KGW
LOGISTICS

KGW GROUP BERHAD

(Registration No. 202201009353 (1455050-D))
(Incorporated in Malaysia under the Companies Act 2016)

2025
ANNUAL REPORT

KGW GROUP BERHAD (Registration No. 202201009353 (1455050-D))

Annual Report 2025

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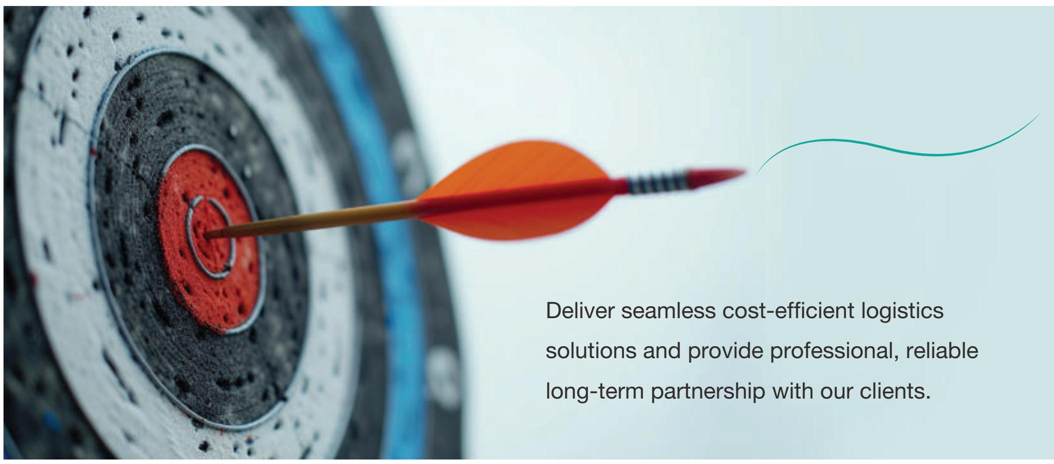
Form of Proxy

OUR VISION, MISSION & CORE VALUES

OUR VISION

To be a leading provider of integrated logistics solutions across Southeast Asia, making global logistics easy for all and further making a positive impact on the nation's economy, one shipment at a time.

OUR MISSION



Deliver seamless cost-efficient logistics solutions and provide professional, reliable long-term partnership with our clients.

OUR CORE VALUES

Supportive & Helpful
Support company ideas, directions & beliefs and sincere in helping each other.

Responsible & Accountable
Committed and responsible in our work.

Openness & Honesty
Listen to others' viewpoints and accept new ideas.

Knowledge & Experience Sharing
Contribute ideas and be generous in knowledge & experience sharing.

Be Positive
Think positive, encourage a friendly environment and see good in every situation.

Motivation & Encouragement
Encourage members to excel in their job and a promise must be fulfilled.

AWARDS AND RECOGNITIONS

Golden Bull Award 2017: Outstanding SME Award

SME100 Awards 2017: Malaysia’s Fast Moving Companies

SME & Entrepreneurship Business Award 2018

Export Excellence Awards 2019: Gold Award in the “Services” Category (SMEs)

Prominent Business Best Brands Award

KiLAT Excellence Awards: Logistics Company of the Year

Export Excellence Awards 2023: Most Promising Category

The 18th Global Freight Forwarders Conference: Best Partner - Southeast Asia

Export Excellence Awards 2024: Most Promising Category

CORPORATE PROFILE

With operations commencing in 2005, KGW Group Berhad (“KGW” or “the Company”) and its subsidiaries (“KGW Group” or “the Group”) have grown from a Malaysia-based logistics provider into a regional and international logistics group serving the Asia-Pacific region and beyond. Today, our Group is an award-winning integrated logistics provider offering comprehensive supply chain and logistics services, covering ocean, air and land transportation, freight forwarding and value-added solutions. Our capabilities support diverse industries through the efficient movement of goods across the supply chain.

Anchored by deep expertise in Trans-Pacific trade and supported by strategic partnerships with major steamship lines, we are able to ensure guaranteed capacity and competitive freight rates for shipments worldwide. Our reach extends well beyond this core trade lane, with our Group having built an extensive presence across Asia-Pacific, Africa, Europe, Oceania and the Americas, through a well-established global agency network.

In September 2024, our Group relocated its headquarters to a new office and warehouse at Hicom Glenmarie Industrial Park, Shah Alam, Selangor to facilitate business expansion. This facility has strengthened our Group’s operational capacity, centralised our business functions and enhanced our warehousing capabilities, including temperature-controlled storage, e-commerce fulfilment and specialised handling solutions. The relocation has also enabled our Group to further elevate its specialised warehousing and distribution services for healthcare-related products and devices.

In February 2025, we entered into a strategic partnership with Accelerated Global Solutions Inc. ("AGS"), a US-based company under common ownership with SpeedX Logistics (“SpeedX”). This partnership integrates our trans-Pacific logistics capabilities with AGS’s expertise in global air freight and customs brokerage and fullment services, as well as SpeedX's last-mile delivery solutions. These combined strengths enable us to offer comprehensive end-to-end logistics solutions, expand our market reach, improve transit times and deliver superior service to customers world-wide.

Additionally, our wholly owned subsidiary, KGW Medica Sdn Bhd, entered into a Memorandum of Understanding (“MOU”) with Shenzhen Yuanchao Logistics Technology Co., Ltd. on 11 April 2025. Under this MOU, both parties will jointly develop cross-border e-commerce logistics solutions, particularly in warehousing and distribution. This partnership reflects our Group’s commitment to expanding our Asia-Pacific network and enhancing the depth of our integrated supply chain capabilities.

Driven by robust infrastructure, global partnerships, financial stability and a skilled workforce, our Group is well-positioned to capture emerging opportunities in cross-border trade and healthcare logistics. KGW Group remains committed to delivering sustainable growth and long-term value to all stakeholders.

CORPORATE STRUCTURE

KGW GROUP BERHAD
(Registration No. 202201009353 (1455050-D))

100% — **KGW Logistics (M) Sdn Bhd**
[200501027644 (709778-V)]

Logistics services

100% — **Mattroy Logistics (Malaysia) Sdn Bhd**
[201401031317 (1107401-M)]

Logistics services

100% — **KGW Medica Sdn Bhd**
[202101022342 (1422642-W)]

Warehousing and distribution of healthcare-related products and devices

100% — **Barter Mind Trading Sdn Bhd**
[202601005283 (1667381-V)]

International wholesale trading, import and export of raw and refined sugar

51% — **KGW Global Solutions Sdn Bhd**
[202501008936 (1610350-T)]

Logistics, transportation, warehousing, forwarding and shipping agency services

35% — **Mingkun International Logistics (M) Sdn Bhd**
[202501023843 (1625256-K)]

Logistics management, transportation, warehousing and freight forwarding services

