, mitigation measures and action plans. The Risk Management Committee reviews the Risk Registers regularly, with particular focus on significant and emerging risks, the effectiveness of mitigation measures and the progress of management's action plans. The Board receives semi-annual reports on the Group's risk profile and the effectiveness of the risk management framework, enabling it to exercise effective oversight of the Group's key risks.

To strengthen the Audit Committee's 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 structured, systematic and risk-based approach in evaluating the adequacy and effectiveness of the Group's governance, risk management and internal control systems. The internal auditors report functionally and directly to the Audit Committee, thereby maintaining their independence and objectivity.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (continued)

II. Risk Management And Internal Control Framework (continued)

The internal audit function conducts reviews based on the approved internal audit plan and reports its findings, recommendations and management's responses to the Audit Committee, which monitors the implementation of agreed corrective actions and reports significant matters to the Board.

Further information on the Group's risk management framework and internal control systems is set out in the Statement on Risk Management and Internal Control contained 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 transparent, timely and effective communication with shareholders, investors and other stakeholders. The Company is committed to providing clear, accurate and timely disclosure of material information to facilitate informed investment decisions and foster stakeholders' confidence in the Group.

The dissemination of corporate information is governed by the Company's Corporate Disclosure Policy, which establishes the principles and procedures for the timely, accurate and consistent disclosure of material information in compliance with the MMLR of Bursa Securities and other applicable regulatory requirements.

The Company's principal communication channels include its Annual Report, which provides stakeholders with comprehensive information on the Group's financial performance, business operations, strategic direction, sustainability initiatives and corporate governance practices. In addition, the Company's corporate website serves as an important platform for disseminating corporate information, including the Board Charter, terms of reference of the Board Committees, key corporate governance policies, Corporate Governance Report, Sustainability Statement, financial reports, notices and minutes of general meetings, Management Discussion and Analysis, and announcements released to Bursa Securities.

The Company also encourages two-way communication with its stakeholders through various communication channels, including its general enquiry telephone line, email address and the online enquiry facility available under the "Contact Us" section of the corporate website. Stakeholders may submit enquiries, comments or feedback through these channels, and the Company endeavours to respond in a timely and appropriate manner.

Where appropriate, the Company conducts engagement sessions, including investor and analyst briefings, to provide stakeholders with updates on significant corporate developments, business strategies and the Group's financial performance, as well as to facilitate a better understanding of the Group's business and strategic direction.

II. Conduct of General Meetings

General meetings provide an important platform for shareholders to exercise their ownership rights and engage directly with the Board and Senior Management. The AGM serves as the principal forum for such engagement, enabling shareholders to participate in the Company's decision-making process, raise questions and provide feedback on matters relating to the Group's business, financial performance, corporate strategy and governance practices.

The 27th AGM of the Company was held on 25 November 2025. The notice of the 27th AGM, together with the proxy form and explanatory information on the proposed resolutions, was issued to shareholders at least 28 days before the AGM, in line with Practice 13.1 of the MCGG. This provides shareholders with sufficient time to consider the resolutions, make the necessary arrangements to participate in the AGM and appoint proxies, where appropriate.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

II. Conduct of General Meetings (continued)

The Board is committed to ensuring meaningful shareholder participation at the AGM. During the meeting, shareholders are encouraged to raise questions and seek clarification on the Company's performance, financial results, governance matters and the proposed resolutions. The Board, Key Senior Management and External Auditors are present to respond to shareholders' questions and provide appropriate explanations and clarifications.

In line with the Company's commitment to transparency, the minutes of the AGM, including the key matters discussed and responses to questions raised by shareholders, are published on the Company's corporate website within the prescribed timeframe after the conclusion of the meeting, enabling shareholders who were unable to attend the AGM to remain informed of the proceedings.

COMPLIANCE STATEMENT

The Board is satisfied that the Company has substantially applied the Practices set out in the MCCG throughout FY2026, save for the departures disclosed and explained in the Corporate Governance Report 2026. The Board remains committed to continuously strengthening the Company's corporate governance framework and will review the remaining practices for adoption where appropriate, having regard to the Group's evolving business needs and regulatory requirements.

This Statement was presented and approved by the Board of Directors on 16 October 2026.

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 financial year under review.

This Statement on Risk Management and Internal Control is made in accordance with Principle B of the Malaysian Code on Corporate Governance 2021 and paragraph 15.26 (b) of the Main Market Listing Requirement ("MMLR") of Bursa Malaysia Securities Berhad, 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 ("RMWG"), comprising relevant members of Management, 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.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

RISK MANAGEMENT FRAMEWORK (continued)

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.

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 operates independently from Management and reports functionally to the Audit Committee. The Internal Auditor supports the Audit Committee and, by extension, the Board, by providing independent and objective assurance on the adequacy and effectiveness of the Group's governance, risk management and internal control processes.

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.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

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, RMC and Long-Term Incentive Plan Committee.
- 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.

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.
- Weekly operations meetings and Management meetings are convened 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 financial 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.

The Group's risk assessment processes are integrated with its risk management framework as described above.

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

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 has been operating adequately and effectively, in all material aspects, for the financial year under review and up to the date of approval of this Statement.

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 control weaknesses to suggest that the Group's business risks are not being satisfactorily managed.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required under paragraph 15.23 of the MMLR of Bursa Malaysia Securities Berhad, 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 financial year ended 30 June 2026, 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 Section 7 of Statement on Risk Management and Internal Control ("SORMIC") Guidelines for Directors of Listed Companies, 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 2026.

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 2026 ("FY2026").

COMPOSITION AND DESIGNATION OF THE AC

The AC comprises the following members:

Name	Designation	Directorship
Ong Phoe Be	Chairperson	Independent Non-Executive Director
Datuk Wira Jeeventhiran a/l Ramanaidu, JP	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 ("MMLR"), which require the AC to comprise at least three (3) members, all of whom are Non-Executive Directors, with a majority being Independent Directors, and the AC to be chaired by an Independent Director.

The Company has also adopted Step-Up Practice 9.4 of the Malaysian Code on Corporate Governance ("MCCG"), whereby the AC comprises solely Independent Directors.

To further enhance the independence of the AC, the Company has adopted a policy requiring a minimum three-year cooling-off period for former partners of the External Auditors before they are appointed as members of the AC, 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 shall satisfy the following requirements:

- The AC shall comprise not fewer than three (3) members;
- All members of the AC must be Non-Executive Directors, with a majority being Independent Directors;
- The Chairman of the AC shall be appointed by the Board, or failing which by the members of the AC themselves. The Chairman shall be an Independent Director and shall not 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 or she is not a member of the MIA, must have at least three (3) years' working experience and:
 - (i) he/she must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
 - (ii) he/she must be a member of one (1) of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
 - (iii) fulfils such other requirements as may be prescribed or approved by Bursa Malaysia Securities Berhad.
- An alternate Director is not eligible for membership in the AC.

Ms Ong Siew Min is a member of the MIA. All members of the AC are financially literate and possess the requisite knowledge, experience and understanding of the Group's business to discharge their responsibilities effectively. They remain abreast of developments in accounting and auditing standards, financial reporting requirements and other relevant regulatory requirements through, among others, briefings provided by the External Auditors, and consider the implications of such developments, where applicable, on the preparation and presentation of the Company's financial statement.

The AC is guided by its Terms of Reference ("TOR"), which are available on the Company's corporate website. The TOR are reviewed periodically to ensure that they remain relevant and aligned with the AC's responsibilities, regulatory requirements and corporate governance practices.

AUDIT COMMITTEE REPORT

MEETINGS AND ATTENDANCE

During FY2026, the AC convened five (5) meetings. The attendance of each member was as follows:

AC Member	Attendance
Ong Phoe Be	5/5
Datuk Wira Jeeventhiran a/l Ramanaidu, JP	5/5
Ong Siew Min	5/5

AC meetings are scheduled in advance to facilitate members' availability. Meetings are conducted in accordance with a predetermined annual meeting schedule, with due notices and agendas circulated in advance to allow members sufficient time to prepare for and deliberate on the matters to be considered.

At each Board meeting, the Chairperson of the AC briefs the Board on key matters deliberated at the most recent AC meeting. The minutes of each AC meeting are subsequently circulated to the Board 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 Internal Auditors and other members of management to attend its meetings, where necessary, to provide information and clarification on matters under deliberation.

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AC

During FY2026, the principal activities undertaken by the AC are summarised as follows:

Financial Reporting

- Reviewed the unaudited quarterly financial results, with particular focus on significant accounting judgements, key estimates, regulatory compliance and the appropriateness of disclosures, prior to recommending them to the Board for approval. The CFO and SVP Finance provided detailed explanations on the Group's financial performance and cash flow position.
- Reviewed the audited consolidated financial statements of the Company and the Group, which were prepared in accordance with the applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016, prior to recommending them to the Board for approval.

External Audit

- Reviewed and discussed with the External Auditors the audit planning memorandum, including the audit engagement team, the External Auditors' independence declaration, audit timetable, audit scope and approach, key audit risks and proposed Key Audit Matters.
- Reviewed the progress of the statutory audit, evaluated the audit findings and management's responses, and considered the proposed Key Audit Matters. The AC also considered the audit procedures performed on significant areas, including revenue recognition, to satisfy itself that sufficient audit work had been undertaken to support the External Auditors' conclusions and the financial statements.
- Held private discussions with the External Auditors, without the presence of Executive Directors and management, to discuss audit findings, the quality of cooperation and assistance provided by management, and other matters arising from the audit. The External Auditors did not raise any significant concerns during these sessions.

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AC (continued)

During FY2026, the principal activities undertaken by the AC are summarised as follows: (continued)

Internal Audit

- Reviewed the internal audit reports, including audit findings, recommendations and management's responses, to ensure that key risks were appropriately addressed and corrective actions were implemented in a timely manner.
- Monitored management's progress in implementing agreed corrective actions and assessed the effectiveness of remedial measures taken.
- Assessed the adequacy and effectiveness of the Group's system of risk management, internal controls and governance processes.

Other Matters

- Reviewed actual or potential conflict of interest situations involving the Directors or Key Senior Management, where applicable, and noted that no such situations arose during the financial year.
- Assessed the performance, suitability, objectivity and independence of the External Auditors in accordance with the Company's Auditors' Policy, and recommended their re-appointment to the Board for endorsement and the audit fees for the Board's approval.
- Reviewed the provision of internal audit services by the outsourced internal audited function, including the scope, competency, 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 approval for inclusion in the Annual 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 the adequacy and effectiveness of the Group's governance, risk management and internal control processes.

