Financial Statements

2025

DIRECTORS' REPORT

The Directors have pleasure in submitting their Report together with the audited financial statements of the Group and of the Company for the financial period ended 31 December 2025.

PRINCIPAL ACTIVITES

The Company is principally engaged in the research, development, design and manufacturing of analogue, digital and computer-controlled electronic systems or devices for use in electrical, electronic and other industries, as well as the provision of technical and maintenance services and the manufacturing and trading of biomass fuel products. On 27 November 2024, the Company had diversified its business to include design, manufacturing and installation of signs and advertising displays, and interior fit-out services.

The principal activities of the subsidiaries, and associate companies are disclosed in Notes 9 and 10 to the financial statements.

RESULTS

	Group RM	Company RM
Profit for the financial period	33,784,932	2,461,153
Attributable to:		
Owners of the parent	33,527,526	2,461,153
Non-controlling interest	257,406	-
	33,784,932	2,461,153

CHANGE OF FINANCIAL YEAR END

The Company changed its financial year end from 30 June to 31 December. The financial statements have therefore been made up for a period of 18 months from 1 July 2024 to 31 December 2025.

DIVIDENDS

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

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are shown in the financial statements.

ISSUANCE OF SHARES OR DEBENTURES

On 14 January 2025, the issued and fully paid-up ordinary shares of the Company was increased from 1,073,490,940 to 1,208,322,400 by way of issuance of 134,831,460 new ordinary shares at RM0.215 per share as part of the purchase consideration for the acquisition of 100% stake in TES Productions & Projects Pte. Ltd. amounting to RM28,988,764 as disclosed in Note 9(h).

The newly issued shares rank pari passu in all respects with the existing shares of the Company. There were no other issuance of shares during the financial period.

The Group and the Company did not issue any debentures during the financial period.

DIRECTORS' REPORT (CONT'D)

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

The directors who have held office during the financial period and up to the date of this report as follows.

Mikro MSC Berhad

Dato' Seri Ir. Haji Mohamad Zulkefly Bin Sulaiman (Appointed on 2 January 2025)
Yim Yuen Wah
Syed Mohd Hafiz Bin Syed Mohd
Nor Azlan Bin Zainal
Ts. Wan Adli Ridzwan Bin Wan Hassan
Wang Hong
Yang Shing Sing
Sindi, Mohammed Nabil M
Datuk Aznam Bin Mansor (Resigned on 2 January 2025)
Michael Aw Ming Han (Resigned on 27 November 2024)
Goh Yoke Chee (Resigned on 31 December 2025)

Subsidiaries of Mikro MSC Berhad (excluding those who are already listed above)

Tan Soo Kean
Lim Seng Gee
Syed Muhammad Adib Bin Syed Isa (Appointed on 1 July 2024)
Ang Kian Siong (Hong JianQiang) (Appointed on 7 January 2025)
Tay Siang Hui (Resigned on 22 August 2024)
Liu Marn Cole (Resigned on 31 December 2025)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial period and their beneficial interests in the ordinary shares of the Company and of its related corporations during the financial period ended 31 December 2025 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	[------------------------- Number of ordinary shares			-------------------------]
Shares in the Company	Balance as at 01.07.2024	Acquired	Sold	Balance as at 31.12.2025
Direct interests:				
Yim Yuen Wah	136,373,900	-	-	136,373,900
Wan Adli Ridzwan Bin Wan Hassan	3,000	-	-	3,000

The other Directors holding office at the end of the financial period did not hold any interest in ordinary shares in the Company or ordinary shares of its related corporations during the financial period.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) 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.

There were no arrangements made during and at the end of the financial period, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

Details of Directors' remuneration during the financial period are as follows:

	Group 31.12.2025 RM	Company 31.12.2025 RM
Director of the Company:		
Executive Directors		
- Fees	32,000	32,000
- Salaries and other emoluments	2,549,861	817,030
- Defined contribution plans	198,604	97,800
- Benefits-in-kind	38,590	-
	2,819,055	946,830
Non-executive Directors		
- Fees	470,258	470,258
- Meeting allowance	33,000	33,000
	503,258	503,258
	3,322,313	1,450,088
Directors of the subsidiaries of the Company:		
Executive Directors		
- Salaries and other emoluments	1,167,819	-
- Bonus	8,000	-
- Defined contribution plans	143,094	-
- Benefits-in-kind	35,190	-
	1,354,103	-
	4,676,416	1,450,088

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

The Company maintains a liability insurance for the Directors and officers of the Group during the financial period, which provides appropriate insurance cover for the Directors and officers of the Group. The amount of insurance premium paid by the Group and the Company for the financial period ended 31 December 2025 was RM7,350.

INDEMNITY FOR AUDITORS

To the extent permitted under Section 289 of the Companies Act 2016, the Company has agreed to indemnify the auditors, HLB Ler Lum Chew PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' REMUNERATION (CONT'D)

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the financial statements of the Company were made out, the Directors took reasonable steps:-

1. to ascertain that proper action has been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that no provision for doubtful debts was neccessary; and

2. to ensure that any current assets which were unlikely their values as shown in the accounting records of the Company in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this Report, the Directors are not aware of any circumstances:-

(a) which would render it necessary to write off any bad debts or to make any provision for doubtful debts in respect of the financial statements of the Group and of the Company; 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 render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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 period which secures the liability of any other person; or

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

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 period which, in the opinion of the Directors, will or may affect the ability of the Group and of the Company to meet its obligations as and when they fall due.

DIRECTORS' REPORT (CONT'D)

OTHER STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

The Directors state that:-

At the date of this Report, they are not aware of any circumstances not otherwise dealt with in this Report or the financial statements which would render any amount stated in the financial statements misleading.