CORPORATE INFORMATION

BOARD OF DIRECTORS

TENGKU FAIZWA BINTI TENGKU RAZIF
Independent Non-Executive Chairperson

DATO' ROGER WONG KEN HONG
Managing Director

CHOW ENN JIE
Executive Director

LIM JOO SENG
Independent Non-Executive Director

LEAN SZE YAU
Independent Non-Executive Director

LEE LI CHOON
Independent Non-Executive Director

BOARD COMMITTEES

Audit Committee

Chairperson
Lim Joo Seng

Members
Lean Sze Yau
Lee Li Choon

Nomination and Remuneration Committee

Chairperson
Lee Li Choon

Members
Lim Joo Seng
Lean Sze Yau

Sustainability and Risk Management Committee

Chairperson
Lean Sze Yau

Members
Lim Joo Seng
Lee Li Choon

HEAD OFFICE

No. 6, Jalan Pemaju U1/15,
Hicom Glenmarie Industrial Park, Seksyen U1,
40150 Shah Alam, Selangor, Malaysia.
Tel : 603-7842 8899
Fax : 603-7842 9899
Email : corporate@kgwlogistics.com
Website : www.kgwlogistics.com

REGISTERED OFFICE

No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas,
50480 Kuala Lumpur, Malaysia
Tel : 603-6201 1120
Fax : 603-6201 3121
Email : cosec@shareworks.com.my

COMPANY SECRETARIES

Thong Pui Yee
(MAICSA 7067416)
(SSM PC No. 202008000510)

Jeremy Tai Yung Wei
(MAICSA 7065447)
(SSM PC No. 202308000580)

SPONSOR

TA Securities Holdings Berhad
[197301001467 (14948-M)]
29th Floor, Menara TA One
22, Jalan P. Ramlee,
50250 Kuala Lumpur, Malaysia
Tel : 603-2072 1277

AUDITORS

Ecovis Malaysia PLT
[201404001750 (LLP0003185-LCA) & AF 001825]
Chartered Accountants
D-10-03, Level 10, Exsim Tower
Millerz Square @ Old Klang Road
Megan Legasi, No. 357, Jalan Kelang Lama
58000 Kuala Lumpur, Malaysia
Tel : 603-7986 0066

SHARE REGISTRAR

ShareWorks Sdn Bhd
[199101019611 (229948-U)]
No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas,
50480 Kuala Lumpur, Malaysia
Tel : 603-6201 1120
Fax : 603-6201 3121
Email : ir@shareworks.com.my

STOCK EXCHANGE LISTING

ACE Market, Bursa Malaysia Securities Berhad
Stock Code : 0282
Stock Name : KGW

PROFILE OF BOARD OF DIRECTORS

TENGKU FAIZWA BINTI TENGKU RAZIF

Independent Non-Executive Chairperson

Gender	Nationality	Age
Female	Malaysian	45

Tengku Faizwa Binti Tengku Razif was appointed to our Board as the Independent Non-Executive Chairperson on 24 September 2022.

She holds a Bachelor of Management (Honours) in Marketing from Universiti Sains Malaysia (“USM”), which she completed in 2002. Following her graduation, she pursued her passion for mental literacy development by providing team training programmes to local schools. In 2003, she ventured into freelancing and organised the World Memory Championship in Kuala Lumpur. Building on this early experience, she founded The Switch Sdn Bhd in 2004, a company specialising in training and consultation in personal development and human resources.

Leveraging her growing expertise, she later founded Ideaspark Sdn Bhd in 2010, specialising in strategic thinking consultancy and the design of training programmes in accelerated learning, memory skills, creativity enhancement and creative entrepreneurship. At Ideaspark, she played a vital role in conceptualising and overseeing the company’s events and programmes.

Her professional contributions subsequently led to her appointment as the Founding President of the Malaysia Young Female Entrepreneur Network (“MYFREN”), a non-governmental organisation registered under the Registrar of Youth Societies, Ministry of Youth and Sports. In this role, she promoted entrepreneurship among young Malaysian women and, from 2010 to 2012, she conducted various entrepreneurship programmes and activities aimed at developing business and entrepreneurial skills among Malaysian youth.

In 2018, she assumed management roles in Scanda Management PLT and Scanda Sky PLT, which provided management services and charter flight services for tour packages, respectively.

Currently, she also serves as the Independent Non-Executive Chairperson of Manforce Group Berhad, a company currently listed on the LEAP Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) and is set to list on the ACE Market of Bursa Securities ("ACE Market"), as well as ASM Automation Group Berhad and Kee Ming Group Berhad, both of which are listed on the ACE Market.

She attended all five (5) Board meetings held during the financial year ended 31 December 2025 (“FYE 2025”).

PROFILE OF BOARD OF DIRECTORS

(Cont'd)

DATO' ROGER WONG KEN HONG

Managing Director

Gender	Nationality	Age
Male	Malaysian	45

Dato' Roger Wong was appointed as the Managing Director of our Company on 14 March 2022. As the visionary founder of our Group, he has been at the helm of the organisation since its inception in 2005, spearheading its transformation from a start-up logistics provider into an award-winning integrated logistics group with a strong international presence. His strategic leadership has been instrumental in shaping the Group's growth trajectory, organisational culture and long-term business direction.

He holds a Bachelor of Arts in International and Strategic Studies from Universiti Malaya ("UM"), obtained in 2003. Upon graduation, he embarked on his career in the logistics industry as a Management Trainee, where he gained extensive exposure to the commercial and operational facets of the industry. His strong performance led to his promotion to Sales Manager in 2004, a role in which he assumed responsibility for the sales and marketing functions for the company's logistics services. This early experience laid the foundation for his subsequent entrepreneurial journey.

In 2005, driven by an entrepreneurial vision and a strong belief in the potential of the Trans-Pacific trade, Dato' Roger founded KGW Logistics (M) Sdn Bhd ("KGW Logistics"). From the beginning, he took the lead in defining the Group's strategic vision, establishing its operational framework and building the core business pillars that underpinned its early growth. Over the years, he has maintained a hands-on leadership approach, personally overseeing key operations, forging strategic partnerships and driving the implementation of the Group's expansion initiatives, including the successful listing on the ACE Market of Bursa Securities in August 2023 and the strategic equity partnership with AGS.

Through his visionary approach and more than two (2) decades of experience in the logistics and supply chain industry, Dato' Roger has been the driving force behind the Group's evolution, leveraging his expertise to identify growth opportunities, navigate industry challenges and strengthen the Group's competitive positioning. His commitment to innovation, operational excellence continues to drive the Group forward as it positions itself as a leading integrated logistics provider in the region.

Dato' Roger does not currently serve on the boards of any other public companies or listed corporations.

He attended all five (5) Board meetings held during the FYE 2025.

PROFILE OF BOARD OF DIRECTORS (Cont'd)

CHOW ENN JIE

Executive Director

Gender	Nationality	Age
Male	Malaysian	38

Chow Enn Jie was appointed to the Board as an Executive Director on 31 January 2026. With over 15 years of experience in the logistics industry, he is responsible for overseeing the Group's overall operations, business development and strategic execution in his current role.