CGRM Infocomm Sdn Bhd is 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 Assurance and Chartered Member of the Institute of Internal Auditors, Inc., with extensive experience in internal auditing.

The Internal Audit Charter sets out the terms of reference, roles, responsibilities, authority and organisational status of the internal audit function within the Group. The scope of the internal audit function encompasses the assessment of the adequacy and effectiveness of the Group's governance, risk management and internal control processes, as well as compliance with applicable laws, regulations, policies and procedures within the audited areas.

The internal audit activities are conducted in accordance with the International Professional Practices Framework® ("IPPF"), comprising the Global Internal Audit Standards, Topical Requirements and Global Guidance issued by the Institute of Internal Auditors ("IIA"), and are guided by the Internal Control – Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("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. This is consistent with the Group's framework for designing, implementing and monitoring its internal control system.

AUDIT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION, ACTIVITIES AND COSTS (continued)

The risk-based internal audit plan outlines the audit timetable for auditable business processes, and follow-up reports are tabled to the AC for review and endorsement. The AC may authorise changes to the audit plan from time to time, as necessary.

During FY2026, the Internal Auditors undertook the following activities:

- (a) Completed reviews in accordance with the approved audit plan, with no significant issues reported, covering the following areas:

Audit Area	Scope
Safety, Health & Environment Management	• Compliance management • Accident/Incident management • Environment management
Sustainability Statement for Financial Year Ended 30 June 2025	• Verification of selected sustainability indicators • Sustainability reporting disclosure • Compliance with the disclosure requirements set out in the Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
Risk Management Process Assessment	• Risk governance structure • Risk identification process • Risk assessment methodology • Risk monitoring and reporting • Risk ownership and accountability • Risk escalation procedures • Integration with strategy and operations • Risk registers and risk reporting

- (b) Conducted discussions with auditees, process owners and management on the observations and recommended action plans to address identified risks or control deficiencies following each audit review.
- (c) Presented internal audit reports to the AC, highlighting internal audit observations and issues identified, together with recommendations and management's agreed action plans to address the identified issues and strengthen internal controls.

The total cost incurred for the internal audit function in FY2026, inclusive of tax and out-of-pocket expenses, amounted to RM57,144.54.

REVIEW OF THE AUDIT COMMITTEE

The Nomination Committee conducted an annual review of the term of office and performance of the AC and each of its members to determine whether the AC and its members had carried out their duties and responsibilities effectively in accordance with the AC's TOR.

Based on the latest assessment, the Nomination Committee was satisfied that the AC and each of its members had discharged their duties and responsibilities effectively in accordance with the TOR and had contributed effectively to the Board's oversight of financial reporting, risk management, internal controls and corporate governance.



Financial Statements

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DIRECTORS' REPORT

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 2026.

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	(144,952)	(145,083)
Attributable to:		
Owners of the Company	(144,952)	(145,083)
Non-controlling interest	-	-
	(144,952)	(145,083)

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of the dividend in respect of the financial year ended 30 June 2026.

RESERVES OR PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

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.

DIRECTORS' REPORT

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.

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.

DIRECTORS' REPORT

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, no new issue of shares or 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 7,185,000 of its issued and paid up ordinary shares from the open market at an average price of RM0.52 per ordinary share. The total consideration paid for the share repurchased included transaction costs was RM3,758,187.

As at 30 June 2026, the Company held 18,185,000 treasury shares out of its 791,306,980 issued ordinary shares. Such treasury shares are held at a carrying amount of RM15,418,413.

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.

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
Datuk Wira Jeeventhiran A/L Ramanaidu, JP
Allen Lik-Hook Ting
Ong Siew Min

* *Directors of the Company and subsidiaries*

Other than as stated above, the name of the director of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Guru Thandi

(Appointed on 8 June 2026)

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:

	At 1 July 2025	Number of ordinary shares		At 30 June 2026
		Bought	Sold	
Interests in the Company				
Direct interests:				
Chin Kem Weng	59,962,565	11,914,600	-	71,877,165
Sow Ewe Lee	13,597,100	150,000	-	13,747,100
Ong Phoe Be	868,000	-	-	868,000
Datuk Wira Jeeventhiran A/L Ramanaidu, JP	100,000	-	-	100,000
Allen Lik-Hook Ting	2,027,200	2,000,000	-	4,027,200

Other than as stated above, none of the other directors in office at the end of the financial year did not have any interest in ordinary shares or debentures of the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, 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.

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	110
- Benefits-in-kind	52
	1,491
Non-executive directors	
- Fees	408
	1,899

DIRECTORS' REPORT

DIRECTORS' BENEFITS (continued)

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

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity insurance coverage and insurance premium paid for the directors and officers of the Company were 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
		2026 %	
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.
Genetec Arthika Sdn. Bhd. (formerly known as FAS Technology Solution Sdn. Bhd.)	Malaysia	90	Design and development of standard automated industrial equipment. The Company has ceased operations since financial year 2012.
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.

DIRECTORS' REPORT

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 2026

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2026

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	149,964	131,970	149,964	131,970
Goodwill	6	-	-	-	-
Investment in subsidiaries	7	-	-	1	1
Investment in a joint venture	8	-	-	-	-
Deferred tax assets	9	3,272	3,272	3,272	3,272
Other investment	10	-	-	-	-
Total non-current assets		153,236	135,242	153,237	135,243
Current assets					
Inventories	11	12,480	14,866	12,480	14,866
Trade and other receivables	12	181,243	145,386	181,238	145,531
Contract assets	13	17,494	176,378	17,494	176,378
Current tax assets		5,875	5,570	5,875	5,570
Short-term investments	14	12,096	33,733	12,096	33,733
Cash and bank balances	15	27,362	10,298	27,348	10,279
Total current assets		256,550	386,231	256,531	386,357
TOTAL ASSETS		409,786	521,473	409,768	521,600

STATEMENTS OF FINANCIAL POSITION

As at 30 June 2026

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
EQUITY AND LIABILITIES					
Equity attributable to the owners of the Company					
Share capital	16	279,730	279,730	279,730	279,730
Treasury shares	17	(15,418)	(11,660)	(15,418)	(11,660)
Other reserves	18	(2,104)	(4,387)	-	(2,280)
Retained earnings		25,047	172,014	22,686	170,049
		287,255	435,697	286,998	435,839
Non-controlling interests		(255)	-	-	-
TOTAL EQUITY		287,000	435,697	286,998	435,839
Non-current liabilities					
Loans and borrowings	19	681	933	681	933
Lease liabilities	20	38	208	38	208
Total non-current liabilities		719	1,141	719	1,141
Current liabilities					
Loans and borrowings	19	99,518	30,824	99,518	30,824
Lease liabilities	20	242	240	242	240
Derivatives financial liabilities	21	437	-	437	-
Trade and other payables	22	21,657	53,162	21,641	53,147
Contract liabilities	13	213	409	213	409
Total current liabilities		122,067	84,635	122,051	84,620
TOTAL LIABILITIES		122,786	85,776	122,770	85,761
TOTAL EQUITY AND LIABILITIES		409,786	521,473	409,768	521,600

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

STATEMENTS OF COMPREHENSIVE INCOME

For the Financial Year Ended 30 June 2026

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue	23	102,847	222,684	102,847	211,345
Cost of sales		(219,212)	(210,003)	(219,212)	(199,089)
Gross (loss)/profit		(116,365)	12,681	(116,365)	12,256
Other income		6,659	13,113	6,669	6,450
Administrative expenses		(15,470)	(33,408)	(15,594)	(31,604)
Other expenses		(16,092)	(14,923)	(16,092)	(14,406)
Net reversal of impairment losses/(impairment losses) of financial assets		155	(2,174)	138	(2,186)
Operating loss		(141,113)	(24,711)	(141,244)	(29,490)
Finance income	24	370	884	370	760
Finance costs	25	(3,969)	(1,207)	(3,969)	(929)
Loss before tax	26	(144,712)	(25,034)	(144,843)	(29,659)
Tax (expense)/credit	28	(240)	71	(240)	71
Loss for the financial year		(144,952)	(24,963)	(145,083)	(29,588)
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		3	453	-	-
Reclassification adjustment of foreign exchange translation reserve	7(b)	-	(247)	-	-
		3	206	-	-
Other comprehensive income/(loss) for the financial year		3	(2,074)	-	(2,280)
Total comprehensive loss for the financial year		(144,949)	(27,037)	(145,083)	(31,868)

STATEMENTS OF COMPREHENSIVE INCOME

For the Financial Year Ended 30 June 2026

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
(Loss)/Profit attributable to:					
Owners of the Company		(144,952)	(31,363)	(145,083)	(29,588)
Non-controlling interest		-	6,400	-	-
		(144,952)	(24,963)	(145,083)	(29,588)
Total comprehensive (loss)/income attributable to:					
Owners of the Company		(144,949)	(33,908)	(145,083)	(31,868)
Non-controlling interest		-	6,871	-	-
		(144,949)	(27,037)	(145,083)	(31,868)
Loss per ordinary share attributable to ordinary shareholders of the Company (sen)					
- Basic	29	(18.7)	(4.0)		
- Diluted	29	(18.7)	(4.0)		

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

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2026

← Attributable to owners of the Company →									
Group	Note	Share capital RM'000	Translation reserve RM'000	Fair value reserve of financial assets at FVOCI RM'000	Treasury shares RM'000	Retained earnings RM'000	Sub- total RM'000	Non- controlling interest RM'000	Total equity RM'000
At 1 July 2025		279,730	(2,107)	(2,280)	(11,660)	172,014	435,697	-	435,697
Total comprehensive loss for the financial year									
Loss for the financial year		-	-	-	-	(144,952)	(144,952)	-	(144,952)
Other comprehensive income for the financial year		-	3	-	-	-	3	-	3
Total comprehensive loss		-	3	-	-	(144,952)	(144,949)	-	(144,949)
Transactions with owners									
Change in ownership interest in a subsidiary		-	-	-	-	265	265	(255)	10
Shares repurchased	17	-	-	-	(3,758)	-	(3,758)	-	(3,758)
Total transactions with owners		-	-	-	(3,758)	265	(3,493)	(255)	(3,748)
Transfer within equity									
Transfer of FVOCI reserve upon disposal of equity instruments		-	-	2,280	-	(2,280)	-	-	-
At 30 June 2026		279,730	(2,104)	-	(15,418)	25,047	287,255	(255)	287,000