In their opinion,

(a) the results of the operations of the Company during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature; and

(b) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which is likely to affect substantially the results of the operations of the Company for the financial period in which this Report is made.

SIGNIFICANT EVENTS DURING AND AFTER THE FINANCIAL PERIOD

Details of significant events during and after the financial period are disclosed in Note 30 to the Financial Statements.

AUDITORS' REMUNERATION

Auditors' remuneration is as follows:-

	Group RM	Company RM
Statutory audit		
HLB Ler Lum Chew PLT	333,750	172,500
HLB Ler Lum Chew PLT member firm	39,307	-
Other services	88,000	88,000
	461,057	260,500

AUDITORS

The auditors, HLB Ler Lum Chew PLT, have expressed their willingness to continue in office.

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

Yim Yuen Wah

Syed Mohd Hafiz Bin Syed Mohd

Dated: 14 April 2026

STATEMENT BY DIRECTORS

We, Yim Yuen Wah and Syed Mohd Hafiz Bin Syed Mohd, being two of the Directors of Mikro MSC Berhad, do hereby state that, in the opinion of the Directors, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and cash flows for the financial period then ended.

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

----
Yim Yuen Wah

Syed Mohd Hafiz Bin Syed Mohd

Dated: 14 April 2026

STATUTORY DECLARATION

I, Soo Zin Chuen, being the Officer primarily responsible for the financial management of Mikro MSC Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief the accompanying financial statements are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Soo Zin Chuen (MIA 36789)

Subscribed and solemnly declared by the abovenamed Soo Zin Chuen
at Puchong, Selangor
on 14 April 2026

Before me:

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIKRO MSC BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Mikro MSC Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 14 to 81.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial period then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with *the By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (Including International Independence Standards)* ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current period. 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.

1. **Impairment assessment of goodwill**

   <u>The risk</u>

   As disclosed in Note 7 to the financial statements, the Group has a goodwill of RM47.28 million which arose from the acquisitions of Mikro Busway Sdn. Bhd., Mikro Smartconnection Sdn. Bhd. and TES Productions & Projects Pte. Ltd.

   These CGUs have been tested for impairment during the financial year to assess the recoverability of the carrying amount of the goodwill. The management assessed the recoverable amount of the goodwill by determining the CGU's value-in-use using the discounted cash flows method.

   We determined this to be a key audit matter because it requires management to exercise significant judgements in determining the recoverable amount, estimating the future results and key assumptions applied to cash flow projections of these subsidiaries. These key assumptions include forecast growth in future revenues and operating profit margin, as well as determining an appropriate pre-tax discount rate.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIKRO MSC BERHAD

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MIKRO MSC BERHAD (CONTINUED)

Key Audit Matters (Continued)

1. Impairment assessment of goodwill (Continued)

How our audit addressed the key audit matter

Our audit procedures included, among others, the following:

- Reviewed the cash flow forecast prepared and approved by management;
- Assessed the methodology adopted and the mathematical accuracy of the cash flow forecast calculations;
- Assessed and tested the reasonableness of management's key assumptions used and judgements exercised on its cash flow forecast such as growth rate, operating profit margin and pre-tax discount rate;
- Performed sensitivity analysis on the key assumptions used by management and assessed the impact on the recoverable amount of goodwill;
- Compared historical forecasting for the current financial year to actual results achieved to ascertain the reasonableness of management's estimates; and
- Evaluated the completeness, accuracy and adequacy of disclosures in the financial statements

2. Impairment assessment of investments in a subsidiary

The risk

As at 31 December 2025, the carrying amount of the investment in Mikro Busway Sdn. Bhd. amounted to RM34.04 million.

We determined this to be a key audit matter because it requires management to exercise significant judgements in determining the recoverable amount, estimating the future results and key assumptions applied to cash flow projections of these subsidiaries. These key assumptions include forecast growth in future revenues and operating profit margin, as well as determining an appropriate pre-tax discount rate.

How our audit addressed the key audit matter

Our audit procedures included among others the following:

- Reviewed the cash flow forecast prepared and approved by management;
- Assessed the methodology adopted and the mathematical accuracy of the cash flow forecast calculations;
- Assessed and tested the reasonableness of management's key assumptions used and judgements exercised on its cash flow forecast such as growth rate, operating profit margin and pre-tax discount rate;
- Performed sensitivity analysis on the key assumptions used by management and assessed the impact on the recoverable amount of goodwill;

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIKRO MSC BERHAD

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MIKRO MSC BERHAD (CONTINUED)

Key Audit Matters (Continued)

2. Impairment assessment of investments in a subsidiary (Continued)

How our audit addressed the key audit matter (continued)

- Compared historical forecasting for the current financial year to actual results achieved to ascertain the reasonableness of management's estimates; and

- Evaluated the completeness, accuracy and adequacy of disclosures in the financial statements.

3. Impairment assessment of intangible assets

The risk

On-going development costs capitalised as intangible assets of the Group and of the Company amounted to RM2.9 million and RM3.2 million respectively as at 31 December 2025, as disclosed in Note 8 to the financial statements.

This matter was considered to be a key audit matter due to the significant degree of management judgement involved in assessing the recoverability of these assets. The assessment requires estimation of future economic benefits expected to be generated from the ongoing development projects, which is inherently uncertain.

In determining the recoverable amount, management prepares cash flow projections based on approved budgets and forecasts. These projections incorporate key assumptions, including expected gross margins, projected revenue growth rates, and the pre-tax discount rate applied to discount future cash flows.