He holds a Diploma in Business Studies (E-Commerce and Marketing) from Kolej Tunku Abdul Rahman, Malaysia, obtained in 2009. He further strengthened his academic qualifications with a Master of Business Administration ("MBA") from Unitar International University in 2023.

Mr. Chow began his career in 2007 as a Customer Service Executive at GPS Tech Solutions Sdn Bhd, where he was promoted to Customer Service Supervisor in 2008. He joined KGW Logistics in 2008 as a Sales and Marketing Executive, where he was actively involved in business development, customer acquisition, and the promotion of the Group's logistics solutions.

In recognition of his strong leadership and commercial performance, he was promoted to Sales and Marketing Manager in 2012 and subsequently to Sales and Marketing Director in 2014. Throughout his tenure, he has played a key role in the expansion of the Group's business, strengthening customer relationships and driving strategic growth initiatives, particularly in the international freight forwarding and logistics segments.

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

As he was appointed to the Board on 31 January 2026, he did not attend any Board meetings held during FYE 2025 as a Director. Notwithstanding this, he was invited to and attended all Board meetings held during FYE 2025 in his capacity as the Sales and Marketing Director of the Company, as part of the Key Senior Management team.

PROFILE OF BOARD OF DIRECTORS (Cont'd)

LIM JOO SENG

Independent Non-Executive Director

Gender	Nationality	Age
Female	Malaysian	52

Lim Joo Seng, was appointed to our Board as an Independent Non-Executive Director on 24 September 2022. She currently chairs the Audit Committee ("AC") and serves as a member of both the Nomination and Remuneration Committee ("NRC") and the Sustainability and Risk Management Committee ("SRMC").

Ms. Lim graduated with a Bachelor of Commerce (Accounting) from Macquarie University, Australia, in 1998. She is a Fellow of the Certified Practising Accountants of Australia ("CPA Australia") and a member of the Malaysian Institute of Accountants ("MIA").

She began her professional career in 1999 at Sekhar & Tan as a Tax Assistant, responsible for preparing tax returns for clients. In 2000, she joined Deloitte KassimChan as an Audit Senior, gaining extensive experience in statutory audits, corporate listings and mergers and acquisitions across multiple industries.

In 2004, Ms. Lim joined Eversafe Engineering Sdn Bhd as Finance Assistant Manager, overseeing accounting and financial reporting activities. The following year, she returned to Deloitte Touche Tohmatsu CPA Ltd as an Audit Manager, leading audit engagements and supporting financial due diligence projects, further strengthening her audit and financial expertise.

In 2010, she was appointed as Chief Financial Officer ("CFO") of XinRen Aluminium Holdings Limited, where she played a pivotal role in the company's restructuring and its listing in Singapore. She also managed and coordinated corporate initiatives, including strategic acquisitions and external funding exercises.

After her tenure with XinRen Aluminium in 2017, Ms. Lim began providing freelance financial advisory services. In 2019, she joined Nestcon Berhad, a company listed on the ACE Market of Bursa Securities, as Finance Director, overseeing the company's corporate and financial functions, including financial planning, review and reporting.

She currently serves as an Independent Non-Executive Director of Nexion Technologies Limited, an investment holding company listed on the Hong Kong Stock Exchange.

She attended all five (5) Board meetings held during the FYE 2025.

PROFILE OF BOARD OF DIRECTORS (Cont'd)

LEAN SZE YAU

Independent Non-Executive Director

Gender	Nationality	Age
Male	Malaysian	45

Lean Sze Yau was appointed to our Board as an Independent Non-Executive Director on 24 September 2022. He currently chairs the SRMC and also serves as a member of both the AC and the NRC.

Mr. Lean graduated with a Bachelor of Laws from the University of Kent, United Kingdom, in 2002. He subsequently completed the Bar Vocational Course at BPP Law School, London, and was admitted as a Barrister-at-Law with the Honourable Society of Lincoln's Inn.

He began his legal career in 2003 at Messrs Amin-Tan & Co, undertaking pupillage with exposure to conveyancing, corporate legal matters and corporate exercises, including mergers and acquisitions. Following this tenure, he was admitted to the Malaysian Bar in 2005.

Mr. Lean then joined Messrs William Leong & Co as an Advocate and Solicitor, practising in both corporate and litigation matters. His strong performance led to his promotion as Partner in 2009, where he led general debt-recovery litigation and managed various injunction-related matters.

Following his departure from Messrs William Leong & Co in 2009, Mr. Lean co-founded Messrs Wilson Leong, Ong & Lean in 2010 serving as the Managing Partner. During his tenure, he has been responsible for developing the firm's banking-sector clientele for conveyancing matters, while also leading the litigation and corporate practice departments. He serves as lead solicitor and counsel in commercial and real estate disputes before the High Court and Court of Appeal. Beyond litigation, he provides consultancy and corporate advisory services across commercial, banking and real estate matters.

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

He attended three (3) out of five (5) Board meetings held during the FYE 2025.

PROFILE OF BOARD OF DIRECTORS
(Cont'd)

LEE LI CHOON
Independent Non-Executive Director

Gender	Nationality	Age
Female	Malaysian	53

Lee Li Choon was appointed to our Board as an Independent Non-Executive Director on 24 September 2022. She currently serves as the Chairperson of NRC and a member of AC and SRMC.

Ms. Lee graduated with a Bachelor of Science (Economics) from the University of London in 1996. She has since built a distinguished career in professional coaching, holding Professional Certified Coach ("PCC") accreditation from the International Coaching Federation in 2018, Accredited Coaching Supervisor status with the Coaching Supervision Academy in 2022, and certification under the Marshall Goldsmith Stakeholder Centered Coaching Programme since 2014.

She began her career in 1996 as a Personal Assistant at International Computers (Malaysia) Sdn Bhd (now Fujitsu Computer Systems (M) Sdn Bhd), progressing to Personnel Executive in 1997 and Human Resource Executive in 1999.

In 2000, she joined Orbit Telecommunications Sdn Bhd as Human Resource Assistant Manager, subsequently advancing to Human Resource Manager and then Group Senior Manager, providing strategic human resource counsel to senior management and overseeing regional HR operations.

Ms. Lee joined Huawei Technologies (Malaysia) Sdn Bhd in 2002 as Recruitment and Training Manager, developing and implementing the company's recruitment and training framework. She was promoted to Assistant Director in 2004 to oversee HR functions across the Asia Pacific region. In 2006, she became Regional Human Resource Manager for Southeast Asia at Deloitte Consulting (SEA) Sdn Bhd, managing the company's overall human resource function.

In 2008, she was appointed as Human Resource Director at Alcatel-Lucent Malaysia Sdn Bhd. Later that year, she joined Ericsson (M) Sdn Bhd as Head of the Human Resource and Operation Unit for Malaysia, and eventually advanced to Human Resource Business Partner for Southeast Asia and Oceania, contributing to strategic business planning and translating objectives into actionable initiatives.

