SANICHI TECHNOLOGY BERHAD

Registration No.: 200401023320 (661826-K)
(Incorporated in Malaysia)

ANNUAL REPORT

2026



Property Developer and Mould Manufacturer for Automotive Segment

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NOTICE OF THE TWENTY-FIRST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-First Annual General Meeting ("**21st AGM**" or "**Meeting**") of Sanichi Technology Berhad ("**Sanichi**" or the "**Company**") will be held at Sanichi Tower, Level 9, Tower 11, Avenue 5, Bangsar South, 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Friday, 28 August 2026 at 10.00 a.m. or at any adjournment thereof, for the purpose of transacting the following businesses:

AGENDA

AS ORDINARY BUSINESS:

1.	To receive the Audited Financial Statements for the financial year ended 31 March 2026 together with the Reports of the Directors and Auditors thereon.	***Please refer to Explanatory Note 1 on Ordinary Business***
2.	To approve the payment of Directors' fees and benefits payable to the Directors of the Company of up to RM350,000.00 from 29 August 2026 until the next Annual General Meeting of the Company.	***Ordinary Resolution 1***
3.	To re-elect Yong Ket Inn as Director of the Company, who retires in accordance with Clause 85 of the Constitution of the Company and being eligible, has offered himself for re-election.	***Ordinary Resolution 2***
4.	To re-elect Datin Erdawaty Binti Mohamed as Director of the Company, who retires in accordance with Clause 85 of the Constitution of the Company and being eligible, has offered herself for re-election.	***Ordinary Resolution 3***
5.	To re-appoint Messrs Morison LC PLT as Auditors of the Company for the ensuing year 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 Ordinary Resolutions with or without modifications:

6.	**AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 ("THE ACT") AND WAIVER OF PRE-EMPTIVE RIGHTS OVER NEW ORDINARY SHARES IN THE COMPANY UNDER SECTION 85 OF THE ACT READ TOGETHER WITH CLAUSE 54 OF THE CONSTITUTION OF THE COMPANY** "THAT subject always to the Act, the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Constitution of the Company and approvals of the relevant governmental/regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed ten percent (10%) of the total number of issued shares (excluding any treasury shares) of the Company for the time being ("Proposed General Mandate");

NOTICE OF THE TWENTY-FIRST ANNUAL GENERAL MEETING
cont'd

THAT such approval on the Proposed General Mandate shall be in force until:

a. the conclusion of the next Annual General Meeting ("AGM") of the Company held after the approval was given;
b. the expiration of the period within which the next AGM of the Company is required to be held after the approval was given; or
c. revoked or varied by resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier;

THAT the Directors be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the ACE Market of Bursa Securities;

THAT authority be and is hereby given to the Directors of the Company to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations, and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities;

THAT the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate;

AND THAT in connection with the above, pursuant to Section 85 of the Act read together with Clause 54 of the Constitution of the Company, approval be and is hereby given to the Company to waive and disapply the statutory pre-emptive rights conferred upon the shareholders of the Company AND THAT the Directors are exempted from the obligation to offer New Shares first to the existing shareholders of the Company arising from any issuance of the New Shares pursuant to the Proposed General Mandate."

7. To transact any other ordinary business of which due notice shall have been given.

By Order of the Board

Foo Siew Loon
(MAICSA 7006874) (SSM PC No.: 202008002104)
Company Secretary

Kuala Lumpur
31 July 2026

Notes:

1. A member of the Company who is entitled to attend, participate, speak and vote at the 21st AGM shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.

2. A proxy may but need not be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.

3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint 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.

NOTICE OF THE TWENTY-FIRST ANNUAL GENERAL MEETING

cont'd

4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.

5. The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorised in writing. If the appointor is a corporation, either under the seal or signed by an officer or attorney duly authorised.

6. To be valid, the instrument appointing a proxy must be deposited at the Share Registrar's office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting as the case may be, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for taking the poll, which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.

7 For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 63(b) of the Constitution of the Company to issue a General Meeting Record of Depositors as at 20 August 2026. Only members whose names appear in the General Meeting Record of Depositors as at 20 August 2026 shall be regarded as members and entitled to attend, speak and vote at the Meeting.

8. Pursuant to Rule 8.31A(1) of the AMLR of Bursa Securities, all the resolutions set out in this Notice of Meeting will be put to vote by poll.

Explanatory Notes on Ordinary Business:

1. Agenda 1

Agenda 1 is meant for discussion only as the provision of Section 340(1)(a) of the Act, the Audited Financial Statements do not require a formal approval of the members and hence, will not be put forward for voting.

2. Ordinary Resolution 1 – Directors' fees and benefits payable to the Directors

Section 230(1) of the Act provides amongst others, that Directors' fees and any benefits payable to the Directors of the listed company shall be approved by the shareholders at a general meeting. In this respect, the Board of Directors ("Board") wishes to seek shareholders' approval at this AGM for the payment of Directors' fees and benefits payable to the Directors of up to RM350,000.00 from 29 August 2026 until the next AGM. The estimated Directors' fees and benefits proposed are calculated based on the current Board size and number of scheduled Board and Board Committees meetings to be held. This resolution is to facilitate the payment of Directors' fees and benefits on current financial year basis. In the event the proposed amount is insufficient due to more meetings or enlarged Board size, approval will be sought at the next AGM for the shortfall.

3. Ordinary Resolutions 2 & 3 – Re-election of Directors who retire in accordance with Clause 85 of the Constitution of the Company

Yong Ket Inn and Datin Erdawaty Binti Mohamed are subject to retirement by rotation in accordance with Clause 85 of the Constitution of the Company and being eligible, have offered themselves for re-election as Directors of the Company at the 21st AGM. The Board had via the Nomination and Remuneration Committee of the Company assessed the performance, contributions and fitness of Yong Ket Inn and Datin Erdawaty Binti Mohamed and recommended for their re-appointment. The Board (save for the retiring Directors) had endorsed the Nomination and Remuneration Committee's recommendation that they be re-appointed as Directors of the Company.

4. Ordinary Resolution 4 – Re-appointment of Messrs Morison LC PLT as Auditors of the Company

The Board and the Audit Committee ("AC") have assessed the performance of Messrs Morison LC PLT and are satisfied with the quality of services rendered and the competency and sufficiency of resources provided to the Company. The Board was satisfied with the assessment performed and reported by the AC and approved the AC's recommendation to the shareholders of the Company for approval on their re-appointment as the Company's external auditors for the financial year 2027.

NOTICE OF THE TWENTY-FIRST ANNUAL GENERAL MEETING
cont'd

Explanatory Notes on Special Business:

5. Ordinary Resolution 5 - Authority for Directors to Issue and Allot Shares Pursuant to Sections 75 and 76 of the Act and Waiver of Pre-Emptive Rights

The Company had at its 20th AGM held on 29 August 2025 ("20th AGM"), obtained a general mandate pursuant to Sections 75 and 76 of the Act from its shareholders, to empower the Directors to issue and allot shares in the Company from time to time, at such price, upon such terms and conditions and for such purpose as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company (excluding treasury shares) at any point in time. This mandate will expire at the conclusion of this AGM.

As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on 29 August 2025 which will lapse at the conclusion of the 21st AGM.

The Ordinary Resolution 5 is to seek a general mandate for issuance of shares. The resolution, if passed, will provide flexibility to the Directors to undertake fund raising activities, including but not limited to placement of shares for the purpose of funding the Company's current and/or future investment project(s), working capital and/or acquisitions, by the issuance of shares in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of the shares issued pursuant to the mandate does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being, without having to convene a general meeting. This Proposed General Mandate, unless revoked or varied at general meeting, will expire at the conclusion of the next AGM of the Company.

This is also to approve the disapplication of statutory pre-emptive rights under Section 85 of the Act, to allot New Shares (or to grant rights over shares) without first offering them to existing shareholders in proportion to their holdings pursuant to the Proposed General Mandate. The proposed ordinary resolution 5, if passed, will exclude your pre-emptive rights over all New Shares to be issued under the authority for Directors to issue and allot shares.

Members Entitled to Attend this 21st AGM

For the purpose of determining a member who shall be entitled to attend this 21st AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with the Constitution of the Company and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991, to issue a General Meeting Record of Depositors as at 20 August 2026. Only a depositor whose name appears in the Record of Depositors as at 20 August 2026 shall be entitled to attend, speak and vote at the said meeting or appoint proxies to attend, speak and/or vote on his/her behalf.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

(PURSUANT TO PARAGRAPH 8.29(2) OF THE AMLR OF BURSA SECURITIES)

1. Details of individuals who are standing for election as Directors

No individual is standing for election as director at the forthcoming 21st AGM of the Company.

The information required pursuant to Practice 5.7 of the Malaysian Code on Corporate Governance in relation to the Directors who are standing for re-election at the 21st AGM is provided in the Directors' Profile of the Annual Report 2026, including their latest interests in the shares of the Company disclosed under Analysis of Shareholdings of the Annual Report 2026.

2. Statement relating to general mandate for issue of securities in accordance with Rule 6.04(3) of the AMLR of Bursa Securities.

Details of the general mandate to issue securities in the Company pursuant to Sections 75 and 76 of the Act are set out in Explanatory Note 5 to Special Business of the Notice of 21st AGM of the Company.

CORPORATE STRUCTURE

SANICHI TECHNOLOGY BERHAD
Reg No.: 200401023320 (661826-K)
(Incorporated in Malaysia)

100% — **Sanichi Precision Mould Sdn Bhd**
200001003725 (506330-A)
Design and fabrication of precision moulds and toolings, property investment and development and real estate activities for residential and non-residential buildings n.e.c

100% — **Asia Pinnacle Sdn Bhd**
200401019892 (658396-A)
Design and fabrication of precision moulds and tooling

100% — **Sanichi Capital Sdn Bhd**
201601025477 (1196416-A)
Property development and investment holding

100% Subsidiary → **Air King Inc**
2018-000791913
Investment holding

100% — **Sanichi Asset Management Sdn Bhd**
202201019234 (1464931-D)
Operation of transmission, distribution and sales of electricity

100% — **Asia Glare Pte. Ltd.**
201619804K
Investment holding

100% — **Sanichi Mould (Thailand) Co. Ltd.**
0115550000848
Design and fabrication of precision moulds and tooling

60% — **EC Victory Sdn Bhd**
202001035316 (1391637-U)
Transportation and warehousing

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Abd Halim Bin Abd Hamid
Chairman / Non-Independent
Non-Executive Director

Dato' Sri Dr Pang Chow Huat
Group Managing Director

Mr Yong Ket Inn
Independent
Non-Executive Director

Mr Ong Tee Kein
Non-Independent
Non-Executive Director

Datin Erdawaty Binti Mohamed
Independent
Non-Executive Director

AUDIT COMMITTEE

Mr Yong Ket Inn
Chairman / Independent
Non-Executive Director

Datin Erdawaty Binti Mohamed
Member / Independent
Non-Executive Director

Mr Ong Tee Kein
Member / Non-Independent
Non-Executive Director

NOMINATION AND REMUNERATION COMMITTEE

Mr Yong Ket Inn
Chairman / Independent
Non-Executive Director

Datin Erdawaty Binti Mohamed
Member / Independent
Non-Executive Director

Mr Ong Tee Kein
Member / Non-Independent
Non-Executive Director

COMPANY SECRETARY

Ms Foo Siew Loon
(MAICSA 7006874)
(SSM PC No: 202008002104)

AUDITORS

Messrs Morison LC PLT
Level 11-01, Uptown 3
Jalan SS21/39
Damansara Utama
47400 Petaling Jaya
Selangor
Tel : +603 7491 4419

SHARE REGISTRAR

ShareWorks Sdn Bhd
2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Tel : +603 6201 1120
Fax : +603 6201 3121
Email : ir@shareworks.com.my

PRINCIPAL BANKER

Malayan Banking Berhad
136 & 137
Jalan Senai Utama, 5/17
81400 Senai
Johor Darul Takzim
Tel : +607 598 6233

WEBSITE

www.sanichimould.com

REGISTERED OFFICE

Unit 27.2, Menara 1MK
Kompleks 1 Mont Kiara
No.1 Jalan Kiara, Mont Kiara
50480 Kuala Lumpur
Tel : +603 6203 5828
Email : slfgroup@slfch.com

STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad
Stock Code : 0133
Stock Name : Sanichi

BOARD OF DIRECTORS' PROFILE

DATO' ABD HALIM BIN ABD HAMID

Chairman / Non-Independent Non-Executive Director

Age
76

Nationality
Malaysian

Gender
Male

Dato' Abd Halim bin Abd Hamid was appointed to the Board on 28 May 2008.

He was formerly a senior police officer who had served over a span of 36 years in various parts of Malaysia since 1969. Throughout the period of service, he had served at various levels of commanding positions and gained wide range of experiences in management, criminal investigation, as well as administration in the police force.

He is a Diploma holder from the Malaysian Armed Forces Staff College and later obtained a Bachelor of Laws (Hons.) from the International Islamic University of Malaysia (IIUM). Besides the academic qualifications, he had also attended various training courses organized by the police force and Institut Tadbiran Awam Negara. He retired as the Deputy Commissioner of Police (DCP) in Bukit Aman in September 2005.

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

Dato' Abd Halim has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Dato' Abd Halim attended all five (5) Board Meetings held during the financial year ended 31 March 2026.

DATO' SRI DR PANG CHOW HUAT

Group Managing Director | Key Senior Management

Age
52

Nationality
Malaysian

Gender
Male

Dato' Sri Dr Pang Chow Huat is the founder and Managing Director of Sanichi and was appointed to the Board on 20 June 2006. Equipped with more than twenty (20) years of experience in precision engineering in the plastic mould and tool industry, he is currently responsible for the overall strategy and direction of the Group as well as client relationship management.

He was conferred a Doctor of Philosophy in Design Technology from the InterAmerican University, Washington D.C. in December 2005. He began his career in 1991 as an apprentice with a local company specializing in the fabrication of plastic moulds and dies as well as plastic injection moulding.

In 1996, with his in-depth knowledge in plastic moulding and fabrication, he founded Sanichi Precision Mould Industries, specialised in servicing and repairing of moulds and tools. He has extensive experience and exposure in advanced design and technology of high-quality precision moulds and parts.

In February 2000, he established Sanichi Precision Mould Sdn Bhd ("SPMSB") and ventured into the design, engineering and fabrication of plastic mould products through Research and Development ("R&D"). He is also the initiator for many of the in-house developed solutions in SPMSB, which is attributed to his hands-on technical know- how garnered in his years of working in the industry.

Since 2015, Dato' Sri Dr Pang established a property development division and had undertaken its maiden project in building high-end condominiums and a shopping mall in Klebang, Melaka.

Dato' Sri Dr Pang does not hold directorships in any other public companies and listed corporations in Malaysia.

He has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He attended all five (5) Board Meetings held during the financial year ended 31 March 2026.

BOARD OF DIRECTORS' PROFILE
cont'd

YONG KET INN

Independent Non-Executive Director

Age
69

Nationality
Malaysian

Gender
Male

Yong Ket Inn was appointed to the Board on 20 November 2023. He is the Chairman of the Audit Committee and also the Chairman of the Nomination and Remuneration Committee.

Mr Yong is a fellow member of the Institute of Chartered Accountants in England and Wales and Malaysian Institute of Taxation, and a member of the Malaysian Institute of Accountants since 1987. Mr Yong holds an honours degree in Bachelor of Science in Management and Administrative Studies from University of Aston in Birmingham, England. He is currently a director in NetX Holding Berhad, XOX Technology Berhad and Symphony Life Berhad.

Mr Yong started his career as auditor at a Chartered Accountants firm in England in 1981 and has since accumulated over 30 years working experience in the field of accounting, auditing and taxation. During his career in the last 35 years, he held the position of Head of Finance in various offshore engineering and shipbuilding companies, integrated steel mill and IT companies.

He has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He attended all five (5) Board Meetings held during the financial year ended 31 March 2026.

ONG TEE KEIN

Non-Independent Non-Executive Director

Age
69

Nationality
Malaysian

Gender
Male

Ong Tee Kein was appointed to the Board on 3 November 2011. He is a member of the Audit Committee and a member of the Nomination and Remuneration Committee.

Mr Ong is a member of the Malaysian Institute of Accountants (MIA). He has experience in accounting and corporate restructuring of companies. He is currently a director in DGB Asia Berhad, Metronic Global Berhad, Fintec Global Berhad and Mlabs Systems Berhad.

He has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He attended all five (5) Board Meetings held during the financial year ended 31 March 2026.

BOARD OF DIRECTORS' PROFILE
cont'd

DATIN ERDAWATY BINTI MOHAMED

Independent Non-Executive Director

Age
42

Nationality
Malaysian

Gender
Female

Datin Erdawaty Binti Mohamed was appointed to the Board on 8 July 2019. She is a member of the Audit Committee and a member of the Nomination and Remuneration Committee.

Datin Erdawaty has exposure and experience in the accounting field. Datin Erdawaty was actively involved with women associations for community activities and she was often engaged with NGOs for charitable works, Corporate Social Responsibilities for orphanage homes and welfare programmes around the areas of Semporna and Kota Kinabalu, Sabah.

Datin Erdawaty was appointed to the Board of Advisors for Teratak Che Da Orphanage Home in Rawang, Selangor since 2015 and was a Committee Member of Yayasan (Foundation) Yasmin Malaysia since 2017.

She does not hold directorships in any other public companies and listed corporations in Malaysia.

Datin Erdawaty has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. She has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

She attended all five (5) Board Meetings held during the financial year ended 31 March 2026.

KEY SENIOR MANAGEMENT PROFILE

DATO' SRI DR PANG CHOW HUAT
Group Managing Director

Malaysian | Male | Aged 52

Dato' Sri Dr Pang Chow Huat is the founder and Managing Director of Sanichi and was appointed to the Board on 20 June 2006. Equipped with more than twenty (20) years of experience in precision engineering in the plastic mould and tool industry, he is currently responsible for the overall strategy and direction of the Group as well as client relationship management.

He was conferred a Doctor of Philosophy in Design Technology from the InterAmerican University, Washington D.C. in December 2005. He began his career in 1991 as an apprentice with a local company specializing in the fabrication of plastic moulds and dies as well as plastic injection moulding.

In 1996, with his in-depth knowledge in plastic moulding and fabrication, he founded Sanichi Precision Mould Industries, specialised in servicing and repairing of moulds and tools. He has extensive experience and exposure in advanced design and technology of high-quality precision moulds and parts.

In February 2000, he established Sanichi Precision Mould Sdn Bhd ("SPMSB") and ventured into the design, engineering and fabrication of plastic mould products through Research and Development ("R&D"). He is also the initiator for many of the in-house developed solutions in SPMSB, which is attributed to his hands-on technical know-how garnered in his years of working in the industry.

Since 2015, Dato' Sri Dr Pang established a property development division and had undertaken its maiden project in building high-end condominiums and a shopping mall in Klebang, Melaka.

Dato' Sri Dr Pang does not hold directorships in any other public companies and listed corporations in Malaysia.

He has no family relationship with any directors and/or major shareholders of the Company and does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries ("Group") that may arise. He has had no convictions for any offences within the past 5 years (other than traffic offences, if any) and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



MANAGEMENT DISCUSSION AND ANALYSIS

Financial Year Ended 31 March 2026

1. Executive Overview & Principal Activities

Sanichi Technology Berhad's principal activities are focused on investment holding and the provision of management services. Operationally, the Group's businesses are strategically divided into three reportable operating segments:

- Plastic Mould: Designing and fabricating precision moulds and tooling.
- Real Estate (Property Development): Property development activities and property trading.
- Others: Investment holding and provision of management services.

Note on Comparability: Reporting periods have been adjusted to reflect changing financial timelines. Historical benchmarks include a 15-month financial period ended 31 March 2024 and a standard 12-month financial year ended 31 March 2025. The current financial year covers a standard 12-month period from 1 April 2025 to 31 March 2026. Consequently, comparative financial balances across these periods are not directly comparable.

2. Financial Performance Review

Key Profit & Loss Highlights

- Revenue: The Group's consolidated revenue expanded slightly to RM16,791,578 in FYE 2026 from RM16,573,295 in FYE 2025.
- Gross Profit Turnaround: The Group achieved a complete gross margin operational reversal, posting a Gross Profit of RM3,810,240 in FYE 2026 compared to a Gross Loss of RM6,843,866 in FYE 2025. This improvement was driven by a reduction in the cost of sales down to RM12,981,338 from RM23,417,161, supported by reductions in liquidated ascertained damages (LAD) and sales commission expenses.
- Loss Before Tax (LBT): Despite stronger gross margins, the Group's Loss Before Tax expanded to RM30,697,484 in FYE 2026 compared to RM18,326,290 in FYE 2025.
- Loss After Tax (LAT): Total net loss for the financial year stood at RM30,668,522, while the net loss attributable to the owners of the Company was RM30,932,198.

Primary Profitability Volatility Drivers

- Impairment Surges on Receivables: The primary downward pressure on the bottom line stemmed from a net loss on impairment of financial instruments of RM29,589,066 recognized in FYE 2026. This surge mainly arose from a specific impairment of RM29,199,449 in respect of an amount owing by Sanichi Property Sdn. Bhd. (SPSB), a former subsidiary divested on 26 November 2025. The impairment was recognized after assessing recoverability based on SPSB's financial condition.
- Other Operating Income Gains: Downside pressure was partially offset by an increase in other operating income, which grew to RM16,083,538 from RM6,059,776. This growth was heavily supported by a RM13,428,215 consolidated gain recorded from the disposal of SPSB.

MANAGEMENT DISCUSSION AND ANALYSIS

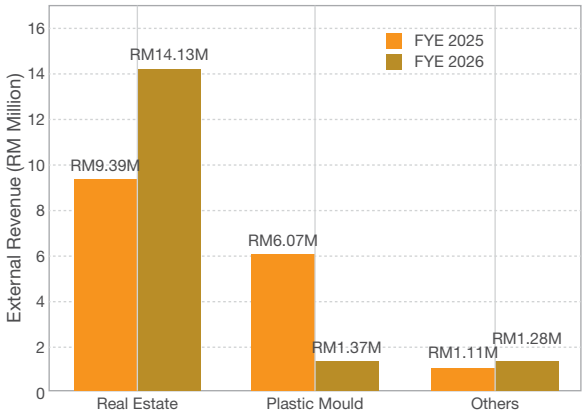
Financial Year Ended 31 March 2026
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3. Segmental Revenue and Performance Analysis

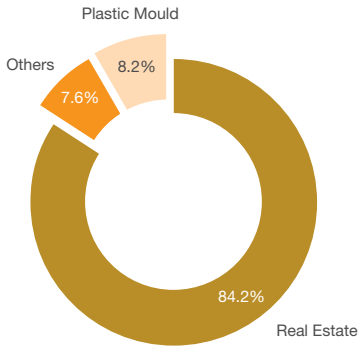
The table below tracks the underlying audited performance of individual operating segments before corporate eliminations:

Operating Segment	FYE 2026 External Sales (RM)	FYE 2026 Profit / (Loss) Before Tax (RM)	FYE 2025 External Sales (RM)	FYE 2025 Profit / (Loss) Before Tax (RM)
Plastic Mould	1,373,977	(3,182,534)	6,068,680	5,871,886
Real Estate	14,134,465	2,517,302	9,393,981	(6,363,863)
Others	1,283,136	(71,404,113)	1,110,634	(6,926,100)
Eliminations & Adjustments	-	41,371,861	-	(10,908,213)
Consolidated Total	16,791,578	(30,697,484)	16,573,295	(18,326,290)

Segmental External Revenue Comparison
(FYE 2025 vs FYE 2026)



FYE 2026 Revenue Composition Share (%)
Total: RM16.79 Million



Segment Performance Insights

Plastic Mould

- Revenue Decline: Segment external revenue contracted to RM1,373,977 in FYE 2026 from RM6,068,680 in FYE 2025, primarily due to lower orders from automobile customers.
- Profitability Strain: Lower volume and capacity compression shifted the segment from a profit before tax of RM5,871,886 into a loss before tax of RM3,182,534.

Real Estate (Property Development)

- Revenue Expansion: External real estate sales grew to RM14,134,465 for FYE 2026 compared to RM9,393,981 in FYE 2025. Total segment revenue (inclusive of inter-company property entries) reached RM104,991,444.
- Turnaround Profit: The segment posted a bottom-line reversal, achieving a profit before tax of RM2,517,302 against a loss before tax of RM6,363,863 in FYE 2025.

Others

- Revenue Contribution: External revenue generated under investment holdings remained stable at RM1,283,136.
- Loss Impact: The segment registered a deficit of RM71,404,113, hit by financial asset write-downs and corporate administrative overheads.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Year Ended 31 March 2026
cont'd

4. Asset Allocation & Strength

- Total Assets Balance: Total assets stood at RM242,850,477 as of 31 March 2026 compared to RM285,703,984 as of 31 March 2025.
- Inventory Changes: Total inventories dropped to RM88,640,188 from RM102,612,204, driven by property unit handovers and corporate real estate asset reallocations.
- Cash and Liquidity Structure: Cash and bank balances improved to RM28,865,054 from RM6,889,219, while fixed deposits stood at RM46,945,600. The current ratio strengthened to 18.21 times in FYE 2026 from 13.70 times in FYE 2025.

Leverage Profile & Capital Requirements

- Shareholders' Funds / Net Assets: Total equity stood at RM214,162,674 as of 31 March 2026 down from RM244,858,395 as of 31 March 2025. Net assets attributable to owners stood at RM204,421,641 (RM1.24 per share).
- Borrowings & Gearing Stability: Total debt (consisting of bank overdrafts and term loans) decreased to RM26,249,403. The debt-to-equity gearing ratio held stable at 12% for both FYE 2026 and FYE 2025.
- Capital Restructuring (Proposed Capital Reduction): Moving forward, the Group's equity base will be optimized by the Proposed Capital Reduction of RM200.00 million. While this corporate exercise will not impact the Group's cash flow, operational liquidity, or gearing ratio, it will establish a cleaner capital foundation by structurally eliminating accumulated losses and generating a credit balance to Retained Earnings (as further detailed in Section 6).

5. Strategic Highlights & Focus Areas

Credit Risk & Cost Optimization Frameworks

- Following the implementation of an enhanced credit risk management framework (including upfront credit evaluation and shorter credit terms), the Group recognized zero impairment losses on new contract assets or trade receivables for FYE 31 March 2026.
- Cost optimization initiatives across all divisions include renegotiating procurement terms for raw materials and streamlining administrative overheads through digitalization.

Real Estate Inventory Monetization (Marina Point Project)

- The freehold mixed development Marina Point Project in Klebang, Melaka (comprising 122 retail units and 352 SOHO units) was awarded the Certificate of Completion and Compliance (CCC) on 18 May 2026.
- Management is executing targeted marketing initiatives to accelerate the sale of the remaining inventory of 224 unsold units (66 retail units and 158 SOHO units) to generate aggregate gross proceeds of approximately RM95 million for working capital.

Corporate Divestment of Sanichi Property Sdn. Bhd. (SPSB)

- The Company entered into a Share Sale Agreement on 31 October 2025 and completed the disposal of its 100% equity interest in SPSB on 26 November 2025 for a cash consideration of RM500,000.
- This disposal enabled the Group to deconsolidate active property development operations while recognizing a consolidated gain on disposal of RM13,428,215.

Dividend Policy & Recommendation

- No dividend has been paid or declared by the Company since the end of the previous financial year. In line with the Group's prudent capital management framework and to conserve liquidity for ongoing operational improvements, working capital, and strategic business requirements, the Board of Directors does not recommend any dividend payment in respect of the financial year ended 31 March 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Year Ended 31 March 2026
cont'd

6. Forward-Looking Statement & Outlook

Precision Mould Segment

The precision mould industry is expected to remain highly competitive amid ongoing global economic uncertainties. However, a gradual recovery in industrial production, alongside reshoring and supply chain diversification initiatives, presents strategic opportunities for specialised tooling manufacturers over the medium term. The Group will maintain its strategic focus on high-value precision mould products, operational efficiency, and stringent cost control to protect margins and enhance segment profitability.

Real Estate & Property Monetisation

Following the complete divestment of Sanichi Property Sdn. Bhd. (SPSB) on 26 November 2025, the Group no longer carries active property development operations. However, under a Tripartite Settlement Agreement, identified completed property units were transferred to the Group's subsidiary, Sanichi Precision Mould Sdn. Bhd. (SPM), with the Certificate of Completion and Compliance (CCC) successfully obtained on 18 May 2026. The Group is actively executing targeted sales initiatives for these completed inventories while concurrently pursuing leasing options for retail units to generate steady, recurring rental income, further supporting working capital and cash flows.

Capital Structure & Risk Management

To restore balance sheet equity and address legacy accumulated losses, the Board has proposed a Proposed Capital Reduction of RM200.00 million of the issued share capital of the Company pursuant to Section 117 of the Companies Act 2016.

As detailed in the Circular to Shareholders, the corresponding credit generated from the exercise will be utilised primarily to set off against the accumulated losses of the Company. Crucially, as stipulated in the Circular, any balance credit remaining after the total elimination of accumulated losses will be credited to the Retained Earnings of the Company. This credit balance will be deployed in a manner to be determined by the Board at a later date to support the Group's long-term business strategy, in the best interest of the Company and in full compliance with Bursa Malaysia Listing Requirements.

SUSTAINABILITY STATEMENT

ABOUT THE STATEMENT

As Sanichi Technology Berhad ("Sanichi" or "the Company") continues to manage its business activities, sustainability remains an important consideration in guiding corporate direction, governance practices and stakeholder accountability. The Company recognises that ethical business conduct, responsible leadership and sound corporate governance are important in supporting long-term value creation.

This Sustainability Statement ("Statement") outlines Sanichi's approach to managing material sustainability matters, including governance, environmental and social aspects relevant to its business activities during the financial year ended 31 March 2026 ("FYE 2026").

SCOPE OF STATEMENT

This Sustainability Statement covers the 12-month reporting period from 1 April 2025 to 31 March 2026, in line with Sanichi's financial period.

The reporting scope has been determined based on the Company's operational structure during FYE 2026. Environmental and social data relating to the precision mould manufacturing operations are reported based on available records during FYE 2026, taking into consideration the ongoing restructuring of the manufacturing business to streamline operations and business processes. For the Company's continuing real estate-related activities, investment holding and corporate functions, sustainability disclosures are reported for the full financial year, unless otherwise stated.

REPORTING FRAMEWORKS

This Sustainability Statement has been prepared in accordance with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and with reference to the Bursa Malaysia Sustainability Reporting Guide.

Sanichi continues to enhance its sustainability reporting practices progressively, taking into consideration the Company's business transition, reporting scope and availability of data. The Company remains committed to providing transparent and meaningful disclosures on its material sustainability matters, performance indicators and key areas of focus.

As sustainability reporting requirements and stakeholder expectations continue to evolve, Sanichi will continue to review and improve its reporting approach to strengthen the quality, consistency and completeness of its disclosures.

REPORTING LIMITATIONS

This Statement may include forward-looking statements relating to the Company's future plans, areas of focus and intended actions, together with information on its current and past activities. While the Company has prepared these statements based on reasonable assumptions and information available at the time of reporting, they should not be regarded as guarantees of future performance, outcomes or commitments. Actual results may differ due to changes in the Company's business direction, operating environment, regulatory requirements, market conditions and available resources. These statements are intended to provide stakeholders with context on the Company's approach and direction in managing key Environmental, Economic, Social and Governance ("EESG") matters during FYE 2026.

ASSURANCE

This Statement has not been subjected to external assurance for FYE 2026. The information presented in this Statement has been prepared based on internal data collection and supporting records. The Statement was also internally reviewed by the Sustainability Committee and approved by the Board of Directors prior to publication.

While external assurance has not been obtained for the current reporting period, the Company acknowledges the importance of data reliability and will continue to strengthen its internal reporting and data management processes.

SUSTAINABILITY STATEMENT
cont'd

GROUP OVERVIEW AND CORPORATE STRUCTURE

Sanichi was incorporated in Malaysia in 2004 and was historically involved in the design and fabrication of precision plastic injection moulds and tooling for the automotive sector. The Company's manufacturing operations were previously carried out at its facility in Senai, Johor, with overseas presence through its Thailand operation.

Sanichi's sustainability reporting boundary for FYE 2026 reflects the operational status of its subsidiaries during the reporting period, as summarised below:

Subsidiary	Status	Key Notes
Sanichi Precision Mould Sdn Bhd	Active (Restructured)	The precision mould manufacturing business is undergoing restructuring to streamline manufacturing operations and business processes. Acquired 224 units from Sanichi Property Sdn Bhd. Now principally a real estate holding entity.
Sanichi Capital Sdn Bhd	Active	Holds a 12-storey office building in Bangsar South here for RM46 million. The Ikhlas Point is located at The Horizon and has a floor area of 5,021 square metres.
Sanichi Property Sdn Bhd	Disposed	Disposed of on 26 November 2025. Prior to disposal, 224 units were transferred to Sanichi Precision Mould Sdn Bhd.
Asia Pinnacle Sdn Bhd	Dormant	No operational activity during FY2026. Excluded from sustainability reporting boundary.
Sanichi Glove Sdn Bhd	Dormant/Strike-off	Strike-off application submitted in February 2026 was approved and gazetted on 8 June 2026.
Bina Bicara Sdn Bhd	Dormant/Strike-off	Strike-off application submitted in March 2026. Awaiting regulatory approval.
Sanichi Asset Management Sdn Bhd	Dormant	Dormant. Excluded from sustainability reporting boundary.
Air King (M) Sdn Bhd	Dormant	Dormant. Excluded from sustainability reporting boundary.
Asia Glare Pte Ltd (Singapore)	Dormant	Dormant Singapore incorporated entity. Excluded from sustainability reporting boundary.
Sanichi Mould (Thailand) Co. Ltd	Dormant	Dormant Thailand subsidiary. Excluded from sustainability reporting boundary.
EC Victory Sdn Bhd	Dormant	Dormant. Excluded from sustainability reporting boundary.

For FYE 2026, sustainability data relating to the precision mould manufacturing operations are reported based on available operational records during the reporting period. Sustainability disclosures for the continuing real estate, investment holding and corporate functions are reported based on the Company's ongoing operations during the financial year. Dormant subsidiaries are excluded from quantitative sustainability reporting, except where disclosure is relevant to the Company's overall corporate structure.

OUR SUSTAINABILITY APPROACH

The Company's sustainability approach is guided by EESG considerations that are relevant to its current business activities, operating scale and reporting requirements.

During FYE 2026, the Company continued to operate within a period of business transition, with a greater focus on real estate, investment holding and corporate functions. As such, the Company adopts a practical and proportionate approach to sustainability, focusing on maintaining regulatory compliance, monitoring key environmental and social data where applicable, and upholding sound governance practices.

SUSTAINABILITY STATEMENT
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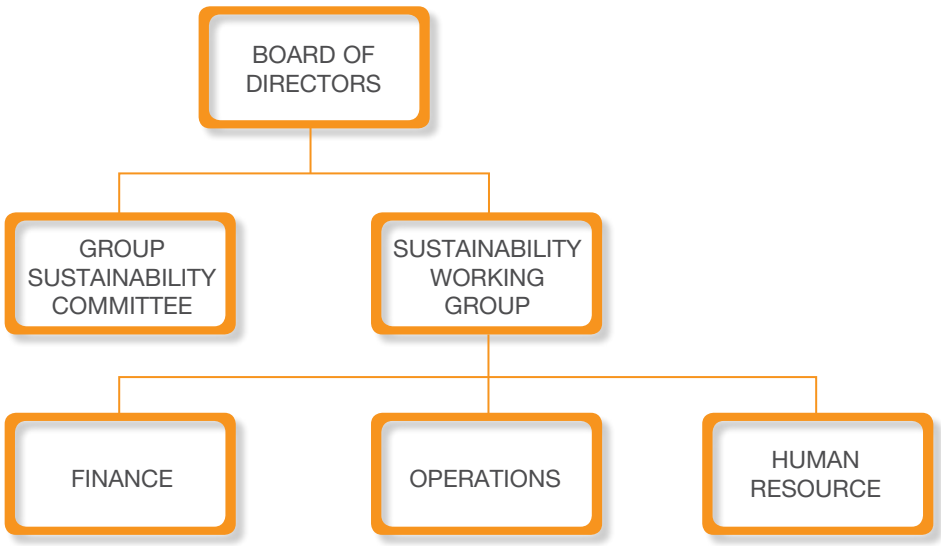
The Company recognises that its sustainability practices remain developing and are aligned with the nature of its current operations. The Company will continue to review its sustainability priorities as its business direction, operational needs and stakeholder expectations evolve.