How our audit addressed the key audit matter

Our audit procedures included, among others, the following:

- Reviewed the cash flow forecast prepared and approved by management;

- Assessed the methodology adopted and the mathematical accuracy of the cash flow forecast calculations;

- Assessed and tested the reasonableness of management's key assumptions used and judgements exercised on its cash flow forecast such as growth rate, operating profit margin and pre-tax discount rate;

- Performed sensitivity analysis on the key assumptions used by management and assessed the impact on the recoverable amount of goodwill;

- Compared historical forecasting for the current financial year to actual results achieved to ascertain the reasonableness of management's estimates; and

- Evaluated the completeness, accuracy and adequacy of disclosures in the financial statements

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIKRO MSC BERHAD

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MIKRO MSC BERHAD (CONTINUED)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIKRO MSC BERHAD

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MIKRO MSC BERHAD (CONTINUED)

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

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 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.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIKRO MSC BERHAD

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF MIKRO MSC BERHAD (CONTINUED)

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

Other Matters

1. 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.

2. The financial statements of the Company for the year ended 30 June 2024 were audited by another firm of chartered accountants who expressed an unmodified opinion on these financial statements in their report dated 15 October 2024.

HLB LER LUM CHEW PLT
201906002362 & AF 0276
Chartered Accountants

LER JI-YONG
03439/05/2027 J
Chartered Accountant

14 April 2026
Kuala Lumpur

MIKRO MSC BERHAD (Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025

	Note	<------Group	------	------>	<------Company	------	------>
		31.12.2025 RM	30.6.2024 RM Restated	1.7.2023 RM Restated	31.12.2025 RM	30.6.2024 RM Restated	1.7.2023 RM Restated
ASSETS							
Non-current assets							
Property plant and equipment	5	23,346,580	19,294,926	19,963,614	1,639,517	1,905,210	2,181,586
Right-of-use assets	6	6,861,524	1,434,282	1,699,623	73,420	326,100	751,313
Goodwill	7	47,277,134	24,373,578	24,373,578	-	-	-
Intangible assets	8	11,017,164	12,931,491	11,048,551	11,139,587	12,315,982	12,212,351
Investment in subsidiaries	9	-	-	-	97,741,804	68,753,040	68,786,126
Investment in an associate	10	156,441,896	123,244,239	-	91,406,250	91,406,250	-
Other investment	11	1,608,000	1,632,000	22,500,000	-	-	22,500,000
		246,552,298	182,910,516	79,585,366	202,000,578	174,706,582	106,431,376
Current assets							
Inventories	12	21,475,778	22,113,817	27,177,577	16,742,919	17,598,667	22,513,513
Contract assets	13	355,737	-	-	-	-	-
Trade and other receivables	14	24,177,508	19,907,606	20,170,513	28,241,588	21,966,277	10,946,184
Current tax assets		6,618,883	4,190,517	5,014,300	1,404,951	-	1,018,103
Cash and bank balances	15	23,637,558	18,655,640	17,783,188	1,743,204	287,252	5,456,749
		76,265,464	64,867,580	70,145,578	48,132,662	39,852,196	39,934,549
TOTAL ASSETS		322,817,762	247,778,096	149,730,944	250,133,240	214,558,778	146,365,925

MIKRO MSC BERHAD (Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION – (Continued)
AS AT 31 DECEMBER 2025

	Note	Group 31.12.2025 RM	Group 30.6.2024 RM Restated	Group 1.7.2023 RM Restated	Company 31.12.2025 RM	Company 30.6.2024 RM Restated	Company 1.7.2023 RM Restated
EQUITY AND LIABILITIES							
Equity attributable to owners of the Company							
Share capital	16	200,406,801	171,418,037	102,511,787	200,406,801	171,418,037	102,511,787
Translation reserve		(344,249)	-	-	-	-	-
Retained earnings		101,340,395	67,812,869	32,484,379	17,691,132	15,229,979	16,716,401
		301,402,947	239,230,906	134,996,166	218,097,933	186,648,016	119,228,188
Non-controlling interest		533,310	275,904	289,727	-	-	-
Total equity		301,936,257	239,506,810	135,285,893	218,097,933	186,648,016	119,228,188
LIABILITIES							
Non-current liabilities							
Borrowings	17	101,470	225,435	302,206	-	-	-
Deferred tax liabilities	18	2,233,965	1,204,099	1,225,337	1,422,555	461,545	867,497
Lease liabilities	6	4,704,684	641,907	857,284	-	-	308,220
		7,040,119	2,071,441	2,384,827	1,422,555	461,545	1,175,717

MIKRO MSC BERHAD (Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION – (Continued)
AS AT 31 DECEMBER 2025

	Note	Group 31.12.2025 RM	Group 30.6.2024 RM Restated	Group 1.7.2023 RM Restated	Company 31.12.2025 RM	Company 30.6.2024 RM Restated	Company 1.7.2023 RM Restated
Current liabilities							
Contract liabilities	13	65,307	-	-	-	-	-
Trade and other payables	19	10,388,468	5,669,062	11,535,407	30,529,707	26,109,963	25,510,703
Borrowings	17	869,551	76,770	74,133	8,535	984,531	-
Current tax liabilities		655,068	-	-	-	46,503	-
Lease liabilities	6	1,862,992	454,013	450,684	74,510	308,220	451,317
		13,841,386	6,199,845	12,060,224	30,612,752	27,449,217	25,962,020
Total liabilities		20,881,505	8,271,286	14,445,051	32,035,307	27,910,762	27,137,737
TOTAL EQUITY AND LIABILITIES		322,817,762	247,778,096	149,730,944	250,133,240	214,558,778	146,365,925