In 2014, Ms. Lee founded her leadership coaching practice under Talent Faculty Sdn Bhd, providing professional coaching and leadership development services for business owners and corporate teams. She has been actively involved with the ICF Malaysia Charter Chapter since 2016, having served as President from 2020 to 2022. She currently holds the position of Past President.

She also serves as an Independent Non-Executive Director of KYM Holdings Berhad, a company listed on the Main Market of Bursa Securities.

She attended all five (5) Board meetings held during the FYE 2025.

Notes: -

None of the Directors: -
a. have any family relationships with each other and/or any major shareholder of the Company;
b. have any conflict of interest or potential conflict of interest, including interest in any competing business with the Group;
c. have been convicted of any offences within the past five (5) years other than traffic offences, if any; and
d. were publicly sanctioned or imposed with penalty by the relevant regulatory bodies during FYE 2025.

PROFILE OF KEY SENIOR MANAGEMENT

Dato' Roger Wong Ken Hong
Managing Director

Refer to details on page 8 of the Profile of Board of Directors of this Annual Report.

Chow Enn Jie
Executive Director

Refer to details on page 9 of the Profile of Board of Directors of this Annual Report.

Wendy Kam
Chief Financial Officer

Malaysian, Aged 55, Female

Wendy Kam joined our Group on 1 December 2021 as CFO, with responsibility for overseeing the Group's accounting, finance, taxation and corporate affairs.

Ms. Wendy holds a MBA in Accountancy from the Universiti Malaya, obtained in 2003. She is currently a Fellow of the Association of Chartered Certified Accountants ("FCCA") and a member of the MIA. She brings over 30 years of experience in finance and accounting.

Throughout her career, Ms. Wendy has held key leadership positions, including Financial Controller and Head of Internal Audit, across diverse sectors such as education, retail, recruitment, quarry equipment supply and renewable energy. Her extensive experience has equipped her with strong expertise in financial management, corporate governance, financial due diligence and other corporate exercises.

She currently also serves as an Independent Non-Executive Director of JS Solar Holding Berhad and Cheeding Holdings Berhad, both of which are listed on the ACE Market of Bursa Securities.

Teoh Huey Hong
Customer Care Director

Malaysian, Aged 43, Female

Teoh Huey Hong has served as Customer Care Director of our Group since 1 April 2022, with responsibility for overseeing the daily operations of the Group's customer service department.

Ms. Teoh completed her Sijil Pelajaran Malaysia at Keat Hwa High School, Kedah, in 2000. She later pursued the Association of Chartered Certified Accountants ("ACCA") Certified Accounting Technician qualification from 2001 to 2004.

Her career in the logistics industry began in 2005 at TriStar Freight (M) Sdn Bhd as a Customer Service Representative, where she handled shipment planning and cargo space bookings. In 2006, she joined Sun Express Logistics (M) Sdn Bhd in a similar role, further building her experience in customer service operations.

In 2008, Ms. Teoh joined KGW Logistics as a Customer Service Executive. Her dedication and strong performance over the years led to her promotion to Customer Service Manager in 2017, where she supervised and guided the customer service team in their daily operations. Building on this experience, she was promoted as Customer Care Director in 2022, taking overall responsibility for the Group's customer service departments.

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

Notes: -

Save as disclosed above, none of the Key Senior Management: -

a. holds directorships in public companies and listed;

b. has family relationship with any Director and/or major shareholder of the Company;

c. has conflict of interest or potential conflict of interest, including interest in any competing business with the Group;

d. has been convicted of any offences within the past five (5) years other than traffic offences, if any; and was publicly sanctioned or imposed with penalty by the relevant regulatory bodies during FYE 2025.

FINANCIAL HIGHLIGHTS

Financial Year Ended 31 December ("FYE")	2021	2022	2023	2024	2025
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	195,419	229,695	71,470	134,230	105,063
Profit Attributable to Owners of the Company	15,758	16,335	387	2,686	315
Total Assets	49,266	60,245	63,053	66,224	69,895
Total Equity/ Net Assets ("NA")	11,797	28,430	44,887	47,567	48,081
Basic Earnings per Share ("EPS") (sen) [1]	1,311.72	1,106.09	0.12	0.56	0.07
NA per Share Attributable to Owners of the Company (sen) [2]	2.44	5.89	9.30	9.85	9.96

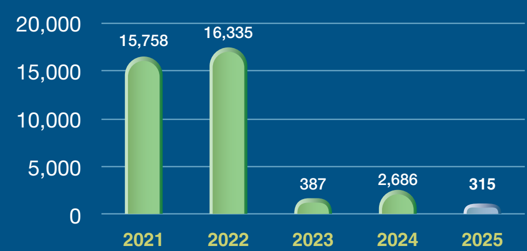
Notes: -

[1] *Computed based on profit attributable to owner of the Company over the weighted average number of ordinary shares for the financial year.*

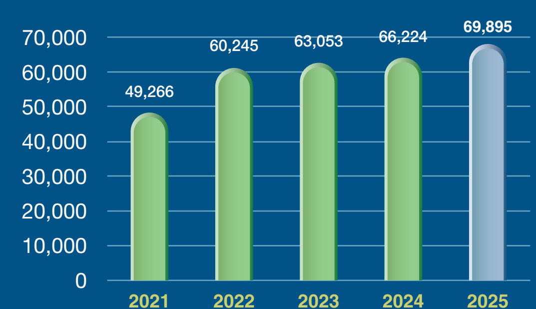
[2] *Calculated based on the Company's share capital of 482,798,567 ordinary shares.*

Revenue (RM'000)

Profit Attributable to Owners of the Company (RM'000)

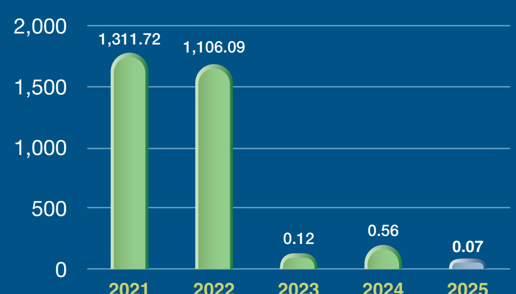


Total Assets (RM'000)



Total Equity/ NA (RM'000)

Basic EPS (sen)



NA per Share Attributable to Owners of the Company (sen)

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

KGW Group was established in 2005 as a comprehensive logistics service provider specialising in ocean freight forwarding for Malaysian exporters and importers trading with the United States ("US"). Since our inception, we have grown from a modest rented office in Kelana Jaya, Selangor, progressively expanding our footprint and capabilities to our current 52,807 square feet facility at Hicom Glenmarie Industrial Park. This facility is comprehensively equipped with temperature-controlled storage facilities, enabling us to provide specialised handling and storage solutions for our customers that ensure the integrity and safety of products throughout their journey within our logistics network. Meanwhile, we have extended our service offerings by introducing packaging and labelling services to our customers, providing them with a seamless and customised experience while ensuring product integrity.