SUSTAINABILITY GOVERNANCE STRUCTURE

The Company recognises that clear governance is important in supporting the management and reporting of sustainability matters. The sustainability governance structure provides a practical framework for overseeing EESG matters, coordinating sustainability-related data and ensuring that relevant information is reviewed for reporting purposes.

The Board of Directors provides overall oversight of the Company's sustainability direction, while the Company Sustainability Committee and Sustainability Working Group support the coordination of sustainability matters across relevant functions. Finance, Operations and Human Resource provide the necessary data, records and departmental input to support the preparation of the Sustainability Statement.

The structure below outlines the Company's sustainability governance arrangement for FYE 2026. The roles and responsibilities of each function are set out after the chart.



Sustainability Corporate Structure	Roles and Responsibilities
Board of Directors	Responsible for the Company's overall strategy and governance, including oversight of financial and non-financial performance reporting. The Board reviews and approves the Company's EESG and sustainability direction, material sustainability matters and Sustainability Statement.
Group Sustainability Committee	Supports the Board in overseeing the Company's sustainability matters, including reviewing material EESG topics, monitoring sustainability-related performance and ensuring that sustainability disclosures are aligned with the Company's business activities and reporting requirements.
Sustainability Working Group	Coordinates the day-to-day sustainability reporting process, including data collection, consolidation and verification with relevant departments. The Working Group also supports the implementation of sustainability-related tasks and prepares information required for the Sustainability Statement.

SUSTAINABILITY STATEMENT
cont'd

STAKEHOLDER ENGAGEMENT

Sanichi engages with its stakeholders to better understand matters that may affect its business activities, operating scale and stakeholder interests. For FYE 2026, the stakeholder engagement process was reviewed to reflect the Company's current business direction and sustainability reporting requirements.

Feedback and input from relevant stakeholder groups were considered as part of the materiality assessment process. These engagements support the Company in identifying key EESG matters, understanding stakeholder expectations and prioritising areas that are relevant to its sustainability disclosures.

The Company will continue to maintain practical engagement channels with its stakeholders, including Management, employees, shareholders and investors, customers, suppliers, regulators and local communities, where applicable.

Stakeholder Group	Areas of Concern	Method of Engagement	Frequency of Engagement
Management	Business direction, operational performance, profitability, sustainability, compliance, risk management and financial performance	Board meetings, management discussions and quarterly reviews	Quarterly/ Annually
Employees	Working conditions, occupational health and safety, fair performance evaluation, employee benefits, training and development	Staff meetings, internal communication, surveys and training sessions	Monthly/ Annually
Shareholders and Investors	Return on investment, profitability, financial reporting, corporate governance and transparency	General meetings, annual reports, quarterly financial results and corporate announcements	Quarterly/ Annually
Customers	Service quality, pricing, availability, safety standards, business ethics and customer satisfaction	Direct communication and website	Monthly/ Quarterly
Suppliers and Service Providers	Payment terms, service quality, delivery schedules, long-term business relationships and compliance requirements	Supplier meetings, service reviews, contract negotiations and procurement communication	Biannually/ Annually
Government and Regulatory Authorities	Regulatory compliance, environmental matters, labour practices, statutory reporting and corporate governance	Regulatory submissions, audits, inspections, consultations and compliance reporting	Annually/ As required
Local Communities	Employment opportunities, environmental impact, local sourcing and contribution to community development	Community engagement	As required

SUSTAINABILITY STATEMENT
cont'd

MATERIALITY ASSESSMENT

The Company conducted a materiality assessment to identify EESG matters that are relevant to its current business activities, operating scale and stakeholder interests. For FYE 2026, the assessment was reviewed to reflect the Company's business transition, changes in its operating structure and the sustainability matters applicable to its continuing operations.

The material matters were identified based on their relevance to the Company and its stakeholders through internal review, management input and stakeholder feedback obtained during the reporting period. The assessment also considered the Company's current business direction, regulatory requirements and sustainability disclosure expectations.

The identified material matters were subsequently prioritised and validated to ensure that they remain relevant to the Company's sustainability reporting and management approach.

Selection of Key Sustainability Matters

1. Identification

The Company reviewed its business activities, operating environment and stakeholder expectations to identify sustainability matters that may be relevant to its operations. The identification process considered internal inputs, stakeholder feedback, applicable regulatory requirements, Bursa Malaysia's sustainability disclosure expectations and general sustainability matters commonly relevant to companies with real estate, investment holding and corporate functions.

The review also took into account the Company's operational changes during FYE 2026 to ensure that the selected matters remain appropriate to its current business context.

2. Prioritisation

Following the identification process, the material matters were assessed based on their significance to the Company and their importance to stakeholders. Consideration was also given to the potential financial impact of each matter, as well as its relevance to the Company's EESG pillars.

This process enabled the Company to prioritise sustainability matters that require monitoring and disclosure, while ensuring that the assessment remains proportionate to the Company's current scale of operations and available resources.

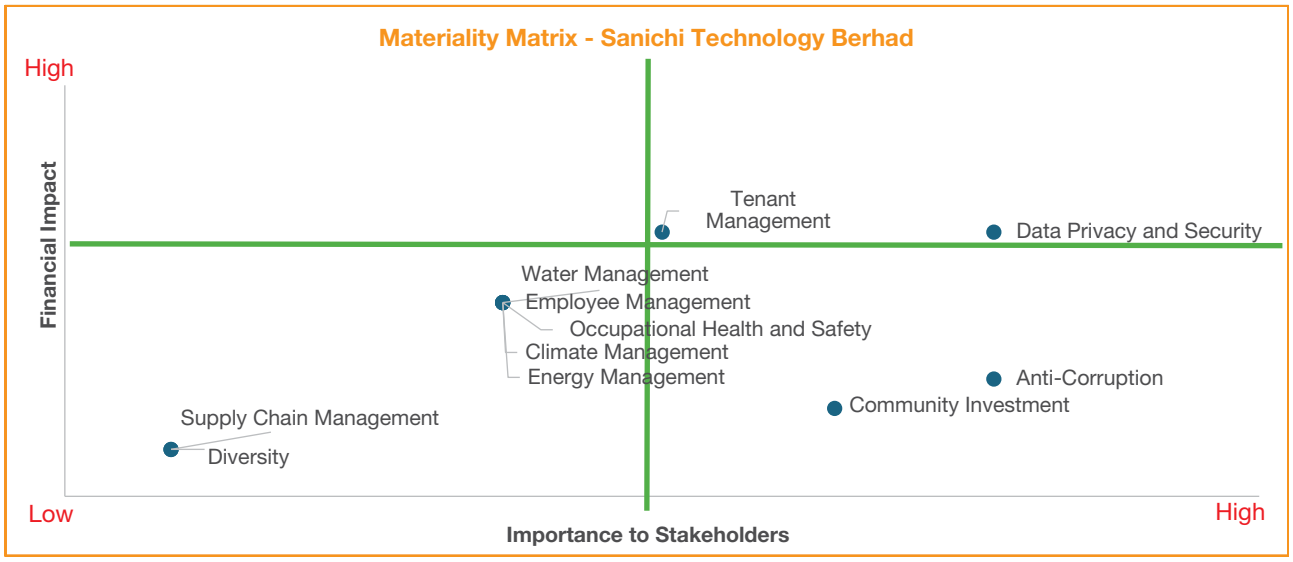
Based on the assessment, the following eleven (11) material matters were identified:

1. Anti-Corruption
2. Data Privacy and Security
3. Diversity
4. Supply Chain Management
5. Employee Management
6. Occupational Health and Safety
7. Community Investment
8. Energy Management
9. Climate Management
10. Water Management
11. Tenant Management

SUSTAINABILITY STATEMENT
cont'd

3. Validation

The outcomes of the prioritisation process were reviewed and validated by Management to ensure alignment with the Company's business direction, reporting scope and sustainability approach for FYE 2026. The identified material matters have been grouped under the Company's EESG pillars and will guide the Company's sustainability disclosures, stakeholder engagement and internal monitoring moving forward. The Company will continue to review its material matters periodically to reflect changes in its business environment, operating structure and stakeholder expectations.



MATERIAL MATTERS

EESG Pillar	Material Matter	Description
Economic	Supply Chain Management	Managing procurement and supplier relationships in a responsible and practical manner to support business continuity, cost efficiency and compliance with the Company's requirements.
	Tenant Management	Managing tenant relationships, occupancy-related matters and property-related expectations to support the Company's real estate operations and long-term asset value.
Environmental	Energy Management	Monitoring electricity and fuel consumption where applicable, with the aim of understanding the Company's energy use and identifying areas for better resource management.
	Climate Management	Monitoring greenhouse gas emissions and climate-related considerations that may affect the Company's operations, regulatory compliance and business resilience.
	Water Management	Tracking water consumption and promoting responsible water use in line with the nature and scale of the Company's operations.

SUSTAINABILITY STATEMENT
cont'd

EESG Pillar	Material Matter	Description
Social	Employee Management	Managing employee-related matters, including workforce composition, retention, training and general employment practices.
	Diversity	Promoting fair and respectful workplace practices by monitoring workforce diversity across relevant employee categories.
	Occupational Health and Safety	Maintaining a safe working environment and monitoring workplace safety performance in accordance with applicable requirements.
	Community Investment	Supporting community-related contributions or activities where relevant and within the Company's available resources.
Governance	Anti-Corruption	Upholding ethical business conduct and maintaining controls to prevent bribery, corruption and improper business practices.
	Data Privacy and Security	Safeguarding personal and business information through appropriate data protection and confidentiality practices.

ALIGNMENT WITH UN SUSTAINABLE DEVELOPMENT GOALS

Sanichi recognises the importance of aligning its sustainability disclosures with broader global sustainability priorities. For FYE 2026, the Company has mapped its identified material matters to selected United Nations Sustainable Development Goals ("UNSDGs") that are relevant to its current business activities, operating scale and stakeholder interests.

This mapping provides a clearer view of how the Company's EESG matters relate to wider sustainability objectives. The alignment is intended to serve as a reference for reporting purposes and to support the Company's ongoing monitoring of key sustainability areas, including governance, resource management, employee practices, community matters and responsible business conduct.

Relevant UNSDGs	Alignment Description
SDG 8: Decent Work and Economic Growth	**Tenant Management:** Supports the responsible management of tenant relationships, occupancy matters and property-related requirements in line with the Company's real estate activities. **Employee Management:** Supports fair employment practices, workforce monitoring, training and employee-related management in line with the Company's internal policies and applicable employment requirements.
SDG 12: Responsible Consumption and Production	Encourages monitoring of energy consumption and promotes more efficient use of electricity and fuel where applicable.
SDG 13: Climate Action	Supports the monitoring of greenhouse gas emissions and climate-related matters relevant to the Company's operations.

SUSTAINABILITY STATEMENT
cont'd

GOVERNANCE MATTERS

The Company recognises that sound governance is essential in supporting accountability, regulatory compliance and responsible business conduct. During FYE 2026, the Company continued to uphold governance practices that are relevant to its current operations and reporting requirements, with emphasis on ethical conduct, anti-corruption, data privacy, risk oversight and transparency.

Governance matters are managed through the Company's internal policies, Board oversight and established reporting channels. These practices help the Company maintain stakeholder confidence, support compliance with applicable laws and regulations, and provide a foundation for responsible decision-making across its business activities.

ANTI-BRIBERY AND ANTI-CORRUPTION

The Company is committed to conducting its business in an ethical, transparent and responsible manner. This is supported by the Company's Anti-Bribery and Corruption ("ABAC") Policy, which sets out guidance to prevent bribery and corrupt practices across Sanichi's business activities. The Policy applies to all Directors, employees and associated third parties, including suppliers, contractors, agents, consultants and other business partners.

The Company adopts a zero-tolerance approach to bribery and corruption. All business dealings are expected to be conducted honestly, fairly and with integrity, in compliance with applicable laws, including the Malaysian Anti-Corruption Commission Act 2009 and the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

The Policy covers key areas such as gifts, hospitality and entertainment, facilitation payments, donations, sponsorships, political contributions, conflict of interest, dealings with third parties, reporting channels and record-keeping. Employees and associated third parties are required to avoid any conduct that may give rise to bribery, corruption or improper business advantage.

For FYE 2026, the Company recorded no substantiated complaints relating to bribery, corruption or gift-giving, and there were no confirmed incidents of corruption requiring action. During the reporting period, 14 employees received anti-corruption training, supporting awareness of ethical conduct, the Company's ABAC Policy and the importance of preventing bribery and corruption in business dealings. However, the Company has not conducted a formal standalone corruption risk assessment during the reporting period.

Nevertheless, corruption-related matters continue to be managed through its internal governance practices, approval procedures, ABAC Policy and reporting channels.

WHISTLEBLOWING POLICY

The Company maintains a Whistle Blowing Policy to support sound corporate governance, business integrity and accountability. The Policy provides employees and members of the public with a formal channel to report improper conduct, including fraud, breaches of policies or laws, bribery or corruption, abuse of power, conflict of interest, insider trading, criminal breach of trust, sexual harassment, misuse of confidential information and other wrongdoing. Reports made in good faith are treated confidentially, and whistleblowers are protected from adverse action, provided that the disclosure is made without malice.

Whistleblowing reports may be submitted by mail to the immediate superior, Managing Director and Executive Director or, where reporting to Management is not appropriate, to the Audit Committee Chairman. All reports will be reviewed and investigated in accordance with the Policy, with recommended actions submitted to the Audit Committee where necessary. For FYE 2026, the Company continued to maintain its whistleblowing mechanism as part of its governance framework to support ethical conduct and responsible reporting. During the reporting period, there were no reported whistleblowing cases requiring investigation or escalation to the Audit Committee.

SUSTAINABILITY STATEMENT
cont'd

DATA PRIVACY AND SECURITY

The Company recognises the importance of safeguarding personal, business and confidential information in the course of its operations. The Company is guided by the requirements of the Personal Data Protection Act 2010 ("PDPA") and maintains appropriate controls over the handling, storage and access of sensitive information.

Sanichi maintains controls over the handling and storage of confidential information, including property-related documents, purchaser information, design records and financial documents, to support confidentiality and proper information management. These measures support the Company's efforts to protect information confidentiality and reduce the risk of unauthorised access, misuse or disclosure.

During FYE 2026, the Company recorded zero substantiated complaints concerning breaches of customer privacy or loss of customer data. The Company will continue to monitor its data privacy practices in line with its operational needs and applicable regulatory requirements.

Indicator	FPE 2024	FYE 2025	FYE 2026
Substantiated complaints — breaches of customer privacy/data loss	0	0	0

ECONOMIC MATTERS

The Company recognises that economic sustainability is important in supporting business continuity, operational resilience and long-term stakeholder value. During FYE 2026, the Company's economic matters were mainly focused on areas relevant to its current business activities, including supply chain management and tenant management.

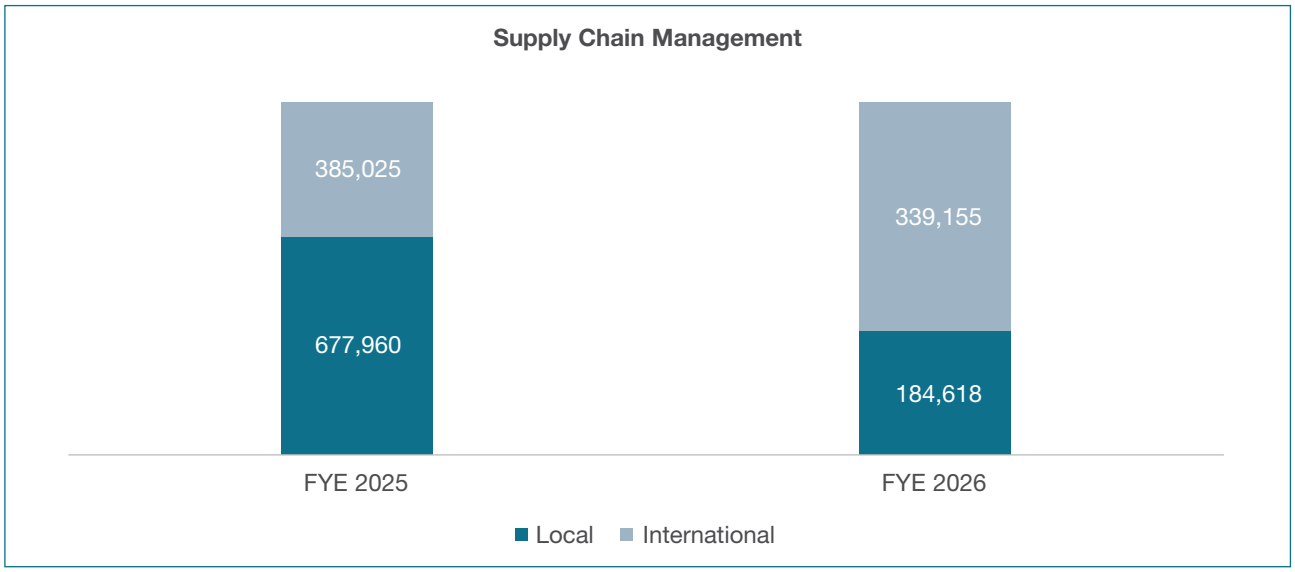
The Company adopts a practical approach in managing economic matters by maintaining responsible business relationships, supporting compliance with contractual requirements and ensuring that key operational matters are monitored in line with its business scale and available resources.

SUPPLY CHAIN MANAGEMENT

The Company acknowledges that supply chain management is important in supporting business continuity, cost management and operational reliability. During FYE 2026, the Company's procurement activities were mainly related to its current business needs, including property-related services, professional services, general corporate services and other operational support. Sanichi engages suppliers and service providers based on practical considerations such as service availability, pricing, technical capability, reliability and compliance with relevant requirements. Where possible, the Company works with local suppliers and service providers to support operational efficiency and accessibility.

In FYE 2026, expenditure on local suppliers decreased from RM677,959.62 in FYE 2025 to RM184,618.29. Expenditure on international suppliers also decreased, from RM385,024.92 to RM339,154.92. The change in the distribution of supplier spending was mainly attributable to the nature and sourcing requirements of the goods and services procured during the reporting period.

SUSTAINABILITY STATEMENT
cont'd



Supply Chain Indicator	FYE 2025	FYE 2026
Proportion of spend on local suppliers	677,960	184,618
Proportion of spend on international suppliers	385,025	339,155

TENANT MANAGEMENT

Tenant management is relevant to Sanichi's real estate-related activities, particularly in relation to the management of Sanichi Tower, Tower 11, Avenue 5, Bangsar South. The Company maintains tenant records to monitor occupancy, tenancy periods and space utilisation within the building.

For FYE 2026, Sanichi Tower recorded a total floor area of 37,632 sq ft, with an occupancy rate of 92%. The building comprises a mix of external tenants and spaces used internally by Sanichi Capital Sdn. Bhd. for office, event hall and management office purposes. One floor remained vacant during the reporting period.

The Company will continue to monitor tenancy arrangements, occupancy status and tenant-related records as part of its property management and sustainability disclosure process.

ENVIRONMENTAL MATTERS

The Company acknowledges the importance of managing environmental matters in a responsible and proportionate manner. Given the nature and scale of its current operations, the Company focuses on monitoring key environmental indicators, including energy consumption, greenhouse gas emissions, water usage and waste generation where applicable.

For FYE 2026, the Company continued to track relevant environmental data to support sustainability reporting and regulatory disclosure requirements. The Company will continue to review its environmental management approach in line with its operating needs, business direction and available resources.

SUSTAINABILITY STATEMENT
cont'd

EMISSION MANAGEMENT

Sanichi manages emissions by monitoring Scope 1, Scope 2 and relevant Scope 3 Greenhouse Gas ("GHG") emissions arising from its operations, where applicable. For FYE 2026, the Company's emissions were mainly associated with fuel consumption, purchased electricity and selected indirect activities such as employee commuting and business travel.

The Company's emissions reporting is prepared based on available operational data and relevant emission factors, including industry-recognised sources such as the UK Government GHG Conversion Factors for Company Reporting and the applicable electricity grid emission factor. This allows the Company to track its emissions profile and provide stakeholders with a clearer view of its environmental impact during the reporting period.

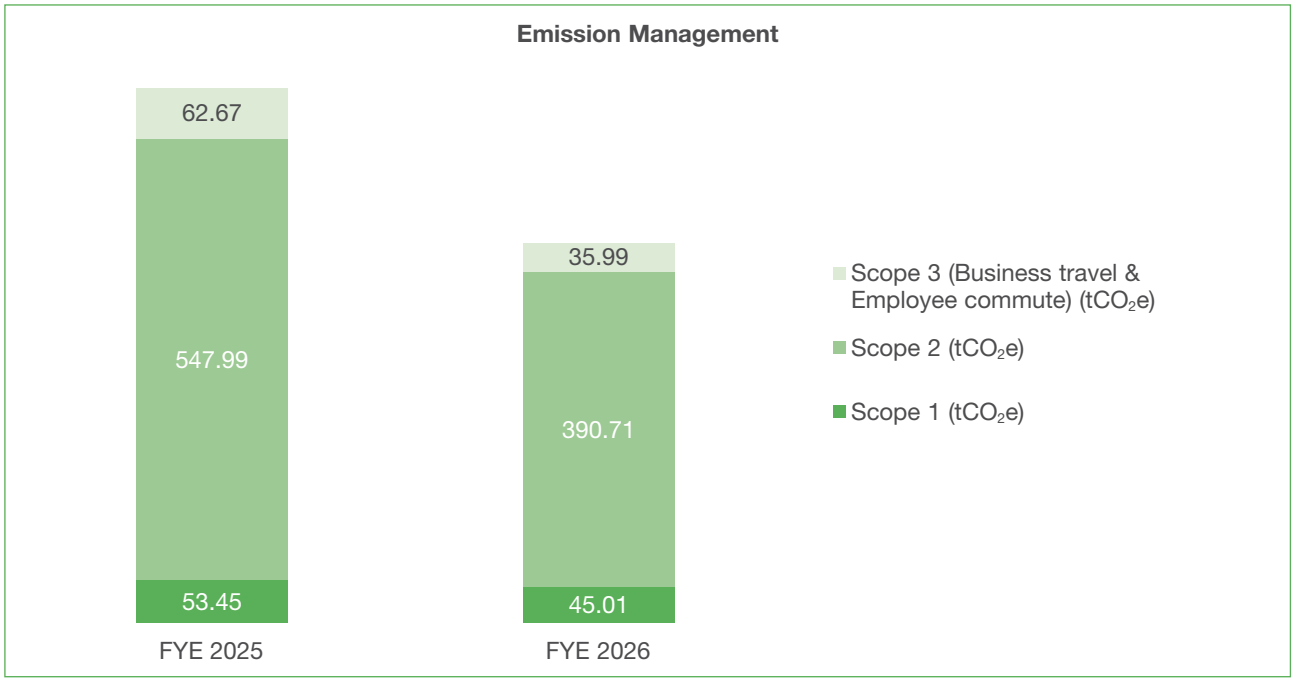
For reporting purposes, the Company's GHG emissions are categorised as follows:

Scope	Description
Scope 1	Direct emissions from sources owned or controlled by the Company, including fuel consumption from petrol, diesel and LPG gas.
Scope 2	Indirect emissions from purchased electricity consumed by the Company's operations.
Scope 3	Other indirect emissions arising from relevant activities outside the Company's direct control, such as employee commuting and business travel, where data is available.

GHG EMISSIONS OVERVIEW

The Company's total GHG emissions comprise Scope 1, Scope 2 and selected Scope 3 emissions, based on available operational data. In FYE 2026, total GHG emissions decreased from 629.72 tCO_2e in FYE 2025 to 471.71 tCO_2e.

The decrease was mainly due to lower Scope 1 and Scope 2 emissions, which were primarily attributable to lower fuel consumption and electricity usage during the reporting period. Scope 3 emissions also decreased due to lower employee commuting emissions.

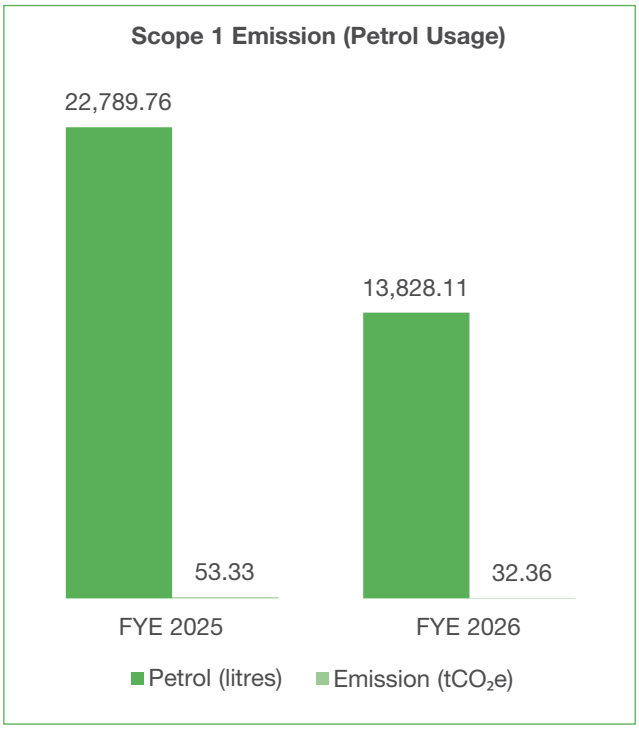


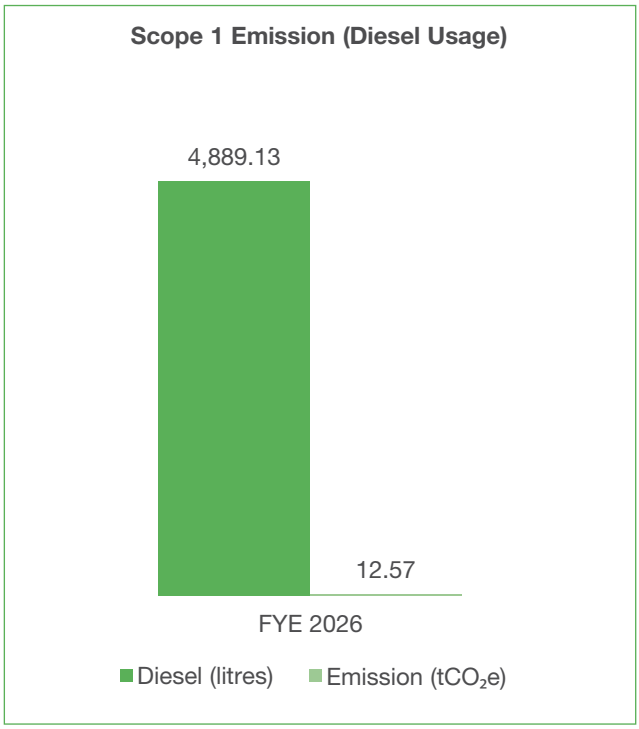
GHG Emission Category	Scope 1 (tCO_2e)	Scope 2 (tCO_2e)	Scope 3 (tCO_2e)	Total (tCO_2e)
FYE 2025	53.45	547.99	62.67	629.72
FYE 2026	45.01	390.71	35.99	471.71

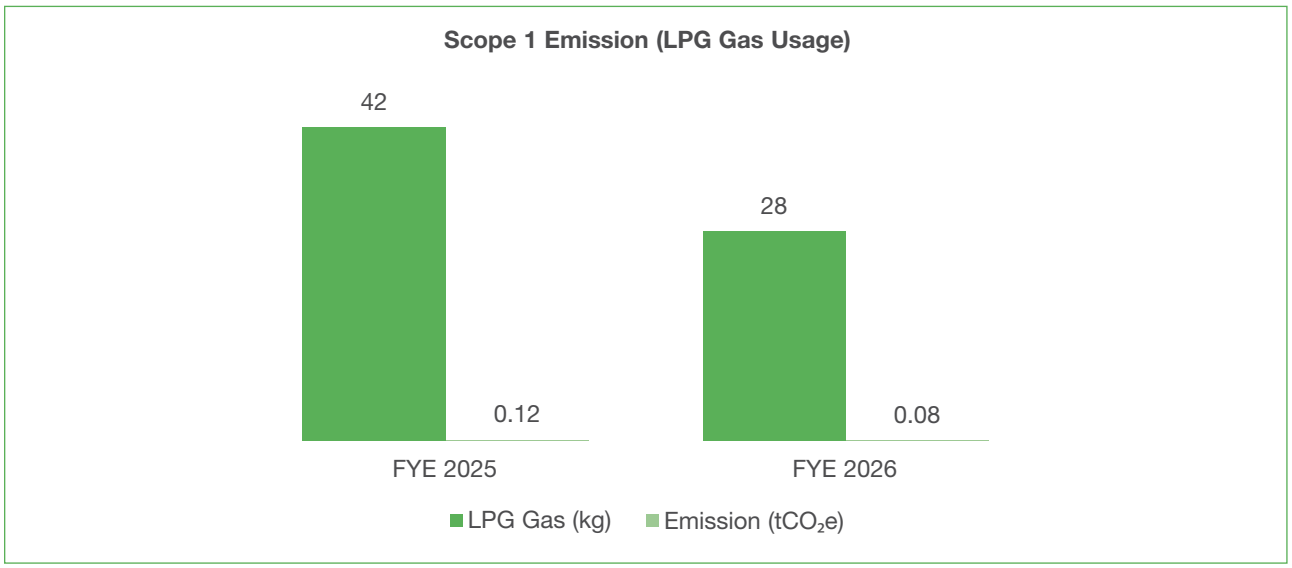
SUSTAINABILITY STATEMENT
cont'd

Scope 1 — Direct Emissions

The Company's Scope 1 emissions were mainly derived from the consumption of petrol, diesel and LPG gas for its operations. In FYE 2026, total emissions decreased from 53.45 tCO_2e in FYE 2025 to 45.01 tCO_2e, mainly due to lower production activities during the reporting period.







SUSTAINABILITY STATEMENT
cont'd

Fuel Type	Measurement	FYE 2025	FYE 2026
Petrol	Litres	22,789.76	13,828.11
	tCO_2e	53.33	32.36
Diesel	Litres	-	4,889.13
	tCO_2e	-	12.57
LPG Gas	kg	42	28
	tCO_2e	0.12	0.08
Total Emission	**tCO_2e**	**53.45**	**45.01**

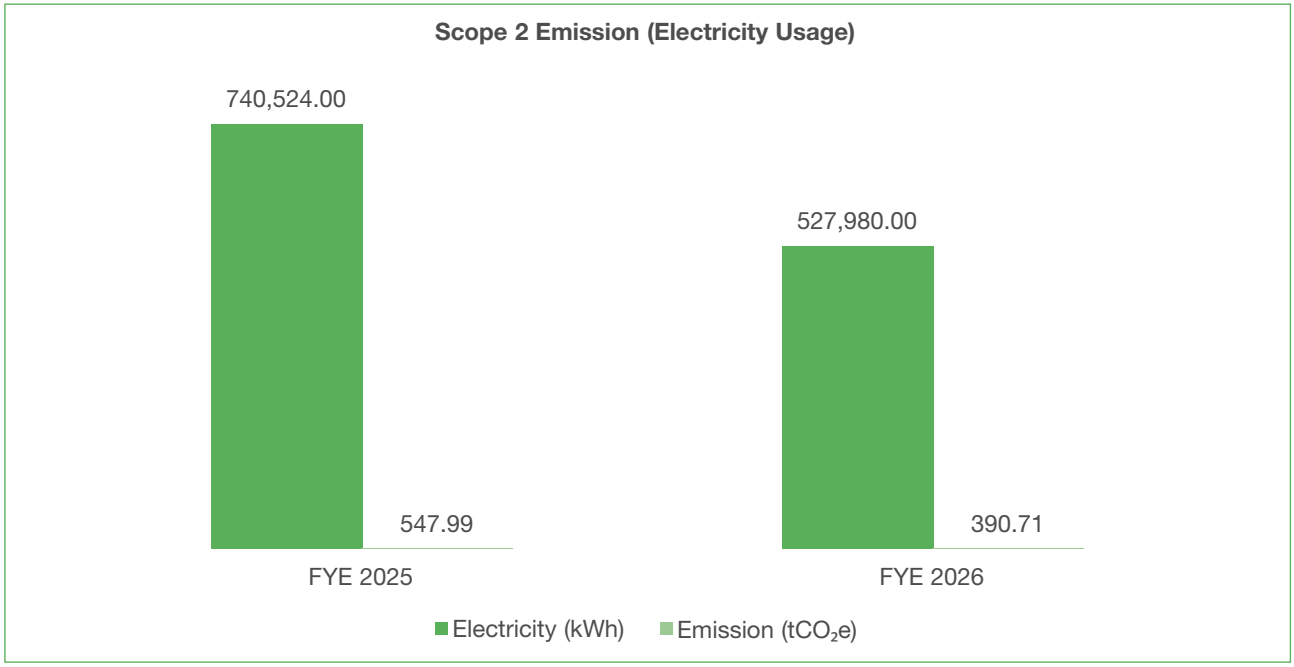
* *The emission factors are based on industry standard as provided by UK Government GHG Conversion Factors for Company Reporting 2025*

- Petrol : 2.34 kg CO_2e per litre
- Diesel : 2.57 kg CO_2e per litre
- LPG : 2.94 kg CO_2e per kg

Overall, the reduction in emissions was primarily attributable to lower petrol consumption, which declined from 22,789.76 litres in FYE 2025 to 13,828.11 litres in FYE 2026, in line with lower manufacturing-related activity and fuel usage recorded during the reporting period.

Scope 2 — Purchased Electricity

The Company's Scope 2 emissions are derived from purchased electricity consumed during its operations. In FYE 2026, electricity usage decreased from 740,524 kWh in FYE 2025 to 527,980 kWh, resulting in a reduction in Scope 2 emissions from 547.99 tCO_2e to 390.71 tCO_2e. The decrease was mainly attributable to lower operational and production activities during the reporting period.



Year	Electricity Usage (kWh)	Total Emission (tCO_2e)
FYE 2025	740,524	547.99
FYE 2026	527,980	390.71

* *The emission factors are based on industry standard as provided by Suruhanjaya Tenaga [Peninsular Malaysia's Electricity: 0.74 kg CO_2-eq per kWh*

SUSTAINABILITY STATEMENT
cont'd

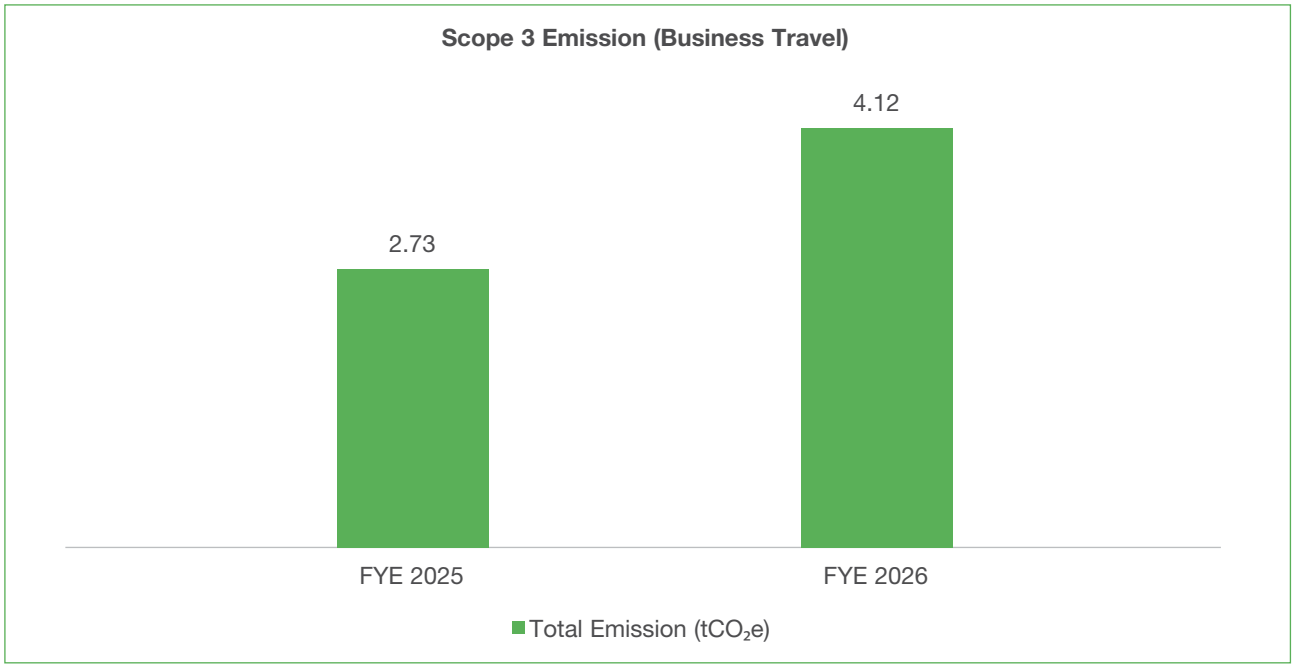
Scope 3 — Indirect Emissions

Scope 3 emissions refer to indirect greenhouse gas emissions arising from activities that occur outside the Company's direct operational control but are related to its business activities. For FYE 2026, the Company reported Scope 3 emissions from employee commuting and business travel, based on available data.