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2026

Attributable to owners of the Company										
Group	Note	Share capital	Translation reserve	Fair value reserve of financial assets at FVOCI	Share option reserve	Treasury shares	Retained earnings	Sub-total	Non-controlling interest	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2024		269,980	(1,842)	-	266	-	219,075	487,479	9,249	496,728
Total comprehensive loss for the financial year										
Loss for the financial year		-	-	-	-	-	(31,363)	(31,363)	6,400	(24,963)
Other comprehensive (loss)/income 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	16	1,173	-	-	(266)	-	-	907	-	907
Issue of ordinary shares pursuant to LTIP	16	8,577	-	-	-	-	-	8,577	-	8,577
Dividend paid on shares	30	-	-	-	-	-	(15,698)	(15,698)	-	(15,698)
Disposal of a subsidiary	7(a)	-	-	-	-	-	-	-	(14,557)	(14,557)
Dissolution of subsidiaries	7(b)	-	-	-	-	-	-	-	(1,563)	(1,563)
Shares repurchased	17	-	-	-	-	(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 2026

Company	Note	Attributable to owners of the Company				
		Share capital	Fair value reserve of financial assets at FVOCI	Treasury shares	Retained earnings	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2025		279,730	(2,280)	(11,660)	170,049	435,839
Total comprehensive loss for the financial year		-	-	-	(145,083)	(145,083)
Loss for the financial year		-	-	-	(145,083)	(145,083)
Transactions with owners						
Shares repurchased	17	-	-	(3,758)	-	(3,758)
Transfer within equity						
Transfer of FVOCI reserve upon disposal of equity instruments		-	2,280	-	(2,280)	-
At 30 June 2026		279,730	-	(15,418)	22,686	286,998

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 30 June 2026

Attributable to owners of the Company						
Company	Note	Share capital	Fair value reserve of financial assets at FVOCI	Share option reserve	Treasury shares	Total equity
		RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2024		269,980	-	266	-	485,581
Total comprehensive loss for the financial year						
Loss for the financial year		-	-	-	-	(29,588)
Other comprehensive loss for the financial year		-	(2,280)	-	-	(2,280)
Total comprehensive loss		-	(2,280)	-	-	(31,868)
Transactions with owners						
Issue of ordinary shares pursuant to ESOS	16	1,173	-	(266)	-	907
Issue of ordinary shares pursuant to LTIP	16	8,577	-	-	-	8,577
Dividend paid on shares	30	-	-	-	-	(15,698)
Shares repurchased	17	-	-	-	(11,660)	(11,660)
Total transactions with owners		9,750	-	(266)	(11,660)	(17,874)
At 30 June 2025		279,730	(2,280)	-	(11,660)	435,839

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

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2026

		Group		Company	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities					
Loss before tax		(144,712)	(25,034)	(144,843)	(29,659)
Adjustments for:					
Bad debts written off		389	-	601	107
Depreciation of property, plant and equipment	5	6,018	6,600	6,018	5,427
Finance costs		3,969	1,207	3,969	929
Finance income		(370)	(884)	(370)	(760)
Fair value gain on short-term investments		(440)	(2,456)	(440)	(2,456)
Gain on derecognition of right-of-use assets		(2)	-	(2)	-
Gain on disposal of a subsidiary		-	(1,416)	(10)	(3,281)
Gain on dissolution of subsidiaries		-	(1,806)	-	-
Impairment losses on:					
- amount due from a joint venture	12	-	2,400	-	2,400
- amounts due from subsidiaries	12	-	-	17	12
- investment in a joint venture	8	-	-	-	250
Inventories written down	11	1,066	101	1,066	101
Net unrealised loss on derivatives		437	-	437	-
Net unrealised (gain)/loss on foreign exchange		(4,909)	10,269	(4,909)	10,357
Reversal of inventories written down	11	-	(170)	-	(170)
Reversal of provision of warranty		-	(450)	-	(450)
Reversal of impairment losses on:					
- amount due from a joint venture	12	(155)	-	(155)	-
- trade receivables	12	-	(226)	-	(226)
Shares granted under LTIP		-	8,577	-	8,577
Waiver of debts		-	(6,624)	-	-
Operating loss before changes in working capital, carried forward		(138,709)	(9,912)	(138,621)	(8,842)

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2026

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Operating loss before changes in working capital, brought forward		(138,709)	(9,912)	(138,621)	(8,842)
Changes in working capital:					
Inventories		1,320	(1,307)	1,320	(1,323)
Trade and other receivables		(31,221)	(101,126)	(31,299)	(102,455)
Contract assets		158,884	2,706	158,884	3,255
Contract liabilities		(196)	(174)	(196)	(332)
Trade and other payables and derivative financial liabilities		(31,466)	21,670	(31,468)	21,127
Cash used in operations		(41,388)	(88,143)	(41,380)	(88,570)
Income tax paid		(545)	(5,601)	(545)	(5,385)
Net cash used in operating activities		(41,933)	(93,744)	(41,925)	(93,955)
Cash flows from investing activities					
Acquisition of property, plant and equipment	(a)	(23,517)	(22,391)	(23,517)	(22,332)
Interest received		340	455	340	331
Proceeds from disposal of subsidiaries		10	5,098	10	13,500
Withdrawal of short-term investments		22,107	91,966	22,107	91,966
Net cash (used in)/from investing activities		(1,060)	75,128	(1,060)	83,465

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2026

	Note	Group		Company	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Cash flows from financing activities					
Proceeds from issuance of shares		-	907	-	907
Drawdown of trade finance facilities	(b)	276,898	66,139	276,898	66,139
Dividend paid to owners of the Company		-	(15,698)	-	(15,698)
Interest paid on loans and borrowings		(3,969)	(1,207)	(3,969)	(929)
Repurchase of treasury shares		(3,758)	(11,660)	(3,758)	(11,660)
Repayment of hire purchase payables	(b)	(1,861)	(2,952)	(1,861)	(2,019)
Repayment of trade finance facilities	(b)	(206,972)	(46,882)	(206,972)	(46,882)
Repayment of term loans	(b)	-	(657)	-	-
Payment of lease liabilities	(b)	(284)	(154)	(284)	(103)
Net cash from/(used in) financing activities		60,054	(12,164)	60,054	(10,245)
Net increase/(decrease) in cash and cash equivalents		17,061	(30,780)	17,069	(20,735)
Cash and cash equivalents at the beginning of the financial year		10,298	41,080	10,279	31,014
Effects of exchange rate changes on cash and cash equivalents		3	(2)	-	-
Cash and cash equivalents at the end of the financial year	15	27,362	10,298	27,348	10,279

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

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Purchase of property, plant and equipment	24,090	22,801	24,090	22,742
Financed by way of lease arrangements	(196)	(410)	(196)	(410)
Financed by way of hire purchase arrangements	(377)	-	(377)	-
Cash payments on purchase of property, plant and equipment	23,517	22,391	23,517	22,332

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2026

(b) Reconciliation of liabilities arising from financing activities:

	1.7.2025	Cash flows	Non-cash		30.6.2026
	RM'000	RM'000	Derecognition	Acquisition	RM'000
			RM'000	RM'000	
Group and Company					
Hire purchase payables	2,788	(1,861)	-	377	1,304
Revolving credit and loans	6,000	3,000	-	-	9,000
Trade financing	22,969	66,926	-	-	89,895
Lease liabilities	448	(284)	(80)	196	280
	32,205	67,781	(80)	573	100,479

	1.7.2024	Cash flows	Non-cash		30.6.2025
	RM'000	RM'000	Acquisition	Disposal of subsidiary	RM'000
			RM'000	RM'000	
Group					
Term loans	4,832	(657)	-	(4,175)	-
Hire purchase payables	7,674	(2,952)	-	(1,934)	2,788
Revolving credit and loans	-	6,000	-	-	6,000
Trade financing	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 and loans	-	6,000	-	-	6,000
Trade financing	9,712	13,257	-	-	22,969
Lease liabilities	141	(103)	410	-	448
	14,660	17,135	410	-	32,205

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 30 June 2026

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

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Included in net cash used in operating activities:				
Payment relating to leases of:				
- low value assets	63	118	63	76
- short-term leases	57	375	57	292
Included in net cash from/(used in) financing activities:				
Interest paid in relation to lease liabilities	21	7	21	6
Payment of lease liabilities	284	154	284	103
Total cash outflows for leases	425	654	425	477

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 system, 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 2026.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

2.2 Adoption of amendments to MFRS

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

Amendments to MFRS

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

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 Company have not adopted the following new MFRSs and amendments to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 20	Regulatory Assets and Regulatory Liabilities	1 January 2029
<u>Amendments to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
MFRS 7	Financial Instruments: Disclosures	1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 107	Statement of Cash Flows	1 January 2026
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2027
MFRS 128	Investments in Associates and Joint Ventures	1 January 2027 [#] / Deferred

[#] Amendments to MFRS 128 shall apply when an entity first applies MFRS 18 Presentation and Disclosure in Financial Statements.

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

MFRS 18 Presentation and Disclosure in Financial Statements

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

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

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 (continued)

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

MFRS 18 Presentation and Disclosure in Financial Statements (continued)

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

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

2.3.2 The initial application of the above applicable new MFRSs and amendments to MFRSs is not expected to have material financial impact to the current year and prior year financial statements of the Group and of the Company. The Group and the Company are assessing the impact of MFRS 18, which among others, may result in changes to how information is grouped in the financial statements, the presentation structure of the statements of profit or loss, on certain items in the statements of cash flows and the additional disclosures required for MPMs, if any.

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 interest

At the acquisition date, component of non-controlling interest of the Group is measured at the proportionate share of the identifiable net assets of the subsidiary.

(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.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.3 Financial instruments (continued)

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

Equity instruments at fair value through other comprehensive income

The Group and the Company subsequently measure all equity investments at fair value. Upon initial recognition, the Group and the Company have made an irrevocable election to classify its equity investments as disclosed in Note 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.

Financial liabilities – subsequent measurement and gains and losses

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

Derivatives

The Group and the Company use 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.

Building in progress included in property, plant and equipment are not depreciated as these assets are not yet available to use.

All other 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)
Motor vehicles	5 years
Plant and machineries	10 years
Electrical equipment, renovation, furniture and fittings	5 - 13 years

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

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.

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: material cost and cost of appropriate share of production overheads based on normal operating capacity.

NOTES TO THE FINANCIAL STATEMENTS

3. MATERIAL ACCOUNTING POLICY INFORMATION (continued)

3.7 Revenue and other income

(a) Construction contracts

The Group and 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 Group and the Company do not create an asset with an alternative use and the Group 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 Group and Company become entitled to invoice customers for construction of commercial and industrial properties based on achieving a series of performance-related milestones.