A significant milestone was achieved in 2010 when our Group was officially registered as a non-vessel operating common carrier ("NVOCC") with the United States Federal Maritime Commission ("FMC"). This registration enhanced our Group's participation in trans-Pacific trade by providing greater control over ocean freight services and enabling more reliable and cost-effective solutions for customers shipping to US destinations. Building on this foundation, our Group has expanded service coverage to encompass major trade lanes across North America, Asia Pacific, Africa, Europe, Oceania and South America.

Today, with more than 20 years of experience in the logistics services industry, our Group provides comprehensive logistics services spanning the entire supply chain. Our core capabilities include ocean and air freight forwarding for cargo movements to and from the US and countries across North America, Asia, Africa, Europe, Oceania and South America. Leveraging our accumulated industry expertise, our Group expanded into warehousing and distribution services in FYE 2021, marking a strategic diversification beyond traditional freight forwarding. Currently, KGW Group operates through three (3) principal business segments as follows: -

Business Segment	Principal Activities
Logistics services provider	Provision of ocean freight, air freight, freight forwarding services, haulage and other supporting services
Warehousing and distribution	Warehousing and distribution of healthcare-related products and devices
Investment holding	Holding of investment in shares of subsidiaries and other investments

In February 2025, we entered into a strategic partnership with AGS, a US-based company under common ownership with SpeedX. This partnership integrates our trans-Pacific logistics capabilities with AGS's expertise in global air freight and customs brokerage and fulfilment services, as well as SpeedX's last-mile delivery solutions. These combined strengths enable us to offer comprehensive end-to-end logistics solutions, expand our market reach, improve transit times and deliver superior service to customers worldwide.

In support of anticipated volume growth and to enhance operational efficiency, our Group entered into a sale and purchase agreement to acquire 42 units of used plant and machinery, consisting of six (6) prime movers, 35 trailers and a double-axle trailer container side loader in December 2025, with completion expected by December 2026. This acquisition is intended to cater to market demand and reduce reliance on third-party haulage providers.

Building on e-commerce solutions introduced in FYE 2024, our Group continues to expand value-added services including marketplace store setup, consultancy, account management and integrated international shipping, now enhanced by the AGS-SpeedX infrastructure. These combined capabilities position us to capture increasing demand across our core freight forwarding operations, healthcare distribution channels and emerging e-commerce fulfilment services, while strengthening our resilience against cyclical freight market volatility and supporting sustainable long-term growth.

MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

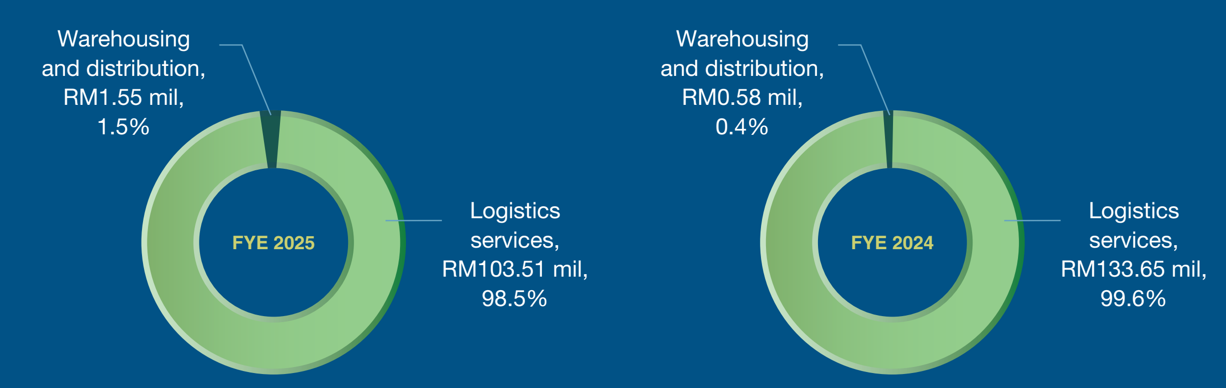
FINANCIAL PERFORMANCE REVIEW

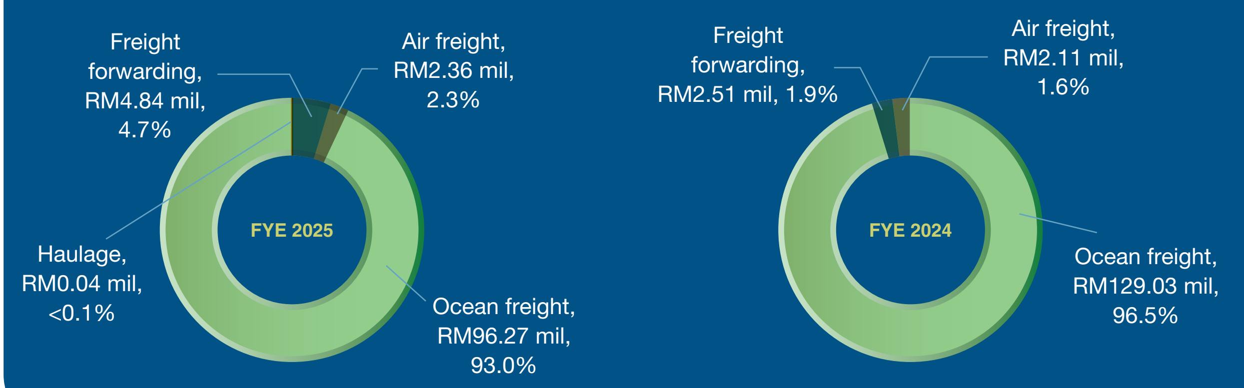
	FYE 2025 RM'000	FYE 2024 RM'000	Variance RM'000	Variance %
Revenue	105,063	134,230	(29,167)	(21.7)
Gross profit ("GP")	17,224	17,637	(413)	(2.3)
Profit before tax ("PBT")	696	4,243	(3,547)	(83.6)
Profit after tax ("PAT")	260	2,680	(2,420)	(90.3)
GP margin (%)	16.4	13.1	-	3.3
PBT margin (%)	0.7	3.2	-	(2.5)
PAT margin (%)	0.2	2.0	-	(1.8)

Revenue

For FYE 2025, our Group recorded revenue of RM105.06 million, representing a decline of RM29.17 million or 21.7% compared to RM134.23 million in FYE 2024. The contraction was primarily attributable to the logistics services segment, which decreased by RM30.14 million, or 22.5% from RM133.65 million in FYE 2024 to RM103.51 million in FYE 2025. Despite this decline, this segment remained the largest contributor to our Group's total revenue, accounting for 98.5% and 99.6% of total revenue in FYE 2025 and FYE 2024, respectively. Meanwhile, our warehousing and distribution segment recorded revenue of RM1.55 million in FYE 2025, an increase of RM0.97 million from RM0.58 million in FYE 2024, reflecting the continued expansion of our healthcare logistics services.