Scope 3 Category 6 — Business Travel

The Company's Scope 3 business travel emissions were calculated based on air travel undertaken during the reporting period, using the International Civil Aviation Organisation ("ICAO") Carbon Emissions Calculator methodology.

In FYE 2026, the Company recorded 14 flights, with a total travel distance of approximately 59,332 km, resulting in 4.12 tCO_2e emissions. Compared with FYE 2025, business travel emissions increased from 2.73 tCO_2e to 4.12 tCO_2e, mainly due to increase in business travel recorded during the reporting period.



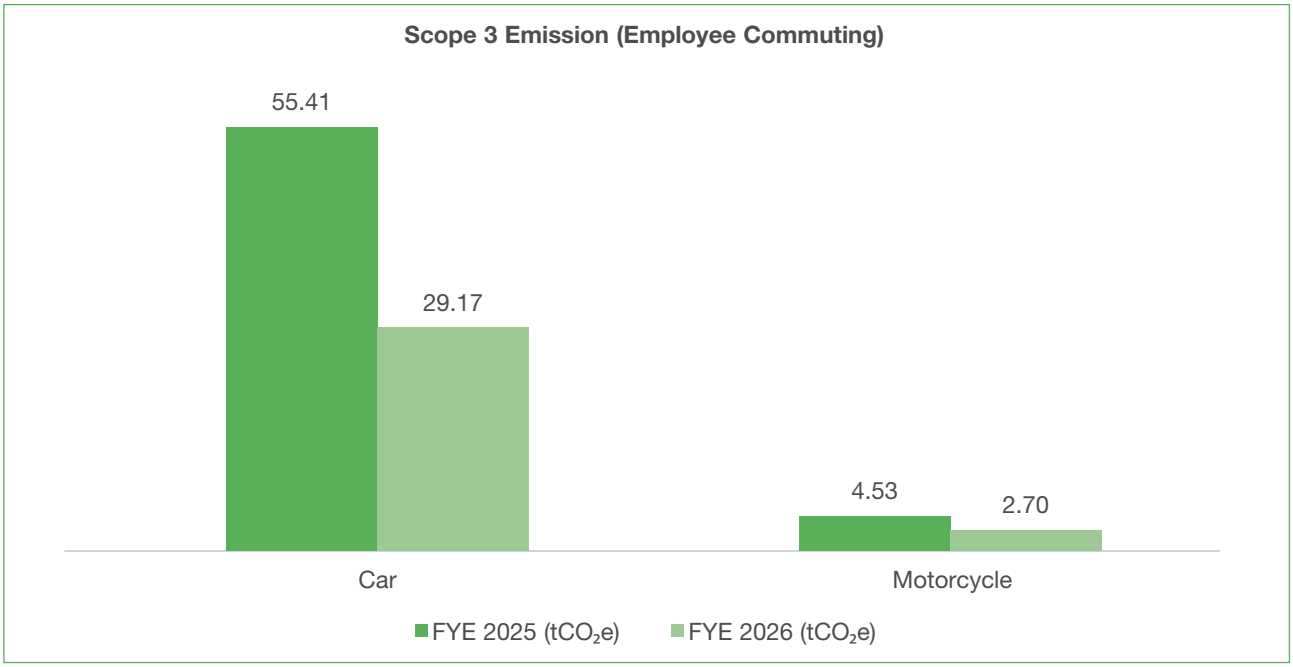
Year	Number of Flights	Total Emission (tCO_2e)
FYE 2025	8	2.73
FYE 2026	14	4.12

Scope 3 Category 7 — Employee Commuting

Sanichi's Scope 3 employee commuting emissions were calculated based on the distance travelled by employees commuting to and from work, covering car and motorcycle travel.

In FYE 2026, total employee commuting emissions decreased from 59.94 tCO_2e in FYE 2025 to 31.87 tCO_2e. The decrease was mainly due to the lower total commuting distance recorded during the reporting period, in line with the reduced workforce and lower operational activities.

SUSTAINABILITY STATEMENT
cont'd



Year	Transport Type	Total Distance Travelled (km)	Total Emission (tCO_2e)
FYE 2025	Car	340,540.2	55.41
	Motorcycle	39,850.2	4.53
FYE 2026	Car	179,282.4	29.17
	Motorcycle	23,760.0	2.70

* *The emission factors are based on industry standard as provided by UK Government GHG Conversion Factors for Company Reporting 2025:*

- Car (Petrol) : 0.16272 kg CO_2e per km
- Motorcycle : 0.11367 kg CO_2e per km

Scope 3 Category 8 — Upstream Leased Assets

Sanichi has considered the relevance of Scope 3 Category 8: Upstream Leased Assets as part of its Scope 3 emissions reporting boundary. This category relates to emissions from assets leased by the Company where the associated Scope 1 and Scope 2 emissions are not already included in the Company's emissions inventory.

For FYE 2026, Scope 3 Category 8 emissions have been omitted due to data unavailability. The electricity and water consumption as a whole building for leased spaces within the building are billed directly to the respective tenants, and the Company does not have access to the underlying consumption data.

Accordingly, Scope 3 Category 8 emissions are omitted for FYE 2026. Sanichi intends to include this category in the next reporting cycle, subject to the availability of tenant consumption data and the establishment of a practical data collection process.

SUSTAINABILITY STATEMENT
cont'd

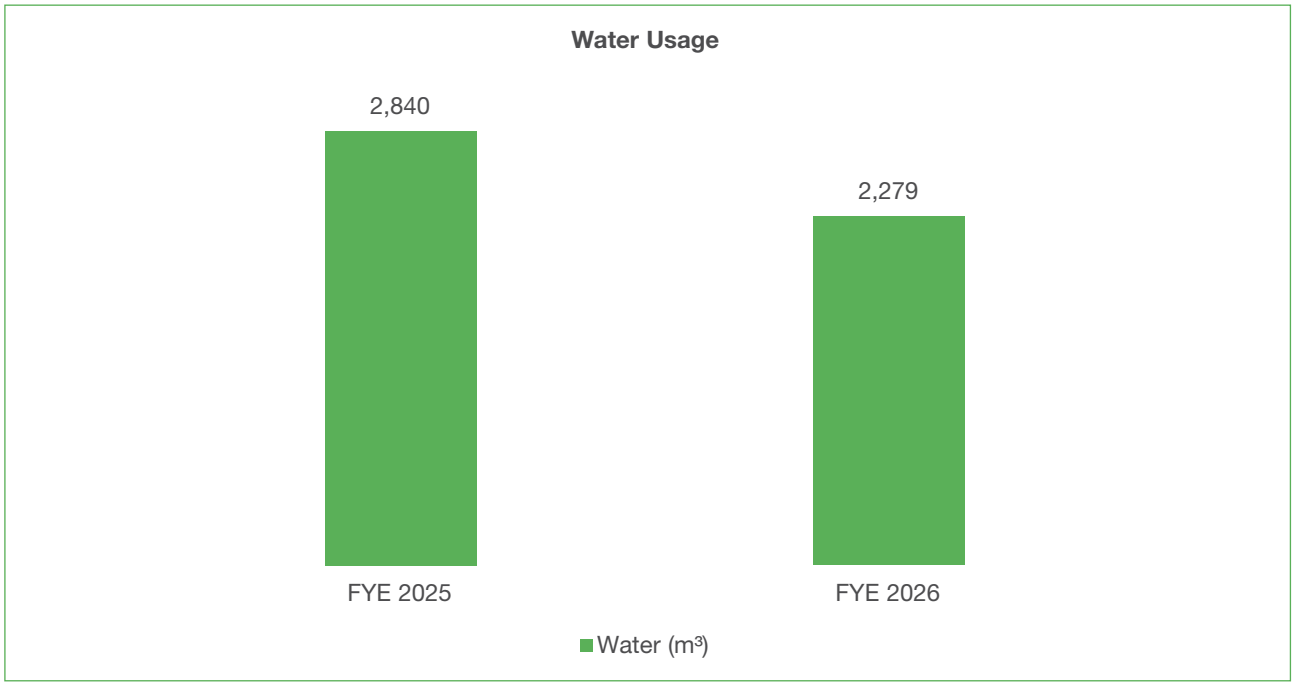
ENERGY MANAGEMENT

As the Company continues to review and streamline its manufacturing operations, its energy management focus includes monitoring electricity consumption and improving energy efficiency across relevant operating areas. Key initiatives for FY2026 and beyond include:

- Monthly monitoring of electricity consumption at all active administrative premises;
- Evaluation of LED lighting, variable speed drives for HVAC, and building management systems for Sanichi Tower;
- Feasibility assessment for rooftop photovoltaic solar installation at Sanichi Tower to generate on-site renewable energy;
- Targeting maintenance or reduction of per-employee electricity intensity at office premises.

WATER MANAGEMENT

The Company monitors water consumption as part of its environmental data tracking and sustainability reporting. Water is mainly consumed for general operational and administrative use. In FYE 2026, the Company's water consumption decreased from 2,840 m^3 in FYE 2025 to 2,279 m^3.



Year	Water Usage (m^3)
FYE 2025	2,840
FYE 2026	2,279

SUSTAINABILITY STATEMENT
cont'd

WASTE MANAGEMENT

The Company monitors waste generated from its operations as part of its environmental data tracking. Waste generated during FYE 2026 comprised recycled waste, general waste directed to landfill, and hazardous waste disposed of through appropriate channels.

In FYE 2026, total waste generated increased slightly from 48.83 tonnes in FYE 2025 to 49.52 tonnes. The increase was mainly due to higher recycled waste and hazardous waste disposed of during the reporting period, while waste directed to landfill remained unchanged at 48.00 tonnes.



Waste Category	FYE 2025 (tonnes)	FYE 2026 (tonnes)
Waste Diverted from Disposal — Recycled	0.64	1.29
Waste Directed to Disposal — Landfill	48.00	48.00
Hazardous Waste Disposed (SW409, SW410 and SW422)	0.19	0.23
Total Waste Generated	**48.83**	**49.52**

The hazardous waste disposed in FYE 2026 mainly comprised scheduled wastes classified under SW409, SW410 and SW422. SW409 refers to disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes, while SW410 refers to rags, plastics, papers or filters contaminated with scheduled wastes. SW422 refers to a mixture of scheduled and non-scheduled wastes. These scheduled wastes were monitored separately from general waste due to their nature and were managed through appropriate disposal channels in line with applicable environmental requirements.

SUSTAINABILITY STATEMENT
cont'd

SOCIAL MATTERS

Sanichi recognises that social responsibility is an important aspect of maintaining a fair, safe and respectful working environment. During FYE 2026, the Company's social matters focused on employee management, diversity, occupational health and safety, and community investment.

The Company adopts a practical approach in managing social matters by monitoring key workforce data, maintaining basic workplace safety practices, supporting fair employment practices and encouraging employee development where applicable. The Company also recognises the importance of maintaining positive relationships with the communities in which it operates, within its available resources and operational capacity.

HEALTH AND SAFETY

Sanichi upholds occupational safety and health compliance under the Occupational Safety and Health Act 1994 as a fundamental responsibility across all active operations. The Company monitors work-related fatalities, lost time incident rate ("LTIR") and employees trained on health and safety matters as part of its workplace safety management.

For FYE 2026, the Company recorded zero work-related fatalities and zero LTIR, maintaining its safety performance from prior reporting periods. During the year, 14 employees received health and safety-related training, with a total of 98 training hours recorded for scheduled waste training. This training supported employee awareness on the proper handling and management of scheduled waste in accordance with applicable requirements.

Health & Safety (Bursa C5)	Unit	FPE 2024	FYE 2025	FYE 2026
Work-related fatalities	No.	0	0	0
LTIR	Rate	0	0	0
Employees trained on Health and Safety	No.	0	19	14

TRAINING AND DEVELOPMENT

Sanichi provides training and development programmes to support employee awareness, regulatory compliance and job-related competency. For FYE 2026, the training programmes focused on sustainability awareness, governance compliance and finance-related regulatory updates.

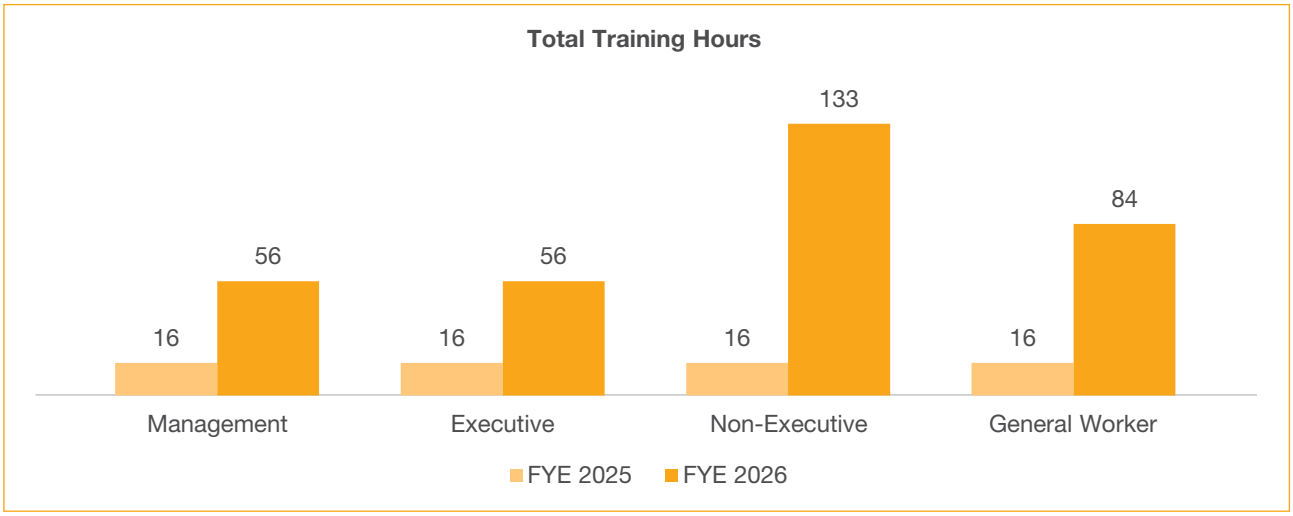
Training programmes conducted during FYE 2026 included:

- **ESG and TCFD Masterclass**
  This programme enhanced employees' understanding of ESG principles, climate-related risks and opportunities, and the relevance of TCFD-aligned disclosures. It helped employees better understand sustainability reporting requirements and how ESG matters may relate to the Company's operations, governance and stakeholder expectations.

- **Anti-Bribery and Anti-Corruption Training**
  This training reinforced employees' awareness of ethical business conduct, conflict of interest, bribery and corruption risks, and the importance of complying with the Company's Anti-Bribery and Corruption Policy. It supports a stronger culture of integrity and helps employees identify and respond appropriately to potential misconduct.

- **e-Invoicing Training**
  This programme provided employees with knowledge on the implementation of e-Invoicing requirements and related administrative processes. It helped relevant employees understand compliance obligations, documentation requirements and process changes, supporting smoother adaptation to regulatory updates.

SUSTAINABILITY STATEMENT
cont'd



Training & Development (Bursa C6a)	FPE 2024	FYE 2025	FYE 2026
Management (hours)	—	16	56
Executive (hours)	—	16	56
Non-Executive / Technical Staff (hours)	—	16	133
General Workers (hours)	—	16	84
Total Training Hours	**584**	**64**	**329**

In FYE 2026, the Company recorded a total of 329 training hours, compared with 64 hours in FYE 2025. The increase was mainly due to broader employee participation across multiple training areas. These programmes supported employees in strengthening their understanding of sustainability, compliance and workplace responsibilities, while helping the Company maintain awareness of relevant governance and regulatory requirements.

EMPLOYEE MANAGEMENT

The Company is committed to maintaining a fair and supportive working environment for its employees. This is supported by the Company Handbook, which outlines key employment practices, employee benefits, workplace expectations, leave entitlements, performance appraisal, grievance procedures and disciplinary matters.

The Company also adopts an open-door approach, allowing employees to raise concerns or seek clarification from supervisors, managers or the Human Resource Department. Employee performance is managed through an appraisal process that supports work expectations, performance review and identification of training needs.

For FYE 2026, the Company continued to manage employee-related matters in line with its internal policies and applicable employment requirements.

OUR WORKFORCE

FYE 2026 marked a period of workforce change for the Company following the Company's business restructuring and operational realignment during the reporting period.. As at 31 March 2026, the Company's workforce was mainly made up of management, executive and technical employees supporting its real estate, investment holding and corporate functions.

During the reporting period, the Company managed employee-related matters in accordance with applicable employment requirements, including the Employment Act 1955. Where employees were affected by operational changes, the Company ensured that relevant employment obligations, including statutory entitlements, notice requirements and other outstanding payments, were addressed accordingly. The Company remains committed to fair employment practices and treating employees with respect throughout its business transition.

SUSTAINABILITY STATEMENT
cont'd

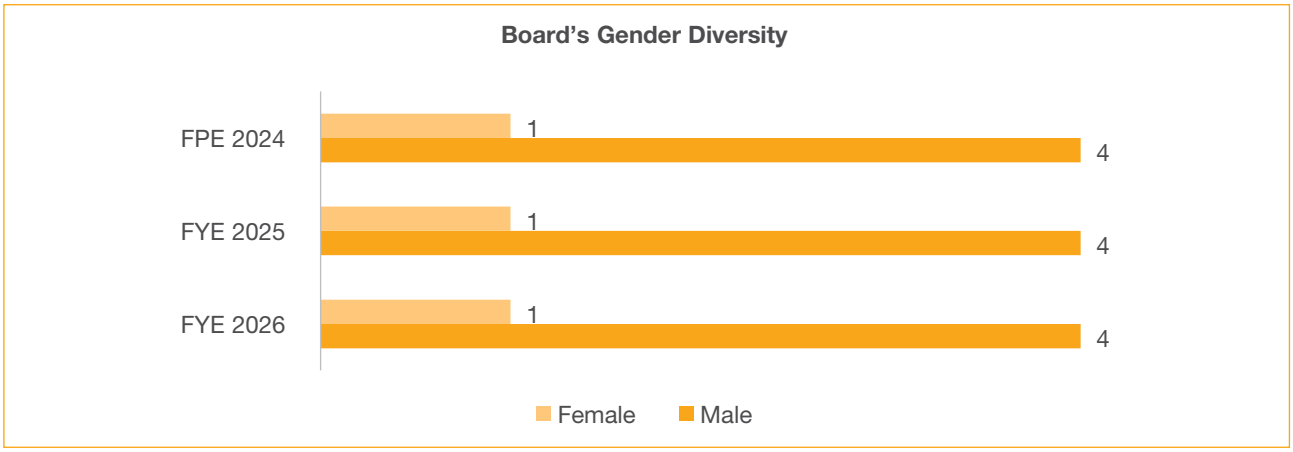
DIVERSITY, EQUITY AND INCLUSION

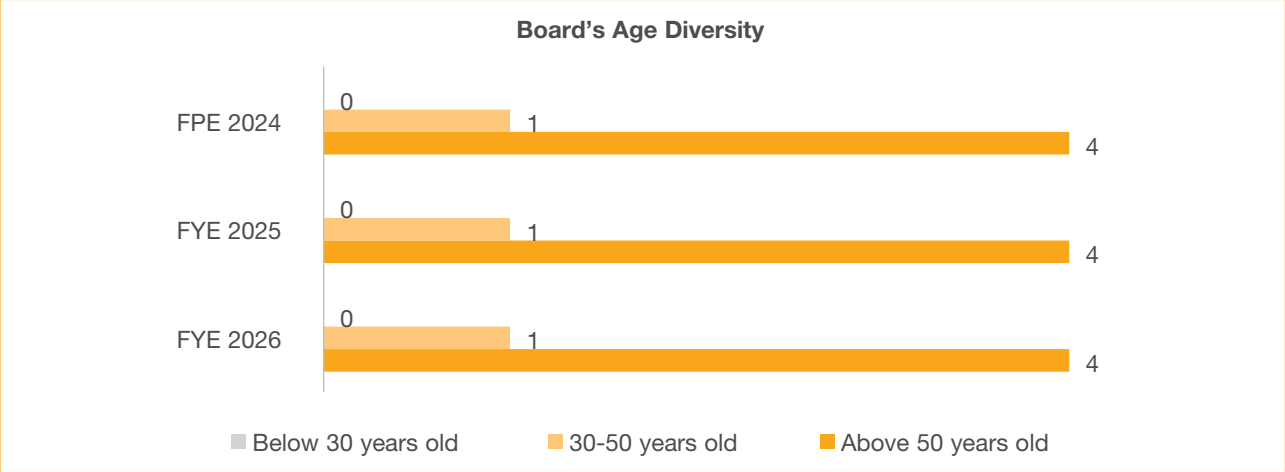
Sanichi views Board diversity as an important element in supporting balanced perspectives, effective oversight and sound decision-making.

The Board comprises Directors with different backgrounds, experience and age profiles, contributing to the overall governance of the Company. As at FYE 2026, the Board consisted of five (5) Directors, comprising four (4) male Directors and one (1) female Director. In terms of age diversity, one (1) Director was within the 30–50 age group, while four (4) Directors were above 50 years old.

The Board composition remained consistent across three financial years. The Company will continue to consider diversity, skills, experience and suitability in Board appointments, in line with its governance needs and business requirements.

Board of Directors — Gender and Age





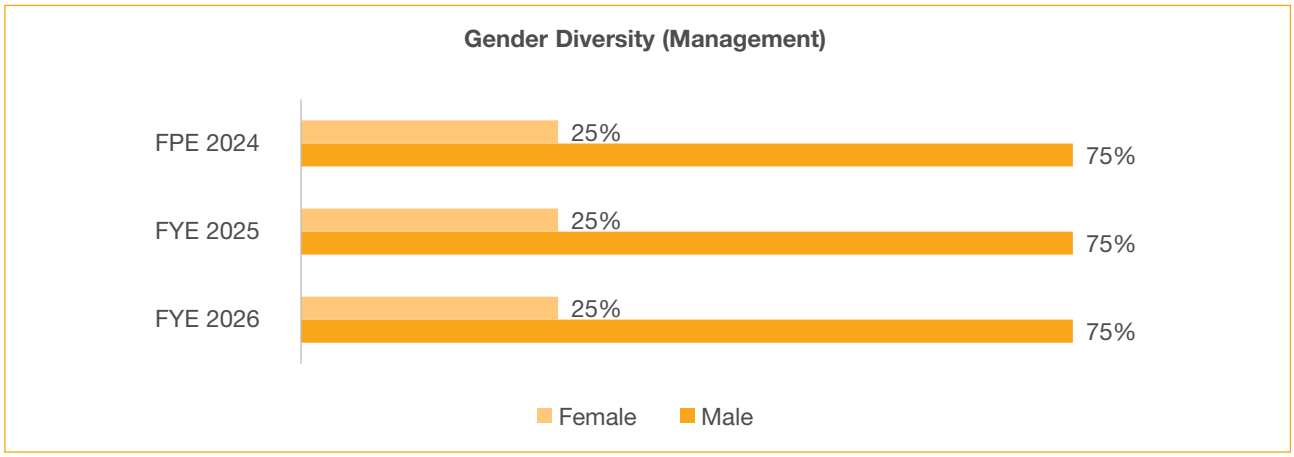
Board Composition	FPE 2024	FYE 2025	FYE 2026
Male Directors	4	4	4
Female Directors	1	1	1
Below 30	0	0	0
30 – 50	1	1	1
Above 50	4	4	4

SUSTAINABILITY STATEMENT
cont'd

Employee Gender by Category

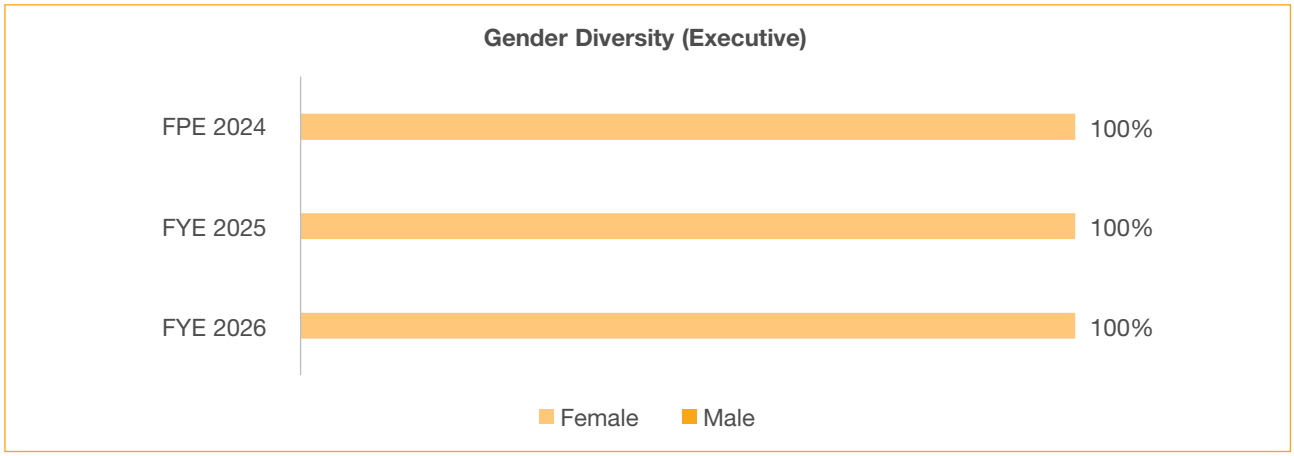
Sanichi is committed to maintaining a fair, respectful and inclusive workplace and monitors employee gender distribution across employment categories as part of its workforce diversity disclosure.

Management



Year	Male	Female
FPE 2024	75%	25%
FYE 2025	75%	25%
FYE 2026	75%	25%

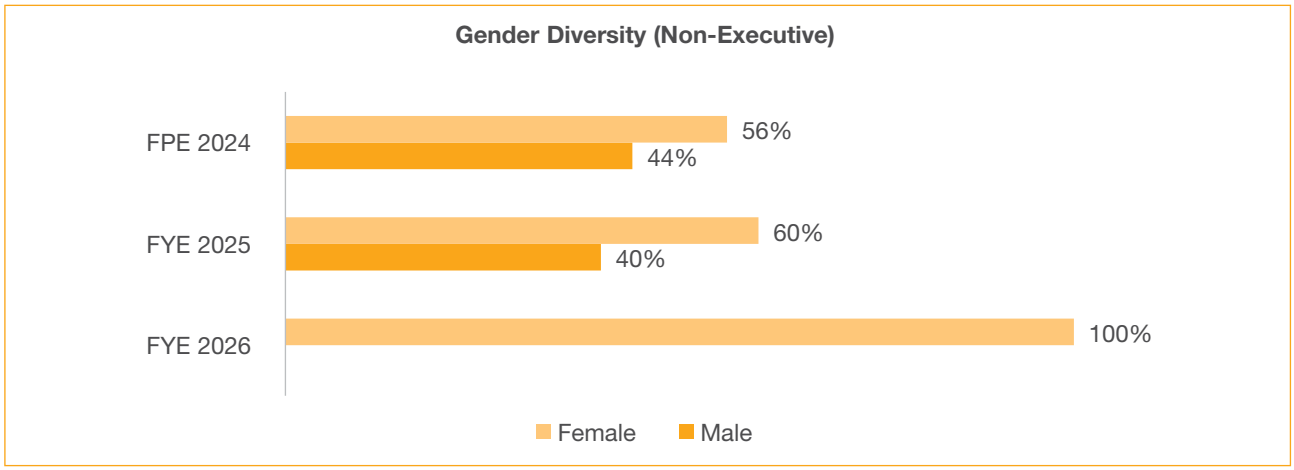
Executive



Year	Male	Female
FPE 2024	0%	100%
FYE 2025	0%	100%
FYE 2026	0%	100%

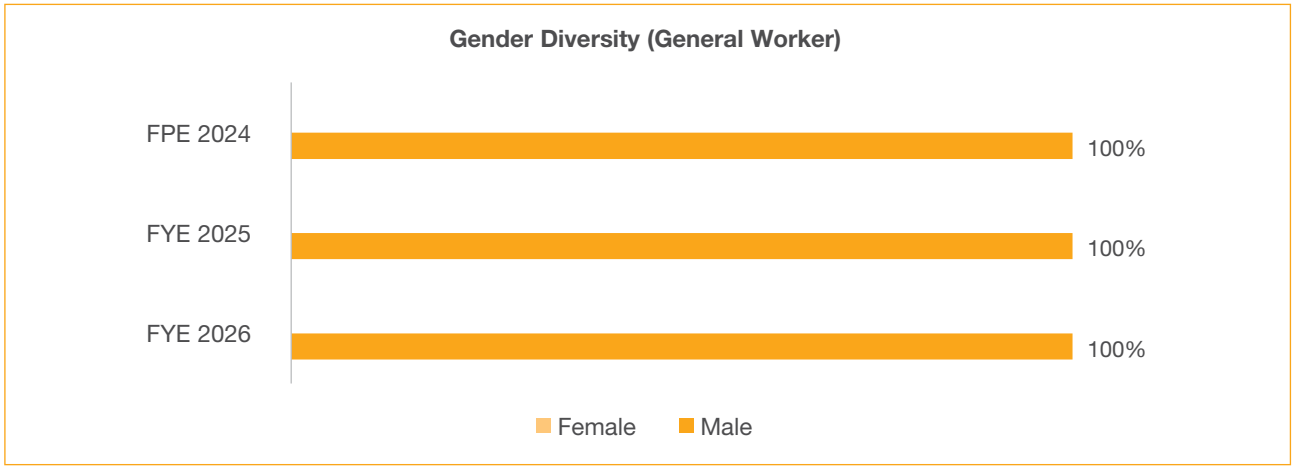
SUSTAINABILITY STATEMENT
cont'd

Non-Executive



Year	Male	Female
FPE 2024	44%	56%
FYE 2025	40%	60%
FYE 2026	0%	100%

General Workers



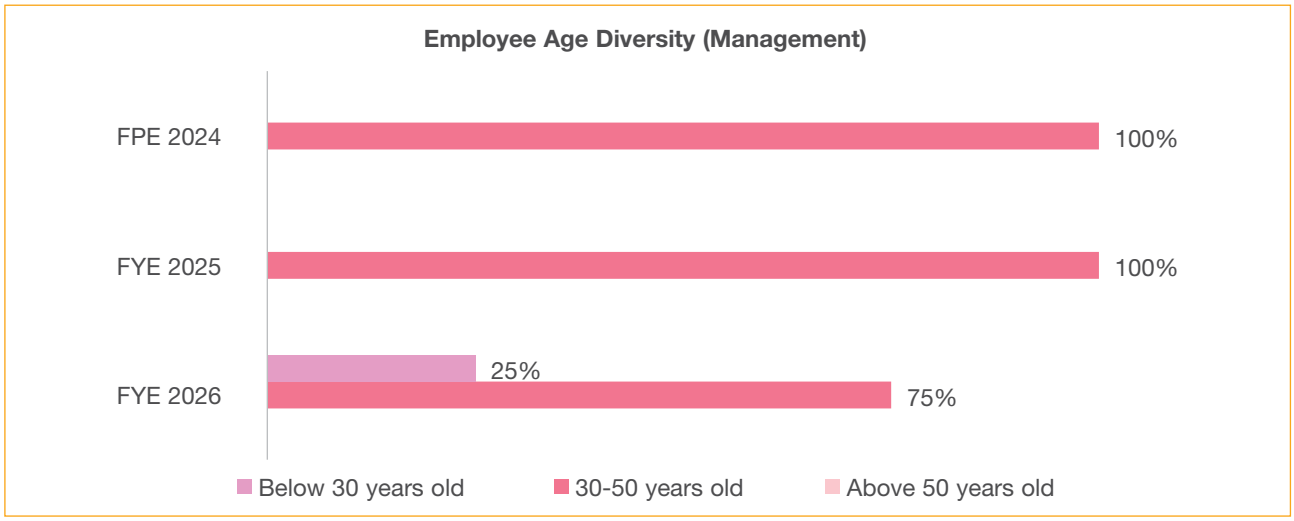
Year	Male	Female
FPE 2024	100%	0%
FYE 2025	100%	0%
FYE 2026	100%	0%

SUSTAINABILITY STATEMENT
cont'd

Employee Age by Category

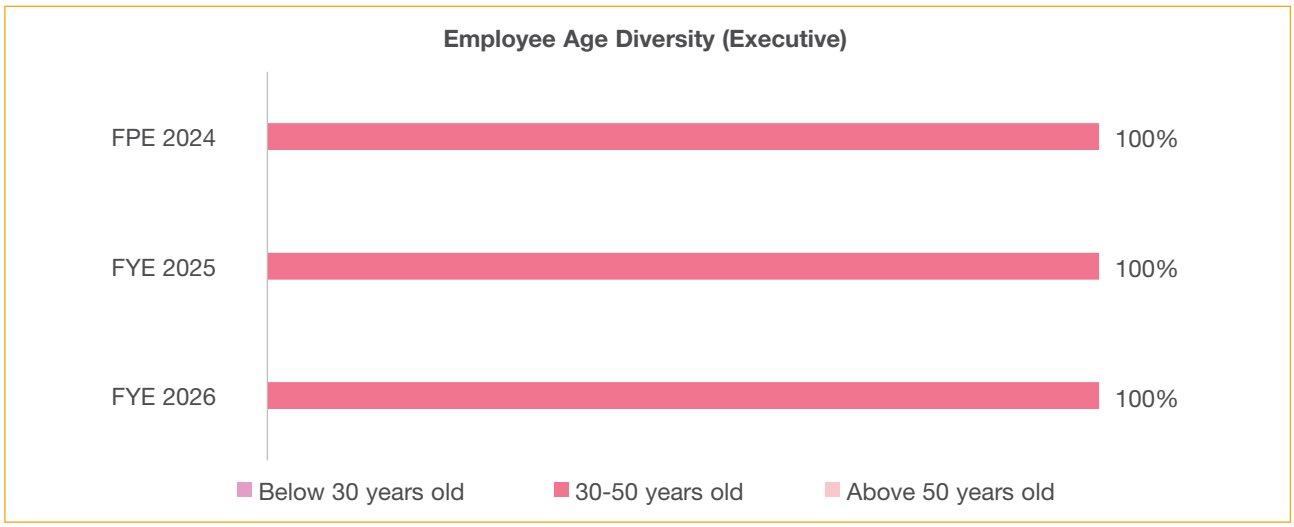
The Company is committed to maintaining a fair and inclusive workplace across different age groups. Employee age diversity is monitored by employment category to provide an overview of workforce representation and to support fair employment practices.