The accompanying notes form an integral part of the financial statements

Registration No.: 200601018418 (738171 - M)

MIKRO MSC BERHAD

(Incorporated in Malaysia)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2025

(With comparative figures for the financial period from 1 July 2023 to 30 June 2024)

		Group		Company	
	Note	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Revenue	20	109,699,264	57,169,751	42,490,880	22,083,264
Cost of sales	21	(74,861,591)	(38,031,392)	(33,208,877)	(18,294,407)
Gross profit		34,837,673	19,138,359	9,282,003	3,788,857
Other operating income		544,656	26,743,190	1,003,163	108,037
Net (loss)/gain on impairment of financial assets		(463,969)	146,097	-	-
Selling and distribution expenses		(6,650,054)	(5,782,185)	-	-
Administrative expenses		(20,188,684)	(8,124,800)	(6,819,392)	(3,087,388)
Other operating expenses		(5,161,262)	(2,524,823)	(15,172)	(403,230)
Share of results of an associate, net of tax		33,197,657	8,400,489	-	-
Finance costs	22	(251,686)	(152,309)	(10,373)	(18,795)
Tax expense	24	(2,079,399)	(1,992,607)	(979,076)	(521,908)
Profit/(Loss) for the financial period/year		33,784,932	35,851,411	2,461,153	(134,427)
Other comprehensive income, net of tax		(344,249)	-	-	-
Total comprehensive income		33,440,683	35,851,411	2,461,153	(134,427)
Profit/(Loss) attributable to:					
Owners of the parent		33,527,526	35,865,234	2,461,153	(134,427)
Non-controlling interests	9	257,406	(13,823)	-	-
		33,784,932	35,851,411	2,461,153	(134,427)
Total comprehensive income/(loss) attributable to:					
Owners of the parent		33,183,277	35,865,234	2,461,153	(134,427)
Non-controlling interests	9	257,406	(13,823)	-	-
		33,440,683	35,851,411	2,461,153	(134,427)
Earnings per ordinary share attributable to equity holders of the Company (sen):					
- Basic	25	2.89	3.36		
- Diluted	25	2.89	3.36		

The accompanying notes form an integral part of the financial statements

MIKRO MSC BERHAD (Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2025

(With comparative figures for the financial period from 1 July 2023 to 30 June 2024)

Group	Note	Share capital RM	Retained earnings RM	Total attributable to owners of the Company RM	Non-controlling interests RM	Total equity RM
Balance as at 1 July 2023		102,511,787	32,484,379	134,996,166	289,727	135,285,893
Profit for the financial year		-	35,865,234	35,865,234	(13,823)	35,851,411
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income		-	35,865,234	35,865,234	(13,823)	35,851,411
Transactions with owners						
Ordinary shares issued pursuant to private placement	16	68,906,250	-	68,906,250	-	68,906,250
Dividend paid	26	-	(536,744)	(536,744)	-	(536,744)
Total transactions with owners		68,906,250	(536,744)	68,369,506	-	68,369,506
Balance as at 30 June 2024		171,418,037	67,812,869	239,230,906	275,904	239,506,810

MIKRO MSC BERHAD (Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY - (Continued)
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2025

(With comparative figures for the financial period from 1 July 2023 to 30 June 2024)

Group	Note	Share capital RM	Foreign currency translation reserve RM	Retained earnings RM	Total attributable to owners of the Company RM	Non-controlling interests RM	Total equity RM
Balance as at 1 July 2024		171,418,037	-	67,812,869	239,230,906	275,904	239,506,810
Profit for the financial period		-	-	33,527,526	33,527,526	257,406	33,784,932
Other comprehensive income, net of tax		-	(344,249)	-	(344,249)	-	(344,249)
Total comprehensive income		-	(344,249)	33,527,526	33,183,277	257,406	33,440,683
Transactions with owners							
Ordinary shares issued pursuant to:							
- Acquisition of a subsidiary	9	28,988,764	-	-	28,988,764	-	28,988,764
Dividend paid		-	-	-	-	-	-
Total transactions with owners		28,988,764	-	-	28,988,764	-	28,988,764
Balance as at 31 December 2025		200,406,801	(344,249)	101,340,395	301,402,947	533,310	301,936,257

MIKRO MSC BERHAD
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY – (Continued)
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2025

(With comparative figures for the financial period from 1 July 2023 to 30 June 2024)

Company	Note	Share capital RM	Retained earnings RM	Total equity RM
Balance as at 1 July 2023 as previously stated		102,511,787	16,716,401	119,228,188
Adjustment due to retrospective application of MFRS 17 (financial guarantee contracts)		-	(815,251)	(815,251)
Restated balance as at 1 July 2023		102,511,787	15,901,150	118,412,937
Loss for the financial year		-	(134,427)	(134,427)
Other comprehensive income, net of tax		-	-	-
Total comprehensive loss		-	(134,427)	(134,427)
Transactions with owners				
Ordinary shares issued pursuant to private placement	16	68,906,250	-	68,906,250
Dividend paid	26	-	(536,744)	(536,744)
Total transactions with owners		68,906,250	(536,744)	68,369,506
Balance as at 30 June 2024/ 1 July 2024		171,418,037	15,229,979	186,648,016
Profit for the financial period		-	2,461,153	2,461,153
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	2,461,153	2,461,153
Transactions with owners				
Ordinary shares issued as consideration for acquisition of a subsidiary	9	28,988,764	-	28,988,764
Total transactions with owners		28,988,764	-	28,988,764
Balance as at 31 December 2025		200,406,801	17,691,132	218,097,933

The accompanying notes form an integral part of the financial statements

MIKRO MSC BERHAD
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2025

(With comparative figures for the financial period from 1 July 2023 to 30 June 2024)