The Group and Company recognise 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 Group and Company recognise a contract liability for the difference.

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

(b) Sales of goods

Revenue from sales of goods is recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods.

(c) Interest income

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

(d) Rental income

Rental income from sub-leased plant and machinery is recognised on a straight-line basis over the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS

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 judgements in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgements 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 2026	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 2025	10,954	4,493	11,822	22,668	108,315	158,252
Additions	18,197	28	510	2,098	3,257	24,090
Derecognition*	-	-	-	-	(310)	(310)
At 30 June 2026	29,151	4,521	12,332	24,766	111,262	182,032
Accumulated depreciation						
At 1 July 2025	-	3,328	5,805	7,878	9,271	26,282
Depreciation charge for the financial year	-	584	913	2,042	2,479	6,018
Derecognition*	-	-	-	-	(232)	(232)
At 30 June 2026	-	3,912	6,718	9,920	11,518	32,068
Carrying amount						
At 30 June 2026	29,151	609	5,614	14,846	99,744	149,964

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (continued)

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(a))	-	(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(a))	-	(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)

Company 2026	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 2025	10,954	4,493	11,822	22,668	108,315	158,252
Additions	18,197	28	510	2,098	3,257	24,090
Derecognition*	-	-	-	-	(310)	(310)
At 30 June 2026	29,151	4,521	12,332	24,766	111,262	182,032
Accumulated depreciation						
At 1 July 2025	-	3,328	5,805	7,878	9,271	26,282
Depreciation charge for the financial year	-	584	913	2,042	2,479	6,018
Derecognition*	-	-	-	-	(232)	(232)
At 30 June 2026	-	3,912	6,718	9,920	11,518	32,068
Carrying amount						
At 30 June 2026	29,151	609	5,614	14,846	99,744	149,964

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

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

(a) Assets pledged as security

Total leasehold land and buildings of the Group and of the Company with carrying amount of RM10,314,521 (2025: RM10,634,026) and RM10,314,521 (2025: RM10,634,026) respectively 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

Total plant and machineries and motor vehicles of the Group and of the Company with carrying amount of RM2,248,699 (2025: RM4,956,643) and RM2,248,699 (2025: RM4,956,643) respectively 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 land RM'000	Leasehold buildings RM'000	Hostel RM'000	Total RM'000
Carrying amount				
Group				
At 1 July 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(a))	-	(13,246)	(35)	(13,281)
At 30 June 2025	34,263	64,335	446	99,044
Additions	-	3,061	196	3,257
Depreciation	(736)	(1,452)	(291)	(2,479)
Derecognition*	-	-	(78)	(78)
At 30 June 2026	33,527	65,944	273	99,744
Company				
At 1 July 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
Additions	-	3,061	196	3,257
Depreciation	(736)	(1,452)	(291)	(2,479)
Derecognition*	-	-	(78)	(78)
At 30 June 2026	33,527	65,944	273	99,744

NOTES TO THE FINANCIAL STATEMENTS

5. PROPERTY, PLANT AND EQUIPMENT (continued)

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

The Group and the Company lease land 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 ranging from 1 year to 3 years.

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 and Company			
2026			
Extension options expected not to be exercised	76	-	76
2025			
Extension options expected not to be exercised	114	-	114

6. GOODWILL

	Group RM'000
Cost	
At 1 July 2024	20,560
Disposal of a subsidiary (Note 7(a))	(20,560)
At 30 June 2025/30 June 2026	-
Accumulated impairment loss	
At 1 July 2024	(15,500)
Disposal of a subsidiary (Note 7(a))	15,500
At 30 June 2025/30 June 2026	-
Carrying amount	
At 30 June 2025/30 June 2026	-

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENT IN SUBSIDIARIES

	Company	
	2026 RM'000	2025 RM'000
Unquoted shares, at cost		
At beginning of the financial year	311	31,558
Disposal during the year	(10)	(31,246)
Dissolution during the year	-	(1)
At end of the financial year	301	311
Less: Impairment losses	(300)	(310)
	1	1

Details of the subsidiaries are as follows:

Name of company	Country of incorporation	Ownership interest		Principal activities
		2026 %	2025 %	
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.
FAS Manufacturing Sdn. Bhd.	Malaysia	100	100	Fabrication of machine parts and toolings for equipment. The Company has ceased operations since financial year 2012.
Genetec Arthika Sdn. Bhd. (formerly known as FAS Technology Solution Sdn. Bhd.)	Malaysia	90	100	Design and development of standard automated industrial equipment. The Company has ceased operations since financial year 2012.
Genetec Global Technologies, Inc.®	United States of America	100	100	Dormant.

® Consolidated using unaudited management financial statements, no statutory requirement for the financial statements to be audited at financial year end.

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENT IN SUBSIDIARIES (continued)

(a) Disposal of subsidiaries

2026

Genetec Arthika Sdn. Bhd.

On 21 November 2025, the Company had entered into a share purchase agreement for the disposal of 10% of its equity interest in Genetec Arthika Sdn. Bhd. (formerly known as FAS Technology Solution Sdn. Bhd.) ("Genetec Arthika"), a wholly-owned subsidiary of the Company, to Guru Thandi.

On 8 June 2026, the Company had completed the disposal of its 10% equity investment in Genetec Arthika following the completion of the share transfer. Consequently, Genetec Arthika became a 90% owned subsidiary of the Company.

2025

CLT Engineering Sdn. Bhd.

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.

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

	RM'000	RM'000
Assets:		
Property, plant and equipment (Note 5)	19,024	
Inventories	304	
Contract assets	7,070	
Trade and other receivables	9,363	
Cash and bank balances	8,402	
Goodwill (Note 6)	5,060	49,223
Liabilities:		
Deferred tax liabilities (Note 9)	(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

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENT IN SUBSIDIARIES (continued)

(a) Disposal of subsidiaries (continued)

2025 (continued)

CLT Engineering Sdn. Bhd. (continued)

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

	RM'000
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).

(b) Dissolution of subsidiaries

2025

IP Systems, Inc.

On 2 June 2025, IP Systems, Inc. had 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

NOTES TO THE FINANCIAL STATEMENTS

7. INVESTMENT IN SUBSIDIARIES (continued)

(b) Dissolution of subsidiaries (continued)

2025 (continued)

Genetec Technology (Shanghai) Private Limited

On 10 June 2025, Genetec Technology (Shanghai) Private Limited had received the Notice of Registration from the Shanghai Municipal Administration for Market Regulation and the subsidiary had 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)

(c) Non-controlling interest in subsidiaries

The Company does not have material non-controlling interest in subsidiaries.

8. INVESTMENT IN A JOINT VENTURE

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Unquoted shares at cost	250	250	250	250
Share of post-acquisition reserves	(250)	(250)	-	-
Less: Impairment losses	-	-	(250)	(250)
	-	-	-	-

Details of the joint venture is as follows:

Name of company	Country of incorporation	Ownership interest		Principal activities
		2026	2025	
		%	%	
Citaglobal Genetec BESS Sdn. Bhd. ("CG BESS")	Malaysia	50	50	Manufacture of electricity distribution and control apparatus, batteries and accumulators.

NOTES TO THE FINANCIAL STATEMENTS

8. INVESTMENT IN A JOINT VENTURE (continued)

Summarised financial information of a material joint venture

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

	2026 RM'000	2025 RM'000
Assets and liabilities:		
Non-current assets	5	5
Current assets	116	340
Current liabilities	(4,473)	(4,646)
Cash and cash equivalents	21	90
Results:		
Loss for the year, representing total comprehensive loss	(52)	(1,246)
Included in total comprehensive loss		
Depreciation	1	1
Interest income	-	(11)
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	-	-
Group's and Company's share of result:		
Group's and Company's share of total comprehensive loss	-	-

The Group has not recognised its share of losses of joint venture amounting to RM25,956 (2025: RM622,988) 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 RM2,176,182 (2025: RM2,150,226).

9. DEFERRED TAX ASSETS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
At beginning of the financial year	3,272	2,929	3,272	3,272
Disposal of a subsidiary (Note 7(a))	-	343	-	-
At end of the financial year	3,272	3,272	3,272	3,272

NOTES TO THE FINANCIAL STATEMENTS

9. DEFERRED TAX ASSETS (continued)

Deferred tax relates to the following:

	At 1.7.2025 RM'000	Recognised in profit or loss (Note 28) RM'000	At 30.6.2026 RM'000
Group and Company			
2026			
Deferred tax assets:			
Provisions	288	256	544
Unused tax losses	4,533	(729)	3,804
Unabsorbed capital allowances	1,729	1,326	3,055
Others	124	(72)	52
	6,674	781	7,455
Deferred tax liabilities:			
Property, plant and equipment	(3,376)	(807)	(4,183)
Others	(26)	26	-
	(3,402)	(781)	(4,183)
	3,272	-	3,272

	At 1.7.2024 RM'000	Recognised in profit or loss (Note 28) RM'000	Disposal of a subsidiary (Note 7(a)) 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 allowances	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

NOTES TO THE FINANCIAL STATEMENTS

9. DEFERRED TAX ASSETS (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 allowances	-	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

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	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Unused tax losses	140,816	3,627	137,189	-
Potential deferred tax assets not recognised at 24% (2025: 24%)	33,795	870	32,925	-

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.

NOTES TO THE FINANCIAL STATEMENTS

9. DEFERRED TAX ASSETS (continued)

Unrecognised deferred tax assets (continued)

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	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
2029	3,627	3,627	-	-
2036	137,189	-	137,189	-
	140,816	3,627	137,189	-

10. OTHER INVESTMENT

	Group and Company	
	2026 RM'000	2025 RM'000
Financial assets designated at fair value through other comprehensive income ("DFVOCI")		
Unquoted equity investment in Malaysia	-	-

The Company has disposed the unquoted equity investment at consideration of RM1 during the financial year.

11. INVENTORIES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
At lower of cost and net realisable value				
Raw material	338	1,239	338	1,239
Consumables	717	1,315	717	1,315
Work-in-progress	11,425	12,312	11,425	12,312
	12,480	14,866	12,480	14,866

- The cost of inventories of the Group and of the Company recognised as an expense in cost of sales was RM87,252,084 (2025: RM145,483,935) and RM87,252,084 (2025: RM139,646,347) respectively during the financial year.
- The inventories written down of the Group and of the Company was RM1,066,282 (2025: RM101,269) respectively during the financial year.
- In the previous financial year, the reversal of inventories written down of the Group and of the Company was RM169,898 respectively.