Management



Year	Below 30	30-50	Above 50
FPE 2024	0%	100%	0%
FYE 2025	0%	100%	0%
FYE 2026	25%	75%	0%

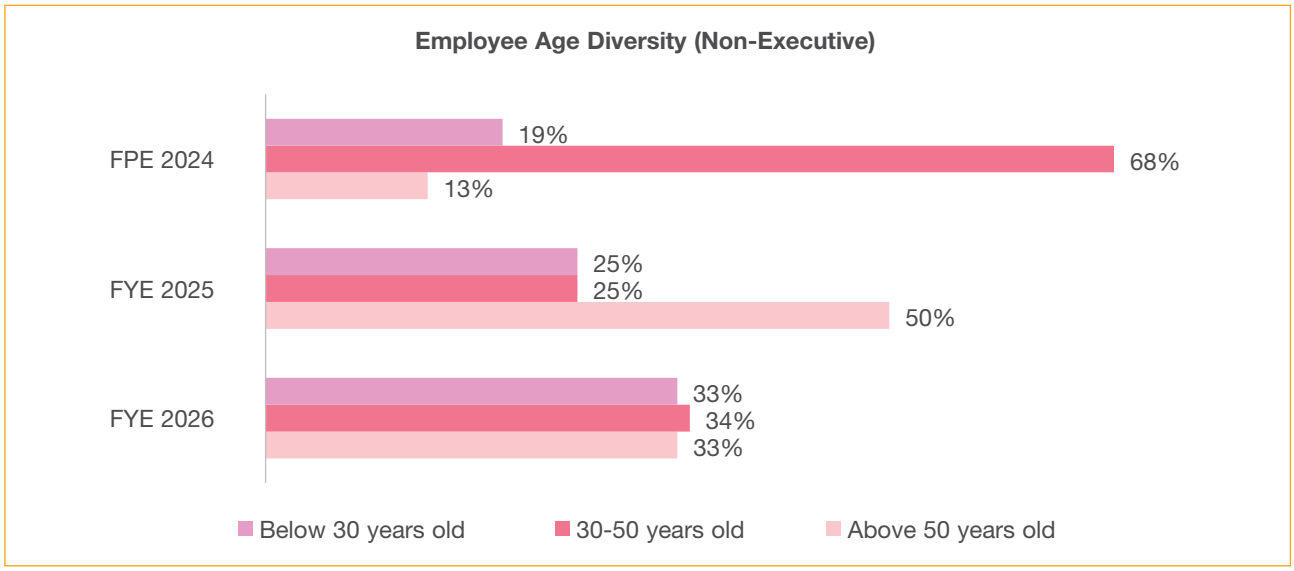
Executive



Year	Below 30	30-50	Above 50
FPE 2024	0%	100%	0%
FYE 2025	0%	100%	0%
FYE 2026	0%	100%	0%

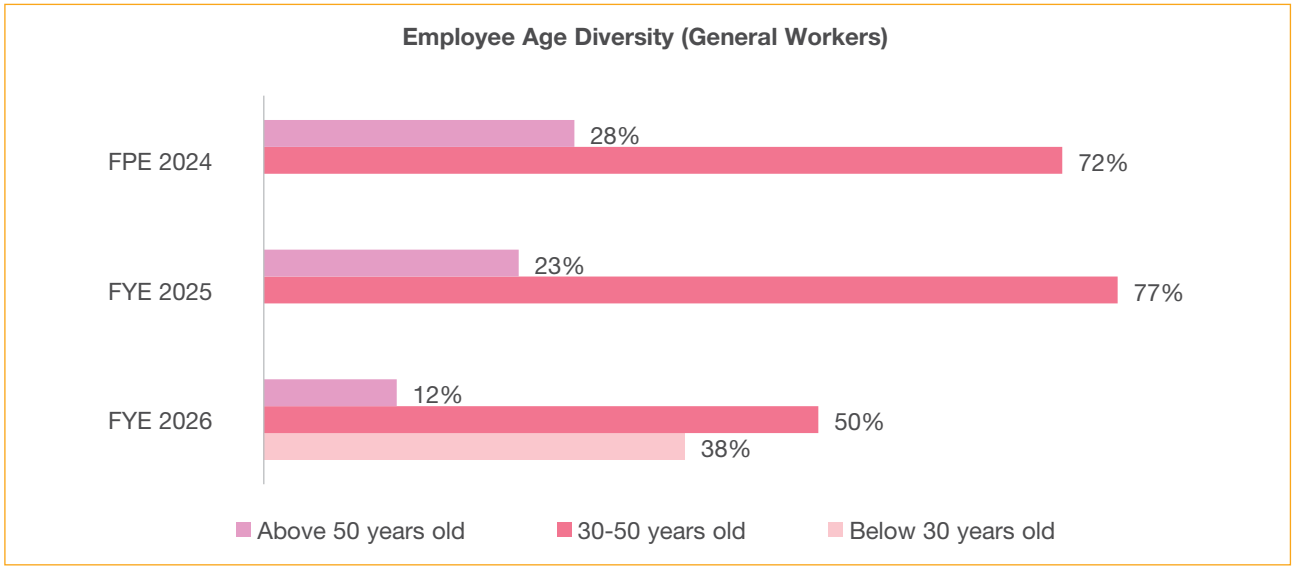
SUSTAINABILITY STATEMENT
cont'd

Non-Executive



Year	Below 30	30-50	Above 50
FPE 2024	19%	68%	13%
FYE 2025	25%	25%	50%
FYE 2026	33%	34%	33%

General workers



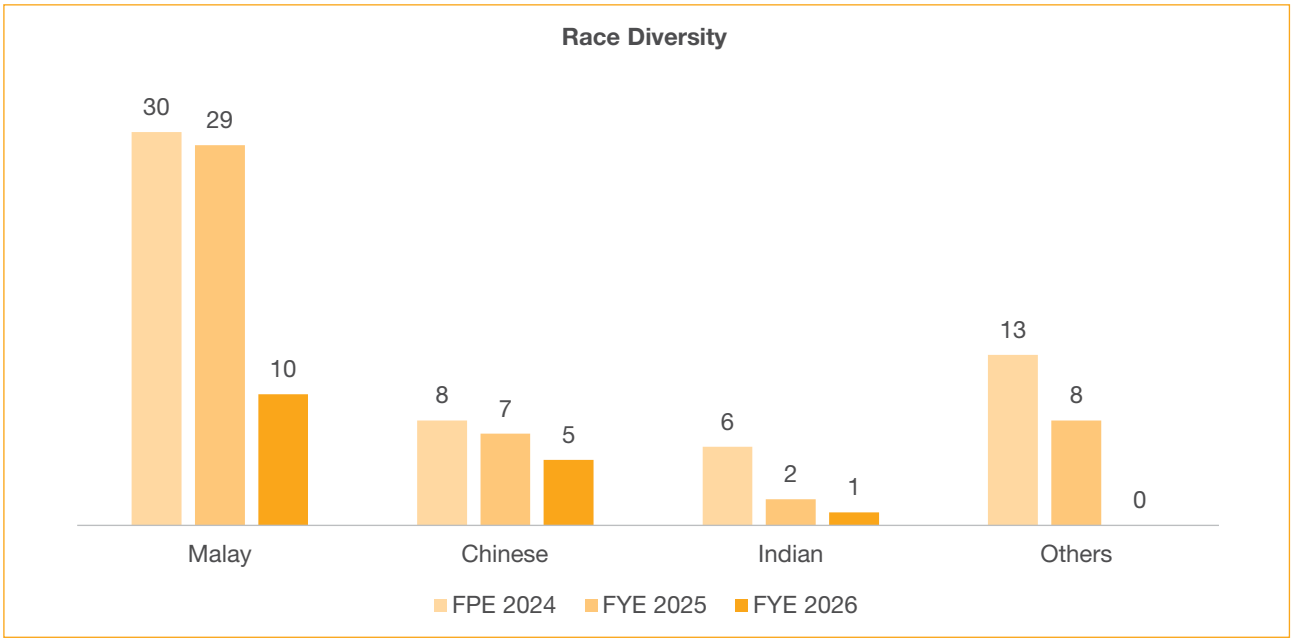
Year	Below 30	30-50	Above 50
FPE 2024	28%	72%	0%
FYE 2025	23%	77%	0%
FYE 2026	12%	50%	38%

SUSTAINABILITY STATEMENT
cont'd

Race and Ethnicity

Sanichi respects the principles of diversity, equity and inclusion ("DEI") and is committed to maintaining a workplace where employees are treated fairly and equally, regardless of race, ethnicity, gender, age or background. The Company's employment practices are guided by fairness, equal opportunity and respect, with the aim of ensuring that all employees are provided with a conducive and non-discriminatory working environment.

The Company monitors its workforce composition by race and ethnicity as part of its employee diversity disclosure. The data below reflects the Company's employee profile across the reporting periods.



Race/Ethnicity	FPE 2024	FYE 2025	FYE 2026
Malay	32	28	10
Chinese	13	13	5
Indian	6	2	1
Others	14	9	0

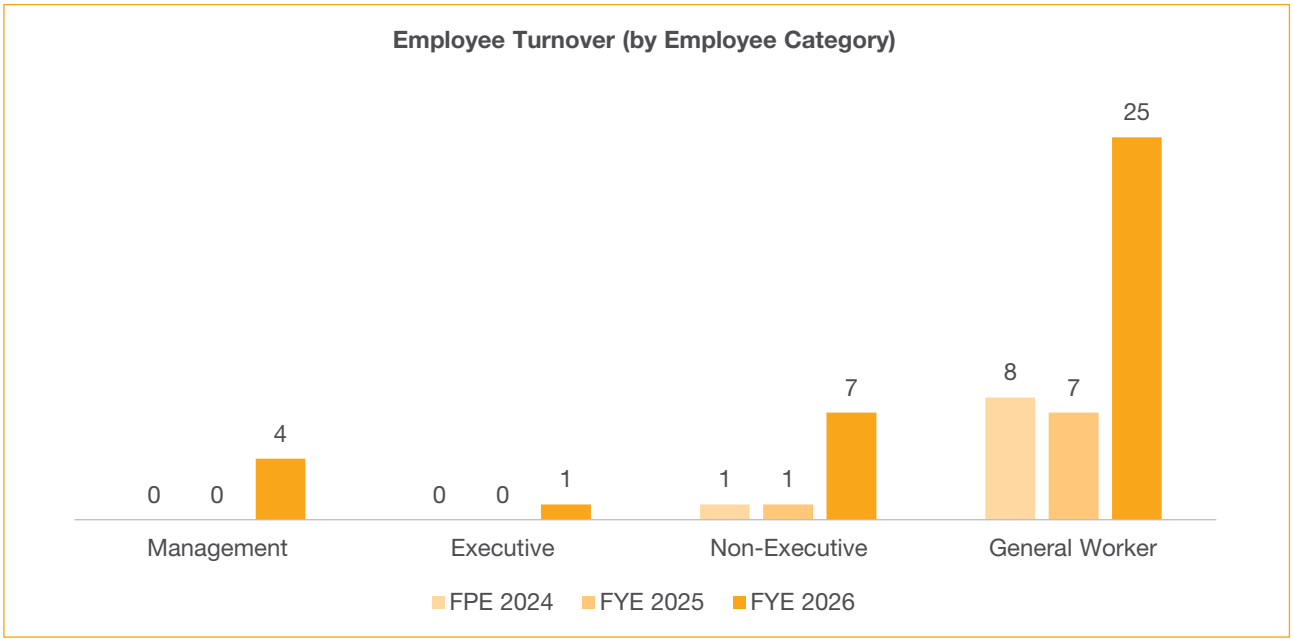
In FYE 2026, the Company's total workforce decreased from 46 employees in FYE 2025 to 16 employees. Notwithstanding the smaller workforce size, the Company remains committed to upholding fair employment practices and providing equal opportunities to employees based on merit, capability and business requirements.

Employee Turnover

Sanichi monitors employee turnover by employment category to track workforce movement during the reporting period.

In FYE 2026, total employee turnover increased to 37 employees, mainly from the General Worker and Non-Executive categories, due to the Company's business restructuring and operational realignment during the reporting period.

SUSTAINABILITY STATEMENT
cont'd



Year	Management	Executive	Non-Executive	General Worker
FPE 2024	0	0	1	8
FYE 2025	0	0	1	7
FYE 2026	4	1	7	25

EMPLOYMENT STRUCTURE

All employees of Sanichi remaining in active service as at 31 March 2026 are engaged on permanent terms, consistent with the Company's commitment to job security, fair labour practices, and employee wellbeing. The Company has zero reliance on contract or temporary staff for its ongoing real estate and investment holding operations.

MOVING FORWARD

Moving forward, Sanichi will continue to manage its sustainability matters in a practical and proportionate manner, taking into consideration its current business direction, operating scale and available resources.

Following the Company's business restructuring during FYE 2026, the Company will focus on strengthening the monitoring of sustainability-related data that is relevant to its continuing operations, particularly in the areas of governance, employee management, energy consumption, water usage, emissions tracking and tenant-related matters. The Company will also explore the feasibility of expanding its Scope 3 emissions disclosure to include tenant-related leased asset emissions in future reporting periods.

The Company will also continue to uphold good corporate governance, ethical business conduct and regulatory compliance as key foundations of its sustainability approach. Where applicable, the Company will review its internal processes to improve the quality, consistency and completeness of future sustainability disclosures.

As the Company's operations continue to evolve, its sustainability priorities will be reviewed periodically to ensure that they remain aligned with stakeholder expectations, regulatory requirements and the Company's long-term business direction.

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Climate Management	Scope 1 Emission	tCO_2e	53.45	45.01	-	No assurance
Energy Management	Scope 2 Emission	tCO_2e	547.99	390.71	-	No assurance
Energy Management	Total Energy Consumption	MWh	740.52	527.98	-	No assurance
Employee Management	Board of Director - below 30 year old	Number	0	0	-	No assurance
Employee Management	Board of Director - 30 to 50 year old	Number	1	1	-	No assurance
Employee Management	Board of Director - above 50 year old	Number	4	4	-	No assurance
Employee Management	Board of Director - male	Number	4	4	-	No assurance
Employee Management	Board of Director - female	Number	1	1	-	No assurance
Employee Management	Management - Below 30 years old	Percentage	0	25	-	No assurance
Employee Management	Management - 30 to 50 years old	Percentage	100	75	-	No assurance
Employee Management	Management - above 50 years old	Percentage	0	0	-	No assurance
Employee Management	Executive - Below 30 years old	Percentage	0	0	-	No assurance
Employee Management	Executive - 30 to 50 years old	Percentage	100	100	-	No assurance
Employee Management	Executive - Above 50 years old	Percentage	0	0	-	No assurance
Employee Management	Non-executive - Below 30 years old	Percentage	25	33	-	No assurance
Employee Management	Non-Executive - 30 to 50 years old	Percentage	25	34	-	No assurance

SANICHI TECHNOLOGY BHD
BMLR Transition Period

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Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Employee Management	Non-Executive - Above 50 years old	Percentage	50	33	-	No assurance
Employee Management	General Worker - Below 30 years old	Percentage	23	12	-	No assurance
Employee Management	General Worker - 30 to 50 years old	Percentage	77	50	-	No assurance
Employee Management	General Worker - Above 50 years old	Percentage	0	38	-	No assurance
Employee Management	Management - Male	Percentage	75	75	-	No assurance
Employee Management	Management - Female	Percentage	25	25	-	No assurance
Employee Management	Executive - Male	Percentage	0	0	-	No assurance
Employee Management	Executive - Female	Percentage	100	100	-	No assurance
Employee Management	Non-Executive - Male	Percentage	40	0	-	No assurance
Employee Management	Non-Executive - Female	Percentage	60	100	-	No assurance
Employee Management	General Worker - Male	Percentage	100	100	-	No assurance
Employee Management	General Worker - Female	Percentage	0	0	-	No assurance
Employee Management	Management - total training hours	Hours	16	56	-	No assurance
Employee Management	Executive - total training hours	Hours	16	56	-	No assurance
Employee Management	Non-Executive -total training hours	Hours	16	133	-	No assurance
Employee Management	General Worker -total training hours	Hours	16	84	-	No assurance
Employee Management	Management - Total number of employee turnover	Number	0	4	-	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Employee Management	Executive - Total number of employee turnover	Number	0	1	-	No assurance
Employee Management	Non-Executive - Total number of employee turnover	Number	1	7	-	No assurance
Employee Management	General Worker - Total number of employee turnover	Number	7	25	-	No assurance
Employee Management	Number of substantiated complaints concerning human rights violations	Number	0	0	-	No assurance
Occupational Health and Safety	Number of employees trained on health and safety	Number	19	14	-	No assurance
Occupational Health and Safety	Number of work-related fatalities	Number	0	0	-	No assurance
Occupational Health and Safety	Lost Time Incident Rate	Rate	0	0	-	No assurance
Data Privacy and Security	Number of substantiated on data breach	Number	0	0	-	No assurance
Anti-Corruption	Confirmed incidents of corruption and action taken	Number	0	0	-	No assurance
Anti-Corruption	Employees who have received training on anti-corruption	Number	-	14	-	No assurance
Community Investment	Total amount invested in the community	RM	0	0	-	No assurance
Community Investment	Total number of beneficiaries of the investment in communities	Number	0	0	-	No assurance
Water Management	Water usage	m^3	2,840	2,279	—	No assurance
Supply Chain Management	Local supplier	Percentage	70.8	35.2	—	No assurance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Sanichi Technology Berhad ("Sanichi" or the "Company") recognises the importance of good corporate governance and continues to be committed in ensuring that high standards of corporate governance are upheld within the Company and its subsidiaries (collectively, "the Group") to deliver long term sustainable value to the shareholders and other stakeholders.

The Board is pleased to present the Corporate Governance Overview Statement ("CG Statement") for the financial year ended 31 March 2026 ("FYE 2026") which has been prepared in compliance with Rule 15.25 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("ACE LR").

This CG Statement is to be read together with the Corporate Governance Report of the Company for the FYE 2026 ("CG Report") which set out details on how the Company has applied the Practices as set out in the Malaysian Code on Corporate Governance 2021 ("MCCG"). The CG Report is available on the Group's website at www.sanichimould.com and via announcement on the website of Bursa Securities at www.bursamalaysia.com.

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Roles and Responsibilities

The Board leads and manages the Group in an effective and responsible manner as it recognised that it must set the Company's values and standards to ensure that its obligations to its shareholders and other stakeholders are understood and met. The following are the stewardship responsibilities and duties of the Board in discharging its fiduciary duty and leadership functions in the best interest of the Group:

i. Oversee the conduct of the Group's business including evaluating whether the business is being properly managed;

ii. Review and adopt a strategic business plan for the Group and address the sustainability of the Group's business;

iii. Identify principal risks and ensure implementation of an appropriate system to manage these risks;

iv. Ensure that the candidates who are appointed to senior management positions have the necessary qualifications, experience and skills, and that there is an orderly succession of senior management positions;

v. Review the adequacy and integrity of the management information and internal control systems of the Group; and

vi. Oversee the development and implementation of shareholder communication policy for the Group.

The Board shall at all times reserve full decision-making powers on the following matters:

i. Approval of corporate, strategic direction or plans, programs and budgets.

ii. Approval of investment in capital projects, new ventures, material acquisition and disposal of undertaking and properties.

iii. Approval of annual budgets, including major capital commitments.

iv. Changes to the management and control structure within the Group, including key policies.

v. Approval of authority levels and any matters in excess of any authority that it has delegated from time to time to the Managing Director and/or other Management personnel.

vi. Reviewing and updating of Board Charter, Whistleblowing Policy, Code of Ethics and Conduct and other policies.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

1. Board Roles and Responsibilities cont'd

The Board shall at all times reserve full decision-making powers on the following matters: cont'd

vii. Appointment of Board members, Board Committee members, Managing Director, Chief Executive Officer, the Company Secretary and calling of meeting of shareholders.

viii. Announcements including approvals and releases of financial results and annual reports.

2. Separation of Roles of Chairman and Managing Director

The position of Chairman is held by Dato' Abd Halim bin Abd Hamid. The Company does not have a Chief Executive Officer and the position is assumed by the Group Managing Director, Dato' Sri Dr Pang Chow Huat. There is a clear division of responsibilities between the Chairman and the Group Managing Director to ensure that there is a balance in the power and authority in the Board.

The Chairman is responsible for leading the Board, instilling good corporate governance and ensuring the Board functions effectively and independently of management. The Chairman also sets the board agenda, ensure the Board members receive complete and accurate information in a timely manner, acts as a facilitator at Board meetings to encourage active participation and ensure that contributions from the directors are forthcoming on matters being deliberated and that no Board member dominates discussions, promote constructive and respectful relations between all Board members and the Management, chairs shareholders' meetings and ensure there is an effective communication between the Board and its shareholders and stakeholders. The Managing Director is responsible for implementing the Group's strategies, policies and decisions adopted by the Board and overseeing the operations and business development of the Group.

The distinct roles of the Chairman and the Managing Director are stated in the Board Charter, which is available on the Group's website at www.sanichimould.com.

3. Qualified and Competent Company Secretary

The Board is supported by a qualified and competent Company Secretary who is a member of the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA") and is qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016. She also possessed a valid Practicing Certificate issued by the Companies Commission of Malaysia. As a practicing Company Secretary, she has also attended continuous professional development programmes.

The Board has access to the advice and services of the Company Secretary, the Senior Management staff, the External Auditors and other independent professional at all times in discharging its duties and responsibilities. The Company Secretary is responsible for ensuring that all Board and Board Committees' meetings are properly convened in accordance with the Board procedures and terms of reference of the respective Board Committees.

The Company Secretary circulated the relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference and brief the Board on these updates, where applicable, at Board Meetings.

The Company Secretary organises and attends the Board, Board Committee and general meetings, and ensure that deliberations of the issues discussed and conclusions reached are recorded in the minutes of each meeting. Such minutes of meetings are confirmed by the Board and the respective Board Committees at the subsequent meetings and signed by the Chairman of the meeting and kept in the statutory register maintained at the registered office of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

4. Board Meetings and Access to Information

The Board meets at least four (4) times a year to facilitate the discharge of its responsibilities. Additional meetings are convened when urgent and important decisions need to be made between scheduled meetings. The meeting agendas together with the relevant reports and Board and Board Committees papers are furnished to the Directors and Board Committee members well in advance to allow them sufficient time to peruse for effective discussion and decision-making during meetings. At the quarterly meetings of the Board, the Board reviews the business performance of the Group and also discusses issues covering financial, operational and regulatory compliance matters. Members of the Management are invited to attend and speak at meetings on matters relating to their sphere of responsibility as and when required.

The Directors, whether as a full Board or in their individual capacities, have full and timely access to all relevant information on the Group's businesses and affairs to discharge their duties effectively. The Directors also have direct access to the advice and services of the Company Secretary and to obtain independent professional advice, whenever necessary, at the expense of the Company.

The Chairman of the Audit Committee ("AC") informed the Directors at each Board meeting of any salient matters noted by the AC and which requires the Board's attention or direction. All pertinent issues discussed at Board meetings in arriving at the decisions and conclusions are properly recorded by the Company Secretary by way of minutes of meetings.

There were five (5) Board meetings held during the FYE 2026, with details of Directors' attendance set out below:

Board of Directors	Number of Meetings Attended
Dato' Abd Halim Bin Abd Hamid (Chairman)	5/5
Dato' Sri Dr Pang Chow Huat	5/5
Yong Ket Inn	5/5
Ong Tee Kein	5/5
Datin Erdawaty Binti Mohamed	5/5

The Directors noted from the recommendations of the MCCG that they must notify the Chairman before accepting any new directorship and to indicate the time expected to be spent on the new appointment. To ensure that the Directors have the time to focus and fulfil their roles and responsibilities effectively, they must not hold directorships in more than five (5) public listed companies and must be able to commit sufficient time to the Company.

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Company. This is evidenced by the attendance record of the Directors at Board meetings during the FYE 2026.

5. Board Charter

The Board has in place a Board Charter where the respective roles and responsibilities of the Board, Board Committees, individual Directors and Management as well as the issues and decisions reserved for the Board are clearly stated. The Board Charter is available on the Group's website at www.sanichimould.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

6. Code of Ethics and Conduct

The Board acknowledges the importance of establishing a corporate culture which govern the standards of business conduct and ethical behavior expected from the Directors in the performance and exercise of their duties and responsibilities.

All Directors and employees of the Group in exercising and/or discharging their powers or duties shall comply with all applicable laws, rules and regulations including the Constitution of the Group.

The core areas of conduct include the following:

a) Compliance at all times with the Code of Ethics and Conduct and the Board Charter;
b) Observe high standards of corporate governance at all times;
c) Observe high standards of business, professional and ethical conduct, and to refrain themselves from offering, giving or receiving any gifts and any other form of benefits (in kind, cash, advantages and/or favor and etc) from persons or entities who deal with the Company where the gift would reasonably be expected to influence the performance of their duties in any aspect;
d) Adhere to the principles of selflessness, integrity, objectivity, accountability, openness, honesty and leadership including fair dealing and the ethical handling of conflicts of interest;
e) Not misuse information gained in the course of duties for personal gain or for political purposes;
f) Uphold accountability and act in good faith and in the best interests of the Company and the Group;
g) Ensure the protection of the Company's legitimate business interests, including corporate opportunities, assets and confidential information;
h) Ensure full, fair, accurate, timely and understandable disclosure; and
i) Declaration of any personal, professional or business interests that may conflict with responsibilities.

In the event of any violation of this Code of Ethics and Conduct by any Director or employee of the Group, the Board of the Company shall determine the appropriate actions to be taken after considering all relevant information and circumstances.

The Board will review the Code of Ethics and Conduct regularly to ensure that it continues to remain relevant and appropriate.

7. Whistleblowing Policy

The Group's Whistleblowing Policy was established with the intention of promoting the highest standards of corporate governance and business integrity. This Policy aims to provide an avenue for employees of the Group and members of the public to raise concerns or make good-faith disclosures and report on any improper conduct within the Group and to take appropriate action to resolve them effectively. The Whistleblowing Policy is available on the Group's website at www.sanichimould.com.

8. Anti-Bribery and Corruption Policy

In line with the new Section 17A of the Malaysian Anti-Corruption Commission Act 2009 on corporate liability for corruption which came into effect on 1 June 2020, the Board has adopted an Anti-Bribery and Corruption Policy ("ABC Policy") as part of the Company's commitment against all forms of bribery and corruption. The ABC Policy is available on the Group's website at www.sanichimould.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

9. Conflict of Interest Policy

The Board has established the Conflict of Interest Policy ("COI Policy") to provide guidance in identifying, managing and dealing with any actual, potential or perceived conflict of interest situations as they arise. The COI Policy is available on the Group's website at www.sanichimould.com.

The Directors shall submit their annual declaration of Conflict of Interest ("COI") as part of the Group's Code of Ethics and Conduct. The Directors are also aware that they shall immediately or as soon as practicable after becoming aware of the COI or potential or perceived COI, disclose the nature and extent of the conflict and the report on the disclosure received if any, shall be reported on a quarterly basis at the Board meetings of the company. In order to address and manage possible COI that may arise between Directors' interests and those of the Group, the Company has put in place appropriate procedures including restricting the participation of such Directors in the relevant Board and/or Board Committee meetings or general meeting and requiring them to abstain from deliberations during meetings and voting on any matter which they may also be interested or conflicted.

The AC reviews all related party transactions and conflict of interest situation that arose, persist or may arise within the Group that may challenge the Group's integrity.

During the financial year under review, the AC and the Board have not received any reports from the Directors relating to conflicts of interest or potential conflict of interest situations, including any interest in any competing business, that they have with the Company and its subsidiaries.

10. Board Composition

The Board currently consists of five (5) members comprising a Non-Independent Non-Executive Chairman, one (1) Executive Director, two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. This composition complies with Rule 15.02(1) of the AMLR which requires that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are independent directors. The profile of each Director is set out in this Annual Report.

The Board through its Nomination and Remuneration Committee ("NRC") conducted an annual review of its size and composition and was of the view that its new Board composition is appropriate in terms of membership and size as there is a good mix of skills and experience in the Board membership and no imbalance in power and authority. The Directors, with their differing backgrounds and specialisations, collectively bring with them a wide range of business, commercial and financial knowledge, expertise and skills essential in the management and direction of a corporation with regional presence.

11. Tenure of Independent Directors

Practice 5.3 of the MCCG stipulates that the tenure of an independent director should not exceed a cumulative term of nine (9) years. However, such an independent director may continue to serve on the Board if re-designated as a Non-Independent Non-Executive Director. In the event the Board intends to retain the Director as Independent Director after the latter has served a cumulative term of nine (9) years, justifications from the Board and approval from shareholders through a two-tier voting process at a general meeting are required.

Our Board adheres to an open policy regarding the tenure of Independent Directors. We believe that the duration of an Independent Director's tenure does not compromise his/her objectivity or independent business judgment, always acting in the Company's best interests. In the event of proposing to retain an independent director for more than nine (9) years, the Board will provide justifications and seek shareholders' approval, following a prior review and recommendation from the NRC.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

11. Tenure of Independent Directors cont'd

As of the date of this CG Statement, none of our Independent Directors has served beyond nine (9) years on the Board. The Board, in conjunction with the NRC, has conducted the annual assessment on the Board's effectiveness, Board Committees, and individual Directors for the FYE 2026. The assessments outcome, including self-assessment, peer evaluation, and overall Board effectiveness evaluation, indicate that our Independent Directors continue to demonstrate a high level of independence and are capable of acting in the Company's best interests. All the Independent Directors have declared and affirmed their independence from management and any affiliations. The Board affirms that our Independent Directors provide unbiased, objective judgement, contributing to balanced leadership within the Group and ensuring effective checks and balances to protect the interests of minority shareholders and other stakeholders.

12. Appointment of Board and Senior Management

The Board acknowledges the importance of having the right mix and skills, different background and experience among its Directors and Senior Management. Appointment of new Board members as well as the re-election of Directors are approved by the Board upon the recommendation of the NRC. Appointment of the Board and Senior Management are based on objective criteria, merit and due regard for diversity in skills, experience, age and cultural background.

The NRC will first evaluate the potential candidates and subsequently put up to the Board after assessing their profiles as well as character, skills, experience and their ability to commit sufficient time to the Company's matters.

Pursuant to the Company's Constitution, one-third (1/3) of the Directors including the Managing Director, shall retire from office, at least once every three (3) years. Retiring directors can offer themselves for re-election. Directors who are appointed by the Board during the financial year are subject to re-election by shareholders at the next AGM held following their appointment. Newly appointed Directors shall hold office until the AGM following their appointment and shall then be eligible for re-election by shareholders. During the FYE 2026, no Director was appointed to the Board.

13. Board Diversity

The Board currently has one (1) woman Director, which represents 20% of the total number of Board members.

The Board acknowledges the call by the Government and MCCG for boards to comprise at least 30% woman on the Board. The Board is mindful that any gender representation should be in the best interest of the Company.

The Board will continue to identify suitable female candidates for appointment to the Board as well as Senior Management in the event that vacancies for Directors and Senior Management arise or when a decision is made to increase the size of the Board.

14. Fit and Proper Policy

The Board has adopted the Directors' Fit and Proper Policy for the appointment, re-appointment and/or re-election of directors of the Company. This policy will enhance the governance of the Group in relation to the Board's quality and integrity as well as ensuring that each of its directors has the character, experience, integrity, competence, time and commitment to effectively discharge his/her role as a director. The NRC shall conduct the fit and proper assessment prior to the appointment of any candidates as a director or making a recommendation for the re-election of an existing director of the Group. The Fit and Proper Policy is available on the Group's website at www.sanichimould.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

15. Sustainability Governance

The Board believes that as the Group continues to manage its business activities, sustainability remains an important consideration in guiding corporate direction, governance practices and stakeholder accountability. The Board remains committed to continuously reviewing and enhancing its sustainability practices to ensure alignment with best practices and to create long-term shareholders' value.

The Board provides overall oversight of the Group's sustainability direction while its Sustainability Committee and Sustainability Working Group support the coordination of sustainability matters across relevant functions.

A report on the sustainability activities covering the sustainability strategies, priorities and targets is set out in the Sustainability Statement in this Annual Report.

16. Board Committees

In discharging its duties, the Board is assisted by the Board Committees namely the AC and NRC. Each Committee operates within its respective defined terms of reference which have been approved by the Board and report to the Board with their recommendations. The ultimate responsibility for decision making, however, lies with the Board.

a. AC

The composition, attendance at meeting, summary of work of the AC and summary of work of the internal audit functions are set out in the AC Report on pages 61 to 64 of this Annual Report.

b. NRC

The NRC consists of two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director, as follows:

Chairman	
Yong Ket Inn	Independent Non-Executive Director
Members	
Datin Erdawaty Binti Mohamed	Independent Non-Executive Director
Ong Tee Kein	Non-Independent Non-Executive Director

The Terms of Reference of the NRC is made available on the Group's website at www.sanichimould.com.

The primary responsibilities of the NRC are to identify, select and recommend the right candidate to the Board, taking into consideration the Board structure, size, composition and the required mix of expertise and experience which the Directors should bring to the Board. It uses various approaches and sources to identify the most suitable candidate. It assesses the effectiveness of the Board as a whole, the Board Committees and the contribution of each Director, including Non-Executive Directors. However, the final decision on the appointment of a candidate recommended by the NRC rests with the Board.

At the forthcoming AGM, Yong Ket Inn and Datin Erdawaty Binti Mohamed will retire in accordance with Clause 85 of the Constitution of the Company and being eligible, have offered themselves for re-election.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

16. Board Committees cont'd

A summary of activities undertaken by the NRC in the discharge of its duties during the FYE 2026 were as follows:

a) reviewed the structure, size, composition, mix of skills, experience, roles and responsibilities of the Board and Board Committees;
b) reviewed the effectiveness of the Board as a whole;
c) reviewed the independence of the Independent Non-Executive Directors;
d) reviewed the performance and effectiveness of the AC and each member of the AC; and
e) reviewed and recommended to the Board, the re-election and re-appointment of Directors who retired in accordance with the Constitution of the Company.

All assessments and evaluations carried out by the NRC were properly documented.

The Group aims to provide fair and competitive remuneration to its Board and Senior Management which are sufficient to attract and retain the Directors and Senior Management team needed to run the Group successfully.

The NRC is entrusted under its terms of reference to assist the Board, amongst others, to recommend to the Board the remuneration of Executive Directors. The remuneration packages for the Executive Directors and Senior Management comprises a fixed and variable component together with benefits-in-kind, if any, taking into consideration the Company/Group's performance, the individual performance as well as the required qualification, skills, experience and comparable market statistics.

When reviewing the structure and level of Directors' fees, the NRC takes into consideration the Directors' roles and level of responsibilities undertaken by the Non-Executive Directors concerned. The Non-Executive Directors received a fixed fee and meeting allowance for each Board and Board Committee meetings that they attended. The fees for Directors are determined by the Board with the approval from the shareholders at the AGM.

In all instances, deliberations were conducted with the Directors concerned abstaining from discussions on their individual remuneration. The Board through the NRC has recognised that a formal remuneration framework or policy for Directors and Senior Management will continue to be one of the areas for further deliberation.

Details of Directors' remuneration for the FYE 2026 are as follows:

	GROUP			COMPANY		
	Salaries & Bonus* (RM)	Benefits-in-Kind (RM)	Total (RM)	Directors Fees (RM)	Meeting Allowances (RM)	Total (RM)
Executive Director						
• Dato' Sri Dr Pang Chow Huat	298,960	–	**298,960**	–	–	–
• Datin Sri Chen Choon Lee	278,800	–	**278,800**	–	–	–
Non-Executive Director						
• Dato' Abd Halim Bin Abd Hamid	-	-	-	66,000	5,000	**71,000**
• Yong Ket Inn	-	-	-	54,000	6,000	**60,000**
• Ong Tee Kein	-	-	-	60,000	6,000	**66,000**
• Datin Erdawaty Binti Mohamed	-	-	-	60,000	6,000	**66,000**
Total	**577,760**	**–**	**577,760**	**240,000**	**23,000**	**263,000**

* *The salaries and bonus include employer's contribution to the Employees Provident Fund (EPF).*

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS cont'd

16. Board Committees cont'd

Senior Management Remuneration

The range of remuneration of the top two (2) senior management for the FYE 2026 which includes salary and other emoluments are as follows:

Range of remuneration during the year	Number of Senior Management
RM250,000 - RM450,000	1

The Board is of the opinion that disclosure on named basis is not required due to security and privacy reasons and the disclosures presented above is sufficient to allow shareholders to make an informed decision.