		Group		Company	
	Note	31.12.2025 RM	30.6.2024 RM Restated	31.12.2025 RM	30.6.2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		35,864,331	37,844,018	3,440,229	387,481
Adjustment for:					
Amortisation of intangible assets	8	2,431,953	1,564,349	2,154,182	1,404,521
Depreciation of property, plant and equipment	5	1,911,691	1,181,292	535,665	365,840
Depreciation of right-of-use assets	6	1,892,166	475,540	649,393	425,213
Fair value loss on other investment	23	24,000	168,000	-	-
Gain on lease termination	6(d)	(2,721)	-	-	-
Gain upon deemed disposal		-	(23,437,500)	-	-
Impairment losses on investment in a subsidiary	9(e)	-	-	-	35,686
Intangible assets written off	8	1,571,366	152,238	1,571,366	152,238
Interest expense		247,998	69,997	10,373	18,795
Interest income	23	(76,971)	(58,203)	-	(6,685)
Inventories written off	12(d)	380,778	648,665	379,324	648,665
Impairment loss on trade and other receivables	14(i)	464,005	-	-	-
Loss on lease modification	6(d)	5,073	-	-	-
Loss/(Gain) on disposals of:					
- property, plant and equipment	23	(120,002)	(81,400)	-	(1,000)
- right-of-use asset	23	-	(778)	-	-
- intangible assets	23	54,910	-	-	-
Reversal of impairment loss on trade and other receivables	14(i)	-	(146,133)	-	-
Share of results of an associate	10(g)	(33,197,657)	(8,400,489)	-	-
Unrealised loss/(gain) on foreign exchange	23	1,385,243	(1,178,897)	-	-
Unwinding of financial guarantee contracts		-	-	(975,996)	(88,168)
Operating profit before changes in working capital		12,836,163	8,800,699	7,764,536	3,342,586
Inventories		257,261	4,415,095	476,424	4,266,181
Contract assets		(355,737)	-	-	-
Trade and other receivables		(5,036,236)	319,590	1,487,795	(11,149,673)
Contract liabilities		65,307	-	-	-
Trade and other payables		2,952,158	(5,889,089)	1,082,824	(240,518)
Cash generated from/(used in) operations		10,718,916	7,646,295	10,811,579	(3,781,424)

MIKRO MSC BERHAD
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2025

(With comparative figures for the financial period from 1 July 2023 to 30 June 2024)

		Group		Company	
	Note	31.12.2025 RM	30.6.2024 RM Restated	31.12.2025 RM	30.6.2024 RM
Interest received		76,971	58,203	-	6,685
Interest paid		(72,628)	(55,829)	(228)	(1,314)
Tax paid		(5,147,248)	(1,717,631)	(1,924,356)	-
Tax refunded		2,324,417	527,569	454,836	394,194
Net cash from/(used in) operating activities		7,900,428	6,458,607	9,341,831	(3,381,859)
CASH FLOW FROM INVESTING ACTIVITIES					
Additions of intangible assets	8	(2,585,662)	(3,599,527)	(2,549,153)	(1,660,390)
Additions of right-of-use assets	6(k)	(141,683)	(30,329)	-	-
Acquisition of interests in other investment		-	(1,800,000)	-	-
Acquisition of a subsidiary, net of cash	9(h)	3,985,746	-	-	-
Acquisition of interest in investment in subsidiaries		-	-	-	(2,600)
Advances to subsidiaries		-	-	(4,432,649)	-
Repayments from subsidiaries		-	-	-	969,358
Purchase of property, plant and equipment	5(d)	(4,052,321)	(512,604)	(219,694)	(89,464)
Proceeds from disposals of:					
- property, plant and equipment		120,000	81,400	-	1,000
- Intangible assets		441,760	-	-	-
- right-of-use asset		-	315,000	-	-
Net cash used in investing activities		(2,232,160)	(5,546,060)	(7,201,496)	(782,096)
CASH FLOW FROM FINANCING ACTIVITIES					
Dividends paid	26	-	(536,744)	-	(536,744)
Drawdown of trust receipts		788,649	-	-	-
Repayments of term loan	17(j)	(119,833)	(74,134)	-	-
Payments of lease liabilities	6(e)	(2,053,723)	(720,308)	(684,383)	(468,798)
Net cash used in financing activities		(1,384,907)	(1,331,186)	(684,383)	(1,005,542)
Net changes in cash and cash equivalents		4,283,361	(418,639)	1,455,952	(5169,497)
Effects of exchange rate changes on cash and cash equivalents		698,557	1,291,091	-	-
Cash and cash equivalents at beginning of financial period/year		18,655,640	17,783,188	287,252	5,456,749
Cash and cash equivalents at end of financial period/year	15	23,637,558	18,655,640	1,743,204	287,252

The accompanying notes form an integral part of the financial statements

MIKRO MSC BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

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

The registered office of the company is located at E-10-4, Megan Avenue 1, 189, Jalan Tun razak, 50400 Kuala lumpur, WP, and principal place of business of the company is located at No.3, Jalan Anggerik Mokara 31/48, Kawasan Industri Kota Kemuning, 40460 Shah Alam, Selangor.

The consolidated financial statements for the financial period ended 31 December 2025 comprise the Company and its subsidiaries and the interest of the Group in an associate.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the research, development, design and manufacturing of analogue, digital and computer-controlled electronic systems or devices for use in electrical, electronic and other industries, as well as the provision of technical and maintenance services and the manufacturing and trading of biomass fuel products. On 27 November 2024, the Company had diversified its business to include design, manufacturing and installation of signs and advertising displays, and interior fit-out services.