NOTES TO THE FINANCIAL STATEMENTS

12. TRADE AND OTHER RECEIVABLES

		Group		Company	
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
Current:					
Trade					
Third parties	(a)	169,336	122,295	169,336	122,295
Less: Impairment losses for trade receivables	(b)	-	-	-	-
		169,336	122,295	169,336	122,295
Non-trade					
Amounts due from subsidiaries	(c)	-	-	-	4,503
Amount due from a joint venture	(c)	2,245	2,400	2,245	2,400
Other receivables	(d)	8,440	9,024	8,440	9,024
Deposits		593	158	588	153
Advances to suppliers		2,229	11,966	2,229	11,966
Prepayments		645	1,943	645	1,921
		14,152	25,491	14,147	29,967
Less: - Impairment losses for:					
- Amounts due from subsidiaries	(b)	-	-	-	(4,331)
- Amount due from a joint venture	(b)	(2,245)	(2,400)	(2,245)	(2,400)
		(2,245)	(2,400)	(2,245)	(6,731)
		11,907	23,091	11,902	23,236
Total trade and other receivables		181,243	145,386	181,238	145,531

(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 (2025: 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	
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Trade					
At beginning of the financial year		-	226	-	226
Reversal of impairment loss	26	-	(226)	-	(226)
At end of the financial year		-	-	-	-
Non-trade					
At beginning of the financial year		2,400	-	6,731	4,319
Charge for the financial year					
- Individual assessed	26	-	2,400	17	2,412
Reversal of impairment loss	26	(155)	-	(155)	-
Written off		-	-	(4,348)	-
At end of the financial year		2,245	2,400	2,245	6,731

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 of the Group and of the Company is an amount owing by a third party, representing the balance receipts of the proceeds for the disposal of a subsidiary totalling RM7,627,559 (2025: RM8,127,559).

13. CONTRACT ASSETS/(LIABILITIES)

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Contract assets				
Contract assets relating to construction service contracts	17,494	176,378	17,494	176,378
Contract liabilities				
Contract liabilities relating construction service contracts	(213)	(409)	(213)	(409)

NOTES TO THE FINANCIAL STATEMENTS

13. CONTRACT ASSETS/(LIABILITIES) (continued)

(a) Contract assets

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.

(b) Contract liabilities

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.

(c) Significant changes in contract balances

	2026		2025	
	Contracts assets increase/ (decrease)	Contracts liabilities (increase)/ decrease	Contracts assets increase/ (decrease)	Contracts liabilities (increase)/ decrease
	RM'000	RM'000	RM'000	RM'000
Group				
Revenue recognised that was included in contract liabilities at the beginning of the financial year	-	409	-	1,135
Increase due to billings to customers, but revenue not recognised	(9,767)	(213)	-	(961)
Increase due to revenue recognised for unbilled goods or services transfer to customers	5,371	-	130,831	-
Transfer from contract assets recognised at the beginning of the period to receivables	(154,488)	-	(133,640)	-
Disposal of a subsidiary	-	-	(7,070)	552

NOTES TO THE FINANCIAL STATEMENTS

13. CONTRACT ASSETS/(LIABILITIES) (continued)

(c) Significant changes in contract balances (continued)

	2026		2025	
	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 liabilities at the beginning of the financial year	-	409	-	741
Increase due to billings to customers, but revenue not recognised	(9,767)	(213)	-	(409)
Increase due to revenue recognised for unbilled goods or services transfer to customers	5,371	-	123,761	-
Transfer from contract assets recognised at the beginning of the year to receivables	(154,488)	-	(127,119)	-

(d) Revenue recognised in relation to contract balances

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue recognised that was included in contract liabilities at the beginning of the financial year	409	1,135	409	741

14. SHORT-TERM INVESTMENTS

	Group and Company	
	2026 RM'000	2025 RM'000

Financial assets at fair value through profit and loss

At fair value:

Investment funds in Malaysia	12,096	33,733
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The amount represents placement in money market fund ("Fund"), of which the market price per unit of the Fund as at 30 June 2026 was range from RM0.609 to RM1.671 (2025: RM0.591 to RM4.892) and redeemable upon demand. The Group and the Company held 5,906,431 (2025: 34,923,928) units of the Fund as at 30 June 2026.

NOTES TO THE FINANCIAL STATEMENTS

15. CASH AND BANK BALANCES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash and bank balances	27,362	10,298	27,348	10,279

16. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amounts	
	2026 Unit'000	2025 Unit'000	2026 RM'000	2025 RM'000
Issued and fully paid up (no par value)				
At the beginning of the financial year	791,307	776,651	279,730	269,980
Issuance of shares pursuant to:				
- ESOS	-	8,240	-	1,173
- LTIP	-	6,416	-	8,577
At the end of the financial year	791,307	791,307	279,730	279,730

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 previous 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) issued 6,415,600 new ordinary shares pursuant to the Company's Long-Term Incentive Plan ("LTIP") which amounted to RM8,576,335.

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

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

NOTES TO THE FINANCIAL STATEMENTS

17. TREASURY SHARES

	Group and Company			
	Number of treasury shares		Amounts	
	2026 Unit'000	2025 Unit'000	2026 RM'000	2025 RM'000
At the beginning of the financial year	11,000	-	11,660	-
Shares repurchased	7,185	11,000	3,758	11,660
At the end of the financial year	18,185	11,000	15,418	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 7,185,000 (2025: 11,000,000) shares of its issued shares from the open market. The average price paid for the shares repurchased was RM0.52 (2025: RM1.06).

At 30 June 2026, the Company's treasury shares are held at a carrying amount of RM15,418,413 (2025: RM11,660,226).

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

18. OTHER RESERVES

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Fair value reserve of financial assets at FVOCI	(a)	-	2,280	-	2,280
Translation reserve	(b)	2,104	2,107	-	-
Share option reserve	(c)	-	-	-	-
		2,104	4,387	-	2,280

(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.

NOTES TO THE FINANCIAL STATEMENTS

18. OTHER RESERVES (continued)

(b) 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.

(c) 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.

Movement of share options

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

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

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.

NOTES TO THE FINANCIAL STATEMENTS

19. LOANS AND BORROWINGS

		Group and Company	
		2026	2025
	Note	RM'000	RM'000
Non-current:			
Secured			
Hire purchase payables	(a)	681	933
Current:			
Secured			
Hire purchase payables	(a)	623	1,855
Revolving credit and loans	(b)	9,000	6,000
Trade financing	(c)	89,895	22,969
		99,518	30,824
Total loans and borrowings:			
Hire purchase payables	(a)	1,304	2,788
Revolving credit and loans	(b)	9,000	6,000
Trade financing	(c)	89,895	22,969
		100,199	31,757

(a) Hire purchase payables

Hire purchase payable of the Group and the Company bear interest at rates ranging from 2.26% to 3.65% (2025: 2.26% to 3.65%) per annum and are secured by the Group's and the Company's plant and machineries and motor vehicles under hire purchase arrangements as disclosed in Note 5.

NOTES TO THE FINANCIAL STATEMENTS

19. LOANS AND BORROWINGS (continued)

(a) Hire purchase payables (continued)

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

	Group and Company	
	2026	2025
	RM'000	RM'000
Minimum hire purchase payables payments:		
Not later than 1 year	686	1,971
Later than 1 year and not later than 5 years	730	986
	1,416	2,957
Less: Future finance charges	(112)	(169)
Present value of minimum hire purchase payables payments	1,304	2,788
Present value of minimum hire purchase payables payments:		
Not later than 1 year	623	1,855
Later than 1 year and not later than 5 years	681	933
	1,304	2,788
Less: Amount due within 12 months	(623)	(1,855)
Amount due after 12 months	681	933

(b) Revolving credit and loans

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

The revolving credit and loans bear effective interest at rates ranging from 5.10% to 5.11% (2025: 5.25% to 5.26%) per annum.

(c) Trade financing

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

The trade financing bear interest at rates ranging from 3.90% to 5.21% (2025: 3.64% to 5.34%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

20. LEASE LIABILITIES

	Group and Company	
	2026	2025
	RM'000	RM'000
Non-current:		
Lease liabilities	38	208
Current:		
Lease liabilities	242	240
	280	448

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

	Group and Company	
	2026	2025
	RM'000	RM'000
Minimum lease payments:		
Not later than 1 year	250	255
Later than 1 year and not later than 5 years	39	213
	289	468
Less: Future finance charges	(9)	(20)
Present value of minimum lease payments	280	448
Present value of minimum lease payments:		
Not later than 1 year	242	240
Later than 1 year and not later than 5 years	38	208
	280	448
Less: Amount due within 12 months	(242)	(240)
Amount due after 12 months	38	208

21. DERIVATIVES FINANCIAL LIABILITIES

	Group and Company	
	2026	2025
	RM'000	RM'000
Derivatives liabilities at fair value through profit or loss:		
Forward foreign exchange contracts	437	-

NOTES TO THE FINANCIAL STATEMENTS

21. DERIVATIVES FINANCIAL LIABILITIES (continued)

Forward foreign 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's entities. Most of the forward exchange contracts have maturities of less than one year after the end of the reporting period. Where necessary, the forward contracts are rolled over at maturity. The contract amounts of outstanding forward foreign exchange contracts as at 30 June 2026 were RM46,614,710 (2025: RMNil).

22. TRADE AND OTHER PAYABLES

	Group		Company		
		2026	2025	2026	2025
	Note	RM'000	RM'000	RM'000	RM'000
Current					
Trade					
Trade payables		15,580	47,559	15,580	47,559
Non-trade					
Other payables		4,601	4,638	4,601	4,633
Deposits received		12	-	12	-
Accruals		1,464	965	1,448	955
		6,077	5,603	6,061	5,588
Total trade and other payables		21,657	53,162	21,641	53,147

Trade payables are non-interest bearing and are normally settled on ranging from 30 to 90 days (2025: 30 to 90 days).

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

23. REVENUE

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue from contract with customers:				
Industrial automation products	102,847	222,684	102,847	211,345
Timing of recognition:				
At a point in time	9,908	23,784	9,908	20,714
Over time	92,939	198,900	92,939	190,631
	102,847	222,684	102,847	211,345

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.