17. Directors' Training

All the Directors have attended and successfully completed the Mandatory Accreditation Programme ("MAP") required by Bursa Securities.

During the FYE 2026, all the Directors have attended the following training programmes and seminars:

Directors	Training Course / Seminar	Date
Dato' Abd Halim Bin Abd Hamid	• Introduction to Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activity Act 2001	• 28 August 2025
Dato' Sri Dr Pang Chow Huat	• Introduction to Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activity Act 2001	• 28 August 2025
Yong Ket Inn	• (SSM Webinar) MBRS 2.0 – Annual Return	• 5 August 2025
	• (E-Learning) Duties and Responsibilities of Company Secretaries as Reporting Institutions under AMLA 2001 (Mandatory Programme for Secretary holding Practising Certificate under Section 241 of the Companies Act 2016	• 16 – 22 March 2026
Ong Tee Kein	• MIA Webinar Series - MPERS Financial Reporting - what to look out for	• 14 November 2025
	• MIA Webinar Series - Common Audit Deficiencies and Lessons from Regulatory Finding	• 12 to 13 November 2025
Datin Erdawaty Binti Mohamed	• Introduction to Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activity Act 2001	• 28 August 2025

The Board recognises the importance of continuous training for Directors to enable them to discharge their duties effectively. The Directors undergo training programme and seminars from time 9to time, as and when necessary, to constantly update themselves and keep abreast with industrial sector issues, the current and future developments of the Group's business and industry that may affect their roles and responsibilities.

The Company Secretary circulated the relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference and brief the Board on these updates, where applicable, at Board Meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

1. Effective and Independent AC

In assisting the Board to discharge its duties on financial reporting, the Board has established an AC. The AC comprises three (3) members, two (2) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. The AC who is chaired by an Independent Non-Executive Director, Mr Yong Ket Inn is distinct from the Chairman of the Board. The composition of the AC, including its roles and responsibilities as well as a summary of its activities carried out during the financial year ended 31 March 2026, are set out in the AC Report of this Annual Report. One of the key responsibilities of the AC in its terms of reference is to ensure that the financial statements of the Group and Company comply with applicable financial reporting standards in Malaysia. Such financial statements comprise the quarterly results and annual financial statements which is reviewed by the AC and recommended to the Board for approval prior to public release via Bursa Securities.

The composition, attendance at meeting and summary of work of the AC during the FYE 2026 are set out in the AC Report on pages 61 to 64 of this Annual Report.

2. Former Key Audit Partner Cooling-Off Period

The Company Secretary circulated the relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference and brief the Board on these updates, where applicable, at Board Meetings.

3. Relationship with External Auditors

The Board has a formal and transparent relationship with the External Auditors through the AC. The AC meets with the External Auditors to discuss and review the audit plan, external audit fieldwork, statement on risk management and internal control, audit findings and the Group's audited financial statements. AC also had private dialogues with the External Auditors without the presence of the Executive Directors and the Management.

The AC conducted an annual assessment of the independence and effectiveness of the external auditors and the areas of assessment including the objectivity and independence, calibre, size, audit fees and competency of the audit team.

In assessing the independence of the External Auditors, the AC requires written assurance by the External Auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Malaysia (MIA) and the International Standards Board of Accountants' Code of Ethics for Professional Accountants.

4. Effective Risk Management and Internal Control Framework

The Board is updated through the AC on the Group's internal control system which encompasses risk management practices as well as financial, operational and compliance controls / system of internal controls and risk management process, as well as appropriateness and effectiveness of the corporate governance practices. Ongoing reviews are performed throughout the year to identify, evaluate, monitor and manage significant risks affecting the business and ensure that adequate and effect controls are in place. The issues on risks were also discussed by the Management with the Managing Director who would articulate risks associated with projects and investment, including any risk exposure that the Group faced in its operations. It is a continuous review process and hence, was reviewed and conducted by the Group's outsourced Internal Auditors who reports directly to the AC. The Internal Auditors will report the findings to the AC. The key features of the Risk Management and Internal Control Framework are set out in the Statement on Risk Management and Internal Controls on pages 57 to 60 of this Annual Report.

5. Internal Audit Function

The Group's internal audit function is carried out by an outsourced third-party professional firm who supports the AC by providing independent assurance on the effectiveness of the Group's systems of internal control.

The internal audit function is set out on pages 59 to 60 and 64 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
cont'd

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

1. Communication with Stakeholders

The Company recognises the importance of effective communication with its shareholders and does this through the Annual Report, AGM, various disclosures, press releases and announcements made to Bursa Securities and the Company's corporate website.

2. Notice of AGM and Conduct of General Meeting

The AGM, which is the principal forum for shareholder dialogue, allows shareholders to review the Group's financial performance and business strategies via the Company's Annual Report. The Notice of AGM is sent to shareholders at least 28 days prior to the date of the meeting to give sufficient time to the shareholders and to enable them to go through the Annual Report and papers supporting the resolutions proposed. The Notice of AGM which sets out the businesses to be transacted at the AGM is also published in major local newspaper. Shareholders are invited to ask questions on the resolutions being proposed before putting a resolution to vote as well as matters relating to the Group's operations in general. The Board, Board Committees and the External Auditors were present to provide their clarification on the queries raised by the shareholders. All the resolutions set out in the Notice of the last AGM were put to vote by poll and the outcome of AGM was announced to Bursa Securities on the same meeting day.

The Board recognises the importance of being transparent and accountable to the Company's investors and, as such, has various channels to maintain communication with them. The various channels of communications are through the quarterly announcements of financial results to Bursa Securities, relevant announcements and circulars, when necessary, the Annual and Extraordinary General Meetings and through the Group's website, where shareholders can access pertinent information concerning the Group.

The Board also recognises that there are always opportunities for improvement in its corporate governance activities in order for the Group to continue to create trust and confidence amongst stakeholders.

The Board is satisfied that this CG Statement provides the information necessary to enable shareholders to evaluate how the MCCG has been applied and obligation are fulfilled under the MCCG and the AMLR throughout the financial under review.

STATEMENT BY THE BOARD ON CG STATEMENT

The Company shall continue to refine and seek to build upon the enhanced corporate governance practices and procedures in the best interest of all our stakeholders.

The Company has in all material aspects satisfactorily complied with the principles and practices set out in the MCCG, except for the departures set out in the CG Report.

This CG Statement is made in accordance with a resolution of the Board dated 21 July 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("Board") of Sanichi Technology Berhad ("Sanichi" or "the Company") is committed to maintaining a sound system of risk management and internal control. The Group will continue to take appropriate steps to strengthen the risk management and internal control system.

In compliance with Paragraph 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (SORMIC Guide 2025), the Board is pleased to present the following Statement on Risk Management and Internal Control, which outlines the nature and scope of the Group's risk management and internal control systems for the financial year ended 31 March 2026.

BOARD'S RESPONSIBILITY

The Board recognises its overall responsibility for the adequacy and effectiveness of the risk management framework and system of internal controls within the Group to safeguard shareholders' investment and Group's assets.

The responsibilities of the Board in relation to the system of risk management and internal control extend to all subsidiaries within the Group.

The Board has entrusted the Audit Committee to review the adequacy and effectiveness of the risk management and internal control system in relation to the internal audits conducted at operating units by an independent assurance provider during the financial year under review. The audit observations, together with management's response and agreed action plans are presented to the Audit Committee on a quarterly basis. In addition, the review of the internal audit reports is part of the agenda of the Board meeting.

The Board ensures that the risk management and internal control systems manage the Group's relevant and key significant risks within its risk appetite in pursuing its strategies and business objectives. However, the Board is equally aware that such systems and processes are designed to manage, rather than eliminate the risk of failure to achieve the policies, goals and objectives of the Group. In this regard, the risk management framework and internal control system can only provide reasonable assurance, and not absolute assurance against material misstatement of financial information and records or against financial losses or fraud.

RISK MANAGEMENT

The Board maintains an on-going commitment for identifying, evaluating and managing significant risks for the Group during the financial year under review and up to the date of approval of this Statement.

The Group adopts enterprise risk management approach and all the active businesses of the companies within the Group are considered and categorised in accordance with their main functional activities. Responsibility for identifying, evaluating and managing risks is delegated to the appropriate levels of management within the Group. This process has been in place for the financial year under review and up to the date of approval of the annual report and financial statements.

During the financial year under review, management with the assistance of the internal audit consultants has performed a risk management review which includes the following:

- Defining a yearly understanding of risk classification tolerance;
- Identifying key risk affecting business objectives and strategic plans;
- Identifying changes to risks or emerging risks and promptly bringing these to the attention of the Board where appropriate; and
- Identifying and evaluating existing controls.

The Risk management process will be managed and modelled largely on the ISO 31000:2018 Risk Management Principles and Guidelines, which will be implemented across all main functional activities of the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

RISK MANAGEMENT cont'd

Internal controls and risk-related matters which warrant the attention of the Board will be recommended by the Audit Committee to the Board for its review and approval, and decisions made by the Audit Committee will be escalated to the Board. In the current financial year, the activities carried out by the Audit Committee included the following:

(i) Reviewed the Group's quarterly financial results and made suitable recommendations thereon to the Board for adoption prior to their release to Bursa Malaysia Securities Berhad.

(ii) Reviewed various variances arising from the comparisons of the Group's year-to-date actual results against the budget;

(iii) Reviewed and discussed the audit findings presented by the external auditors in respect of the audit for the current financial year;

(iv) Review the assistance given by the management to the external auditors;

(v) Review the audit plan with regards to the external auditors audit program and updates on new accounting standards/ interpretations/ amendments applicable to the Group's financial statements for the current financial year;

(vi) Reviewed internal audit report prepared by the internal audit consultants on the credit control & collections of the active business units of the Group;

(vii) Reviewed the performance and independence of the external auditors.

The Group's activities are subject to a variety of risk. The Board regularly reviews the risks summarised below:

(i) Strategic risk

Strategic risks are external events that have the potential to materially affect the achievement of Board's strategic objectives which is beyond the Board's control. The Board monitors the risk regularly.

(ii) Foreign exchange risk

The Group is exposed to foreign currency risk on sales that are denominated in a currency other than Ringgit Malaysia. The currency giving rise to these risks are primarily in USD and THB. The Board and the management review and monitor the exchange rate quarterly to mitigate this risk.

(iii) Customer risk

The Group is exposed to customer risk as dependent on certain specific customer base which implications for business viability. Management maintains good relationship with existing customers and expand to new market through agency or local consultants.

(iv) Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligation. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

(v) Market risk

Market risk refers to decline in market demand due to amongst others, changes in the economic environment, locally or internationally. The Group has implemented promotional activities as well as incentives to attract buyers for its property business.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

RISK MANAGEMENT cont'd

(vi) Project Dealing and Management

An emerging risk has been identified in connection with a new business division established to acquire completed properties and resell them for a profit margin. The Group is exposed to subdued property market conditions, with lacklustre economic growth adversely affecting property demand, potentially resulting in depressed property values and increased holding costs pending disposal.

Management is pursuing a range of measures — including engagement with property agencies to widen sales reach, enhanced promotional and incentive efforts, co-leasing arrangements to attract purchasers through demonstrated rental yield, active management of debt exposure, and a strategy of retaining a portion of developed properties to generate stable rental and lease income over the long term.

INTERNAL AUDIT FUNCTION

The principal objective of the internal audit function is to assess the adequacy, integrity and effectiveness of the Group's internal control system. The Internal Auditors report directly to the Audit Committee and adopt a risk-based audit approach in determining the audit scope.

The Group's internal audit function is outsourced to an independent firm of internal audit consultants. The independent professional firm supports the Audit Committee (and by extension the Board) by providing independent assurance on the effectiveness of the Group's systems of internal control.

The internal audit plan entails the audit scope and coverage on a risk-based approach and is approved by the Audit Committee.

For the financial year, the outsourced internal audit function has carried out the following audits based on the internal audit plan approved by the Audit Committee:

- Mould division: Quality Assurance (Production of Online Terminal Payment Kiosk)
- Property division: Billing and Collection

The internal audit report was presented to the Audit Committee who in turn reports to the Board on its activities, significant audit results or findings and the necessary recommendations or actions needed to be taken by the management to rectify highlighted issues. The cost incurred by the Group for the internal audit function for the current financial year was RM14,668.

In order to achieve a sound control environment, the key elements in the framework of the Group's internal control systems are described as follows:

(i) The Group has well-defined organisation structure with clear lines of reporting responsibility which is aligned to the Group's business and operational requirements. The proper segregation of duties and responsibilities to eliminate the incidence of an employee having total control of a business process;

(ii) Senior management, comprising the Group Managing Director, Consultant and Operation Manager, take an active management and decision-making role in the day-to-day operations of the Group;

(iii) The Group maintained documented policies and rules in terms of employment and termination of employees, performance appraisal and staff complaints to ensure satisfaction and efficiency in the work place;

(iv) Monthly management and operational meetings are held to ensure activities and risk mitigation actions are executed as proposed and to keep the Board updated on the Group's activities;

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
cont'd

INTERNAL AUDIT FUNCTION cont'd

(v) The Group maintained sufficient insurance coverage for the Group's major assets against theft, disaster and loss of income that may results in material losses;

(vi) The Group maintained an open communication channel between the Board, senior management, accountants and the internal and external auditors to ensure timely conveyance of information;

(vii) The Group actively review next year's internal audit plan.

The internal audit function did not identify any material weaknesses in the Group's risk management and internal control system that would require disclosure in this Statement.

ASSURANCE PROVIDED BY THE GROUP MANAGING DIRECTOR

In line with the SORMIC Guide 2025, the Group Managing Director has provided assurance to the Board that the Group's risk management and internal control systems have operated adequately and effectively, in all material respects, throughout the financial year under review and up to the date of approval of this Statement.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors, Messrs Morison LC PLT, have performed limited assurance procedures on the Statement in accordance with 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.

Messrs Morison LC PLT have reported to the Board that nothing has come to their attention that caused them to believe that the Statement included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by Section 7 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (SORMIC Guide 2025), nor is the Statement factually inaccurate. AAPG 3 (Revised March 2026) does not require the External Auditors to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems, including the assessment and opinion made by the Board and Management. The External Auditors are also not required to consider whether the Statement covers all risks and controls or whether the processes described will effectively remedy any identified deficiencies.

CONCLUSION

Several internal control improvements and risk areas were identified by the internal auditors during the current financial year. These were reviewed by the Audit Committee and the Board and were then closely monitored by the management to ensure the integrity of internal controls and mitigation of risks. The Board is of the view that the Group's risk management and internal control systems are adequate and effective in safeguarding shareholders' investments and the Group's assets. The Board will continue to review and enhance the Group's risk management and internal control systems to ensure their ongoing adequacy, integrity and effectiveness.

This Statement is made in accordance with the resolution of the Board dated 21 July 2026.

AUDIT COMMITTEE REPORT

The primary objectives of the Audit Committee ("AC") of Sanichi Technology Berhad ("Sanichi" or "the Company") are to assist the Board of Directors ("Board") in discharging its fiduciary duties and responsibilities in the areas of corporate governance, systems of internal controls, risk management and financial reporting process of the Group which include the following:

- evaluate the quality of the audit work conducted by the internal auditors and external auditors and their performances;
- provide assurance that the financial information presented by management is relevant, reliable and timely;
- oversee the transparency of the financial reporting process;
- ensure that proper process and procedures are in place to comply with all laws, rules and regulations, directives and guidelines established by relevant regulatory bodies; and
- acts upon the Board's request to investigate and report on any issues or concerns in regard to the management.

1. COMPOSITION, MEETINGS AND ATTENDANCE

The AC members are appointed by the Board from amongst its members and consist of not less than three (3) members, with a majority of them being independent directors.

The members of the AC shall elect a Chairman from among their members who shall be an Independent Director. No alternate director shall be appointed as a member of the AC and no former key audit partner shall be appointed as member of AC unless the said former key audit partner has observed a cooling-off period of at least three (3) years before being appointed as member of the AC.

The AC held five (5) meetings during the financial year ended 31 March 2026 ("FYE 2026") and full attendance were recorded for all members.

The attendance of each member at the AC meetings is as follows:

Name	Directorship	Number of meetings attended
Yong Ket Inn	Chairman / Independent Non-Executive Director	5/5
Datin Erdawaty Binti Mohamed	Member / Independent Non-Executive Director	5/5
Ong Tee Kein	Member / Non-Independent Non-Executive Director	5/5

In carrying out its duties, the AC reported to and updated the Board on any significant issues of concerns and where appropriate, made necessary recommendations to the Board. The Company Secretary was responsible to record all proceedings and minutes of all meetings of the AC. Minutes of each AC meeting was then tabled for confirmation at the subsequent AC meeting, which was then presented to the Board for notation.

2. TERMS OF REFERENCE

The full details of terms of reference of the AC are published on the Company's website at www.sanichimould.com

AUDIT COMMITTEE REPORT
cont'd

3. SUMMARY OF WORK OF THE AC

The following activities were carried out by the AC during the FYE 2026:

3.1 Financial Reporting

a) Reviewed the unaudited quarterly results and the annual financial statements of the Company and the Group, before recommending to the Board for approval, focusing particularly on:

i) changes in or implementation of new or major accounting policies and practices;
ii) significant matters highlighted including financial reporting issues, significant judgment made by management, significant and unusual events or transactions and how these matters are addressed;
iii) significant adjustment arising from the audit;
iv) major judgmental areas;
v) the going concern assumption; and
vi) compliance with the applicable approved accounting standards, regulatory and other legal requirements.

b) Reviewed and provided advice on whether the financial statements taken as a whole, provided a true and fair view of the Company's financial position and performance.

c) Ensured that the financial statements are consistent with operational and other information, where there are significant matters requiring judgment.

3.2 External Auditors

a) Considered and recommended to the Board on the re-appointment of external auditors and to fix their fees (audit and non-audit services), after assessing their independence and capabilities as well as the effectiveness of the external audit process and their services.

b) Assessed the integrity, suitability, objectivity and independence of the external auditors on an annual basis and the annual performance evaluation of the external auditors undertaken by the AC which should include the following considerations:

i) criteria to decide on the appointment and re-appointment of the external auditors. The criteria should include an assessment of the competence, audit quality and resource capacity of the external auditors in relation to the audit including the audit firm's governance and leadership structure as well as measures undertaken by the firm to uphold audit quality and manage risks;
ii) the appropriateness of audit fees to support a quality audit;
iii) non-audit services must be approved by the AC before they are rendered by the external auditors and its affiliates while taking into account the nature and external of the non-audit services and the appropriateness of the level of fees;
iv) obtain written assurance from the external auditors confirming that they are and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements; and
v) conduct an annual evaluation on the performance of the external auditors by the management and the AC.

c) Reviewed the following with the external auditors and report the same to the Board:

i) audit plan, its scope and nature;
ii) the applicability and impact of the new accounting standards and new financial reporting regime;
iii) audit report;
iv) evaluation of the system of internal controls;
v) the assistance given by the employees to the external auditors, including any difficulties or disputes with management encountered during audit; and
vi) external auditors' management letter and management's response thereto.

d) Met the external auditors once on 22 May 2026 without the presence of the Executive Directors and management to discuss their audit findings and the level of co-operation and assistance rendered by the management during their audit.

AUDIT COMMITTEE REPORT
cont'd

3. SUMMARY OF WORK OF THE AC cont'd

3.3 Internal Audit

a) Reviewed the adequacy of the scope, resources and budget of the internal audit function, and that it has the necessary authority to carry out its work.

b) Reviewed the internal audit plan, programme and the reporting structure.

c) Reviewed the findings of the internal auditor's reports, investigations undertaken and whether or not appropriate actions are taken by the management, based on the recommendations of the internal auditors.

d) Reviewed the evaluation on the performance of the internal audit function on an annual basis.

3.4 Risk Management and Internal Control

a) Established an adequate and effective Group's risk management and internal control framework.

b) Reviewed and assessed the Group's level of risk appetite and risk tolerance.

c) Reviewed the risk management framework, policies and process, including identifying, managing, monitoring and mitigating the significant risks of the Group, and recommend for approval by the Board.

d) Reviewed significant risks identified (including operational, financial, regulatory compliance, sustainability and reputational risks) and assess the mitigating actions put in place to manage these risks.

e) Reviewed the adequacy of resources for managing the risk management and internal control framework.

3.5 Related Party Transactions ("RPT"), Recurrent RPT ("RRPT") and Conflict of Interest

a) Established comprehensive procedures for identifying, evaluating, approving reporting RPT and RRPT, and monitoring conflict of interest situations.

b) Reviewed all non-recurring transactions or corporate proposals involving related parties, to ensure that they are in the best interest of the Company and are not detriment to the minority shareholders.

c) Reviewed any related party transaction and conflict of interest or potential conflict of interest situation that arose, persist or may arise within the listed issuer or group including any transaction, procedure or course of conduct that raises questions of management integrity (Rule 15.12(1)(h) of the ACE Market Listing Requirements of Bursa Securities) and the measures to be taken to resolve, eliminate or mitigate such conflicts, if any.

3.6 Others

a) Reviewed financial related reports, Statement on Risk Management and Internal Control, Corporate Governance Overview Statement as required by the LR for inclusion in the Annual Report.

b) Verified allocation of units of options issued pursuant to the share issuance scheme implemented by the Group.

c) Obtained regular updates from the management regarding compliance matters.

d) Reviewed regulatory and compliance reports and any other reports within the purview of the AC.

e) Carried out any other functions that may be mutually agreed upon by the AC and the Board.

AUDIT COMMITTEE REPORT
cont'd

4. CONFLICT OF INTEREST / POTENTIAL CONFLICT OF INTEREST

The AC has not come across any conflict of interest situations or potential conflict of interest situation within the Company or its subsidiaries including any transaction, procedure or course of conduct that raises questions of management integrity.

5. SUITABILITY AND INDEPENDENCE

To ensure that the external auditors' independence is not impaired, the Audit Engagement Partner would be rotated every 5 years. The external auditors would conduct an Independent Partner Engagement quality control review in order to preserve their independence and integrity.

The Company's external auditors, Messrs Morison LC PLT had declared to the AC that they were in compliance with the independent requirements set out in the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants. In maintaining their audit independence and objectivity, they had developed policies and important safeguards and procedures to address threats to their independence and objectivity.

The AC conducted an annual assessment of the performance of the external auditors based on the following criteria:

- quality of engagement team;
- quality of interaction and communication;
- independence, objectivity and professionalism;
- quality of services; and
- adequacy of resources;

Based on the annual assessment, the AC found that the external auditors had performed professionally and are independent. The AC recommended the external auditors' re-appointment to the Board to be proposed for shareholders' approval at the forthcoming Annual General Meeting.

6. INTERNAL AUDIT FUNCTION

The Company has outsourced its internal audit function to a third-party professional firm, Kloo Point Risk Management Services Sdn Bhd to assist the AC in discharging its responsibilities and duties. The role of the internal audit function is to undertake independent regular and systematic reviews of the system of internal controls so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively.

The fee (inclusive of government tax) paid to the professional firm in respect of the internal audit function for the FYE 2026 was RM14,668.

The internal audits cover the review of the adequacy of risk management, operational controls, and compliance with established procedures, guidelines and statutory requirements.

During the financial year under review, the internal auditors had reviewed and performed a Risk Review exercise for Sanichi and selected subsidiaries in the following areas:

(i) Execution of the approved internal audit plan;
(ii) Presentation of the internal audit findings and recommendations at the AC meetings; and
(iii) Conducted follow up reviews to ensure action plans are properly and appropriately implemented by the Management.

There were no significant issues in the internal control system during the year under review.

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors are required to prepare the financial statements for each financial year which gives a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and the results and cash flow of the Group and of the Company for the financial year. As required by the Companies Act 2016 and the ACE Market Listing Requirements of the Bursa Malaysia Securities Berhad, the financial statements have been prepared in accordance with the applicable approved Malaysian Financial Reporting Standards and International Financial Reporting Standards.

In preparing the financial statements, the Directors have ensured the following:

- Applied the appropriate and relevant accounting policies on a consistent basis;
- Made reasonable and prudent judgments and estimates;
- Applicable approved accounting standards in Malaysia have been adopted; and
- The preparation of the financial statements is on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company keep proper accounting records which disclose with reasonable accuracy the financial positions of the Group and of the Company, and which enable them to ensure that the financial statements comply with the Companies Act 2016.

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

This statement is made in accordance with the resolution of the Board dated 21 July 2026.

ADDITIONAL COMPLIANCE STATEMENT

A. STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

At an Extraordinary General Meeting held on 28 November 2024, the shareholders of the Company had approved the variation to the utilisation of proceeds amounting to approximately RM75.735 million previously raised from the Rights Issue with Warrants exercise undertaken by the Company that was completed on 28 May 2021 ("Variation").

As at the expiry date of the timeframe to utilise the balance proceeds from the Rights Issue with Warrants, the Company made an announcement on 29 May 2025 to extend the timeframe to utilise the balance proceeds from the Rights Issue with Warrants for another twelve (12) months period from 29 May 2025 to 28 May 2026 ("Revised Timeframe 1") to provide additional time for the Group to utilise the balance proceeds.

As at the expiry date of the Revised Timeframe 1 on 28 May 2026, the Company has yet to fully utilise the balance proceeds amounting to RM26.466 million allocated for its property development and plastic moulding business as well as repayment of bank borrowings. The said Revised Timeframe was extended for a further twelve (12) months period from 29 May 2026 to 28 May 2027 ("Revised Timeframe 2") to provide additional time for the Group to utilise the balance proceeds.

Details of the Revised Timeframe 2 is set out in the table below:

Purpose	Balance of proceeds raised RM'000	Utilisation as at 22/5/2026 RM'000	Balance of proceeds unutilised RM'000	Estimate/Revised timeframe for utilisation	Revised Timeframe for utilisation
Repayment of bank borrowings	29,038	7,732	21,306	Within twelve (12) months	28 May 2027
Funding for the Marina Point Project	29,000	29,000	-	-	-
Working capital for the Group's plastic moulding business	17,697	12,537	5,160	Within twenty-four (24) months	-
Total	**75,735**	**49,269**	**26,466**		

B. AUDIT AND NON-AUDIT FEES

The amount of audit fees and non-audit fees paid or payable to the Company's external auditors, Messrs Morison LC PLT by the Group and the Company for the FYE 2026 are as follows:

	Group RM	Company RM
Audit fees	277,000	188,000
Non-audit fees	5,000	5,000
Total	**282,000**	**193,000**

C. MATERIAL CONTRACTS

There was no material contracts entered into by the Company and its subsidiaries involving Directors and major shareholders' interests during the FYE 2026.

D. RECURRENT RELATED PARTY TRANSACTIONS

The Company did not enter into any recurrent related party transactions of a revenue or trading nature during the FYE 2026.

ADDITIONAL COMPLIANCE STATEMENT
cont'd

E. EMPLOYEES' SHARE OPTION SCHEME

The Employees' Share Option Scheme ("ESOS") of the Company is governed by the ESOS By-Laws which was approved by the shareholders on 18 March 2021.

The effective date for the implementation of the ESOS was on 19 August 2021 and shall be in force for a duration of five (5) years and may be extended to such further period, at the sole and absolute discretion of the Board upon the recommendation by the Option Committee, provided always that the initial scheme period and such extension of the scheme made pursuant to the ESOS By-Laws shall not in aggregate exceed a duration of ten (10) years or such other period as may be prescribed by Bursa Malaysia Securities Berhad or any other relevant authorities from the effective date of the ESOS.

As at 31 March 2026, the share option movements are as detailed below:

No. of Share Options granted during the financial year ended 31 March 2026	Share Options Exercised during the financial year ended 31 March 2026	Share Options lapsed during the financial year ended 31 March 2026	No. of Share Options outstanding during the financial year ended 31 March 2026
None	None	None	None

Directors and Chief Executive	Percentage
Aggregate options granted	None
Aggregate options exercised	None
Aggregate options outstanding	None

Employees	Percentage
Aggregate maximum allocation	None
Actual percentage of options granted during the financial year	None
Actual percentage of options granted since the commencement of the ESOS	14.60%

During the FYE 2026, there were no ESOS options granted to any of the Directors, Chief Executive and employees.

ADDITIONAL COMPLIANCE STATEMENT
cont'd

F. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

(a) Group Total Income and Total Assets

		Group	
		2026	2025
Total Income	**Remarks**	**RM**	**RM**
Revenue		16,791,578	16,573,295
Other income		869,339	4,077,349
Interest income		1,785,984	1,982,427
Other (please specify in the remarks column)	Gain on disposal of subsidiary	13,428,215	-
Total		**32,993,718**	**22,633,071**
Total Assets		**242,850,477**	**285,703,984**

(b) Business Activities

		Group	
		2026	2025
Shariah Non-Compliant Activities	**Remarks**	**RM**	**RM**
N/A		N/A	N/A
Total		**N/A**	**N/A**

(c) Component of Financial Position

(i) Cash Component

		Group	
		2026	2025
Islamic Account	**Remarks**	**RM**	**RM**
Cash at bank (exclude cash in hand)		20,905	1,635,474
Cash held under Islamic Housing Development Accounts		-	2,629,626
Total		**20,905**	**4,265,100**

ADDITIONAL COMPLIANCE STATEMENT
cont'd

F. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING cont'd

(c) Component of Financial Position cont'd

(i) Cash Component cont'd

		Group	
		2026	2025
Conventional Account / Instruments	**Remarks**	**RM**	**RM**
Cash at bank (exclude cash in hand)		27,869,281	844,667
Deposit with licensed bank		-	1,645,344
Other cash equivalents (please specify in the remarks column)	Deposit with a cooperative	46,945,600	67,148,800
Total		**74,814,881**	**69,638,811**

(ii) Debt Component

		Group	
		2026	2025
Islamic Financing	**Remarks**	**RM**	**RM**
Current		N/A	N/A
Non-current		N/A	N/A
Total Islamic Financing		**N/A**	**N/A**

		Group	
		2026	2025
Conventional Borrowing	**Remarks**	**RM**	**RM**
Current		3,470,440	4,433,575
Non-current		22,778,963	25,471,290
Total Conventional Borrowing		**26,249,403**	**29,904,865**

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DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services. The details of the subsidiaries are disclosed in Note 17 to the financial statements.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	Group RM	Company RM
Loss before tax	(30,697,484)	(69,391,897)
Income tax expense	28,962	(383,605)
Loss for the financial year	(30,668,522)	(69,775,502)
Loss attributable to:		
Owners of the Company	(30,932,198)	(69,775,502)
Non-controlling interests	263,676	-
	(30,668,522)	(69,775,502)

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature except as disclosed in the financial statements.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors do not recommend any dividend payment in respect of the current financial year.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

No debentures were issued during the financial year.

DIRECTORS' REPORT
cont'd

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the values of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

(a) 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; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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

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

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company in the financial year in which this report is made.

DIRECTORS

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

Dato' Sri Dr. Pang Chow Huat*
Dato' Abd Halim bin Abd Hamid
Yong Ket Inn
Ong Tee Kein
Datin Erdawaty binti Mohamed

** Director of the Company and its subsidiary companies*

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

Datin Sri Chen Choon Lee
Robert Garretson
Datuk Tan Chor How Christopher
Yap Kim Choy (Resigned on 12 January 2026)

DIRECTORS' REPORT
cont'd

DIRECTORS' INTERESTS

The interests in shares in the Group and the Company of those who were directors of the Group and the Company at the end of the financial year, as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act, 2016, are as follows:

	Number of Ordinary Shares			
	Balance as at 1.04.2025	Bought	Sold	Balance as at 31.03.2026
Shares in the Company				
Dato' Sri Dr. Pang Chow Huat				
Direct interest	9,710,461	23,917,400	-	33,627,861
Indirect interest	88,676	-	-	88,676

By virtue of the above directors' interest in the shares of the Company, they are deemed to have beneficial interest in the shares of all the subsidiary companies to the extent the Company has an interest.

The other directors in office at the end of the financial year did not hold shares, nor had beneficial interest in the shares of the Company or its related corporation during or at the beginning and end of the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Company has received or become entitled to receive a benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of full-time employees of the Company as disclosed 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 details of the directors' remuneration of the Group and of the Company for the financial year are as follows:

	Group RM	Company RM
Executive directors:		
Fee	240,000	240,000
Salaries and other emoluments	543,786	23,000
Defined contribution plans	59,760	-
	843,546	263,000

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There were no indemnity given or insurance effected for any directors, officers and auditors of the Company in accordance with Section 289 of the Companies Act 2016.

DIRECTORS' REPORT
cont'd

AUDITORS' REMUNERATION

The amount paid or payable as remuneration of the auditors of the Group and of the Company for the financial year ended 31 March 2026 is as follows:

	Group RM	Company RM
Auditors' remuneration:		
Statutory audit	277,000	188,000
Other services	5,000	5,000
	282,000	193,000

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR AND SUBSEQUENT EVENTS

Significant events during the financial year and events subsequent to the financial year are disclosed in Note 40 and Note 42 to the financial statements.

AUDITORS

The auditors, Morison LC PLT, have indicated their willingness to continue in office.

Signed on behalf of the Board, as approved by the Board
in accordance with a resolution of the directors,

DATO' SRI DR. PANG CHOW HUAT **ONG TEE KEIN**

Petaling Jaya
30 July 2026

STATEMENT BY DIRECTORS

The directors of **SANICHI TECHNOLOGY BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026 and of their financial performance and their cash flows for the financial year ended 31 March 2026.

Signed on behalf of the Board, as approved by the Board
in accordance with a resolution of the directors,

DATO' SRI DR. PANG CHOW HUAT **ONG TEE KEIN**

Petaling Jaya
30 July 2026

DECLARATION BY THE DIRECTOR

PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, DATO' SRI DR. PANG CHOW HUAT, the director primarily responsible for the financial management of **SANICHI TECHNOLOGY BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

DATO' SRI DR. PANG CHOW HUAT

Subscribed and solemnly declared by the abovenamed **DATO' SRI DR. PANG CHOW HUAT** at **PETALING JAYA** in the state of **SELANGOR DARUL EHSAN** on 30th day of July, 2026.

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SANICHI TECHNOLOGY BERHAD (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of **SANICHI TECHNOLOGY BERHAD**, which comprise the statement of financial position as at 31 March 2026 of the Group and of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended and notes to the financial statements, including material accounting policy information, as set out on pages 82 to 143.

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

Emphasis of Matter

1. *Deposits Placed with a cooperative*

   We draw attention to Note 24 to the financial statements, which discloses that the Group and the Company have placed deposits with Koperasi Maal Nizami Selangor Berhad registered under the Suruhanjaya Koperasi Malaysia. The placement is subject to the regulatory framework applicable to cooperatives, which differs from that applicable to licensed financial institutions. Our opinion is not modified in respect of this matter.