The breakdown of our revenue contribution by business segments and revenue contribution within logistics services segment are as follows: -





FINANCIAL PERFORMANCE REVIEW (CONT'D)

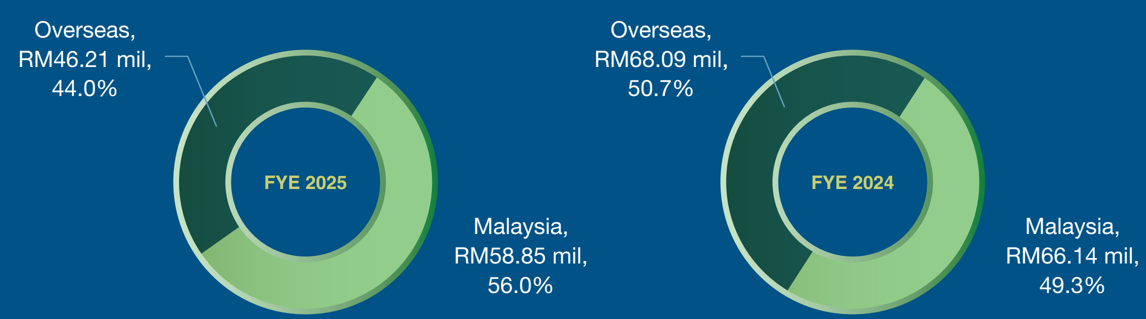
Revenue (Cont'd)

In the logistics services segment, ocean freight services remained the main revenue driver, contributing 93.0% of this segment revenue in FYE 2025, with freight forwarding, air freight and haulage contributing 4.7%, 2.3% and less than 0.1%, respectively. Haulage services, which commenced following the incorporation of KGW Global Solutions Sdn Bhd in 2025, contributed RM0.04 million.

Our Group's ocean freight services recorded a significant decrease in FYE 2025, with revenue decreasing by RM32.76 million or 25.4%, from RM129.03 million in FYE 2024 to RM96.27 million. This reduction was primarily driven by a lower average revenue per twenty-foot equivalent unit ("TEU"), which decreased by 31.8% from RM8,679 in FYE 2024 to RM5,919 in FYE 2025. This reduction reflected significant rate softening in the global ocean freight market.

In terms of geographical distribution, FYE 2025 saw a notable shift in our Group's revenue composition, as domestic contributions from Malaysian customers rose to 56.0% of total revenue, while overseas customers accounted for 44.0%. This marks a reversal from FYE 2024, when overseas customers were the slightly larger contributor at 50.7% compared to Malaysian customers at 49.3%. The shift was primarily attributable to the sharper decline in overseas ocean freight revenue arising from rate softening on international trade lanes, while domestic revenue from Malaysian customers remained relatively more resilient. The geographical breakdown of revenue for both FYE 2025 and FYE 2024 is as follows: -

Revenue by Geographical Segments



GP and GP Margin

Following our Group's revenue contraction, GP decreased by RM0.41 million or 2.3%, from RM17.64 million in FYE 2024 to RM17.22 million in FYE 2025.

However, our Group's GP margin increased by 3.3%, from 13.1% in FYE 2024 to 16.4% in FYE 2025. The improvement in GP margin was primarily due to a steeper decline in the average ocean freight costs per TEU relative to the 33.2% decrease in average ocean freight revenue per TEU. The normalisation of global shipping capacity and increased competition among ocean carriers led to more aggressive rate reductions by carriers, while we moderated the corresponding reduction in rates charged to our customers by leveraging our established customer relationships and service reliability to maintain competitive but margin-preserving pricing.

PBT and PBT Margin

Despite the marginal decline in GP, our Group recorded a significantly lower PBT at RM0.70 million in FYE 2025, representing a decrease of RM3.55 million or 83.6% from RM4.24 million in FYE 2024. The decline in profitability was primarily due to the higher administrative expenses, which increased by RM1.57 million mainly from higher sales commissions, depreciation charges and salaries, as well as higher other operating expenses of RM2.70 million in FYE 2025 compared to RM1.13 million in FYE 2024, largely attributable to the increased unrealised loss on foreign exchange of RM2.10 million in FYE 2025 compared to RM0.58 million in FYE 2024, arising from unfavourable USD exchange rates.

In view of the lower PBT, our Group's PBT margin decreased by 2.5%, from 3.2% in FYE 2024 to 0.7% in FYE 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

FINANCIAL PERFORMANCE REVIEW (CONT'D)

PAT and PAT Margin

Our Group's PAT decreased by RM2.42 million or 90.3%, from RM2.68 million in FYE 2024 to RM0.26 million in FYE 2025, with the PAT margin declining to 0.2% from 2.0% in the prior year. The higher effective tax rate in FYE 2025 was mainly due to certain non-deductible expenses and losses incurred by the holding company and a newly incorporated subsidiary, which could not be offset against the taxable profits of other subsidiaries within the Group.

FINANCIAL POSITION AND LIQUIDITY REVIEW

Statement of Financial Position

	31.12.2025	31.12.2024	Variance	
	RM'000	RM'000	RM'000	%
Non-current assets	28,626	26,956	1,670	6.2
Current assets	41,269	39,268	2,001	5.1
Total assets	69,895	66,224	3,671	5.5
Non-current liabilities	6,466	5,535	931	16.8
Current liabilities	15,348	13,122	2,226	17.0
Total liabilities	21,814	18,657	3,157	16.9
Total equity/NA	48,081	47,567	514	1.1
NA per share attributable to Owners of the Company (sen)	9.96	9.85	0.11	1.1
Current ratio (times)	2.69	2.99	(0.30)	(10.1)
Gearing ratio (times) (1)	0.14	0.15	(0.01)	(6.7)

Notes: -

(1) *Exclude lease liabilities in relation to rental lease arrangement.*

As at 31 December 2025, the Group recorded total assets of RM69.90 million, representing an increase of RM3.67 million or 5.5%, from RM66.22 million as at 31 December 2024. The increase was primarily due to an increase in both current and non-current assets.

Our Group's non-current assets increased by RM1.67 million or 6.2%, from RM26.96 million as at 31 December 2024 to RM28.63 million as at 31 December 2025, mainly attributable to: -

(i) an increase in property, plant and equipment by RM0.96 million, arising from the acquisition of the motor vehicles and the installation of a solar panel system at our new office cum warehouse located at Hicom Glenmarie Industrial Park, Shah Alam, Selangor; and

(ii) an increase in deferred tax assets of RM0.71 million mainly arising from the deductible temporary differences arising from contract costs and contract liabilities, property, plant and equipment as well as unrealised foreign exchange losses.