NOTES TO THE FINANCIAL STATEMENTS

24. FINANCE INCOME

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Interest income on:				
- Short-term deposits	340	455	340	331
- Short-term investments	30	429	30	429
	370	884	370	760

25. FINANCE COSTS

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Interest expense on:				
- Term loan	-	170	-	-
- Revolving credit and loans	541	-	541	-
- Hire purchase payables	117	338	117	235
- Trade financing	3,290	689	3,290	688
- Lease liabilities	21	7	21	6
- Other finance costs	-	3	-	-
	3,969	1,207	3,969	929

NOTES TO THE FINANCIAL STATEMENTS

26. LOSS BEFORE TAX

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

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Auditors' remuneration					
Statutory audit:					
- Baker Tilly Monteiro Heng PLT		213	213	205	205
Other services:					
- Baker Tilly Monteiro Heng PLT		6	6	6	6
Bad debts written off		389	-	601	107
Depreciation of property, plant and equipment		6,018	6,600	6,018	5,427
Employee benefits expense	27	30,839	48,296	30,839	42,710
Expense relating to leases of:					
- low value assets		63	118	63	76
- short-term leases		57	375	57	292
Fair value (gain)/loss on derivatives:					
- realised		(1,115)	(328)	(1,115)	(328)
- unrealised		437	-	437	-
Fair value gain on short-term investments		(440)	(2,456)	(440)	(2,456)
Gain on disposal of a subsidiary		-	(1,416)	(10)	(3,281)
Gain on dissolution of subsidiaries		-	(1,806)	-	-
Gain on derecognition of right-of-use assets		(2)	-	(2)	-
Inventories written down		1,066	101	1,066	101
Impairment losses on:					
- amount due from a joint venture		-	2,400	-	2,400
- amounts due from subsidiaries		-	-	17	12
- investment in a joint venture		-	-	-	250
Loss/(Gain) on foreign exchange:					
- realised		15,655	4,271	15,655	3,397
- unrealised		(4,909)	10,269	(4,909)	10,357
Reversal of impairment losses on:					
- amount due from a joint venture		(155)	-	(155)	-
- trade receivables		-	(226)	-	(226)
Reversal of provision of warranty		-	(450)	-	(450)
Reversal of inventories written down		-	(170)	-	(170)
Rental income		(27)	-	(27)	-
Waiver of debts		-	(6,624)	-	-

NOTES TO THE FINANCIAL STATEMENTS

27. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Salaries, bonuses, allowances and others	28,158	36,810	28,158	31,649
Defined contribution plan	2,681	2,909	2,681	2,484
Long-term incentive plan	-	8,577	-	8,577
	30,839	48,296	30,839	42,710

Included in employee benefits expense are:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Directors of the Company				
Executive directors				
- Remuneration	1,329	1,329	1,329	1,329
- Bonus	110	4,946	110	4,946
- Long-term incentive plan	-	2,536	-	2,536
	1,439	8,811	1,439	8,811
Non-executive directors				
- Fees	408	408	408	408
	1,847	9,219	1,847	9,219

The estimated monetary value of benefits provided to directors of the Group and of the Company during the financial year amounted to RM51,948 (2025: RM51,948).

28. TAX EXPENSE/(CREDIT)

	Group and Company	
	2026 RM'000	2025 RM'000
Statements of comprehensive income		
Current income tax:		
- Adjustment in respect of prior years, being the tax expense/(credit) recognised in profit or loss	240	(71)

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2025: 24%) of the estimated assessable profit for the financial year.

NOTES TO THE FINANCIAL STATEMENTS

28. TAX EXPENSE/(CREDIT) (continued)

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 the 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.

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

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Loss before tax	(144,712)	(25,034)	(144,843)	(29,659)
Tax at Malaysian statutory income tax rate of 24% (2025: 24%)	(34,730)	(6,008)	(34,762)	(7,118)
Non-deductible expenses	2,041	7,389	2,073	8,484
Income not subject to tax	(236)	(1,922)	(236)	(1,907)
Adjustment of current income tax in respect of prior years	240	(71)	240	(71)
Deferred tax assets not recognised during the financial year	32,925	541	32,925	541
	240	(71)	240	(71)

29. LOSS PER SHARE

Basic/Diluted loss per ordinary share

Basic/Diluted loss per share are based on the loss for the financial year attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group	
	2026	2025
	RM'000	RM'000
Loss attributable to ordinary shareholders of the Company	(144,952)	(31,363)
Weighted average number of ordinary shares	774,458	782,661
Basic/Diluted loss per ordinary share (sen)	(18.7)	(4.0)

NOTES TO THE FINANCIAL STATEMENTS

29. LOSS PER SHARE (continued)

Basic/Diluted loss per ordinary share (continued)

Diluted loss per share is equivalent to the basic loss per share as the Company does not have any dilutive instruments at the end of the financial year.

30. DIVIDENDS

	Company	
	2026 RM'000	2025 RM'000
Recognised during the financial year:		
Dividend on ordinary shares:		
- Single tier interim dividend for the financial period ended 30 June 2024: 2 sen per ordinary share	-	15,698

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")

	Carrying amount RM'000	AC RM'000	FVPL RM'000	DFVPL RM'000
2026				
Group				
Financial assets				
Short-term investments	12,096	-	-	12,096
Trade and other receivables, excluding advances to suppliers and prepayments	178,369	178,369	-	-
Cash and bank balances	27,362	27,362	-	-
	217,827	205,731	-	12,096
Financial liabilities				
Loans and borrowings	(100,199)	(100,199)	-	-
Trade and other payables	(21,657)	(21,657)	-	-
Derivative financial liabilities	(437)	-	(437)	-
	(122,293)	(121,856)	(437)	-

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
2026 (continued)				
Company				
Financial assets				
Short-term investments	12,096	-	-	12,096
Trade and other receivables, excluding advances to suppliers and prepayments	178,364	178,364	-	-
Cash and bank balances	27,348	27,348	-	-
	217,808	205,712	-	12,096
Financial liabilities				
Loans and borrowings	(100,199)	(100,199)	-	-
Trade and other payables	(21,641)	(21,641)	-	-
Derivative financial liabilities	(437)	-	(437)	-
	(122,277)	(121,840)	(437)	-
2025				
Group				
Financial assets				
Short-term investments	33,733	-	-	33,733
Trade and other receivables, 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)	-	-

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
2025 (continued)				
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)	-	-

(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 reviews and agrees 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 and the Company have 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.

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(i) Credit risk (continued)

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 period, 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 counterparty's financial difficulty; or
- it is probable that the counterparty 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.

Trade receivables and contract assets

As at the end of the reporting period, 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:

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

Trade receivables

	2026		2025	
	RM'000	%	RM'000	%
Group and Company				
Malaysia	182	0%	10	0%
Europe	10,753	7%	17,781	15%
Mexico	2,309	1%	444	0%
United States	155,741	92%	103,166	84%
Others	351	0%	894	1%
	169,336	100%	122,295	100%

Contract assets

	2026		2025	
	RM'000	%	RM'000	%
Group and Company				
Malaysia	147	1%	-	0%
Europe	3,442	20%	27,489	16%
Mexico	505	3%	-	0%
Middle East	-	0%	3,527	2%
United States	13,400	76%	145,362	82%
	17,494	100%	176,378	100%

The Group and the Company apply the simplified approach to provide for impairment losses 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 and the Company. The Group and the Company also individually assessed expected credit losses 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 expected credit losses 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 and the Company believe that changes in economic conditions over these periods would not materially impact the impairment calculation of the receivables.

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables and contract assets (continued)

The information about the credit risk exposure on the Group's and Company's trade receivables and contract assets using individual assessment are as follows:

	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	
Group and Company							
2026							
Expected credit loss rate	0%	0%	0%	0%	0%	0%	0%
Gross carrying amount at default	17,494	85,420	16,101	10,116	577	57,122	169,336
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

Other receivables and other financial assets

For other receivables and other financial assets (including investment securities and cash and bank balance), 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.

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)

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.

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.

(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:

	Contractual undiscounted cash flows			
	Carrying amount RM'000	On demand or within 1 year RM'000	Between 1 and 5 years RM'000	Total RM'000
Group				
2026				
Trade and other payables	21,657	21,657	-	21,657
Hire purchase payables	1,304	686	730	1,416
Lease liabilities	280	250	39	289
Revolving credit and loans	9,000	9,000	-	9,000
Trade financing	89,895	89,895	-	89,895
Derivative financial liabilities	437	437	-	437
	122,573	121,925	769	122,694
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 and loans	6,000	6,000	-	6,000
Trade financing	22,969	22,969	-	22,969
	85,367	84,357	1,199	85,556

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 undiscounted cash flows			
	Carrying amount RM'000	On demand or within 1 year RM'000	Between 1 and 5 years RM'000	Total RM'000
Company				
2026				
Trade and other payables	21,641	21,641	-	21,641
Hire purchase payables	1,304	686	730	1,416
Lease liabilities	280	250	39	289
Revolving credit and loans	9,000	9,000	-	9,000
Trade financing	89,895	89,895	-	89,895
Derivative financial liabilities	437	437	-	437
	122,557	121,909	769	122,678
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 and loans	6,000	6,000	-	6,000
Trade financing	22,969	22,969	-	22,969
	85,352	84,342	1,199	85,541

(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.

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management (continued)

(iii) Foreign currency risk (continued)

Management has set up a policy that requires all companies within the Group 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.

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
	USD RM'000	SGD RM'000	THB RM'000	RMB RM'000	EURO RM'000	Others RM'000	
Group							
2026							
Balances recognised in the statements of financial position							
Trade and other receivables	163,428	-	-	-	5,726	-	169,154
Cash and bank balances	2,204	-	-	-	705	1	2,910
Derivative financial liabilities	(493)	-	-	-	56	-	(437)
Trade and other payables	(894)	(69)	(110)	(36)	(148)	-	(1,257)
Total	164,245	(69)	(110)	(36)	6,339	1	170,370
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

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						
	USD	SGD	THB	RMB	EURO	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Company							
2026							
Balances recognised in the statements of financial position							
Trade and other receivables	163,428	-	-	-	5,726	-	169,154
Cash and bank balances	2,192	-	-	-	705	1	2,898
Derivative financial liabilities	(493)	-	-	-	56	-	(437)
Trade and other payables	(894)	(69)	(110)	(36)	(148)	-	(1,257)
Total	164,233	(69)	(110)	(36)	6,339	1	170,358
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

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").

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 loss for the financial year.