2. *Disposal of a Subsidiary*

   We draw attention to Note 40 (b) to the financial statements, which describes the disposal of the Group's property development subsidiary. Following the disposal, the Group ceased to be directly involved in property development activities. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SANICHI TECHNOLOGY BERHAD (Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS cont'd

Key Audit Matters cont'd

Key audit matter	Our audit performed and responses thereon
Expected credit loss of deposits placed with a cooperative *Refer to Notes 3, 4, 24 and 38 to the financial statements.* As at 31 March 2026, the Group held deposits of RM46,945,600, representing approximately 19% of total assets, placed with Koperasi Maal Nizami Selangor Berhad ("KOMANI"), a cooperative registered under the Co-operative Societies Act 1993 (Act 502) and regulated by Suruhanjaya Koperasi Malaysia ("SKM"), the statutory commission established under the Malaysia Co-operative Societies Commission Act 2007 (Act 665), an agency under the Ministry of Entrepreneur and Cooperative Development ("MECD"). We considered this a key audit matter due to management's significant judgement in establishing the credit policy and assessing the expected credit loss model ("ECL") under MFRS 9, which includes the application of forward-looking assumptions and macroeconomic overlays.	Our audit procedures, amongst others, included the following: (i) Reviewed the Group's treasury and investment framework and the governance oversight and approval process for deposit placements with KOMANI, and assessed the design and implementation of relevant controls over placement approval and ongoing monitoring. (ii) Made inquiries of the Audit Committee and KOMANI's representatives to understand the nature, terms and conditions of the deposit placements, including tenure, profit-sharing/return terms, and any withdrawal restrictions. (iii) Performed independent background searches on relevant parties. (iv) Tested recent withdrawal transactions and corroborated the evidence obtained against the assumptions used in management's credit policy and ECL model. (v) Evaluated the management's ECL estimation methodology, including: • Reasonableness of credit policy established for deposit placements. • Analysis of historical withdrawal patterns and default history. • Review of relevant financial metrics and ratios. • Appropriateness of macroeconomic overlays and external market data applied in the ECL model. (vi) Recalculated the ECL provision for accuracy.
Recoverability of inventories *Refer to Notes 3, 4 and 21 to the financial statements.* As at 31 March 2026, the Group's inventories amounted to RM88,640,188 representing approximately 36% of the Group's total assets. These inventories comprise properties under development held for sale.	Our audit procedures, amongst others, included the following: (i) Obtained an understanding of the Group's process and controls over the valuation of properties under development. Assessed whether indicators of impairment existed at the reporting date. (ii) Evaluated management's NRV assessment by comparing estimated selling prices against subsequent sales transactions, recent market data and, where applicable, external valuation report. Assessed the reasonableness of the valuation methodology and key assumptions adopted by management.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SANICHI TECHNOLOGY BERHAD (Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS cont'd

Key Audit Matters cont'd

Key audit matter	Our audit performed and responses thereon
The recoverability of inventories is assessed based on an estimation of the net realisable value ("NRV") of the underlying properties. This assessment involves significant management judgement in estimating future selling prices based on prevailing market conditions and transaction prices of comparable properties and estimated selling costs necessary to effect the sale. We considered this a key audit matter due to the estimates made by management in determining the net realisable values of inventories.	(iii) Performed physical sighting of development site and selected property units on a sampling basis, and inquired with management regarding the status, progress and expected completion timelines of the development projects. (iv) Where management relied on independent external valuers, we evaluated the competency, capabilities, objectivity, and independence of the external valuers. We reviewed the valuation reports to assess the appropriateness of the valuation techniques used and reasonableness of the key assumptions and market inputs (such as property type, size, tenure, building, condition, and location adjustments) used in the valuation.
Revenue and cost recognition from property development *Refer to Notes 3, 4 and 6 to the financial statements.* The Group recognises revenue and cost from property development activity over time from a former subsidiary, using the output method to measure progress towards satisfaction of the performance obligation, as certified by professional consultant. We determined this to be a key audit matter due to the significant management judgement and estimates involved in determining the total budgeted development costs to complete, estimating variable consideration and assessing the progress towards satisfaction of the performance obligations.	Our audit procedures, amongst others, included the following: (i) Obtained an understanding of the relevant processes and controls in respect of revenue and cost recognition for property development. (ii) Assessed the terms and conditions of sales and purchase agreements to ascertain whether revenue recognised is in accordance with the requirements of accounting standards. (iii) Assessed and challenged management's judgement in assessing the progress towards satisfaction of the performance obligations by: • Performing site visits to observe the project progress. • Reviewing the progress report and discussing the status of the project with the project team. (iv) Assessed the reasonableness of the estimated total budgeted development cost, including the basis for estimating variation orders arising from contractors' claims by comparing budgeted costs to actual costs incurred to date and evaluating the basis and consistency of cost-to-complete estimates. (v) Assessed and challenged management's judgment and estimation in determining variable consideration, including the basis for estimation and evaluated whether the constraint on variable consideration was appropriately applied.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SANICHI TECHNOLOGY BERHAD (Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS cont'd

Key Audit Matters cont'd

Key audit matter	Our audit performed and responses thereon
Impairment assessment of investments in subsidiaries *Refer to Notes 3, 4, and 17 to the financial statements.* As at 31 March 2026, the carrying amount of the Company's investments in subsidiaries amounted to RM180,750,000, representing 95% of the Company's total assets in its separate financial statements. During the financial year, the Company performed an impairment assessment on its investments in subsidiaries, resulting in an impairment loss of RM42,558,000. The recoverable amount of each investment was determined as the higher of fair value less costs of disposal and value in use, involving significant judgement and estimation in selecting the most appropriate valuation methodology, projecting future cashflows, appropriate discount rate and terminal growth assumptions or estimating the fair value of the underlying assets held. We considered this to be a key audit matter because of the significant judgement required in selecting the appropriate valuation methodology for each investment, and in evaluating the assumptions and estimates underlying the recoverable amount determined.	Our audit procedures, amongst others, included the following: (i) Obtained an understanding of management's process for identifying impairment indicators and performing the impairment assessment for each investment in subsidiaries. (ii) Evaluated the appropriateness of the valuation basis and methodology in estimating the recoverable amounts. (iii) Challenged management's significant judgements and estimates applied in the impairment assessment, including the reasonableness of assumptions, appropriateness of discount rate, relevance and reliability of the market data underpinning the valuation models.

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 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 SANICHI TECHNOLOGY BERHAD (Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS cont'd

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 purposes of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SANICHI TECHNOLOGY BERHAD (Incorporated in Malaysia)
cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS cont'd

Auditors' Responsibilities for the Audit of the Financial Statements cont'd

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

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, 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 also report that the subsidiary companies of which we have not acted as auditors, are disclosed in Note 17 to the financial statements.

Other Matter

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

MORISON LC PLT (AF 002469)
202206000028 (LLP0032572-LCA)
Chartered Accountants

LIM WAN YINN
03262/04/2027 J
Chartered Accountant

Petaling Jaya
30 July 2026

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		Group		Company	
		2026	2025	2026	2025
	Note	RM	RM	RM	RM
Revenue	6	16,791,578	16,573,295	-	-
Cost of sales		(12,981,338)	(23,417,161)	-	-
Gross profit/(loss)		3,810,240	(6,843,866)	-	-
Other operating income	7	16,083,538	6,059,776	960,369	4,343,837
Net loss on impairment on financial instruments	8	(29,589,066)	(1,641,586)	(11,846,097)	(1,121,997)
Administrative expenses		(19,123,899)	(13,756,010)	(58,506,169)	(5,106,630)
Loss from operations		(28,819,187)	(16,181,686)	(69,391,897)	(1,884,790)
Finance costs	9	(1,878,297)	(2,144,604)	-	-
Loss before tax	10	(30,697,484)	(18,326,290)	(69,391,897)	(1,884,790)
Income tax credit/(expense)	11	28,962	(484,548)	(383,605)	(237,788)
Loss for the financial year		(30,668,522)	(18,810,838)	(69,775,502)	(2,122,578)
Other comprehensive income, net of income tax					
Exchange differences on translating foreign operations		(27,199)	29,506	-	-
Total comprehensive loss for the financial year		(30,695,721)	(18,781,332)	(69,775,502)	(2,122,578)
Loss for the financial year attributable to:					
Owners of the company		(30,932,198)	(18,801,719)	(69,775,502)	(2,122,578)
Non-controlling interest		263,676	(9,119)	-	-
		(30,668,522)	(18,810,838)	(69,775,502)	(2,122,578)
Total comprehensive loss attributable to:					
Owners of the company		(30,959,397)	(18,772,213)	(69,775,502)	(2,122,578)
Non-controlling interest		263,676	(9,119)	-	-
		(30,695,721)	(18,781,332)	(69,775,502)	(2,122,578)
Loss per ordinary share attributable to owners of the Company:					
Basic (sen)	12	(21.72)	(13.20)		
Diluted (sen)	12	(21.72)	(13.20)		

The accompanying Notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Note	Group 2026 RM	Group 2025 RM
ASSETS			
Non-Current Assets			
Property, plant and equipment	13	20,733,090	23,801,535
Intangible asset	14	-	8,313,100
Investment properties	15	38,581,884	37,843,138
Right-of-use assets	16	987,175	1,137,018
Other investment	18	2,816,894	2,528,603
Other receivables, deposits and prepayments	19	-	1,680,000
Deferred tax asset	20	422,247	-
Total Non-Current Assets		63,541,290	75,303,394
Current Assets			
Inventories	21	88,640,188	102,612,204
Trade receivables	22	92,332	5,775,634
Other receivables, deposits and prepayments	19	14,311,287	10,354,423
Contract assets	23	-	14,385,992
Tax recoverable		454,726	1,588,974
Fixed deposit	24	46,945,600	68,794,144
Cash and bank balances	25	28,865,054	6,889,219
Total Current Assets		179,309,187	210,400,590
Total Assets		242,850,477	285,703,984
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	26	293,152,909	293,152,909
Other reserves	27	99,266	126,465
Accumulated losses		(88,830,534)	(57,898,336)
Equity Attributable to Owners of the Company		204,421,641	235,381,038
Non-controlling interests	17	9,741,033	9,477,357
Total Equity		214,162,674	244,858,395

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026
cont'd

		Group	
		2026	2025
	Note	RM	RM
Non-Current Liabilities			
Bank borrowings	29	22,778,963	25,417,525
Hire purchase payable	30	-	35,834
Lease liabilities	31	-	35,527
Total Non-Current Liabilities		22,778,963	25,488,886
Current Liabilities			
Trade payables	32	603,782	2,137,097
Contract liabilities	33	-	37,750
Other payables and accruals	34	1,673,386	8,309,027
Amount owing to director	35	-	357,019
Bank borrowings	29	3,470,440	4,321,318
Hire purchase payable	30	-	16,875
Lease liabilities	31	-	94,661
Tax payable		161,232	82,956
Total Current Liabilities		5,908,840	15,356,703
Total Liabilities		28,687,803	40,845,589
Total Equity and Liabilities		242,850,477	285,703,984

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026
cont'd

	Note	Company 2026 RM	Company 2025 RM
ASSETS			
Non-Current Assets			
Intangible assets	14	-	8,313,100
Investment in subsidiary companies	17	180,750,000	18,500,001
Other investments	18	832,054	881,854
Other receivables, deposits and prepayments	19	-	1,680,000
Total Non-Current Assets		181,582,054	29,374,955
Current Assets			
Other receivables and deposits	19	13,240,282	4,297,606
Amount due from subsidiary companies	35	41,625	222,213,190
Tax recoverable		376,744	1,464,390
Fixed deposits	24	22,448,000	43,002,560
Cash and bank balances	25	26,439,279	140,026
Total Current Assets		62,545,930	271,117,772
Total Assets		244,127,984	300,492,727
EQUITY AND LIABILITIES			
Capital and Reserves			
Share capital	26	293,152,909	293,152,909
(Accumulated losses)/Retained earnings		(62,664,849)	7,110,653
Total Equity		230,488,060	300,263,562
Current Liabilities			
Other payables and accruals	34	305,549	229,165
Amount due to subsidiary companies	35	13,334,375	-
Total Liabilities		13,639,924	229,165
Total Equity and Liabilities		244,127,984	300,492,727

The accompanying Notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	← Attributable to owner of the parent →						
	← Non-distributable →						
	Share capital	Share option reserve	Warrant reserves	Foreign exchange reserves	Accumulated losses	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM	RM	RM
Group							
As at 1 April 2024	332,885,896	-	9,233,231	96,959	(92,358,835)	9,486,476	259,343,727
Total comprehensive income/ (expense) for the financial year:							
Loss for the financial year	-	-	-	-	(18,801,719)	(9,119)	(18,810,838)
Other comprehensive income for the financial year	-	-	-	29,506	-	-	29,506
Total comprehensive income/ (expenses)	-	-	-	29,506	(18,801,719)	(9,119)	(18,781,332)
Transaction with owners:							
Exercise of ESOS	4,296,000	456,000	-	-	-	-	4,752,000
Share option granted under ESOS	-	(456,000)	-	-	-	-	(456,000)
Expiring of warrant to ordinary shares	-	-	(9,233,231)	-	9,233,231	-	-
Exercise of capital reduction	(44,028,987)	-	-	-	44,028,987	-	-
Total transaction	(39,732,987)	-	(9,233,231)	29,506	53,262,218	-	4,296,000
As at 31 March 2025	293,152,909	-	-	126,465	(57,898,336)	9,477,357	244,858,395

	← Attributable to owner of the parent →				
	← Non-distributable →				
	Share capital	Foreign exchange reserves	Accumulated losses	Non-controlling interests	Total equity
	RM	RM	RM	RM	RM
Group					
As at 1 April 2025	293,152,909	126,465	(57,898,336)	9,477,357	244,858,395
Total comprehensive (expense)/income for the financial year:					
Loss for the financial year	-	-	(30,932,198)	263,676	(30,668,522)
Other comprehensive expense for the financial year	-	(27,199)	-	-	(27,199)
Total comprehensive (expense)/income	-	(27,199)	(30,932,198)	263,676	(30,695,721)
As at 31 March 2026	293,152,909	99,266	(88,830,534)	9,741,033	214,162,674

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

	← Non-Distributable →				
	Share capital	Share option reserve	Warrant reserves	Retained earnings/ (Accumulated losses)	Total equity
	RM	RM	RM	RM	RM
Company					
At 1 April 2024	332,885,896	-	9,233,231	(44,028,987)	298,090,140
Loss for the financial year, representing total comprehensive loss for the financial year	-	-	-	(2,122,578)	(2,122,578)
Transaction with owners:					
Exercise of ESOS	4,296,000	456,000	-	-	4,752,000
Share option granted under ESOS	-	(456,000)	-	-	(456,000)
Expiring of warrant	-	-	(9,233,231)	9,233,231	-
Exercise of capital reduction	(44,028,987)	-	-	44,028,987	-
Total transaction	(39,732,987)	-	-	53,262,218	4,296,000
As at 31 March 2025 and 1 April 2025	293,152,909	-	-	7,110,653	300,263,562
Loss for the financial year, representing total comprehensive loss for the financial year	-	-	-	(69,775,502)	(69,775,502)
As at 31 March 2026	293,152,909	-	-	(62,664,849)	230,488,060

The accompanying Notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES				
Loss before tax	(30,697,484)	(18,326,290)	(69,391,897)	(1,884,790)
Adjustments for:				
Amortisation of right-of-use asset	84,547	109,353	-	-
Amortisation of intangible asset	845,400	140,900	845,400	140,900
Depreciation of investment properties	914,254	799,919	-	-
Depreciation of property, plant and equipment	1,959,906	2,171,403	-	-
Inventories written off	1,325,984			
Interest expense	1,878,297	2,144,604	-	-
Fair value (gain)/loss on quoted investment:				
Realised	-	(91,989)	-	3,315,373
Unrealised	49,800	(1,925,123)	49,800	(1,925,123)
Fair value (gain)/loss on other investment	(338,091)	216,167	-	-
Loss/(gain) on disposal of:				
Property, plant and equipment	11,640	(219,000)	-	-
Right-of-use asset	(289)	12,056	-	-
Subsidiary company	(13,428,215)	-	4,500,000	-
Impairment loss on:				
Property, plant and equipment	1,003,780	-	-	-
Intangible asset	7,467,700	-	7,467,700	-
Prepayment	1,680,000	-	1,680,000	-
Fixed deposits	-	1,651,200	-	1,057,440
Investment in subsidiary companies	-	-	42,558,000	-
Amount due from subsidiary companies	-	-	-	64,557
Contract asset	-	123,360	-	-
Trade receivables	-	149,413	-	-
Deposits	1,136,650	-	-	-
Amount due from former subsidiary	29,199,449	-	29,199,449	-
Reversal of impairment loss on:				
Amount due from subsidiary companies	-	-	(17,351,881)	-
Fixed deposits	(496,800)	-	(505,440)	-
Investment in subsidiaries	-	-	-	-
Trade receivables	(250,233)	(282,388)	-	-
Written of amount due from subsidiary companies	-	-	503,969	-
Interest income	(1,785,984)	(1,982,427)	(960,369)	(1,069,483)
Waiver of amount due to director	-	(1,349,231)	-	(1,349,231)
Net unrealised gain on foreign exchange	(37,411)	(8,406)	-	-
Operating Loss Before Working Capital Changes	522,900	(16,666,479)	(1,405,269)	(1,650,357)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Changes in working capital:				
Decrease/(Increase) in:				
Inventories	3,358,321	(2,588,337)	-	-
Trade receivables	(7,483,335)	(2,094,705)	-	-
Other receivables, deposits and prepayments	(35,010,047)	432,711	3,707,304	(280,861)
Contract assets	(19,183,351)	(598,778)	-	-
Increase/(Decrease) in:				
Trade payables	42,378	(364,097)	-	-
Other payables and accruals	39,938,244	(119,867)	76,384	(63,743)
Contract liabilities	22,826,728	37,750	-	-
Cash generated from/(used in) operations	5,011,838	(21,961,802)	2,378,419	(1,994,961)
Interest received	19,147	204,688	-	-
Interest paid	(77,588)	(153,876)	-	-
Income tax refunded	1,137,446	34,490	897,369	-
Income tax paid	(309,350)	(1,037,262)	(193,328)	(750,000)
Net Cash From/(Used In) Operating Activities	5,781,493	(22,913,762)	3,082,460	(2,744,961)
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES				
Interest received	1,766,837	1,777,739	960,369	1,069,483
Proceeds from disposal of:				
Investment in subsidiary company	-	-	500,000	-
Property, plant and equipment	878,231	218,999	-	-
Other investments	-	6,915,389	-	3,508,477
Acquisition of property, plant and equipment	(831,364)	(877,947)	-	-
(Uplift)/Placement of fixed deposits	20,700,000	(31,889,221)	21,060,000	(17,189,557)
Net cash outflow from disposal of investment in subsidiary	(2,176,990)	-	-	-
Net Cash From/(Used In) Investing Activities	20,336,714	(23,854,591)	22,520,369	(12,611,597)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
CASH FLOWS USED IN FINANCING ACTIVITIES				
Interest paid	(1,800,709)	(1,990,728)	-	-
Repayment of bank borrowings	(2,688,817)	(2,514,691)	-	-
Repayment of hire purchase	(52,709)	(16,155)	-	-
Repayment of lease liabilities	(60,640)	(101,115)	-	-
Repayment from/(advances to) subsidiary companies	-	-	696,424	(24,950,808)
Repayment to directors	(357,019)	(21,685)	-	(28,704)
Exercise of ESOS	-	4,296,000	-	4,296,000
Net Cash Used In Financing Activities	(4,959,894)	(348,374)	696,424	(20,683,512)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	21,158,313	(47,116,727)	26,299,253	(36,040,070)
Effect of exchange differences	(27,199)	29,506	-	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	6,868,105	53,955,326	140,026	36,180,096
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	27,999,219	6,868,105	26,439,279	140,026

The details of cash and cash equivalents are as follow:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Fixed deposits	46,945,600	68,794,144	22,448,000	43,002,560
Cash and bank balances	28,865,054	6,889,219	26,439,279	140,026
Bank overdraft	(865,835)	(1,666,458)	-	-
	74,944,819	74,016,905	48,887,279	43,142,586
Less: Non cash and cash equivalents:				
Fixed deposits with maturity term more than 3 months	(46,945,600)	(67,148,800)	(22,448,000)	(43,002,560)
	27,999,219	6,868,105	26,439,279	140,026

The accompanying Notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

1. GENERAL INFORMATION

The Company is a public limited company, incorporated and domiciled in Malaysia, and listed on the ACE Market of Bursa Malaysia Securities Berhad.

The principal activities of the Company are investment holding and the provision of management services. The details of the subsidiaries are disclosed in Note 17 to the financial statements.

The registered office of the Company is located at Unit 27.2, Menara 1MK, Kompleks 1 Mont Kiara, No. 1, Jalan Kiara, Mont Kiara, 50480 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia.

The principal place of business of the Company is located at PLO 135, Jalan Cyber 5, Kawasan Perindustrian Senai Fasa 3, 81400 Senai, Johor Darul Takzim, Malaysia.

The financial statements of the Group and of the Company were authorised by the Board of Directors for issuance on 30 July 2026.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

Adoption of amendments to MFRSs

During the financial year, the Group and the Company have adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

Amendments to MFRS 121	Lack of Exchangeability

The adoption of these amendments to MFRSs did not have any significant impact on the financial statements of the Group and of the Company.

New MFRS and amendments to MFRSs in issue but not yet effective

The Group and the Company have not applied the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and for the Company:

Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity[1]
Amendments to MFRSs	Annual Improvements to MFRS Accounting Standards - Volume 11[1]
MFRS 18	Presentation and Disclosure in Financial Statements[2]
MFRS 19	Subsidiaries without Public Accountability: Disclosure[2]
Amendments to MFRS 19	Subsidiaries without Public Accountability Disclosure[2]
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency[2]
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]

1 Effective for annual periods beginning on or after 1 January 2026.
2 Effective for annual periods beginning on or after 1 January 2027.
3 Deferred to a date to be determined and announced by MASB.

The Directors anticipate that the abovementioned new MFRSs and amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective, if applicable, and that the adoption of these standards will have no material impact on the financial statements of the Group and of the Company in the period of initial application.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS cont'd

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 *Presentation and Disclosure in Financial Statements* sets out overall requirements for the presentation and disclosure in the financial statements, and will replace MFRS 101 *Presentation of Financial Statements* upon its adoption. The International Accounting Standard Board ("IASB") did not reconsider all aspects of MFRS 101 when developing MFRS 18, but instead focused on the statement of profit or loss. The IASB retained some paragraphs from MFRS 101 in MFRS 18 and moved some paragraphs from MFRS 101 to MFRS 108 *Basis of Preparation of Financial Statements* and MFRS 7 *Financial Instruments: Disclosures*.

MFRS 18 aims to improve financial reporting by:

- requiring an entity to classify income and expenses included in the statement of profit or loss into five categories, namely operating, investing, financing, income taxes and discontinued operations;
- requiring an entity to present two new defined subtotals in the statement of profit or loss, including "operating profit or loss" and "profit or loss before financing and income taxes";
- requiring an entity to disclose management-defined performance measure; and
- adding new principles for aggregation and disaggregation of items.

An entity is required to apply MFRS 18 for annual periods beginning on or after 1 January 2027, with earlier application permitted. MFRS 18 requires retrospective application with specific transition provisions.

MFRS 19 Subsidiaries without Public Accountability: Disclosure

MFRS 19 permits an eligible subsidiary (defined as a subsidiary that does not have public accountability and has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with MFRS Accounting Standards) to apply the requirement reduced disclosures when applying MFRS Accounting Standards in its financial statements.

The adoption of these new MFRSs may have an impact on the financial statements of the Company in the period of initial application. However, it is not practicable to provide a reasonable estimate of the effects from the adoption of these new MFRSs until the Company undertakes a detailed review.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost unless otherwise indicated in the material accounting policy information below.

Functional and presentation currency

The financial statements of the Group and of the Company are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

Basis of consolidation

The Group applies the acquisition method to account for business combination from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

The consideration transferred for the acquisition of a subsidiary company is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Non-controlling interests

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

Investment in subsidiary companies

In the Company's separate financial statements, investment in subsidiary companies is stated at cost less accumulated impairment losses.

Investments in Preference Shares

The Group and the Company recognise investments in preference shares when they become a party to the contractual provisions of the instrument.

Where the investment represents an equity instrument of the investee and the contractual terms do not give rise to a right to receive cash or another financial asset from the issuer, the investment is classified as an equity instrument and measured at cost less impairment in the separate financial statements of the Company. In the consolidated financial statements, such investments are eliminated upon consolidation.

Revenue from contract with customers

The Group recognises revenue from the following major sources:

(a) Property development

Property development contracts with customers may include multiple promises to customers and are accounted for as separate performance obligations. Transaction price will be allocated to each performance obligation based on the stand-alone selling prices. The transaction price is adjusted for the effects of variable consideration (e.g. discounts, rebates, incentives or penalties). The revenue from property development is measured based on the transaction prices net of expected liquidated ascertained damages ("LAD") payment. LAD is determined based on the expected value method.

Revenue from property development is recognised as and when the control of the asset is transferred to the customer. Control of the asset is transferred over time if the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to-date.

This is generally established when:

- the promised properties are specifically identified by its plot, lot and parcel number and its attributes (such as its size and location) in the sale and purchase agreements and the attached layout plan, and the purchasers could enforce its rights to the promised properties if the Group seeks to sell the unit to another purchaser. The contractual restriction on the Group's ability to direct the promised residential and commercial properties for another use is substantive and the promised properties sold to the purchasers do not have an alternative use to the Group; and

- the Group has the right to payment for performance completed to date and is entitled to continue to transfer to the customer the development units promised and has the rights to complete the development of the properties and enforce its rights to full payments.

Revenue of property development is recognised over time using output method, which is based on the progress of completion of the physical proportion of contract work to-date, certified by professional consultant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Revenue from contract with customers cont'd

The Group recognises revenue from the following major sources: cont'd

(b) Sales of Goods

Revenue is generated by the sale and delivery of products to customers. Revenue is measured based on the consideration specified in a contract with a customer. The products are own-produced finished goods from the Group's moulding activities. The Group recognises revenue at a point in time when they transfer control over a product or service to a customer and satisfy their performance obligation to a customer. Where applicable, rebates and discounts to customers are accounted as net of revenue according to contract. The revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

Leases

Lessee accounting

The Group recognises a right-of-use ("ROU") asset and a lease liability at the lease commencement date. Right-of-use assets are initially measured at cost less accumulated amortisation and any accumulated impairment losses and adjusted for any remeasurement of the lease liabilities. Amortisation is computed on the straight-line basis over the lease period.

Leasehold land	60 years
Land	2 years
Buildings	2 - 3 years

The lease liabilities are initially measured at the present value of the lease payments that are paid at commencement date, discounted using the interest rate implicit in the lease contract. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognises the lease payments associated with these leases as an operating expense on a straight-line basis over the lease term.

Lessor accounting

The Group recognises lease payments received from rental of buildings under operating leases as income on a straight-line basis over the lease term as part of revenue.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment are depreciated on straight-line basis over the estimated useful lives of the assets, as follows:

Aircraft	10 years
Buildings	5 to 60 years
Furniture, fittings and office equipment	5 to 7 years
Motor vehicles	5 years
Plant and machinery	5 to 20 years

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Investment properties

Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

Carparks under development are measured at cost and are not depreciated as they are not yet available for their intended use. Depreciation commences when the assets are completed and ready for use.

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, as follows:

Leasehold land	60 years
Buildings	60 years

Intangible asset

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment loss.

The useful life of intangible assets is assessed to be either finite or indefinite. Intangible assets with finite life are amortised on straight-line basis over their estimated economic useful life of 10 years and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite useful life is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the differences between the net disposal proceeds and the carrying amount of the asset and are recognised in the profit or loss when the asset is derecognised.

The intangible asset of the Group is online web-based platform related to manufacturing business process.

Contract assets and liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. Contract asset is recognised when the entity has performed under the contract but has not yet billed the customer. Contract asset is stated at cost less accumulated impairment.

Contract liability is the obligation to transfer goods or services to customer for which the Group has received the consideration or has billed the customer. Contract liability is recognised when the entity has not yet performed under the contract but has received advanced payments from the customer. Contract liabilities also include down payments received from customers.

Inventories

Inventories are stated at lower of cost or net realisable value ("NRV"). Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Properties under development

Properties under development held for trading is assigned using the specific identification method, as each property is individually identifiable.

(ii) Raw materials and consumables

The cost of raw materials for mould includes the cost of purchase and other direct charges. It is being accounted for on a first in first out basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Inventories cont'd

(iii) Property development cost

Property development costs comprise acquisition of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

Where the financial outcome of a development activity can be estimated reliably, property development revenue and expenses are recognised in profit or loss by using the progress of completion method.

Where the financial outcome of a development activity cannot be estimated reliably, property development revenue is recognised only to the extent of property development costs incurred that are likely to be recoverable.

Any expected loss on a development project, including costs to be incurred over the defect liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's and in the Company's statements of financial position when the Group and the Company become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Classification of financial assets cont'd

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss ("FVTPL").

Despite the foregoing, the Group and the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group and the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and

- the Group and the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (ii) below).

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit impaired financial assets, a credit adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit impaired (see below).

For financial assets that have subsequently become credit impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit impaired financial instrument improves so that the financial asset is no longer credit impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit impaired financial assets, the Group recognises interest income by applying the credit adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit impaired.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Classification of financial assets cont'd

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

- Financial assets that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called "accounting mismatch") that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has designated investment in quoted unit trust and other investment as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss from other financial assets are recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the "other operating income" or "administrative expenses" line item.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Impairment of non-financial assets

The carrying amounts of non-financial assets (except for inventories, contract assets, deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash-generating units ("CGUs").

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceeds its recoverable amount, the carrying amount of asset is reduced to its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Impairment of financial assets

The Group and the Company recognise a loss allowance for expected credit losses ("ECL") on trade receivables, other receivables and deposits, contract assets, amount due from subsidiary companies, fixed deposits with licensed banks and cooperative as well as cash and bank balances. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognises lifetime ECL for trade receivables and contract assets. The Group considers past loss experience, timing of billing and observable data such as current changes and future forecasts in economic conditions to estimate the amount of expected impairment loss. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

For all other financial instruments, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Reversal of impairment loss to profit or loss, if any, is restricted to not exceeding what the amortised cost would have been had the impairment not been recognised previously.

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group and the Company compare the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group and the Company consider both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information such as financial evaluation of the creditworthiness of the debtors, ageing of receivables, defaults and past due amounts, past experience with the debtors, current conditions and reasonable forecast of future economic conditions.

The Group and the Company presume that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 365 days past due, unless the Group and the Company have reasonable and supportable information that demonstrates otherwise.

Probability of default

The Group and the Company consider the information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group and the Company, in full, as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets are generally not recoverable.

The Group and the Company consider that default has occurred when a financial asset is more than 365 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

3. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

Write-off policy

The Group and the Company write off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, with case-by-case assessment performed based on indicators such as insolvency or demise. Financial assets written off may still be subject to enforcement activities under the Group's and the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss as bad debts recovered.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group and the Company in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at the original effective interest rate.

If the Group and the Company have measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determine at the current reporting date that the conditions for lifetime ECL are no longer met, the Group and the Company measure the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group and the Company recognise an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Statements of cash flow

The Group and the Company adopt the indirect method in the preparation of the statements of cash flow.

For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and exclude pledged fixed deposits with maturity date more than 3 months.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Directors have used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of expenses during the reporting period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the report amounts.

(a) Significant judgements in applying the Group's and the Company's accounting policies

In the process of applying the Company's accounting policies, the directors are of the opinion that there are no instances of application of judgements which are expected to have a significant effect on the amounts recognised in the financial statements, except for:

Revenue from property development

Revenue is recognised as and when the control of the asset is transferred to customers and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Revenue is recognised over the period of the contract by reference to the stage of completion of the development activity at the end of the reporting period. The Group applied management judgement in revenue recognition of property development in assessing the stage of completion of the physical proportion of certified value of work completed to-date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY cont'd

(b) Key sources of estimation uncertainty

Directors believe that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, except for:

Expected credit loss on deposits placed with a cooperative

The Group applies the ECL model in accordance with MFRS 9 Financial Instruments for deposits placed with a cooperative. Estimation of ECL involves significant judgment, particularly in determining the probability of default, loss given default, and exposure at default ("EAD"). Management incorporates historical experience, available financial information of the counterparty, and forward-looking assumptions reflecting prevailing macroeconomic conditions.

At the reporting date, the management assessed and determined that there is no indicators of significant increase in credit risk since initial recognition. Accordingly, the deposits are classified under Stage 1 of the impairment model, and a 12-month expected credit loss has been applied.

Recoverability of inventories

The Group and the Company assess inventories for impairment by comparing their carrying amounts with their net realisable values ("NRV") at each reporting date. In determining the NRV of inventories, management considers various factors, including project status, prevailing market conditions, current economic outlook, recent transaction prices of comparable properties, expected selling prices of the properties and the estimated costs to sell the properties. Where applicable, management also considers external valuation reports prepared by professional valuers in assessing the recoverability of inventories.

Property development cost recognised as cost of sales

Significant judgement and estimation are involved in determining the completeness and accuracy of property development costs recognised as cost of sales and profitability of project, as the recognition of property development revenue and related costs over time requires the estimation of total budgeted development costs to complete the projects. In determining the total budgeted development costs, management estimates future costs to complete the development projects, including costs arising from construction activities, variation orders from contractors and other project-related costs.

Estimation of variable consideration

The Group estimates variable consideration arising from potential liquidated ascertained damages ("LAD") due to delays in the completion of development project and late delivery of vacant possession to purchasers. In estimating the potential LAD exposure, management considers the latest progress of the development projects, expected completion timelines, input from project managers and external consultants, discussions with purchasers, legal correspondence and formal legal opinions obtained, where relevant. The Group also evaluates the probability of success of mitigation measures, including applications for extension of time, legal consultations, counterclaims against subcontractors, and the recoverability of costs from contractors, based on past experience and industry norms, in arriving at the expected value of LAD exposure.

Impairment of property, plant and equipment and intangible assets

The Group assesses at each reporting period whether there is any indication that property, plant and equipment or intangible assets may be impaired. If any such indication exists, the Group estimates the asset's or cash-generating unit's (CGU) recoverable amount. The recoverable amount is determined as the higher of an asset's or CGU's fair value less costs to sell and its value in use.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY cont'd

(b) Key sources of estimation uncertainty cont'd

Impairment of property, plant and equipment and intangible assets cont'd

For recoverable amounts determined based on value in use calculation, significant judgement is required in the estimation of the present value of future cash flows generated by the cash-generating units, which involves uncertainties and are significantly affected by assumptions used and judgement made regarding estimates of future cash flows and discount rates.

For recoverable amounts determined based on fair value less costs to sell, significant judgement involved by management to adjust the sales prices of comparable assets such as adjustments for type, size, age, condition, location, and other relevant factors.

Useful lives of property, plant and equipment, right-of-use assets and investment properties

The cost of property, plant and equipment, right-of-use assets and investment properties are depreciated on a straight-line basis over the assets' estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment, right-of-use assets and investment properties to be within 2 to 60 years. These are common life expectancies applied in the manufacturing industry and investment holding. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

Income taxes

Liability for taxation is recognised based on estimates of whether additional taxes will be payable. The estimation process includes seeking advice of whether additional taxes will be payable. When the final outcome of the tax payable is determined with the tax authority, the amount might be different from the initial estimate of the tax payable. Such difference may impact the income tax in the period when such determination is made. The Group and the Company will adjust for the differences as over or under provision of income tax in the period in which those differences arise.

Impairment of investment in subsidiaries

The Company reviews its investments in subsidiaries at each reporting date to determine whether there are indicators of impairment, in accordance with MFRS 136 Impairment of Assets. Where an indicator of impairment exists, impairment is assessed by comparing the carrying amount of the investment with its recoverable amount, being the higher of fair value less costs of disposal and value in use.

Significant judgement and estimation are required in determining the recoverable amount, including the selection of an appropriate valuation methodology, estimating future cash flows expected to be generated by the underlying subsidiary or the fair value of assets held by the subsidiary, where relevant, and determining a suitable discount rate to calculate the present value of those cash flows.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

5. SEGMENT REPORTING

The Group is organised into business units based on its products and services, and has three reportable operating segments as follow:

Plastic Mould	Designing and fabrication of precision moulds and tooling for use in automobile
Real Estate	Property development activities and trading of properties
Others	Investment holding and provision for management services

During the financial year, the Group's real estate segment comprised trading of properties and property development activities. Following the disposal of SPSB as disclosed in Note 40(b), the Group ceased its direct involvement in property development activities. As disclosed in Note 40(a), certain property units previously under development by SPSB were transferred to another subsidiary, SPM. The Group continues to sell these transferred property units within its real estate segment.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated statement of profit or loss and other comprehensive income. Group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to operating segments.

The following is an analysis of the Group's revenue and results by the operating segments.