Our Group's current assets increased by RM2.00 million or 5.1%, from RM39.27 million as at 31 December 2024 to RM41.27 million as at 31 December 2025, mainly attributable to: -

(i) an increase in other receivables, deposits and prepayments by RM1.19 million, mainly attributable to deposits paid in connection with the acquisition of plant and machinery, as discussed in the Business Overview section;

(ii) an increase in income tax recoverable by RM0.61 million, primarily arising from timing differences between tax instalments paid during the year and the final tax charge upon completion of the year-end tax computation;

(iii) an increase in contract costs by RM0.55 million due to higher ocean freight charges paid in advance to carriers as at 31 December 2025, pending amortisation over the course of shipments based on the percentage of completion method;

FINANCIAL POSITION AND LIQUIDITY REVIEW (CONT'D)

Statement of Financial Position (Cont'd)

(iv) an increase in other investments of RM0.50 million arising from an investment in an equity fund; and

(v) an increase in trade receivables of RM0.38 million, mainly driven by timing differences in customer collections at period end.

However, the overall increase in current assets was partially offset by a decrease of RM1.23 million in cash and cash equivalents, primarily due to the effect of exchange rate changes of RM1.96 million on the translation of foreign currency denominated cash balances, which more than offset the net cash inflow of RM0.72 million generated from the Group's operating, investing and the financing activities.

Our Group's total liabilities increased by RM3.15 million or 16.9%, from RM18.66 million as at 31 December 2024 to RM21.81 million as at 31 December 2025, primarily due to an increase in current liabilities, mainly driven by an increase in contract liabilities of RM1.55 million, reflecting timing differences between higher billings issued to our customers and the revenue recognised under the percentage of completion method, as well as an increase in trade payables of RM1.46 million, mainly reflecting a more measured approach in setting supplier obligation, in view of the Group's operating cash flows.

However, the overall increase in total liabilities was partially offset by a decrease of RM0.96 million in total borrowings, primarily due to repayment of term loans during FYE 2025.

Overall, our Group concluded the financial year with a strong financial position, with NA improving by RM0.51 million to RM48.08 million as at 31 December 2025, translating to a NA per share attributable to Owners of the Company of 9.96 sen. Our Group also maintained a solid current ratio of 2.69 times and a low gearing ratio of 0.14 times.

Statement of Cash Flows

	FYE 2025 RM'000	FYE 2024 (Restated) RM'000	Variance RM'000	Variance %
Net cash generated from/ (used in) operating activities	**3,487**	(871)	4,358	500.3
Net cash used in investing activities	**(1,379)**	(2,326)	947	40.7
Net cash used in financing activities	**(1,384)**	(1,866)	482	25.8
Net increase/ (decrease) in cash and cash equivalents	**724**	(5,063)	5,787	114.3
Effect of exchange rate changes	**(1,960)**	(758)	(1,202)	(158.6)
Cash and cash equivalents at the beginning of the financial year	**22,417**	28,238	(5,821)	(20.6)
Cash and cash equivalents at the end of the financial year	**21,181**	22,417	(1,236)	(5.5)

Our Group recorded net cash generated from operating activities of RM3.49 million in FYE 2025, driven by operating profit before working capital changes of RM3.78 million. This was partially offset by an increase in trade and other receivables by RM1.72 million, in line with higher trade balances outstanding and deposits paid for facility operations and service contracts and an increase in contract costs of RM0.55 million due to higher ocean freight charges paid in advance to carriers as at year-end pending amortisation. These outflows were mitigated by an increase in trade and other payables of RM1.34 million and an increase in contract liabilities of RM1.55 million, the drivers of which are as discussed in the Statement of Financial Position above.

Our Group's net cash used in investing activities amounted to RM1.38 million in FYE 2025, primarily attributed to the capital expenditure incurred for the acquisition of motor vehicles and installation of a solar panel system at our new office cum warehouse located at Hicom Glenmarie Industrial Park, Shah Alam, Selangor, as well as the investment in an equity fund of RM0.50 million.

Our Group recorded a net cash used in financing activities of RM1.38 million in FYE 2025, mainly attributed to the repayment of term loans amounting to RM0.96 million and lease liabilities of RM0.38 million.

MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

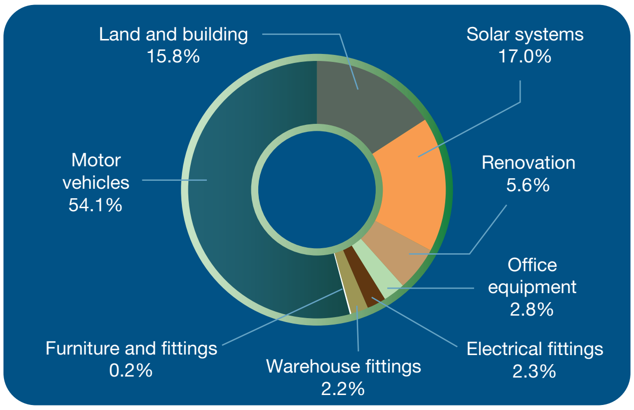
CAPITAL STRUCTURE, RESOURCES AND EXPENDITURE

As at 31 December 2025, our share capital stood at RM28.17 million, comprising 482,798,567 ordinary shares. This translates to a NA per share attributable to Owners of the Company of 9.96 sen.

Our Group finances our operations through cash generated from operations, available cash and bank balances, credit extended by trade suppliers and banking facilities secured from financial institutions. Our banking facilities granted by financial institutions include term loans and finance leases.

During FYE 2025, our Group has incurred the following capital expenditure: -

Capital expenditure	RM'000
Motor vehicles	1,520
Land and buildings	443
Solar systems	479
Renovation	157
Office equipment	78
Electrical fittings	64
Warehouse fittings	63
Furniture and fittings	6
	2,810



Total capital expenditure increased by RM0.36 million or 14.7% from RM2.45 million in FYE 2024, reflecting the Group's investment in motor vehicles and solar systems following the completion of office renovation in the prior year. Of the total capital expenditure, RM1.16 million was funded through cash, with the remainder financed through lease arrangements.

As at 31 December 2025, our Group's capital commitment was as follows: -

Capital Commitment	RM'000
Approved and contracted for:	
- Plant and machinery	748

The capital commitment relates to the proposed acquisition of 42 units of used plant and machinery for haulage operations, as disclosed in the Business Overview section.

ANTICIPATED OR KNOWN RISKS

Fluctuation in Ocean Freight Rates

With ocean freight services accounting for 93.0% of our logistics services segment revenue in FYE 2025, the cyclical and often unpredictable nature of ocean freight pricing continue to pose a material risk to our revenue and profitability. Given that ocean freight services form the backbone of our logistics operations, any sustained shift in market rates, whether driven by supply-demand imbalances, geopolitical disruptions, or carrier capacity decisions, can have a direct bearing on our financial outcomes.

To navigate this environment, we actively benchmark carrier rates against prevailing market conditions and adjust customer pricing in a timely manner. Simultaneously, we continue our efforts to grow shipment volumes on key trade lanes, which serves to partially cushion the revenue impact of rate compression. In addition, our ongoing diversification into warehousing and distribution, haulage and ecommerce fulfilment services provides additional revenue resilience beyond ocean freight volumes.