The principal activities of the subsidiaries, and associate companies are disclosed in Notes 9 and 10 to the financial statements.

3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) Basis of preparation

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

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

The financial statements have been prepared under the historical cost convention, except as disclosed in material accounting policy information section and are presented in Ringgit Malaysia (RM).

MIKRO MSC BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION – (Continued)

(a) Basis of preparation – (continued)

The Group and the Company adopted the following Standard and Amendments of the MFRS Framework that were issued by the Malaysian Accounting Standard Board ("MASB") during the financial period:

	Effective Date
Amendments to MFRS 107 and MFRS7 Supplier Finance Arrangements	1 January 2024
Amendments to MFRS 16 Lease Liability in Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to MFRS 101 Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 121 "The Effects of Changes in Foreign Exchange Rates" (Lack of Exchangeability)	1 January 2025

New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2025

	Effective Date
Amendments to MFRS 1, "First-time Adoption of Malaysian Financial Reporting Standards"	1 January 2026
Amendments to MFRS 7, "Financial Instruments: Disclosures	1 January 2026
Amendments to MFRS 9, "Financial Instruments	1 January 2026
Amendments to MFRS 10, "Consolidated Financial Statements	1 January 2026
Amendments to MFRS 107, "Statement of Cash Flows	1 January 2026
Amendments to MFRS 9 and MFRS 7 Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10, "Consolidated Financial Statements" and MFRS 128, "Investments in Associates and Joint Ventures" (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)	Deferred

The adoption of the accounting standards and amendments to accounting standards are not expected to have any significant impact to the financial statements of the Group and of the Company.

MIKRO MSC BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

4. OPERATING SEGMENTS

(a) Business segments

31 December 2025

The Group operates mainly in Malaysia and Singapore of a newly acquired subsidiary.

In presenting information on the basis of geographical areas, segment revenue is based on the geographical location of customers.

The composition of each geographical segment is as follows:

(i) Malaysia: Research, development, design and manufacturing of analogue, digital and computer-controlled electronic;
Manufacturing and trading of biomass fuel products.

(ii) Singapore: Design, manufacture and install of signs and advertising displays and interior fit-out services.

30 June 2024

The business of the Group and of the Company is generated from the sales of analogue, digital and computer controlled electronic systems or devices and there was only one business segment identified.

The Group evaluates performance on the basis of profit or loss from operations before tax.

MIKRO MSC BERHAD (Incorporated in Malaysia)

Notes to the Financial Statement (Continued)

4. OPERATING SEGMENTS – (Continued)

(a) Business segments – (Continued)

31 December 2025	Manufacturing RM	Biomass fuel RM	Signage and interior fit-out service RM	Elimination RM	Group RM
External sales	99,626,524	-	10,072,740	-	109,699,264
Intersegment sales	45,501,195	-	19,521	(45,520,716)	-
Total revenue	145,127,719	-	10,092,261	(45,520,716)	109,699,264
Share of results of an associate	-	33,197,657	-	-	33,197,657
Segment results	(13,302,107)	-	3,429,386	12,714,110	2,841,389
Interest income					76,971
Operating profit					36,116,017
Finance cost					(251,686)
Profit before tax					35,864,331
Tax expense					(2,079,399)
Profit after tax					33,784,932
Segment assets	195,138,893	156,441,896	11,326,291	(40,089,318)	322,817,762
Segment liabilities	70,011,268	-	2,692,984	(51,822,747)	20,881,505
Other information					
Amortisation of intangible assets	2,431,953	-	-	-	2,431,953
Depreciation of right-of-use assets	1,388,375	-	503,791	-	1,892,166
Depreciation of property, plant and equipment	1,821,802	-	89,889	-	1,911,691
Intangible assets written off	1,571,366	-	-	-	1,571,366
Interest expenses	197,639	-	54,047	-	251,686
Impairment loss on trade and other receivables	464,005	-	-	-	464,005
Gain on disposal of property, plant and equipment	(120,002)	-	-	-	(120,002)

MIKRO MSC BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

4. OPERATING SEGMENTS – (Continued)

(b) Geographical information

In presenting information on the basis of geographical areas, segment revenue is based on the geographical location of its customers.

Segment assets are based on the geographical location of the assets of the Group.

The non-current assets do not include financial instruments.

	31.12.2025 RM	30.6.2024 RM
Revenue from external customers		
Australia	225,267	68,246
Bangladesh	4,123,227	2,314,792
Cambodia	328,989	369,783
Hong Kong	136,398	92,262
India	2,249,087	1,256,541
Indonesia	5,856,599	3,986,774
Malaysia	56,658,960	33,580,497
Myanmar	144,335	273,336
Others	653,424	333,997
Philippines	209,750	259,940
Singapore	9,788,276	172,595
Sri Lanka	255,569	132,382
Taiwan	350,883	258,972
Thailand	1,824,926	1,303,908
USA	971,457	-
Vietnam	25,922,117	12,765,726
	109,699,264	57,169,751

	31.12.2025 RM	30.6.2024 RM
Non-current assets		
Malaysia	87,636,107	58,034,277
Singapore	866,295	-
	88,502,402	58,034,277

(c) Major customers

The following are major customers with revenue equal or more than ten percent (10%) of Group revenue:

	31.12.2025 RM	30.6.2024 RM
Customer A	24,012,423	11,749,516

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

5. PROPERTY, PLANT AND EQUIPMENT

	Balance as at 1.7.2024 RM	Additions RM	Acquisition of a subsidiary RM	Reclassification from right-of-use assets RM	Depreciation charge for the financial period RM	Translation differences RM	Balance as at 31.12.2025 RM
Group							
Carrying amount							
Freehold land	8,684,500	-	-	-	-	-	8,684,500
Factory buildings	6,533,486	-	-	-	(227,574)	-	6,305,912
Factory equipment	2,840,679	3,732,070	194,561	-	(983,964)	(5,901)	5,777,445
Furniture and fittings	833,242	209,580	3,602	-	(261,406)	(73)	784,945
Motor vehicles	55,826	-	-	171,869	(109,501)	-	118,194
Office equipment	303,696	531,457	9,780	-	(201,184)	(1,014)	642,735
Software applications and equipment	24,976	342,414	-	-	(56,027)	-	311,363
Renovation	18,521	748,222	26,867	-	(72,035)	(89)	721,486
	19,294,926	5,563,743	234,810	171,869	(1,911,691)	(7,077)	23,346,580

	[---------- As at 31.12.2025 ----------]		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	8,684,500	-	8,684,500
Factory buildings	7,585,794	(1,279,882)	6,305,912
Factory equipment	15,708,976	(9,931,531)	5,777,445
Furniture and fittings	2,161,962	(1,377,017)	784,945
Motor vehicles	1,629,601	(1,511,407)	118,194
Office equipment	2,556,882	(1,914,147)	642,735
Software applications and equipment	1,204,260	(892,897)	311,363
Renovation	1,025,931	(304,445)	721,486
	40,557,906	(17,211,326)	23,346,580

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

5. PROPERTY, PLANT AND EQUIPMENT – (Continued)

	Balance as at 1.7.2023 RM	Additions RM	Depreciation charge for the financial year RM	Balance as at 30.6.2024 RM
Group				
Carrying amount				
Freehold land	8,684,500	-	-	8,684,500
Factory buildings	6,686,119	-	(152,633)	6,533,486
Factory equipment	3,080,784	398,694	(638,799)	2,840,679
Furniture and fittings	991,205	23,087	(181,050)	833,242
Motor vehicles	158,532	-	(102,706)	55,826
Office equipment	295,181	88,814	(80,299)	303,696
Software applications and equipment	44,348	2,009	(21,381)	24,976
Renovation	22,945	-	(4,424)	18,521
	19,963,614	512,604	(1,181,292)	19,294,926

	[------ As at 30.6.2024 ------]		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	8,684,500	-	8,684,500
Factory buildings	7,585,794	(1,052,308)	6,533,486
Factory equipment	10,995,041	(8,154,362)	2,840,679
Furniture and fittings	2,468,737	(1,635,495)	833,242
Motor vehicles	1,996,943	(1,941,117)	55,826
Office equipment	1,219,675	(915,979)	303,696
Software applications and equipment	861,846	(836,870)	24,976
Renovation	148,658	(130,137)	18,521
	33,961,194	(14,666,268)	19,294,926

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

5. PROPERTY, PLANT AND EQUIPMENT – (Continued)

	Balance as at 1.7.2024 RM	Additions RM	Reclassification from right-of-use assets RM	Depreciation charge for the financial period RM	Balance as at 31.12.2025 RM
Company					
Carrying amount					
Factory equipment	1,766,189	132,182	-	(470,208)	1,428,163
Furniture and fittings	60,086	4,162	-	(12,749)	51,499
Office equipment	53,961	89,813	-	(27,319)	116,455
Software applications and equipment	24,974	-	-	(12,262)	12,712
Motor vehicles	-	-	43,815	(13,127)	30,688
	1,905,210	226,157	43,815	(535,665)	1,639,517

	[------ As at 31.12.2025 ------]		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Factory equipment	7,133,785	(5,705,622)	1,428,163
Furniture and fittings	197,959	(146,460)	51,499
Office equipment	360,295	(243,840)	116,455
Software applications and equipment	238,771	(226,059)	12,712
Renovation	114,018	(114,018)	-
Motor vehicles	102,293	(71,605)	30,688
	8,147,121	(6,507,604)	1,639,517

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

5. PROPERTY, PLANT AND EQUIPMENT – (Continued)

	Balance as at 1.7.2023 RM	Additions RM	Depreciation charge for the financial year RM	Balance as at 30.6.2024 RM
Company				
Carrying amount				
Factory equipment	2,036,639	51,693	(322,143)	1,766,189
Furniture and fittings	68,441	-	(8,355)	60,086
Office equipment	32,160	35,762	(13,961)	53,961
Software applications and equipment	44,346	2,009	(21,381)	24,974
	2,181,586	89,464	(365,840)	1,905,210

	[------ As at 30.6.2024 ------]		
	Cost RM	Accumulated depreciation RM	Carrying amount RM
Factory equipment	7,001,603	(5,235,414)	1,766,189
Furniture and fittings	193,797	(133,711)	60,086
Office equipment	270,482	(216,521)	53,961
Software applications and equipment	238,771	(213,797)	24,974
Renovation	114,018	(114,018)	-
	7,818,671	(5,913,461)	1,905,210

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

5. PROPERTY, PLANT AND EQUIPMENT – (Continued)

(a) All items of property, plant and equipment are initially measured at cost. After initial recognition, property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

(b) Depreciation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The estimated useful lives represent the common life expectancies applied in the industry within which the Group operates. The principal annual depreciation rates are as follows:

Factory buildings	2%
Factory equipment	10% - 14%
Furniture and fittings	10%
Motor vehicles	14%
Office equipment	14% - 20%
Software applications and equipment	14%
Renovation	14%

Freehold land has unlimited useful life and is not depreciated

(c) As at the end of the reporting period, freehold land and factory buildings of the Group with a carrying amount of RM14,990,412 (2024: RM15,217,986) have been charged to a bank for flexi loan facility granted to the Group.