	Change in rate %	Effect on loss for the financial year RM'000	Effect on equity RM'000
Group			
2026			
- USD	+10%	12,483	12,483
	- 10%	(12,483)	(12,483)
- SGD	+10%	(5)	(5)
	- 10%	5	5
- THB	+10%	(8)	(8)
	- 10%	8	8
- RMB	+10%	(3)	(3)
	- 10%	3	3
- EUR	+10%	482	482
	- 10%	(482)	(482)
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

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 loss for the financial year. (continued)

	Change in rate %	Effect on loss for the financial year RM'000	Effect on equity RM'000
Company			
2026			
- USD	+10%	12,482	12,482
	- 10%	(12,482)	(12,482)
- SGD	+10%	(5)	(5)
	- 10%	5	5
- THB	+10%	(8)	(8)
	- 10%	8	8
- RMB	+10%	(3)	(3)
	- 10%	3	3
- EUR	+10%	482	482
	- 10%	(482)	(482)
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

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.

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 loss for the financial year.

	Change in basis points	Effect on loss for the financial year RM'000	Effect on equity RM'000
Group and Company			
2026	+ 10	75	(75)
	- 10	(75)	75
2025	+ 10	22	(22)
	- 10	(22)	22

(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 market price risk

As the exposure is not material to the Group and the Company and the risk of significant changes in unit prices is considered insignificant, management has not presented a market price sensitivity analysis.

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement

The carrying amounts of cash and bank balances, 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 date.

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 (2025: no transfer in either directions).

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

		Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group and Company									
2026									
Financial assets									
Short-term investments	12,096	-	12,096	-	12,096	-	-	-	-
Financial liabilities									
Derivatives financial liabilities	(437)	-	(437)	-	(437)	-	-	-	-
Hire purchase payables	(1,304)	-	-	-	-	-	-	(1,335)	(1,335)
2025									
Financial assets									
Short-term investments	33,733	-	33,733	-	33,733	-	-	-	-
Financial liabilities									
Hire purchase payables	(2,788)	-	-	-	-	-	-	(2,823)	(2,823)

NOTES TO THE FINANCIAL STATEMENTS

31. FINANCIAL INSTRUMENTS (continued)

(c) Fair value measurement (continued)

Level 2 fair value

Fair value of financial instruments carried at fair value

Derivatives

The fair value of forward foreign 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).

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 not carried at fair value

Hire purchase payables

The fair value of 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 period.

32. COMMITMENTS

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

	Group and Company	
	2026	2025
	RM'000	RM'000
Property, plant and equipment	3,901	19,205

NOTES TO THE FINANCIAL STATEMENTS

33. RELATED PARTIES

(a) Identity of related parties

Parties are considered to be related to the Group and the Company if the Group and the Company have 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 Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group and of the Company 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 of the Company, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Purchases				
Subsidiaries	-	-	-	1,912
Entities in which directors have substantial financial interests	-	71	-	-

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Note 12.

(c) Compensation of key management personnel

	Group		Company	
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
Directors:				
- Remuneration	1,329	1,329	1,329	1,329
- Fees	408	408	408	408
- Bonus	110	4,946	110	4,946
- Long-term incentive plan	-	2,536	-	2,536
	1,847	9,219	1,847	9,219
Other key management personnel	2,499	7,574	2,499	7,150
	4,346	16,793	4,346	16,369

The estimated monetary value of benefits provided to directors of the Group and of the Company during the financial year amounted to RM51,948 (2025: RM51,948).

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 Operating 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
2026		
Malaysia	617	153,236
Thailand	181	-
Europe	12,040	-
United States	85,737	-
Middle East	1,347	-
Mexico	2,885	-
Others	40	-
	102,847	153,236
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

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	
	2026 RM'000	2025 RM'000
Customer A	41,863	39,770
Customer B	57,920	165,229
	99,783	204,999

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 net debts divided by total equity. The debt-to-equity ratio at 30 June 2026 and 30 June 2025 are as follows:

	Note	Group		Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Loans and borrowings	19	100,199	31,757	100,199	31,757
Less: Cash and bank balances	15	(27,362)	(10,298)	(27,348)	(10,279)
Net debts		72,837	21,459	72,851	21,478
Total equity		287,000	435,697	286,998	435,839
Net debt-to-equity ratio		25%	5%	25%	5%

Other than the requirement that the Company is required to maintain a gearing ratio of 1.5 to comply with bank covenants, there is no other external imposed capital requirements.

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 87 to 155 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 2026 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors:

CHIN KEM WENG

Director

SOW EWE LEE

Director

Date: 16 October 2026

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 87 to 155 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 2026.

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 2026 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 87 to 155.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026, and of their financial performance and 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"), as applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

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

Group 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 (Notes 4(b) and 9 to the financial statements)

As at 30 June 2026, the Group has recognised deferred tax assets for unused tax losses, unabsorbed capital allowances 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, unabsorbed capital allowances 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 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 of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group 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, actions taken to eliminate threats or safeguards applied.

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, is disclosed in Note 7 to the financial statements.

Other Matters

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

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Ee Mei Shing
No. 03912/11/2027 J
Chartered Accountant

Kuala Lumpur

Date: 16 October 2026

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 and applied appropriate accounting policies 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 2026

No.	Address	Approximate tenure/Year of expiry	Description/ Existing use	Land area/Built- up area (sq. ft.)	Net book value @ 30.06.2026 (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	8,808	18	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 land with 1½-storey detached factory/office building	22,723/ 13,603	1,506	21	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 land with 2-storey to 4-storey production cum office building, 1-storey factory and 2-storey office building	683,293/ 427,262	118,307	27	26 May 2022

ADDITIONAL COMPLIANCE INFORMATION

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

MATERIAL CONTRACTS

There was 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.

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 the Company and its subsidiary companies (excluding subsidiaries which are dormant) who fulfill the eligibility criteria.

The effective date of implementation of the LTIP was 10 January 2025 ("Effective Date"), which shall be in force for a duration of five (5) years commencing from the Effective Date.

During the financial year ended 30 June 2026, the Company did not grant any shares under the LTIP to eligible Executive Directors, Senior Management and employees of the Company and its subsidiary companies (excluding subsidiaries which are dormant).

Information in relation to the LTIP

	Since commencement of LTIP
Total number of shares granted	6,415,600
Total number of shares vested	(6,415,600)
Total number of shares outstanding as at 30 June 2026	-

Shares granted to Directors and Senior Management

	Since commencement of LTIP
Aggregate maximum allocation in percentage	80.0%
Actual percentage granted	50.7%

The Non-Executive Directors of the Company are not eligible to participate in the LTIP. Accordingly, no shares were granted to the Non-Executive Directors during the financial year.

ADDITIONAL COMPLIANCE INFORMATION

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

(A) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2026 (RM)	2025 (RM)
Revenue		102,846,597	222,683,901
Other income		6,659,377	13,338,764
Interest income		369,837	884,035
Total		109,875,811	236,906,700
Total Assets		409,786,642	521,473,653

(B) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2026 (RM)	2025 (RM)
Interest income	Received from conventional bank and conventional short term money market fund	220,633	164,233
Insurance income	Insurance claimed from conventional insurer	49,128	386
Gain from investment in conventional instruments	Fair value gain on short term money market fund	334,464	214,422
Total		604,225	379,041

ADDITIONAL COMPLIANCE INFORMATION

(C) Component of Financial Position

(i) Cash Component

		Group	
		2026	2025
Islamic Account/Instruments	Remarks	(RM)	(RM)
Cash at bank (exclude cash in hand)		22,387,168	4,324,061
Cash in hand		30,040	31,956
Money market instruments		498,006	15,383,019
Total		22,915,214	19,739,036
Conventional Account/Instruments			
Cash at bank (exclude cash in hand)		4,945,091	5,941,904
Money market instruments		11,598,350	18,350,027
Total		16,543,441	24,291,931

(ii) Debt Component

		Group	
		2026	2025
Islamic Financing	Remarks	(RM)	(RM)
Current			
Islamic hire purchase payables		378,602	1,488,582
Non-Current			
Islamic hire purchase payables		342,678	721,280
Total		721,280	2,209,862
		Group	
		2026	2025
Conventional Borrowing	Remarks	(RM)	(RM)
Current			
Hire purchase payables		244,571	366,677
Revolving credit and loans		9,000,000	6,000,000
Trade financing		89,895,316	22,968,356
Non-Current			
Hire purchase payables		338,297	211,672
Total		99,478,184	29,546,705

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2026

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	116	0.84	2,956	0.00
100 – 1,000	2,069	14.89	1,269,563	0.16
1,001 – 10,000	6,135	44.17	32,228,191	4.17
10,001 – 100,000	4,725	34.01	159,366,474	20.61
100,001 – 38,656,098 (*)	845	6.08	539,843,296	69.83
38,656,099 and above (**)	1	0.01	40,411,500	5.23
Total	13,891	100.00	773,121,980	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	71,877,165	9.30	-	-
Sow Ewe Lee	13,747,100	1.78	-	-
Ong Phoe Be	868,000	0.11	-	-
Datuk Wira Jeeventhiran a/l Ramanaidu, JP	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	71,877,165	9.30	-	-
Tan Moon Teik	39,148,600	5.06	-	-

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2026

30 LARGEST SHAREHOLDERS

No.	Name	No. of shares held	Percentage (%)
1	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR CHIN KEM WENG (PB)</i>	40,411,500	5.23
2	CHIN KEM WENG	27,715,665	3.59
3	CIMSEC NOMINEES (ASING) SDN BHD <i>CIMB FOR THANA RATNAUBONCHAI (PB)</i>	25,000,000	3.23
4	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TAN MOON TEIK (7013856)</i>	22,909,500	2.96
5	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>URUSHARTA JAMAAH SDN. BHD. (2)</i>	16,040,900	2.08
6	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR TAN MOON TEIK (MTRUSTEE BERHAD) (463195)</i>	15,000,000	1.94
7	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR TAN KON HOAN (PB)</i>	14,078,200	1.82
8	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR SOW EWE LEE (PB)</i>	13,597,100	1.76
9	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR CHIN LING CHEE (PB)</i>	13,200,000	1.71
10	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>LEMBAGA TABUNG HAJI (AIIMAN)</i>	10,599,900	1.37
11	YAP KAH KEONG	10,202,600	1.32
12	PUBLIC INVEST NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENTS)</i>	9,167,000	1.19
13	LEONG KAH KONG	8,587,900	1.11
14	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR TERENCE WONG @ HUANG THAR-REARN (PB)</i>	8,000,000	1.03
15	TEH BENG AI	5,600,000	0.72
16	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR CHAN SHOOK FUN (PB)</i>	5,000,000	0.65
17	CHIN LING CHEE	4,800,000	0.62
18	CHIN KIT SEN	4,628,700	0.60
19	CITIGROUP NOMINEES (TEMPATAN) SDN BHD <i>LEMBAGA TABUNG HAJI (UOB)</i>	4,597,300	0.59
20	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR TAY MOY KOH (SEGAMAT-CL)</i>	4,350,000	0.56