	Plastic Mould	Real Estate	Others	Eliminations	Consolidated
	RM	RM	RM	RM	RM
Group					
2026					
Revenue					
External sales	1,373,977	14,134,465	1,283,136	-	16,791,578
Inter-company	-	90,856,979	-	(90,856,979)	-
Total revenue	1,373,977	104,991,444	1,283,136	(90,856,979)	16,791,578
Result					
(Loss)/Profit from operations	(2,885,024)	2,524,031	(69,823,326)	41,365,132	(28,819,187)
Finance costs	(297,510)	(6,729)	(1,580,787)	6,729	(1,878,297)
Profit/(Loss) before tax	(3,182,534)	2,517,302	(71,404,113)	41,371,861	(30,697,484)
Income tax expense	96,832	-	(490,117)	422,247	28,962
Profit/(Loss) for the financial year	(3,085,702)	2,517,302	(71,894,230)	41,794,108	(30,668,522)
Result					
Segment assets	119,392,582	58,199,988	318,722,642	(253,464,735)	242,850,477
Segment liabilities	6,951,810	71,128,203	35,139,721	(84,531,932)	28,687,802
Other information					
Amortisation of right-of-use assets	84,547	81,062	-	(81,062)	84,547
Depreciation of property, plant and equipment	366,911	16,255	1,493,307	83,433	1,959,906
Depreciation of investment properties	254,343	-	743,344	(83,433)	914,254
Interest income	18,070	35,000	1,732,914	-	1,785,984

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

5. SEGMENT REPORTING cont'd

The following is an analysis of the Group's revenue and results by the operating segments. cont'd

	Plastic Mould	Real Estate	Others	Eliminations	Consolidated
	RM	RM	RM	RM	RM
2025					
Revenue					
External sales	6,068,680	9,393,981	1,110,634	-	16,573,295
Inter-company	26,377	-	130,260	(156,637)	-
Total revenue	6,095,057	9,393,981	1,240,894	(156,637)	16,573,295
Result					
Profit/(loss) from operations	6,172,264	(6,355,475)	(5,081,721)	(10,916,754)	(16,181,686)
Finance costs	(300,378)	(8,388)	(1,844,379)	8,541	(2,144,604)
Profit/(Loss) before tax	5,871,886	(6,363,863)	(6,926,100)	(10,908,213)	(18,326,290)
Income tax expense	(162,914)	(29,927)	(291,707)	-	(484,548)
Profit/(Loss) for the financial year	5,708,972	(6,393,790)	(7,217,807)	(10,908,213)	(18,810,838)
Result					
Segment assets	22,823,539	137,670,021	376,511,501	(251,301,077)	285,703,984
Segment liabilities	32,235,081	149,509,149	92,855,590	(233,754,231)	40,845,589
Other information					
Amortisation of right-of-use assets	123,891	123,661	-	(138,199)	109,353
Depreciation of property, plant and equipment	351,161	48,170	1,772,072	-	2,171,403
Depreciation of investment properties	254,343	-	545,576	-	799,919
Interest income	17,718	186,961	1,777,748	-	1,982,427

Geographical segments

Revenue by location of customers and the Group's operations are analysed as follows:

	Group	
	2026	2025
	RM	RM
Malaysia	16,910,180	16,470,751
United Kingdom	-	102,544
	16,910,180	16,573,295

Revenue from major customers

During the financial year, major customers contributing more than 83% of the Group's total revenue amounted to RM13,986,403 (2025: 25%, RM4,200,000), which relates to one (2025: one) customer.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

6. REVENUE

	Group	
	2026	2025
	RM	RM
Revenue from contract with customers:		
Sale of plastic mould	1,373,977	6,068,680
Property development	14,134,465	9,393,981
	15,508,442	15,462,661
Revenue from other source:		
Rental income	1,283,136	1,110,634
	16,791,578	16,573,295
Timing of revenue recognition:		
Sale of plastic mould		
At a point in time	1,373,977	5,360,136
Overtime	-	708,544
Property development		
Overtime	14,134,465	9,393,981
	15,508,442	15,462,661

The following table shows the aggregate amount of the transaction price allocated to performance obligations that is unsatisfied (or partially unsatisfied) at the end of the reporting period and the expectation on the revenue from unsatisfied performance obligations to be recognised in the following years.

	Group	
	2026	2025
	RM	RM
Within one year	-	11,314,530

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

7. OTHER OPERATING INCOME

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Interest income	1,785,984	1,982,427	960,369	1,069,483
Gain on other investment:				
Realised	93,050	91,989	-	-
Unrealised	338,091	1,925,123	-	1,925,123
Gain on disposal of property, plant and equipment	77,488	219,000	-	-
Gain on disposal of subsidiary company	13,428,215	-	-	-
Gain on termination of lease	1,801	-	-	-
Reversal of right-of-use asset	77,099	-	-	-
Rental income	243,600	483,600	-	-
Unrealised gain on foreign exchange	37,411	8,406	-	-
Other income	799	-	-	-
Waiver of debts	-	1,349,231	-	1,349,231
	16,083,538	6,059,776	960,369	4,343,837

8. NET LOSS ON IMPAIRMENT ON FINANCIAL INSTRUMENTS

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Impairment loss on fixed deposit	-	1,651,200	-	1,057,440
Impairment loss on deposit	1,136,650	-	-	-
Impairment loss on receivables	-	149,413	-	-
Impairment loss on amount due from former subsidiary	29,199,449	-	29,199,449	-
Impairment loss on amount due from subsidiary companies	-	-	-	64,557
Reversal on impairment loss on fixed deposit	(496,800)	-	(505,440)	-
Reversal on impairment loss on trade receivables	(250,233)	(159,027)	-	-
Reversal on impairment loss on amount due from subsidiaries	-	-	(17,351,881)	-
Write off amount due from subsidiaries	-	-	503,969	-
	29,589,066	1,641,586	11,846,097	1,121,997

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

9. FINANCE COSTS

	Group	
	2026	2025
	RM	RM
Interest expenses on:		
Bank borrowings	1,872,850	2,127,870
Hire purchase payable	1,798	2,554
Lease liabilities	3,649	14,180
	1,878,297	2,144,604

10. LOSS BEFORE TAX

Loss before tax for the financial year is arrived at after charging/(crediting):

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Auditors' remuneration:				
Statutory audit	277,000	224,200	188,000	80,000
Other services	5,000	15,000	5,000	5,000
Amortisation of intangible asset (Note 14)	845,400	140,900	845,400	140,900
Amortisation of right-of-use assets (Note 16)	84,547	109,353	-	-
Depreciation of property, plant and equipment (Note 13)	1,959,906	2,171,403	-	-
Depreciation of investment properties (Note 15)	914,254	799,919	-	-
Impairment loss on:				
Investment in subsidiary companies	-	-	42,558,000	-
Inventories	1,325,984			
Property, plant and equipment	1,003,780	-	-	-
Intangible asset	7,467,700	-	7,467,700	-
Prepayment	1,680,000	-	1,680,000	-
Contract asset	-	123,360	-	-
Loss on disposal of property, plant and equipment	89,128	-	-	-
Loss on disposal of subsidiary company	-	-	4,500,000	-
Realised loss on foreign exchange	12,681	41,350	-	-
Loss on investment in quoted shares:				
Realised	-	3,315,373	-	3,315,373
Unrealised	49,800	216,167	49,800	-
Staff costs	1,817,561	4,036,123	263,000	264,500
Short term expenses:				
Rental of premises	248,322	-	-	-
Rental of equipment	16,254	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

10. LOSS BEFORE TAX cont'd

Included in staff costs of the Group and of the Company are directors' remuneration of RM843,546 (2025: RM829,385) and RM263,000 (2025: RM264,500), respectively as further disclosed in Note 35.

Staff costs include salaries, bonuses, contributions to Employees Provident Fund ("EPF") and all other staff related expenses. Contributions to EPF by the Group during the financial year amounted to RM74,955 (2025: RM313,247).

11. INCOME TAX (CREDIT/EXPENSES)

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Income tax expense				
Current financial year	199,964	310,595	14,556	-
Under provision in prior financial year	193,321	173,953	369,049	237,788
	393,285	484,548	383,605	237,788
Deferred tax credit				
Current financial year (Note 20)	(422,247)	-	-	-
	(28,962)	484,548	383,605	237,788

A reconciliation of income tax expense applicable to loss before tax at the applicable statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company are as follows:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Loss before tax	(30,697,484)	(18,326,290)	(69,391,897)	(1,884,790)
Taxation at statutory rate of 24% (2025: 24%)	(7,367,397)	(4,398,310)	(16,654,055)	(452,350)
Tax effects of:				
Non-taxable income	(4,511,961)	(888,173)	(4,285,757)	(866,096)
Expenses not deductible	11,037,055	2,705,610	20,954,368	1,237,515
Deferred tax assets not recognised	1,042,267	2,891,468	-	80,931
Deferred tax asset recognised	(422,247)	-	-	-
Under provision in prior financial year	193,321	173,953	369,049	237,788
	(28,962)	484,548	383,605	237,788

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

11. INCOME TAX EXPENSE cont'd

At the end of reporting period, the estimated amount of (taxable)/deductible temporary differences, unabsorbed capital allowances, unabsorbed reinvestment allowance and unused tax losses of the Group and of the Company, for which the deferred tax assets have not been recognised in the financial statements due to uncertainty of their realisation, are as follows:

	Group	
	2026	2025
	RM	RM
Temporary differences arising from:		
Property, plant and equipment	(2,848,015)	(3,160,677)
Investment properties	(7,883,303)	(8,002,496)
Right-of-use assets	(987,175)	(1,137,018)
Lease liabilities	-	130,187
Provision	444,999	440,046
Inventories	(1,759,363)	
Unabsorbed capital allowances	767,842	778,009
Unabsorbed reinvestment allowance	970,858	970,858
Unused tax losses	33,699,085	29,802,604
	22,404,928	19,821,513

The unabsorbed capital allowances, unabsorbed reinvestment allowance and unused tax losses which are subject to agreement by the tax authorities, are available for offset against the future chargeable profits.

The unabsorbed capital allowances and unabsorbed reinvestment allowance do not expire under current tax legislation.

Expiry date of the unutilised tax losses is summarised below:

	Group	
	2026	2025
	RM	RM
Year of assessment:		
2028	6,032,925	6,032,925
2029	8,091,619	8,091,619
2030	2,205,664	2,205,664
2031	2,637,264	2,637,264
2032	4,133,364	4,133,364
2033	5,937,303	5,937,303
2034	724,211	724,211
2035	40,254	40,254
2036	3,896,481	-
	33,699,085	29,802,604

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

12. LOSS PER ORDINARY SHARE

Basic and diluted loss per ordinary share attributable to owners of the Company are computed by dividing the loss for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

Basic

The basic loss per ordinary share of the Group has been calculated by dividing the Group's loss for the year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	Group	
	2026	2025
Loss attributable to owners of the Company (RM)	(30,932,198)	(18,801,719)
Weighted average number of ordinary shares:		
Issued ordinary shares at 1 April	142,408,709	1,403,095,559
Effect of ESOS	-	218,100,481
Effect of capital reduction	-	(1,478,787,331)
Weighted average number of ordinary shares	142,408,709	142,408,709
Basic loss per ordinary share (sen)	(21.72)	(13.20)

Diluted

The diluted loss per share of the Group has been calculated by dividing the Group's loss for the year attributable to owners of the Company by the weighted average number of ordinary shares that would have been issued upon full exercise of the outstanding warrants, adjusted by the number of such shares that would have been issued at fair value as follows:

	Group	
	2026	2025
Loss attributable to owners of the Company (RM)	(30,932,198)	(18,801,719)
Weighted average number of ordinary shares	142,408,709	142,408,709
Basic loss per ordinary share (sen)	#	#

Diluted loss per share is not presented in the financial statements as there are no dilutive potential ordinary shares outstanding during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

13. PROPERTY, PLANT AND EQUIPMENT

	Aircraft	Buildings	Furniture, fittings and office equipment	Motor vehicles	Plant and Machinery	Total
	RM	RM	RM	RM	RM	RM
Group						
Cost						
As at 1 April 2025	9,830,000	21,234,840	6,761,923	6,469,937	21,459,324	65,756,024
Additions	-	754,812	76,552	-	-	831,364
Disposals	-	(1,533,263)	(40,748)	(287,000)	-	(1,861,011)
Written off	-	-	(22,170)	(542,062)	-	(564,232)
Disposal of subsidiary	-	-	(361,658)	(1,649,071)	-	(2,010,729)
As at 31 March 2026	9,830,000	20,456,389	6,413,899	3,991,804	21,459,324	62,151,416
Accumulated depreciation						
As at 1 April 2025	6,912,710	2,389,793	6,355,898	5,463,801	14,115,500	35,237,702
Charge for the financial year	983,000	420,276	105,569	400,619	50,442	1,959,906
Disposals	-	(135,973)	(41,472)	(606,979)	-	(784,424)
Disposal of subsidiary	-	-	(312,679)	(1,649,071)	(2,823)	(1,964,573)
As at 31 March 2026	7,895,710	2,674,096	6,107,316	3,608,370	14,163,119	34,448,611
Accumulated impairment						
As at 1 April 2025	-	-	-	-	6,716,787	6,716,787
Charge for the financial year	-	750,852	-	-	252,928	1,003,780
Disposal of subsidiary	-	(750,852)	-	-	-	(750,852)
As at 31 March 2026	-	-	-	-	6,969,715	6,969,715
Carrying amount						
As at 31 March 2026	1,934,290	17,782,293	306,583	383,434	326,490	20,733,090

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

13. PROPERTY, PLANT AND EQUIPMENT cont'd

	Aircraft	Buildings	Furniture, fittings and office equipment	Motor vehicles	Plant and Machinery	Total
	RM	RM	RM	RM	RM	RM
Group						
Cost						
As at 1 April 2024	9,830,000	26,951,617	6,708,823	6,023,740	21,459,324	70,973,504
Additions	-	-	53,100	824,847	-	877,947
Disposals	-	-	-	(378,650)	-	(378,650)
Transfer to investment property (Note 15)	-	(5,716,777)	-	-	-	(5,716,777)
As at 31 March 2025	9,830,000	21,234,840	6,761,923	6,469,937	21,459,324	65,756,024
Accumulated depreciation						
As at 1 April 2024	5,929,710	2,854,293	6,176,776	5,420,457	14,062,631	34,443,867
Charge for the financial year	983,000	534,418	179,122	421,994	52,869	2,171,403
Disposals	-	-	-	(378,650)	-	(378,650)
Transfer to investment property (Note 15)	-	(998,918)	-	-	-	(998,918)
As at 31 March 2025	6,912,710	2,389,793	6,355,898	5,463,801	14,115,500	35,237,702
Accumulated impairment						
As at 1 April 2024/31 March 2025	-	-	-	-	6,716,787	6,716,787
Carrying amount						
As at 31 March 2025	2,917,290	18,845,047	406,025	1,006,136	627,037	23,801,535

The leasehold land and buildings have been pledged to licensed banks as securities for term loans obtained as disclosed in Note 29.

The net carrying amount of motor vehicle registered under the names of a director and third parties and held in trust on behalf of the Group amounted to RM383,434 (2025: RM1,006,136).

Included in property, plant and equipment of the Group is a motor vehicle under hire purchase arrangements with net carrying amount RM Nil (2025: RM30,140). The motor vehicle has been charged to local licensed bank for hire purchase obligations as disclosed in Note 30.

During the previous financial year, the Group reclassified a portion of its commercial building, previously presented under property, plant and equipment to investment property following a change in its use. The floors, which were previously owner-occupied, are now predominantly leased out to third parties to earn rental income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

14. INTANGIBLE ASSET

2026	Group and Company Online web-based platform RM
Group and Company	
Cost	
At 31 March 2025/1 April 2025/ 31 March 2026	8,454,000
Accumulated amortisation	
At 1 April 2024	-
Charge for the financial year	140,900
At 31 March 2025/1 April 2025	140,900
Charge for the financial year	845,400
At 31 March 2026	986,300
Accumulated impairment	
At 1 April 2025	-
Charge for the financial year	7,467,700
At 31 March 2026	7,467,700
Carrying amount	
At 31 March 2025	8,313,100
At 31 March 2026	-

Following the disposal of a subsidiary, the Group recognised an impairment loss as the recoverable amount of the related cash-generating units ("CGUs") was determined to be lower than it's carrying amount as a result of the change in the composition of the CGUs.

15. INVESTMENT PROPERTIES

	Leasehold land RM	Buildings RM	Car Park RM	Total RM
Group				
2026				
Cost				
As at 1 April 2025	1,246,916	41,769,115	-	43,016,031
Reclass from inventories	-	-	1,653,000	1,653,000
As at 31 March 2026	1,246,916	41,769,115	1,653,000	44,669,031
Accumulated depreciation				
As at 1 April 2025	309,697	4,863,196	-	5,172,893
Charge for the financial year	27,100	887,154	-	914,254
As at 31 March 2026	336,797	5,750,350	-	6,087,147
Carrying amount				
As at 31 March 2026	910,119	36,018,765	1,653,000	38,581,884

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

15. INVESTMENT PROPERTIES cont'd

	Leasehold land RM	Buildings RM	Car Park RM	Total RM
Group				
2025				
Cost				
As at 1 April 2024	1,246,916	36,052,338	-	37,299,254
Transfer from property, plant and equipment (Note 13)	-	5,716,777	-	5,716,777
As at 31 March 2025	1,246,916	41,769,115	-	43,016,031
Accumulated depreciation				
As at 1 April 2024	282,597	3,091,459	-	3,374,056
Charge for the financial year	27,100	772,819	-	799,919
Transfer from property, plant and equipment (Note 13)	-	998,918	-	998,918
As at 31 March 2025	309,697	4,863,196	-	5,172,893
Carrying amount				
As at 31 March 2025	937,219	36,905,919	-	37,843,138

(a) During the financial year, the Group reassessed the intended use of certain commercial car park units within the mixed development project. Based on management's assessment, these commercial car park units are no longer intended for sale in the ordinary course of business. Accordingly, the related carrying amounts were reclassified from inventories arising from property development activities to investment properties.

(b) During the previous financial year, the Group transferred certain portions of commercial building from property, plant and equipment to investment property following a change in use, as they are now held to earn rentals.

(c) The leasehold land and buildings have been pledged to licensed banks as securities for term loans obtained as disclosed in Note 29.

(d) The fair values of investment properties are as follows:

	Group	
	2026 RM	2025 RM
Leasehold land	3,500,000	3,500,000
Buildings	45,100,000	45,100,000
	48,600,000	48,600,000

The fair value represents the amount at which the properties could be exchanged between a knowledgeable, willing buyer and a knowledgeable, willing seller in an arm's length transaction at the reporting date. The fair value of the investment properties is determined by the directors of the Company based on available market information, taking into consideration factors such as property size, age, condition, location and prevailing market conditions.

The fair value measurement is classified as Level 3 within the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

16. RIGHT-OF-USE ASSETS

The information about leases for which the Group is a lessee is presented below:

	Leasehold Land RM	Land RM	Buildings RM	Total RM
Group				
2026				
Cost				
As at 1 April 2025	1,370,001	-	262,834	1,632,835
Disposal	-	-	(231,470)	(231,470)
As at 31 March 2026	1,370,001	-	31,364	1,401,365
Accumulated amortisation				
As at 1 April 2025	356,976	-	138,841	495,817
Charge for the financial year	25,850	-	58,697	84,547
Disposal	-	-	(166,174)	(166,174)
As at 31 March 2026	382,826	-	31,364	414,190
Carrying amount				
As at 31 March 2026	987,175	-	-	987,175

	Leasehold Land RM	Land RM	Buildings RM	Total RM
Group				
2025				
Cost				
As at 1 April 2024	1,370,001	44,950	339,253	1,754,204
Additions	-	-	31,364	31,364
Disposal	-	(44,950)	(107,783)	(152,733)
As at 31 March 2025	1,370,001	-	262,834	1,632,835
Accumulated amortisation				
As at 1 April 2024	331,126	43,077	152,938	527,141
Charge for the financial year	25,849	1,873	81,631	109,353
Disposal	-	(44,950)	(95,727)	(140,677)
As at 31 March 2025	356,976	-	138,841	495,817
Carrying amount				
As at 31 March 2025	1,013,025	-	123,993	1,137,018

The Group has lease contracts for land and buildings with contract terms of 2 to 3 (2025: 2 to 3) years. The Group has options to extend the lease term for 2 (2025: 2) years at the end of the lease term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

17. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2026	2025
	RM	RM
Unquoted shares - at cost:		
As at 1 April	60,286,081	60,286,081
Acquisition of:		
Ordinary shares (a)	87,807,999	-
Non-cumulative preference shares (a)	122,000,000	-
Disposal of subsidiary company	(5,000,000)	-
As at 31 March	265,094,080	60,286,081
Less: Accumulated impairment		
Balance brought forward	(41,786,080)	(41,786,080)
Charge for the financial year (b)	(42,558,000)	-
Balance carried forward	(84,344,080)	(41,786,080)
	180,750,000	18,500,001

(a) Additional investment in subsidiary companies

Ordinary shares

(i) On 26 March 2026, the Company subscribed for 16,000,000 Ordinary Shares in Asia Pinnacle Sdn. Bhd. ("APSB"), a wholly-owned subsidiary of the Company, at an issue price of RM1.00 per share for a total consideration of RM16,000,000, which was satisfied by way of capitalisation and set-off against the amount owed by APSB to the Company.

(ii) On 28 April 2025 and 26 March 2026, the Company subscribed for 99,999 and 38,000 Ordinary Shares, respectively, in Sanichi Asset Management Sdn. Bhd. ("SAMSB"), a wholly-owned subsidiary of the Company, at an issue price of RM1.00 per share for a total consideration of RM137,999, which was satisfied by way of capitalisation and set-off against the amount owed by SAMSB to the Company.

(iii) On 26 March 2026, the Company subscribed for 71,670,000 Ordinary Shares in Sanichi Capital Sdn. Bhd. ("SCSB"), a wholly-owned subsidiary of the Company, at an issue price of RM1.00 per share for a total consideration of RM71,670,000, which was satisfied by way of capitalisation and set-off against the amount owed by SCSB to the Company.

Non-Cumulative Redeemable Convertible Preference Shares

On 30 October 2025, the Company subscribed for 122,000,000 Non-Cumulative Redeemable Convertible Preference Shares ("NCRCPS") in Sanichi Precision Mould Sdn. Bhd. ("SPM") at an issue price of RM1.00 per NCRCPS for a total consideration of RM122,000,000. The subscription consideration was satisfied via capitalisation and set-off against advances previously provided by the Company to SPM pursuant to the Subscription Agreement dated 30 September 2025.

Management has assessed the terms of the NCRCPS under MFRS 132 and concluded that the instrument does not contain a contractual obligation on the issuer to deliver cash or another financial asset. Redemption and conversion are exercisable solely at the discretion of the issuer and the conversion feature provides for the exchange of a fixed number of ordinary shares for a fixed consideration. Accordingly, the NCRCPS are regarded as an equity instrument of SPM. The Company's investment in the NCRCPS is therefore accounted for as an investment in an equity instrument.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

17. INVESTMENT IN SUBSIDIARY COMPANIES cont'd

(a) Additional investment in subsidiary companies cont'd

Investment in Non-Cumulative Redeemable Convertible Preference Shares cont'd

The salient terms of the NCRCPS subscribed by the Company are summarised below:

(i) Non-cumulative preferential dividends are payable at a rate and on a payment date determined by the board of directors of the issuer, subject to the availability of distributable profits.

(ii) The NCRCPS have no fixed maturity date and are redeemable, in whole or in part, at the sole discretion of the issuer at RM1.00 per NCRCPS, subject to the provisions of the Companies Act 2016.

(iii) The NCRCPS are convertible into ordinary shares of the issuer at the sole discretion of the issuer on the basis of one (1) NCRCPS for one (1) ordinary share.

(iv) The holders of the NCRCPS are not entitled to vote at general meetings of the issuer except in certain circumstances prescribed in the Constitution and the Companies Act 2016.

(v) Upon a winding up of the issuer, the holders of the NCRCPS rank in priority to the ordinary shareholders of the issuer in respect of repayment of capital.

(b) Impairment of investments in subsidiaries

During the financial year, the Company assessed the recoverability of its investments in subsidiaries. Impairment indicators were identified in respect of Sanichi Asset Management Sdn. Bhd., Asia Pinnacle Sdn. Bhd. and Sanichi Capital Sdn. Bhd., as the recoverable amounts of these investments were determined to be lower than their respective carrying amounts.

Accordingly, impairment losses amounting to RM42,558,000 in aggregate were recognised during the current financial year. The impairment assessment involved significant judgement in determining the recoverable amounts, including the selection of appropriate valuation methodologies, estimation of key assumptions and the evaluation of relevant market evidence used in the assessment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

17. INVESTMENT IN SUBSIDIARY COMPANIES cont'd

(c) Details of the subsidiary companies are as follows:

Name of Company	Place of incorporation	Effective equity interest 2026 %	Effective equity interest 2025 %	Principal activities
Direct subsidiary companies				
Sanichi Precision Mould Sdn. Bhd. ("SPM")	Malaysia	100	100	Design and fabrication of precision moulds and toolings and real estate activities including the purchase, sale, rental and operation of self-owned or leased residential and non-residential properties
Asia Pinnacle Sdn. Bhd. ("APSB")	Malaysia	100	100	Design and fabrication of precision moulds and tooling
Sanichi Property Sdn. Bhd. ("SPSB")	Malaysia	-	100	Property investment and development
Sanichi Capital Sdn. Bhd. ("SCSB")	Malaysia	100	100	Investment holding company
Asia Glare Pte Ltd ("AGPL")#	Singapore	100	100	Dormant
Sanichi Mould (Thailand) Co. Ltd ("SMT")#	Thailand	100	100	Dormant
Bina Bicara Sdn. Bhd. ("BBSB")	Malaysia	100	100	Property development
Sanichi Asset Management Sdn. Bhd. ("SAMSB")	Malaysia	100	100	Dormant
EC Victory Sdn. Bhd. ("ECVSB")*	Malaysia	60	60	Transportation support activities
Sanichi Glove Sdn. Bhd. ("SGSB")	Malaysia	100	100	Dormant, subsequently struck off on 8 June 2026
Indirect subsidiary companies held through SCSB				
Air King Inc. ("AKI")#	United States of America	100	100	Dormant

* Audited by auditors other than the auditors of the Company.
\# The subsidiary company is consolidated based on its unaudited management account as at 31 March 2026.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

17. INVESTMENT IN SUBSIDIARY COMPANIES cont'd

(c) Details of the subsidiary companies are as follows: cont'd

Details for non-wholly-owned subsidiary companies that have non-controlling interest

The table below shows details of non-wholly-owned subsidiary companies that have non-controlling interest.

Name of Company	Proportion of ownership interests held by non-controlling interest		Profit/(Loss) allocated to non-controlling interest		Accumulated non-controlling interest	
	2026	2025	2026	2025	2026	2025
	%	%	RM	RM	RM	RM
ECVSB	40	40	263,676	(9,119)	9,741,033	9,477,357

(d) Disposal of subsidiary company

As disclosed in Note 40(b), on 31 October 2025, the Company entered into a SSA with a third party for the disposal of its entire equity interest in SPSB for a cash consideration of RM500,000. The disposal was completed on 26 November 2025 upon the fulfilment of the condition's precedent set out in the SSA. Following the completion of the disposal, SPSB ceased to be a subsidiary of the Company.

The identified assets and liabilities in relation to the above disposal are as follows:

	26.11.2025 At date of disposal RM
Sanichi Property Sdn. Bhd.	
Property, plant and equipment	46,252
Right-of-use asset	101,327
Inventories	7,634,711
Trade receivables	13,454,281
Other receivables, deposits and prepayments	717,084
Contract assets	33,569,343
Cash and bank balances	2,676,990
Trade payables	(1,575,693)
Other payables and accruals	(46,573,885)
Contract liabilities	(22,864,478)
Lease liabilities	(105,290)
Tax liabilities	(8,857)
Net liabilities disposed of	(12,928,215)
Gain on disposal of subsidiary company	13,428,215
Proceeds from disposal	500,000
Less: Cash and cash equivalents of subsidiary company disposed	(2,676,990)
Net cash outflow from disposal	(2,176,990)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

17. INVESTMENT IN SUBSIDIARY COMPANIES cont'd

(e) Non-controlling interest

Summarised financial information in respect of the subsidiary company that has non-controlling interest is set out as below. The summarised financial information below represents amounts before intragroup eliminations.

	2026 RM	2025 RM
ECVSB		
Statement of financial position		
Current assets	25,072,557	24,308,765
Current liabilities	(619,092)	(514,390)
Net assets	24,453,465	23,794,375
Equity attributable to owners of the Company	14,712,432	14,317,018
Non-controlling interest	9,741,033	9,477,357
	24,453,465	23,794,375
Statement of profit or loss and other comprehensive income		
Other operating income	772,532	708,256
Administrative expenses	(13,640)	(677,135)
Income tax expense	(99,702)	(53,919)
Profit/(Loss) for the year, representing total comprehensive income/(loss) for the year	659,190	(22,798)
Profit/(Loss) attributable to owners of the Company	395,514	(13,679)
Profit/(Loss) attributable to non-controlling interest	263,676	(9,119)
Profit/(Loss) for the year	659,190	(22,798)
Statement of cash flows		
Net cash from:		
Operating activities	(296,544)	(1,275,008)
Investing activities	296,444	1,276,056
Net changes in cash and cash equivalents	(100)	1,048

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

18. OTHER INVESTMENTS

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Fair value through profit or loss:				
Quoted shares in Malaysia	832,054	881,854	832,054	881,854
Unit trusts	1,984,840	1,646,749	-	-
	2,816,894	2,528,603	832,054	881,854

19. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Non-current				
Prepayment (c)	-	1,680,000	-	1,680,000
Other receivables:				
Third party	613,648	1,559,501	12,661,432	526,929
Amount due from former subsidiary (a)	12,649,980	-	12,649,980	-
Deposits (b)	1,015,869	8,331,400	578,850	3,350,677
	14,279,497	9,890,901	13,240,282	3,877,606
Prepayment (c)	31,790	463,522	-	420,000
	14,311,287	10,354,423	13,240,282	4,297,606
	14,311,287	12,034,423	13,240,282	5,977,606

The details of amount due from a former subsidiary as follows:

(a) Amount due from a former subsidiary

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Amount due from former subsidiary	41,849,429	-	41,849,429	-
Less: Impairment losses	(29,199,449)	-	(29,199,449)	-
	12,649,980	-	12,649,980	-

The amount due from a former subsidiary refers to the outstanding balance remaining after the partial settlement of intercompany advances through the transfer of properties under development pursuant to the Tripartite Settlement Agreement, as described in Note 40(a). A partial impairment loss was recognised on the amount due from the former subsidiary, as the recoverability of the remaining outstanding balance was assessed to be uncertain after considering the former subsidiary's financial position, repayment capacity and other relevant facts and circumstances.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

19. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS cont'd

(b) Deposit

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Deposit	2,152,519	8,331,400	578,850	3,350,677
Less: Impairment losses	(1,136,650)	-	-	-
	1,015,869	8,331,400	578,850	3,350,677

An impairment loss was recognised on the deposit as the recoverability of the amount was assessed to be uncertain, taking into consideration the status of the underlying transaction and other relevant factors.

(c) Prepayments

Included in prepayments are advance payments for a five-year maintenance package for an online web-based platform, which are amortised on a straight-line basis over the contract term. During the financial year, following the disposal of a subsidiary, the Group assessed that the carrying amount of the prepayment was no longer recoverable, resulting in an impairment loss of RM1,680,000.

20. DEFERRED TAX ASSETS

The deferred tax asset recognised during the financial year relates to deductible temporary differences arising from unrealised profits eliminated on inventories held within the Group.

	Group	
	2026	2025
	RM	RM
At the beginning of the financial year	-	-
Recognised in profit or loss (Note 11)	(422,247)	-
At the end of the financial year	(422,247)	-

The components of deferred tax assets during the financial year are as follows:

	Group	
	2026	2025
	RM	RM
Tax effects of:		
Inventories	(422,247)	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

20. DEFERRED TAX ASSETS cont'd

The net deferred tax liabilities and assets shown on the statements of financial position after appropriate offsetting are as follow:

	Group	
	2026	2025
	RM	RM
Deferred tax liabilities	-	-
Deferred tax asset	(422,247)	-
	(422,247)	-

Deferred tax (assets)/liabilities provided for in the financial statements are in respect of the tax effects of the following:

	Group	
	2026	2025
	RM	RM
Deferred tax liabilities (before offsetting)		
Temporary differences arising from:		
Investment properties	1,891,993	1,920,599
Property, plant and equipment	683,524	758,563
Right-of-use asset	236,922	272,884
	2,812,439	2,952,046
Offsetting	(2,812,439)	(2,952,046)
Deferred tax liabilities (after offsetting)	-	-
Deferred tax assets (before offsetting)		
Temporary differences arising from:		
Unutilised tax loss	(8,087,780)	(7,152,625)
Unabsorbed capital allowance	(184,282)	(186,722)
Unabsorbed reinvestment allowance	(233,006)	(233,006)
Lease liabilities	-	(31,245)
Provisions	(106,800)	(105,611)
	(8,611,868)	(7,709,209)
Offsetting	2,812,439	2,952,046
Deferred tax assets (after offsetting)	(5,799,429)	(4,757,163)
Deferred tax asset recognised		
Inventories	(422,247)	-

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of certain deductible temporary differences, unabsorbed capital allowances, unabsorbed reinvestment allowances and unutilised tax losses as the Directors are of the opinion that it is not probable that sufficient future taxable profits will be available against which these tax benefits can be utilised.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

21. INVENTORIES

	Group	
	2026	2025
	RM	RM
At cost:		
Properties under development (a)	88,640,188	-
Property development costs (b)		102,400,053
Raw materials (c)	-	212,151
	88,640,188	102,612,204

The cost of inventories recognised by the Group as an expense during the financial year was RM 9,883,656 (2025: RM18,779,769).

(a) During the financial year, certain properties under development were transferred from SPSB to SPM as partial settlement of intercompany advances owing by SPSB to the Company, pursuant to the Tripartite Settlement Agreement dated 15 July 2025 entered into between STB, SPSB and SPM, as disclosed in Note 40(a) to the financial statements. The transferred property units are included in inventories as at the reporting date. The settlement value of the transferred property units was supported by an independent valuation performed by an external professional valuer. Following the settlement, the Group continues to hold and sell the transferred property units through SPM. The Certificate of Completion and Compliance in respect of the mixed development project was subsequently obtained on 18 May 2026.

During the financial year, the Group recognised an inventory write-down of RM1,144,135 (2025: RMNil) to reduce the carrying amount of certain properties under development to their net realisable value. The write-down has been recognised in cost of sales.

(b) Property development costs

	Group	
	2026	2025
	RM	RM
As at 1 April	102,400,053	99,763,403
Cost incurred during the financial year	5,247,264	16,336,236
Cost recognised during the financial year	(9,489,656)	(13,699,586)
Transfer to inventory (Note 21(a))	(89,784,324)	-
Disposal of a subsidiary	(8,373,337)	-
As at 31 March	-	102,400,053

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

21. INVENTORIES cont'd

(b) Property development costs cont'd

Property development costs is analysed as follows:

	Group	
	2026	2025
	RM	RM
Freehold land	-	7,934,027
Development costs	-	94,466,026
	-	102,400,053

Upon disposal of the subsidiary, the Group no longer has ongoing property development activities and there are no remaining property development projects under the Group. Accordingly, no further property development costs were incurred subsequent to the disposal of the subsidiary.

(c) Raw materials

	Group	
	2026	2025
	RM	RM
Consumables and spare parts	-	212,151

During the financial year, the Group recognised an impairment loss on inventories for moulds activity as the recoverable amount was assessed to be lower than their carrying amount due to lower utilisation and reduced demand for the related moulds.

22. TRADE RECEIVABLES

	Group	
	2026	2025
	RM	RM
Trade receivables	657,961	6,591,496
Less: Impairment losses	(565,629)	(815,862)
	92,332	5,775,634

The credit period granted to customers ranges from 14 to 60 days (2025: 14 to 60 days).

The Group applies a simplified approach in calculating loss allowances for trade receivable at an amount equal to lifetime ECL.

The Group does not hold any collateral or other credit enhancements over trade receivable balances.