ANTICIPATED OR KNOWN RISKS (CONT'D)

Fluctuation in Foreign Exchange Rates

Our exposure to foreign currency risk, particularly in relation to the United States Dollar ("USD"), remains a key area of focus. A meaningful share of our revenue and procurement costs are denominated in USD, and shifts in the USD/RM exchange rate can affect reported financial results when translated back into Ringgit Malaysia.

To moderate this exposure, we maintain a USD-denominated bank account that facilitates the direct receipt and settlement of USD transactions, enabling a degree of natural offsetting between USD inflows and outflows without requiring active hedging instruments. Notwithstanding the above, we recorded increased unrealised foreign exchange losses in FYE 2025 arising from the translation of USD-denominated balances, reflecting the limitations of natural hedging in periods of significant currency volatility. We will continue to assess additional measures to manage our foreign exchange exposure.

Economic and Political Risk

The logistics industry is inherently influenced by broader macroeconomic and geopolitical conditions, which could significantly impact our Group's business operation and financial performance. Our business, with its particular focus on trans-Pacific trade between Malaysia and the US, carries an inherent sensitivity to developments that affect international commerce between these markets.

In particular, the imposition of a 19.0% reciprocal tariff by the US on Malaysian imports, effective August 2025, represented a near-term risk to our Group's core ocean freight operations. While demand from the US has remained structurally intact, the tariff led to shifts in trade patterns and customer ordering behaviour. The tariffs were subsequently struck down by the US Supreme Court on 20 February 2026, which ruled that the tariffs exceeded presidential authority under the International Emergency Economic Powers Act. Notwithstanding this ruling, the US administration has since imposed new tariffs under separate trade legislation, and the overall tariff landscape remains fluid and subject to further developments. We continue to monitor these developments closely and adapt our strategies accordingly.

To reduce dependence on any single trade corridor or service line, we have continued to broaden our revenue base through the expansion of warehousing and distribution of healthcare-related products and devices, as well as e-commerce fulfilment solutions. These segments provide a degree of insulation against downturns specific to the ocean freight market, and we continue to evaluate opportunities to extend our value-added service offerings and strengthen our positioning across multiple customer segments.

Credit Risk

We are exposed to credit risk when there is a delay or default in payment by our customers. Without a predefined credit limit, customers may accumulate outstanding trade receivables, increasing the likelihood of non-collection. To mitigate the potential impact on cash flow and our ability to meet operational and financial obligations, we have placed increasing emphasis on strengthening our credit management framework during the financial year. Customer-specific credit limits are now assessed and assigned based on each customer's transaction history, payment behaviour, and overall risk profile. Transactions that would cause a customer's outstanding balance to exceed their approved limit are subject to prior authorisation from the relevant Head of Department, providing a structured escalation mechanism before additional credit exposure is assumed.

We conduct ongoing monitoring of outstanding and overdue receivables, with prompt notification to the responsible salesperson upon identification of any delinquent account. This ensures that recovery action is initiated without delay and that potential impairment risks are escalated and addressed in a timely manner.

MANAGEMENT DISCUSSION AND ANALYSIS

(Cont'd)

FUTURE OUTLOOK AND PROSPECTS

Looking ahead to 2026 and beyond, KGW Group is strategically positioned to navigate an evolving global trade environment while capitalising on structural growth opportunities in the domestic and regional logistics markets. As reported by Bank Negara Malaysia, the Malaysian economy expanded by 6.3% in 2025, supported by resilient domestic demand, sustained infrastructure investments and strengthening export activities. According to the Ministry of Finance, Malaysia's economy is projected to grow between 4.0% and 4.5% in 2026, underpinned by continued infrastructure development, including the East Coast Rail Link ("ECRL"), which is scheduled for completion in December 2026 with operations commencing in January 2027. The ECRL is expected to contribute 3.8% to national economic growth by 2047, which may improve domestic connectivity and create new logistics opportunities for the sector. According to Mordor Intelligence, the Malaysian freight and logistics market is projected to reach USD 38.28 billion by 2030, expanding at a compound annual growth rate ("CAGR") of 5.2% from 2025.

On the global front, the International Monetary Fund forecasts economic growth of 3.3% in 2026, while the World Trade Organisation has revised its global merchandise trade growth forecast downward to 0.5%, reflecting ongoing tariff escalations and heightened trade policy uncertainties. As discussed in the Anticipated or Known Risks section, the evolving US tariff landscape, including the 19.0% reciprocal tariff imposed on Malaysian imports effective August 2025, and the subsequent tariff developments following the US Supreme Court ruling in February 2026, continues to reshape global trade patterns. While these developments present near-term challenges, they also create trade diversion opportunities as businesses seek alternative supply chain routes and sourcing locations, which could benefit Malaysia's logistics sector over the medium term.

We are mindful that near-term operating conditions remain challenging. As experienced during the fourth quarter of FYE 2025, operating and freight volumes moderated due to cautious customer ordering behaviour and inventory adjustments following the implementation of US tariffs. Despite this, demand from the US has remained structurally intact, and we expect gradual normalisation as customers adjust to revised cost structures.

Building on the strategic initiatives outlined in the Business Overview, our Group is well positioned to capitalise on several growth drivers in the coming years:

Our partnership with AGS and SpeedX enhances our end-to-end service capabilities across trans-Pacific trade lanes and the rapidly expanding e-commerce logistics segment, enabling us to diversify revenue streams and strengthen our market reach.

Furthermore, our Hicom Glenmarie warehouse and office complex, which became fully operational in FYE 2025, provides expanded capacity to support higher distribution volumes and specialised healthcare storage requirements. The healthcare logistics segment has the potential to provide resilient growth that is less dependent on cyclical freight market fluctuations, driven by demographic trends, rising medical spending and regulatory demands for compliant logistics providers.

The expected commencement of our haulage operations following the completion of the proposed acquisition of 42 units of plant and machinery will strengthen our end-to-end logistics integration, improve container turnaround efficiency and reduce reliance on third-party haulage providers.

In addition, the successful energisation of our solar panel system in FYE 2025 is expected to reduce grid electricity dependency and operational energy costs, contributing to improved cost efficiency.

While global trade conditions remain challenging, the outlook for Malaysia's logistics industry remains broadly positive, underpinned by resilient domestic demand, structural growth in e-commerce and continued investments in infrastructure and healthcare logistics. Our Group remains cautiously optimistic on our long-term prospects. By capitalising on emerging growth opportunities, strategically expanding our service offerings, enhancing operational capabilities and fostering key partnerships, we are well positioned to sustain our growth and deliver long-term value to our stakeholders.

DIVIDEND

No dividend was declared or paid in FYE 2025 as we are currently prioritising sustainable long-term growth. Although no formal dividend policy is currently in place, our Board is committed to returning value to shareholders through dividend payments in due course, subject to prevailing financial performance, capital expenditure obligations, our Group's overall financial standing, and any other factors our Board considers pertinent.