ANALYSIS OF SHAREHOLDINGS

As at 30 September 2026

30 LARGEST SHAREHOLDERS (continued)

No.	Name	No. of shares held	Percentage (%)
21	ALLEN LIK-HOOK TING	4,027,200	0.52
22	GOH YIK YONG	3,800,000	0.49
23	CIMSEC NOMINEES (TEMPATAN) SDN BHD <i>CIMB FOR CHIN KEM WENG (PB)</i>	3,750,000	0.49
24	PUBLIC NOMINEES (TEMPATAN) SDN BHD <i>PLEDGED SECURITIES ACCOUNT FOR HOH WEE NGAN (E-SS2)</i>	3,236,000	0.42
25	SOO WING CHING	3,230,000	0.42
26	LOW GEAT HONG	3,200,000	0.41
27	TAN CHONG KUAN	3,183,500	0.41
28	UOB KAY HIAN NOMINEES (ASING) SDN BHD <i>EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)</i>	3,083,000	0.40
29	CHIN LING CHEE	2,900,000	0.38
30	MAYBANK NOMINEES (TEMPATAN) SDN BHD <i>MALAYSIAN TIMBER COUNCIL (OF-EQ MAM) (472125)</i>	2,880,000	0.37
Total		296,775,965	38.39

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Eighth Annual General Meeting ("28th 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 Wednesday, 18 November 2026 at 10.00 a.m. for the transaction of the following business:-

AGENDA

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 30 June 2026 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 2027. **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 Allen Lik-Hook Ting **Ordinary Resolution 2**
 - (ii) Ms Ong Phoe Be **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** **Ordinary Resolution 5**

"THAT, subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approvals of the relevant governmental and/or regulatory authorities, where required, the Directors of the Company be and are hereby 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 to be issued pursuant to this mandate, when aggregated with the total 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 and are hereby empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities.

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."

NOTICE OF ANNUAL GENERAL MEETING

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 the relevant governmental and/or regulatory authorities, where required, the Company be and is hereby 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 interests 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 profits 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 and are hereby 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 and is hereby 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 Share 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
20 October 2026

Explanatory Notes to the Agenda :

Explanatory Note (a) - Audited Financial Statements and Reports

Agenda 1 is meant for discussion only, as Section 340(1)(a) of the Act does not require the Audited Financial Statements and Reports to be formally approved by shareholders. Accordingly, this item is not put to shareholders for voting.

Ordinary Resolution 1 - Payment of Directors' Fees For Financial Year Ending (FYE) 30 June 2027

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' fees for FYE 30 June 2027, 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 that 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 Allen Lik-Hook Ting and Ms Ong Phoe Be are due for retirement as the Directors of the Company at this Meeting.

The Board, through the Nomination Committee, has assessed the retiring Directors who are standing for re-election at the 28th AGM. Based on the annual evaluation of the Board and individual Directors, together with the annual declarations of independence provided by the retiring Independent Non-Executive Directors, the Nomination Committee recommended, and the Board endorsed, the re-election of the retiring Directors, being satisfied with their performance, knowledge, skills, experience, commitment and ability to continue to discharge their duties effectively in the best interests of the Company.

The retiring Directors, being eligible, have offered themselves for re-election at the 28th AGM and abstained from all deliberations and decisions in respect of their respective re-election at the Nomination Committee and Board meetings, where applicable.

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 the Annual Report 2026.

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

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 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 to be in the best interests of the Company, without the need to convene a separate general meeting, thereby reducing administrative time and costs. This authority shall continue in force until the conclusion of the next AGM of the Company or any adjournment thereof, unless revoked or varied by the Company at a general meeting.

As at the date of this Notice, no new shares have been issued pursuant to the general mandate granted to the Directors at the last AGM of the Company, which will lapse at the conclusion of the 28th AGM.

The General Mandate provides the Company with flexibility to undertake fundraising activities, including, but not limited to, funding future investment projects, business expansion and/or working capital requirements. At this juncture, there is no decision to issue new shares pursuant to the General Mandate. However, the Directors consider it appropriate to retain such flexibility to respond promptly to market developments and to enable the Company to raise capital efficiently should suitable business opportunities arise. Should the Company decide to issue new shares pursuant to the General Mandate, the Company will make the requisite announcement(s) in respect thereof.

NOTICE OF ANNUAL GENERAL MEETING

Pursuant to Section 85(1) of the Act, the issue of new shares which rank equally to existing shares as to voting or distribution rights is subject to the Constitution of the Company. Clause 63 of the Constitution provides that new shares or other convertible securities shall first be offered to existing members in proportion to their respective shareholdings, unless the Company otherwise directs in general meeting. Accordingly, approval of the General Mandate by the shareholders will constitute the direction contemplated under Clause 63 of the Constitution, allowing the Directors to issue new shares pursuant to the General Mandate without first offering such shares to the existing shareholders of the Company. Such issuance of new shares may result in dilution of the existing shareholders' shareholding interests in the Company.

Ordinary Resolution 6 - Proposed Renewal of Share Buy-Back Authority

The proposed 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 28th 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 2026.

Notes on proxy and voting:

1. For the purpose of determining who shall be entitled to attend the 28th AGM, the Company shall request a Record of Depositors as at 10 November 2026. 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 at the 28th 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 ("Vistra SRMY portal") at <https://srmy.vistra.com>. Kindly refer to the Administrative Guide for the 28th AGM for the procedures for submitting the Proxy Form electronically via Vistra SRMY portal.

The Proxy Form must be deposited accordingly by Monday, 16 November 2026 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 28th 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 are set out in the Explanatory Notes of the Notice of the 28th AGM.



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-Eighth Annual General Meeting ("28th 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 Wednesday, 18 November 2026 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 Allen Lik-Hook Ting as Director		
3	To re-elect Ong Phoe Be 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		
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 _____ 2026.

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 28th AGM, the Company shall request a Record of Depositors as at 10 November 2026. 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

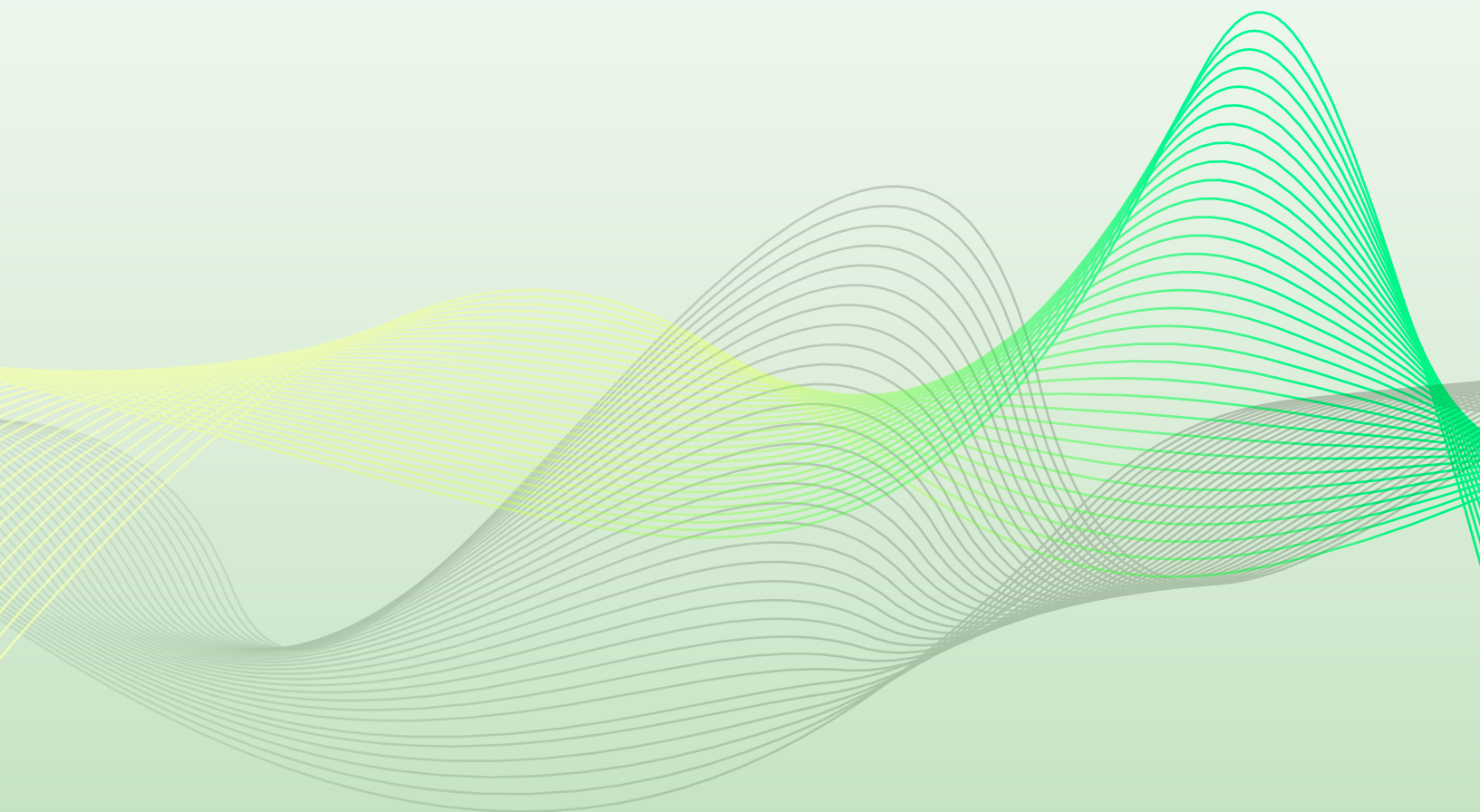
GENETEC TECHNOLOGY BERHAD
Registration No. 199701030038 (445537-W)

C/O VISTRA INVESTOR & ISSUING HOUSE SERVICES SDN BHD
(formerly known as 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 at the 28th 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 ("Vistra SRMY portal") at <https://srmy.vistra.com>. Kindly refer to the Administrative Guide for the 28th AGM for the procedures for submitting the Proxy Form electronically via Vistra SRMY portal.
The Proxy Form must be deposited accordingly by Monday, 16 November 2026 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.



GENETEC TECHNOLOGY BERHAD
Registration No. 199701030038 (445537-W)
(Incorporated In Malaysia)

Lot 7, Jalan P10/11, Seksyen 10
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43650 Bandar Baru Bangi
Selangor Darul Ehsan, Malaysia
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