NOTES TO THE FINANCIAL STATEMENTS

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cont'd

22. TRADE RECEIVABLES cont'd

The movement of allowance for impairment during the financial year is as follows:

	Group	
	2026	2025
	RM	RM
As at 1 April	815,862	948,837
Charge for the financial year	-	149,413
Reversal during the financial year	(250,233)	(282,388)
As at 31 March	565,629	815,862

The aged analysis of trade receivables at the end of the reporting period:

	Gross trade receivables	Lifetime ECL	Net amount
	RM	RM	RM
Group			
2026			
Not past due and not impaired:			
1 to 120 days	92,332	-	92,332
Past due and impaired:			
More than 365 days	416,216	(416,216)	-
Credit impaired:			
Individually impaired	149,413	(149,413)	-
	657,961	(565,629)	92,332
2025			
Not past due and not impaired:			
1 to 120 days	242,942	-	242,942
Past due and impaired:			
120 to 150 days	-	-	-
150 to 365 days	-	-	-
More than 365 days	5,948,908	(416,216)	5,532,692
	5,948,908	(416,216)	5,532,692
	6,191,850	(416,216)	5,775,634
Credit impaired:			
Individually impaired	399,646	(399,646)	-
	6,591,496	(815,862)	5,775,634

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

23. CONTRACT ASSETS

	Group	
	2026	2025
	RM	RM
Contract assets	-	14,509,352
Accumulated impairment	-	(123,360)
As at 31 March	-	14,385,992

The contract assets were primarily related to the Group's right to consideration for work completed on development contract but not yet billed at the reporting date in previous financial year. Typically, the amount will be billed within 30 days and payment was expected within 14 days.

The contract liabilities represented progress billings issued for property development for which performance obligations have not been satisfied. Contract liabilities were recognised as revenue when performance obligations are satisfied.The movements in contract assets during the financial year are as follows:

	Group	
	2026	2025
	RM	RM
As at 1 April	14,385,992	13,910,574
Progress billings during the financial year	13,321,829	9,869,399
Less: Revenue recognised during the financial year	(14,221,305)	(9,393,981)
Disposal of a subsidiary	(13,486,516)	-
As at 31 March	-	14,385,992

The movements in accumulated impairment are as follows:

	Group	
	2026	2025
	RM	RM
As at 1 April	123,360	-
Charge for the financial year	-	123,360
Disposal of a subsidiary	(123,360)	-
As at 31 March	-	123,360

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

24. FIXED DEPOSIT

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Fixed deposits with a licensed bank	-	1,645,344	-	-
Deposits with a cooperative	48,100,000	68,800,000	23,000,000	44,060,000
Less: Expected credit loss	(1,154,400)	(1,651,200)	(552,000)	(1,057,440)
	46,945,600	67,148,800	22,448,000	43,002,560
	46,945,600	68,794,144	22,448,000	43,002,560

Movement of expected credit loss (lifetime ECL):

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
At beginning of the financial year	1,651,200	-	1,057,440	-
Net Reversal of allowance for expected credit loss	(496,800)	-	(505,440)	-
Allowance for expected credit loss	-	1,651,200	-	1,057,440
At end of the financial year	1,154,400	1,651,200	552,000	1,057,440

Fixed deposits with licensed banks of the Group earn interest at rates of 2.45% (2025: 2.45%) per annum. Fixed deposits with licensed banks of the Group have maturity terms of 3 (2025: 3) months.

Deposits of the Group and of the Company are placed with KOMANI, a registered cooperative society under the Malaysia Cooperative Societies Commission (Suruhanjaya Koperasi Malaysia) operating under the purview of the Ministry of Entrepreneur and Cooperatives Development. These placements are subject to a distinct regulatory and supervisory framework governed by cooperative laws and guidelines, which differs from the regulatory framework applicable to licensed financial institutions regulated by Bank Negara Malaysia.

The deposits with the cooperative earn interest at rates ranging from 3.00% to 3.10% per annum (2025: 3.00% to 3.10%) and have maturity periods of 6 months (2025: 6 months).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

25. CASH AND BANK BALANCES

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Cash and bank balances	28,865,054	6,889,219	26,439,279	140,026
Fixed deposits	46,945,600	68,794,144	22,448,000	43,002,560
Total	75,810,654	75,683,363	48,887,279	43,142,586
Less: Bank overdraft	(865,835)	(1,666,458)	-	-
Less: Deposits with a maturity period more than 3 months	(46,945,600)	(67,148,800)	(22,448,000)	(43,002,560)
Cash and cash equivalents as presented in statements of cash flows	27,999,219	6,868,105	26,439,279	140,026

As at 31 March 2026, included in the cash and bank balances was an amount of RM Nil (2025: RM2,629,626) maintained in Housing Development Accounts pursuant to the Housing Development (Control and Licensing) Regulations 1991. Withdrawals from the Housing Development Accounts are restricted in accordance with the Housing Development Regulations 1991.

26. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares		Amount	
	2026	2025	2026	2025
	(Unit)	(Unit)	RM	RM
Issued and fully paid:				
Ordinary shares				
As at 1 April	164,308,228	1,403,095,559	293,152,909	332,885,896
ESOS	-	240,000,000	-	4,296,000
Share consolidation	-	(1,478,787,331)	-	-
Capital reduction	-	-	-	(44,028,987)
	164,308,228	164,308,228	293,152,909	293,152,909

In the previous financial year 2025, the Company granted 240,000,000 share options under its Employees' Share Option Scheme ("ESOS") to eligible employees at an exercise price of RM0.016 per share, representing a discount to the market price of RM0.020 per share on the date of offer. The options carried no vesting conditions and were exercisable immediately. All options were fully exercised during the financial year, resulting in the issuance of 240,000,000 new ordinary shares.

On 16 December 2024, the Company completed a share consolidation of every 10 existing ordinary shares into 1 consolidated share, with fractional disregarded and resulting in the reduction in the number of ordinary shares from 1,643,095,559 ordinary shares to 164,308,228 consolidated ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

26. SHARE CAPITAL cont'd

On 3 February 2025, the Company completed a reduction of its issued share capital from RM337,181,896 to RM293,152,909 pursuant to Section 117 of the Companies Act, 2016, following the special resolution dated 1 November 2024 which was approved and executed. The reduction was affected by offsetting accumulated losses of RM44,028,987 against the issued share capital.

The newly issued ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company's residual assets.

27. OTHER RESERVES

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Non-distributable:				
Foreign exchange reserves	99,266	126,465	-	-
	99,266	126,465	-	-

Foreign exchange reserves

The translation reserve is used to record foreign currency exchange 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.

Employees' share option scheme ("ESOS")

The ESOS is governed by the New By-Laws approved by the shareholders at the Extraordinary General Meeting held on 18 March 2021. The ESOS shall be in force for a period of five years from the effective date, subject to extension as provided under the New By-Laws. The ESOS is administered by ESOS committee appointed by the Board of Directors pursuant to the New By-Law. The ESOS is offered at the discretion of the ESOS Committee, to an eligible person from time to time within the duration of the ESOS.

The number of new shares allocated to the eligible person holding 20% or more of the Company's issued shares (excluding treasury shares) shall not exceed 10% of the total new shares issued under the ESOS. Additionally, no more than 70% of the ESOS options shall be allocated to eligible directors and senior management of the Group. Eligible persons must be full-time employees or directors, at least 18 years old, and not involved in any bankruptcy proceedings.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

28. WARRANTS

On 28 May 2021, the issue of 601,311,751 free warrants on the basis of 6 rights shares together with 3 free warrants for every 1 ordinary share held by the entitled shareholders on the entitlement date was completed upon admission of the warrants to the Official List of Bursa and the listing of and quotation for the warrants F on the ACE Market of Bursa Malaysia Securities Berhad.

The Warrants F of the Company are constituted by a Deed Poll dated on 8 April 2021.

The salient features of the Warrants F are as follows:

(a) The issue date of the Warrants F is on 28 May 2021 and the expiry date is on 20 May 2024.

(b) The Warrants 2021/2024 can be exercised at any time during the period commencing on and inclusive of the date of issue of the warrants up to and including the expiry date. Any Warrants F not exercised during the exercise period will lapse and cease to be valid.

(c) Each Warrant F entitles the registered holder to subscribe for 1 new ordinary share of the Company at the exercise price fixed at RM0.10 payable in cash at any time during the exercise period and shall be subject to adjustments in accordance with the provision of the Deed Poll.

(d) The new ordinary shares arising from the exercise of the F shall, upon allotment and issue, rank pari passu with the existing issued ordinary shares of the Company, save and except that they will not be entitled to any right, allotment, dividend and/or any other distribution that may be declared, made or paid before the date of allotment and issue of the new ordinary shares of the Company.

The Warrants F expired and lapsed on 20 May 2024. Accordingly, there were no unexercised warrants outstanding as at 31 March 2026.

	Group and Company Number of warrants	
	2026	2025
As at 1 April	-	601,311,751
Lapsed during the year	-	(601,311,751)
As at 31 March	-	-

29. BANK BORROWINGS

	Group	
	2026 RM	2025 RM
Secured		
Term loans	25,383,568	28,072,385
Bank overdrafts	865,835	1,666,458
	26,249,403	29,738,843

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

29. BANK BORROWINGS cont'd

	Group	
	2026	2025
	RM	RM
Current		
Term loans	2,604,605	2,654,860
Bank overdrafts	865,835	1,666,458
	3,470,440	4,321,318
Non-Current		
Term loans	22,778,963	25,417,525
	26,249,403	29,738,843

The weighted average effective interest rates for bank borrowings (per annum) as at reporting date are as follows:

	Group	
	2026	2025
	%	%
Term loans	2.10 to 7.45	2.10 to 7.45
Above the Bank Lending Rate Bank overdrafts	0.75	0.75

The bank borrowings are secured by way of:

(a) First legal charged over the property of the Company;
(b) Legal charge over the rental collection account and debt service reserve account opened or to be opened and maintained with the bank;
(c) Corporate guarantee by the Company;
(d) Personal guarantee by a director; and
(e) Joint and several guarantees by the Company's directors.

30. HIRE-PURCHASE PAYABLE

	Group	
	2026	2025
	RM	RM
Total outstanding	-	56,044
Less: Interest-in-suspense	-	(3,335)
Principal outstanding	-	52,709
Less: Amount due within 12 months (shown under current liabilities)	-	(16,875)
Non-current portion	-	35,834

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

30. HIRE-PURCHASE PAYABLE cont'd

The non-current portion is repayable as follows:

	Group	
	2026	2025
	RM	RM
Within 1 - 2 years	-	17,596
Within 3 - 5 years	-	18,238
	-	35,834

The interest rate implicit in these hire-purchase obligations is 4.26% (2025: 4.26%) per annum.

The hire-purchase payable is secured by a charge over the property, plant and equipment under hire-purchase as disclosed in Note 13.

31. LEASE LIABILITIES

The maturity analysis of the lease liabilities are as follows:

	Group	
	2026	2025
	RM	RM
Minimum lease payments:		
Less than one year	-	100,576
Later than one year but not later than five years	-	36,288
Total minimum lease payments	-	136,864
Less: Unearned interest	-	(6,676)
Present value of lease liabilities	-	130,188

The lease liabilities component is analysed as follows:

	Group	
	2026	2025
	RM	RM
Current	-	94,661
Non-current	-	35,527
	-	130,188

The Group does not face a significant liquidity risk with regard to their lease liabilities.

The lease liabilities are denominated in Ringgit Malaysia and comprise land and buildings.

The Group applied the incremental borrowing rate to the lease liabilities ranging from 4.60% to 6.38% (2025: 4.60% to 6.38%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

32. TRADE PAYABLES

The normal credit terms granted to the Group ranges from 30 to 60 days (2025: 30 to 60 days).

33. CONTRACT LIABILITIES

Contract liabilities represented advanced billings in the previous financial year, mainly from trading of tools and mould, received from customers. The revenue was recognised as and when the services were rendered and performed.

34. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Other payables	1,374,835	7,224,475	52,569	10,498
Accruals	297,399	1,083,400	252,980	218,667
Deposits received	1,152	1,152	-	-
	1,673,386	8,309,027	305,549	229,165

35. RELATED PARTY TRANSACTIONS

(a) Identify related parties

For the purposes of these financial statements, parties are considered to be related to the Group and to the Company if the Group and Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel. Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel of the Group and of the Company include Executive Directors of the Company.

(b) Significant related party transactions and balances

Amount due from subsidiary companies which arose mainly from advances, is unsecured, interest-free and receivable on demand.

Amount due to directors is non-trade in nature, unsecured, interest-free and payable on demand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

35. RELATED PARTY TRANSACTIONS cont'd

(c) Compensation of key management personnel

Directors' remuneration of the Group and of the Company during the financial year is as follows:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Fees	240,000	240,000	240,000	240,000
Salaries and other emoluments	543,786	529,625	23,000	24,500
Defined contribution plans	59,760	59,760	-	-
	843,546	829,385	263,000	264,500

36. FINANCIAL GUARANTEE CONTRACTS

	Company	
	2026	2025
	RM	RM
Corporate guarantee given to licensed banks to secure credit facilities granted to subsidiary companies	20,474,575	23,717,597

37. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statements of cash flows as cash flows used in financing activities.

	Term loans (Note 29) The Group	
	2026	2025
	RM	RM
As at 1 April	28,072,385	30,587,076
Repayment of bank borrowings	(2,688,817)	(2,514,691)
Interest expense incurred (Note 9)	1,795,263	1,973,994
Interest expense paid	(1,795,263)	(1,973,994)
As at 31 March	25,383,568	28,072,385

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

37. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES cont'd

	Hire purchase payable (Note 30) Group	
	2026	2025
	RM	RM
As at 1 April	52,709	68,864
Repayments of hire purchase	(52,709)	(16,155)
Interest expense incurred (Note 9)	1,798	2,554
Interest expense paid	(1,798)	(2,554)
As at 31 March	-	52,709

	Lease liabilities (Note 31) Group	
	2026	2025
	RM	RM
As at 1 April	130,188	199,939
Additions to right-of-use assets	-	31,364
Derecognition of lease liabilities upon disposal of lease	(69,548)	-
Payments of lease liabilities	(60,640)	(101,115)
Interest expense incurred (Note 9)	3,648	14,180
Interest expense paid	(3,648)	(14,180)
As at 31 March	-	130,188

38. FINANCIAL INSTRUMENTS

Classification of financial instruments

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Financial assets				
Fair value through profit or loss				
Other investments	2,816,894	2,528,603	832,054	881,854

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

38. FINANCIAL INSTRUMENTS cont'd

Classification of financial instruments cont'd

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis: cont'd

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
At amortised cost				
Trade receivables	92,332	5,775,634	-	-
Other receivables and refundable deposits	14,279,497	9,890,901	13,240,282	3,877,606
Amount due from subsidiary companies	-	-	41,625	222,213,190
Fixed deposits	46,945,600	68,794,144	22,448,000	43,002,560
Cash and bank balances	28,865,054	6,889,219	26,439,279	140,026

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Financial liabilities				
At amortised cost				
Trade payables	603,781	2,137,097	-	-
Other payables and accruals	1,672,234	8,307,875	305,549	229,165
Amount due to directors	-	357,019	-	-
Amount due to subsidiary companies	-	-	13,334,375	-
Bank borrowings	26,249,403	29,738,843	-	-
Hire purchase payables	-	52,709	-	-
Lease liabilities	-	130,188	-	-

Financial risk management objectives and policies

The Group and the Company are exposed to financial risk arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and market risk.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of those risks.

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and to the Company that may arise if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk mainly from trade receivables, other receivables and refundable deposits, deposit with a cooperative and contract assets; whereas the Company's exposure to credit risk mainly from other receivables and refundable deposits, deposit with a cooperative, amount due from subsidiary companies and financial guarantee given to licensed banks.

The management has in place a credit procedure to monitor and minimise the exposure of default. Receivables are monitored on a regular and an ongoing basis. Credit evaluations are performed on all customers requiring credit over certain amount.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

38. FINANCIAL INSTRUMENTS cont'd

Financial risk management objectives and policies cont'd

(i) Credit risk cont'd

For cash and cash equivalents, the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. For deposits placed with a cooperative, counterparties are subject to strict due diligence and require approval from the relevant authorities, including Suruhanjaya Koperasi Malaysia ("SKM"), under the Ministry of Entrepreneur and Cooperative Development. This process involves assessing the legal enforceability of arrangements and reviewing the financial stability and position of the cooperative. All deposits with the cooperative are monitored on an ongoing basis through periodic confirmations and compliance checks to ensure continued validity and security. For impairment purposes, the Group applies the three-stage Expected Credit Loss ("ECL") model under MFRS 9 Financial Instruments. Deposits with no significant increase in credit risk remain classified under Stage 1, with impairment measured using 12-month expected credit losses. In developing the ECL estimate, management incorporates forward-looking macroeconomic factors, benchmarking against external market data, and applying relevant overlays to reflect risks most significant to the Group.

The Company provides advances to subsidiary companies and monitors the results of the subsidiary companies regularly.

Concentration profile

Concentration of credit risk arises when a number of customers are engaged in similar business activities or activities within the same geographic region, or when they have similar risk characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The Group monitors various portfolios to identify and assess risk concentration.

The Group major concentration of credit risk relates to the amount due from one (2025: two) receivables which constituted 84.30% (2025: 16.29%) of its trade receivables at the end of the reporting year.

Exposure to credit risk

The carrying amount of the financial assets recorded on the statements of financial position at the end of the reporting period represents the Group's and the Company's maximum exposure to credit risk in relation to financial assets. No financial assets carry a significant exposure to credit risk.

In addition, the Company is exposed to credit risk in relation to financial guarantee given to licensed banks and third parties. The financial guarantees have not been recognised in the financial statements since the fair value on initial recognition was not material as the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiary companies' borrowings in view of the securities pledged by the subsidiary companies. The maximum exposure to credit risk in relation to the financial guarantees contract is as disclosed in Note 36.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting its obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from trade payables, other payables and accruals, bank borrowings and lease liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company manage liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
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38. FINANCIAL INSTRUMENTS cont'd

Financial risk management objectives and policies cont'd

(ii) Liquidity risk cont'd

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and of the Company's financial liabilities at the end of the reporting period based on undiscounted contractual payments:

	Weighted average effective interest rate	Total carrying amount	On demand or within 1 year	Within 2 to 5 years	More than 5 years	Total undiscounted cash flow
	%	RM	RM	RM	RM	RM
Group						
2026						
Non-interest bearing:						
Trade payables		603,781	603,781	-	-	603,781
Other payables and accruals		1,672,234	1,672,234	-	-	1,672,234
Interest bearing:						
Bank borrowings	2.10 to 7.45	26,249,403	6,212,446	17,923,104	9,976,247	34,111,797
		28,525,418	8,488,461	17,923,104	9,976,247	36,387,812
2025						
Non-interest bearing:						
Trade payables		2,137,097	2,137,097	-	-	2,137,097
Other payables and accruals		8,307,875	8,307,875	-	-	8,307,875
Amount due to directors		357,019	357,019	-	-	357,019
Interest bearing:						
Bank borrowings	2.10 to 7.45	29,738,843	6,155,142	17,954,736	14,593,246	38,703,124
Hire purchase payables	4.26	52,709	18,708	37,336	-	56,044
Lease liabilities	4.60 to 6.38	130,188	100,576	36,288	-	136,864
		40,723,731	17,076,417	18,028,360	14,593,246	49,698,023
Company						
2026						
Non-interest bearing:						
Other payables and accruals		305,549	305,549	-	-	305,549
Amount due to subsidiary companies		13,334,375	13,334,375	-	-	13,334,375
		13,639,924	13,639,924	-	-	13,639,924
2025						
Non-interest bearing:						
Other payables and accruals		229,165	229,165	-	-	229,165

The Company has provided corporate guarantees in favour of its subsidiary companies, as disclosed in Note 36. At the end of the reporting period, the counterparties to the financial guarantees do not have the right to demand cash as there is no default event by the subsidiary companies.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

38. FINANCIAL INSTRUMENTS cont'd

Financial risk management objectives and policies cont'd

(iii) Market risk

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily United States Dollar (USD), Singapore Dollar (SGD), Euros (EUR) Thailand Baht (THB) and others.

	Denominated in					
	USD	SGD	THB	EUR	Others	Total
	RM	RM	RM	RM	RM	RM
Group						
2026						
Other receivables	-	4,182	4,774	-	-	8,956
Cash and bank balances	6,313	21,262	10,823	3,959	10,490	52,847
Trade payables	(391,429)	(2,645)	-	-	-	(394,074)
Other payables		(17,883)	(13,359)	-	-	(31,242)
	(385,116)	4,916	(2,238)	3,959	10,490	(363,513)
2025						
Other receivables	-	4,182	4,774	-	-	8,956
Cash and bank balances	6,313	21,262	10,823	3,959	10,490	52,847
Trade payables	(333,396)	(2,645)	-	-	-	(336,041)
Other payables	-	(17,883)	(3,754,680)	-	-	(3,772,563)
	(327,083)	4,916	(3,739,083)	3,959	10,490	(4,046,801)

Foreign currency sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in the Ringgit Malaysia against United States Dollar. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel. A positive number below indicates a profit where the Ringgit Malaysia strengthens 5% against United States Dollar and vice versa.

		Group	
		2026	2025
		Effect on loss before tax	Effect on loss before tax
	Change in currency rate	RM	RM
USD	Strengthened 5% (2025:5%)	(19,256)	(16,354)
	Weakened 5% (2025:5%)	19,256	16,354
EUR	Strengthened 5% (2025:5%)	198	198
	Weakened 5% (2025:5%)	(198)	(198)
SGD	Strengthened 5% (2025:5%)	246	246
	Weakened 5% (2025:5%)	(246)	(246)
THB	Strengthened 5% (2025:5%)	(112)	(186,954)
	Weakened 5% (2025:5%)	112	186,954
Others	Strengthened 5% (2025:5%)	525	525
	Weakened 5% (2025:5%)	(525)	(525)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

38. FINANCIAL INSTRUMENTS cont'd

Financial risk management objectives and policies cont'd

(iii) Market risk cont'd

Interest rate risk

The Group's deposits with a cooperative and a licensed bank and bank borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages the interest rate risk of its fixed deposits with a cooperative and a licensed bank by placing them at the most competitive interest rates obtainable, which yield better returns than cash at bank and maintaining a prudent mix of short-term and long-term deposits.

The Group manages its interest rate risk exposure from interest-bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors its interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts at the end of the reporting period was:

	Group	
	2026	2025
	RM	RM
Fixed rate instruments		
Financial assets		
Fixed deposits	46,945,600	68,794,144
Financial liabilities		
Hire purchase payables	-	52,709
Lease liabilities	-	130,188
Floating rate instruments		
Financial liabilities		
Bank borrowings	26,249,403	29,738,843

Interest rate risk sensitivity analysis

Sensitivity analysis is not disclosed for fixed rate instruments as fixed rate instruments are not exposed to interest rate risk and are measured at amortised cost.

At the end of the reporting period, if interest rates had been 50 basis points lower/higher, with all other variables held constant, the Group's loss before tax for the financial year would have been approximately RM131,247 (2025: RM148,694) lower/higher, arising mainly as a result of lower/higher finance costs on floating rate borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on a prudent estimate of the current market environment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

38. FINANCIAL INSTRUMENTS cont'd

Fair values of financial instruments

The carrying amounts of short-term receivables and payables, cash and cash equivalents and bank borrowings except term loans approximate their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The fair values of other investments are measured at fair value in the statements of financial position as at the end of the reporting period using Level 1 inputs for the purpose of fair value hierarchy in accordance with the generally accepted pricing model based on the net asset value of the unit trust fund.

The fair value of lease liabilities is determined by discounting the relevant cash flows using current interest rates for similar instruments as at the end of the financial reporting period.

The carrying amount of the floating rate term loans approximated their fair values as these instruments bear interest at variables rates.

39. CAPITAL MANAGEMENT

The objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern while maximising the return to shareholders through the optimisation of debt and equity balance. The Group's overall strategy remains unchanged during the current financial year.

The capital structure of the Group consists of debt (as disclosed in Notes 29 and 30) and equity (as disclosed in Notes 26 and 27).

Gearing Ratio

	Group	
	2026	2025
	RM	RM
Debt	26,249,403	29,791,552
Equity	214,162,674	244,858,395
Debt to equity ratio (%)	12	12

Debt consists of bank borrowings and hire purchase payable.

Debt to equity ratio is not applicable to the Company as the Company has no debt at the end of the reporting period.

40. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) Transfer of Properties Under Development via Non-cash Settlement of Intercompany Advances

On 15 July 2025, the Company and its two subsidiaries, SPSB and SPM, entered into a Tripartite Settlement Agreement ("TSA") to partially settle advances previously extended by the Company to SPSB in connection with its mixed development project in Melaka. The settlement was effected on a non-cash basis through the transfer of certain identified unsold property units by way of a partial set-off against the outstanding intercompany advances. The transferred property units are included in inventories as disclosed in Note 21(a) to the financial statements. The settlement value of the transferred property units was supported by an independent valuation performed by an external professional valuer. Following the settlement, the Group continues to hold and sell the transferred property units through SPM.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
cont'd

40. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR cont'd

(b) Disposal of a subsidiary

On 31 October 2025, the Company entered into a Share Sale Agreement ("SSA") with Rosli Bin Azad Khan for the disposal of its entire equity interest comprising 14,000,000 ordinary shares in Sanichi Property Sdn. Bhd. ("SPSB"), representing 100% of the issued share capital of SPSB, for a cash consideration of RM500,000. The disposal was completed on 26 November 2025 upon fulfilment of the conditions precedent stipulated in the SSA. Accordingly, SPSB ceased to be a subsidiary of the Company and was deconsolidated from the Group from that date. Following the disposal, the Group ceased to be directly involved in property development activities.

41. CONTINGENT LIABILITIES

As disclosed in the previous financial year, SPSB was undertaking a mixed development project in Melaka, which remained under development. Subsequent to the financial year end, the Certificate of Completion and Compliance ("CCC") for the project was obtained on 18 May 2026.

Since previous financial years, the Group has estimated and recognised potential liquidated ascertained damages ("LAD") arising from delays in the completion of the project. The Group had commenced discussions with certain purchasers regarding the settlement of LAD payable under the terms of the respective Sale and Purchase Agreements since the previous financial year. However, no settlement agreements had been reached with the purchasers during the financial year.

Based on legal advice obtained and information available up to the date of disposal, no legal proceedings, claims or formal demands had been commenced or served by any purchasers against SPSB in relation to the LAD matter.

As disclosed in Note 40(b), the Group disposed of its entire equity interest in SPSB on 26 November 2025 and ceased to have control over SPSB from that date. Following the disposal, the Group was no longer involved in the ongoing operations of SPSB. Accordingly, the Group did not expect to recognise future obligations or liabilities relating to the project after the disposal date.

42. SUBSEQUENT EVENTS

Subsequent to the end of the financial year, the following significant events occurred:

(a) Proposed Capital Reduction

On 16 June 2026, the Company announced a proposed reduction of RM200,000,000 of its issued share capital pursuant to Section 117 of the Companies Act, 2016 ("Proposed Capital Reduction"). The Proposed Capital Reduction is intended to reduce the accumulated losses of the Company and strengthen its financial position. The proposal is subject to the approvals of the relevant authorities and shareholders, where applicable.

(b) Employee Share Option Scheme ("ESOS")

The Company increased its issued and paid-up ordinary share capital via the issuance of 25,000,000 new ordinary shares at an exercise price of RM0.0693 per option pursuant to the exercise of options under the Company's Employee Share Option Scheme ("ESOS") as follows:

- On 23 July 2026, a total of 4,900,000 new ordinary shares were issued to a director; and
- On 23 July 2026, a total of 20,100,000 new ordinary shares were issued to employees.

The above events occurred after the reporting date and do not provide evidence of conditions that existed as at 31 March 2026. Accordingly, no adjustments have been made to the amounts recognised in these financial statements.

LIST OF PROPERTIES

AS AT 31 MARCH 2026

Registered Owner	Title / Local Address	Description/ Existing Use	Tenure	Age of Building (Years)	Total Land Area (Square Feet)	Total Built Up Area (Square Feet)	Carrying Amount 31.03.2026 (RM)	Year of Acquisition
Sanichi Precision Mould Sdn Bhd	HS(D) 370623 PTD 88552 Mukim of Senai-Kulai PLO 135 Kawasan Perindustrian Fasa 3 81400 Senai Johor	Warehouse & Factory	Leasehold expiring on 15.06.2064	17	65,340	43,924	3,494,903	2004
Sanichi Precision Mould Sdn Bhd	HS(D) 290337 PTD 65201 Mukim of Senai-Kulai PLO 136 Kawasan Perindustrian Fasa 3 81400 Senai Johor	Warehouse & Factory	Leasehold expiring on 15.06.2064	6	65,340	32,519	8,597,070	2007
Sanichi Capital Sdn Bhd	Pajakan Negeri 46338, Lot 58190, Ikhlas Point, Tower 11 Avenue 5, The Horizon, Bangsar South No. 8, Jalan Kerinchi 59200 Kuala Lumpur	Office building	Leasehold expiring on 16.08.2106	16	–	54,046	42,925,489	2019

ANALYSIS OF SHAREHOLDINGS

AS AT 16 JULY 2026

SHARE CAPITAL

Total Number of Issued Shares	:	164,308,228
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote for each ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholding	No. of Shareholders	%	No. of Shares	%
1 to 99	2,190	26.131	54,209	0.033
100 to 1,000	2,513	29.984	1,202,070	0.732
1,001 to 10,000	2,393	28.553	10,093,423	6.143
10,001 to 100,000	1,095	13.065	34,060,030	20.729
100,001 to <5% of shares	189	2.255	86,074,096	52.386
5% and above	1	0.012	32,824,400	19.977
Total	**8,381**	**100.000**	**164,308,228**	**100.000**

DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

		Direct Interest		Indirect Interest	
No.	Name	No. of Shares	%	No. of Shares	%
1.	Dato' Sri Dr Pang Chow Huat	33,627,861	20.466	88,676	0.054
2.	Dato' Abd Halim Bin Abd Hamid	-	-	-	-
3.	Yong Ket Inn	-	-	-	-
4.	Ong Tee Kein	-	-	-	-
5.	Datin Erdawaty Binti Mohamed	-	-	-	-

Note:

(1) Deemed interested by virtue of his spouse's shareholdings in the Company pursuant to Section 8 of the Companies Act 2016.

SUBSTANTIAL SHAREHOLDER AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

		Direct Interest		Indirect Interest	
No.	Name	No. of Shares	%	No. of Shares	%
1.	Dato' Sri Dr Pang Chow Huat	33,627,861	20.466	88,676	0.054

Note:

(1) Deemed interested by virtue of his spouse's shareholdings in the Company pursuant to Section 8 of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS

AS AT 16 JULY 2026
cont'd

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (AS PER THE RECORD OF DEPOSITORS)

No.	Names	No. of Shares	%
1.	TA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR PANG CHOW HUAT*	32,824,400	19.977
2.	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR CITA REALITI SDN BHD*	5,768,550	3.511
3.	NG SOON FATT	4,816,180	2.931
4.	MAYBANK NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR SEKARAJASEKARAN A/L ARASARATNAM*	3,300,000	2.008
5.	TEOH LEONG HUAT	2,926,100	1.780
6.	MAH WEE HIAN @ MAH SIEW KUNG	2,807,789	1.709
7.	TING SEU NGUONG	2,647,401	1.611
8.	BCM ALLIANCE BERHAD	2,500,000	1.522
9.	MAH WEE HIAN @ MAH SIEW KUNG	2,220,009	1.351
10.	UOB KAY HIAN NOMINEES (ASING) SDN BHD *EXEMPT AN FOR UOB KAY HIAN PTE LTD*	2,046,500	1.246
11.	RAYMOND TAN SUAN-KUO	2,005,000	1.220
12.	TEO CHIN SIONG	1,441,500	0.877
13.	MAH WEE HIAN @ MAH SIEW KUNG	1,435,000	0.873
14.	MAH WEE HIAN @ MAH SIEW KUNG	1,307,513	0.796
15.	MAH SIEW SEONG	1,288,880	0.784
16.	TAN KAR YING	1,238,730	0.754
17.	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR FRANCIS CHAI KIM LUNG*	1,220,000	0.743
18.	LOO WAI MENG	982,000	0.598
19.	LIM SWEE BOON	860,000	0.523
20.	MUNIANDY A/L RAMAMIRTHAM	836,080	0.509
21.	TAN HUNG CHEW SDN BHD	800,000	0.487
22.	TAY HOCK TIAM (DATUK)	800,000	0.487
23.	YEW YEONG CHANG	789,400	0.480
24.	PANG CHOW HUAT	740,795	0.451
25.	KENANGA NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR MARTIN PAU KIN LOONG*	740,000	0.450
26.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. *PLEDGED SECURITIES ACCOUNT FOR NAZRI BIN ABDULLAH @ NAZRI BHUPALAN*	730,000	0.444
27.	CHEN CHOON SENG	700,000	0.426
28.	LOH SOOK MEE	695,700	0.423
29.	CHUNG KIN CHUAN	685,000	0.417
30.	AMSEC NOMINEES (TEMPATAN) SDN BHD *PLEDGED SECURITIES ACCOUNT FOR NG KOK SENG*	640,820	0.390
	TOTAL	**81,793,347**	**49.780**

SANICHI TECHNOLOGY BERHAD
Registration No. 200401023320 (661926-K)
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.	
No. of Shares Held	

*I/We (***Full Name in Block Letters***) _____

*NRIC No./Passport No./Registration No. _____

CDS Account No./Name of beneficial owner*_____

of _____

being a member(s) of **SANICHI TECHNOLOGY BERHAD**, hereby appoint:

Full Name *(in Block Letters)*	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Full Address *(in Block Letters)*	**Contact No:**		
	Email Address:		

*and/or

Full Name *(in Block Letters)*	**NRIC / Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Full Address *(in Block Letters)*	**Contact No:**		
	Email Address:		

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 21st Annual General Meeting ("Meeting" or "21st AGM") of the Company to be held at Sanichi Tower, Level 9, Tower 11, Avenue 5, Bangsar South, 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia on Friday, 28 August 2026 at 10.00 a.m. for the following purposes:

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1	To approve payment of Directors' fees and benefits payable from 29 August 2026 until the next AGM		
2	To re-elect Yong Ket Inn as Director of the Company		
3	To re-elect Datin Erdawaty Binti Mohamed as Director of the Company		
4	To re-appoint Messrs Morison LC PLT as auditors of the Company		
5	Authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 and waiver of pre-emptive rights		

(Please indicate with an "X" in the appropriate box against each Resolution how you wish your vote to be cast. If no specific direction as to how the proxy shall vote, the proxy shall vote as he/she thinks fit or, at his/her discretion, abstain from voting).

Signed this _____ day of _____ 2026.

_____
*Signature(s)/Common Seal of Member(s)

- *Delete if not applicable*

Fold This Flap For Sealing

Notes:

1. A member of the Company who is entitled to attend, participate, speak and vote at the 21st AGM shall be entitled to appoint more than one (1) proxy to attend, participate, speak and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
2. A proxy may but need not be a member of the Company. A member may appoint any person to be his proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.
3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint 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 which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
5. The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorised in writing. If the appointor is a corporation, either under the seal or signed by an officer or attorney duly authorised.

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AFFIX
STAMP

The Share Registrar of
SANICHI TECHNOLOGY BERHAD
Registration No. 200401023320 (661926-K)

c/o ShareWorks Sdn Bhd
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur

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6. To be valid, the instrument appointing a proxy must be deposited at the Share Registrar's office at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or adjourned meeting as the case may be, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for taking the poll, which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.
7. For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 63(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 20 August 2026. Only members whose names appear in the General Meeting Record of Depositors as at 20 August 2026 shall be regarded as members and entitled to attend, speak and vote at the Meeting.
8. Pursuant to Rule 8.31A(1) of the AMLR of Bursa Securities, all the resolutions set out in this Notice of Meeting will be put to vote by poll.

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SANICHI TECHNOLOGY BERHAD
Registration No.: 200401023320 (661826-K)
(Incorporated in Malaysia)

PLO 135, Jalan Cyber 5,
Kawasan Perindustrian Senai Fasa 3,
81400 Senai, Johor Darul Takzim

: (607)-598 8866 | : (607)-598 2886 | : sanichi@streamyx.com

Winner - SMI ICT Adoption Award

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