(d) Analysis of purchase of property, plant and equipment:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Cash	4,052,321	512,604	219,694	89,464
Payables	1,511,422	-	6,463	-
	5,563,743	512,604	226,157	89,464

(e) During the current financial period, factory equipment of the Group with cost and carrying amount amounting to RM36,220 and Nil respectively, has been written-off.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

6. LEASES

Right-of-use assets	Balance as at 1.7.2024 RM	Additions RM	Acquisition of a subsidiary RM	Lease termination RM	Lease modification RM	Reclassification to property, plant and equipment RM	Depreciation charge for the financial period RM	Translation differences RM	Balance as at 31.12.2025 RM
Carrying amount									
Buildings	174,809	6,083,425	-	(113,547)	270,773	-	(1,385,368)	(19,397)	5,010,695
Motor vehicles	1,259,473	921,683	294,467	-	-	(171,869)	(492,801)	(7,340)	1,803,613
Office equipment	-	-	63,193	-	-	-	(13,997)	(1,980)	47,216
	1,434,282	7,005,108	357,660	(113,547)	270,773	(171,869)	(1,892,166)	(28,717)	6,861,524

Lease liabilities	Balance as at 1.7.2024 RM	Additions RM	Acquisition of a subsidiary RM	Lease termination RM	Lease modification RM	Lease payments RM	Interest expense RM	Translation differences RM	Balance as at 31.12.2025 RM
Carrying amount									
Buildings	172,335	6,083,425	-	(116,268)	275,846	(1,489,541)	172,789	(18,504)	5,080,082
Motor vehicles	923,585	780,000	289,767	-	-	(613,503)	63,275	(7,643)	1,435,481
Office equipment	-	-	65,658	-	-	(13,954)	2,581	(2,172)	52,113
	1,095,920	6,863,425	355,425	(116,268)	275,846	(2,116,998)	238,645	(28,319)	6,567,676

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

6. LEASES – (Continued)

Right-of-use assets	Balance as at 1.7.2023 RM	Additions RM	Disposal RM	Depreciation charge for the financial year RM	Balance as at 30.6.2024 RM
Carrying amount					
Buildings	140,480	227,092	-	(192,763)	174,809
Motor vehicles	1,559,143	297,329	(314,222)	(282,777)	1,259,473
	1,699,623	524,421	(314,222)	(475,540)	1,434,282

Lease liabilities	Balance as at 1.7.2023 RM	Additions RM	Lease payments RM	Interest expense RM	Balance as at 30.6.2024 RM
Carrying amount					
Buildings	143,143	227,092	(212,068)	14,168	172,335
Motor vehicles	1,164,825	267,000	(552,079)	43,839	923,585
	1,307,968	494,092	(764,147)	58,007	1,095,920

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

6. LEASES – (Continued)

The company as lessee (continued)

Right-of-use assets	Balance as at 1.7.2024 RM	Addition RM	Depreciation charge for the financial period RM	Reclassification to property, plant and equipment RM	Balance as at 31.12.2025 RM
Carrying amount					
Buildings	273,931	440,528	(641,039)	-	73,420
Motor vehicles	52,169	-	(8,354)	(43,815)	-
	326,100	440,528	(649,393)	(43,815)	73,420

Lease liabilities	Balance as at 1.7.2024 RM	Addition RM	Lease payments RM	Interest expense RM	Balance as at 31.12.2025 RM
Carrying amount					
Buildings	295,417	440,528	(671,580)	10,145	74,510
Motor vehicles	12,803	-	(13,031)	228	-
	308,220	440,528	(684,611)	10,373	74,510

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

6. LEASES – (Continued)

The company as lessee (continued)

Right-of-use assets	Balance as at 1.7.2023 RM	Depreciation charge for the financial year RM	Balance as at 30.6.2024 RM
Carrying amount			
Buildings	684,823	(410,892)	273,931
Motor vehicles	66,490	(14,321)	52,169
	751,313	(425,213)	326,100

Lease liabilities	Balance as at 1.7.2023 RM	Lease payments RM	Interest expense RM	Balance as at 30.6.2024 RM
Carrying amount				
Buildings	725,656	(447,720)	17,481	295,417
Motor vehicles	33,881	(22,392)	1,314	12,803
	759,537	(470,112)	18,795	308,220

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

6. LEASES – (Continued)

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Current liabilities	1,862,992	454,013	74,510	308,220
Non-current liabilities	4,704,684	641,907	-	-
	6,567,676	1,095,920	74,510	308,220
Lease liabilities owing to financial institutions	1,432,863	923,585	-	12,803
Lease liabilities owing to non-financial institutions	5,134,813	172,335	74,510	295,417
	6,567,676	1,095,920	74,510	308,220

(a) The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any re-measurement of the lease liabilities.

(b) The right-of-use assets are depreciated on the straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term. The lease terms of right-of-use assets are as follows:

Buildings	2 - 5 years
Motor vehicles	7 years
Office Equipment	5 years

(c) The Group has certain leases of machineries and equipments with lease term of twelve (12) months or less, and low value leases of office equipment of RM20,000 and below. The Group applies the “short-term lease” and “lease of low-value assets” exemptions for these leases.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

6. LEASES – (Continued)

(d) The following are the amounts recognised in profit or loss:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Gain on disposal of right-of-use assets (included in other operating income)	-	(778)	-	-
Depreciation charge of right-of-use assets (included in cost of sales and other operating expenses)	1,892,166	475,540	649,393	425,213
Interest expense on lease liabilities (included in finance costs)	238,645	58,007	10,373	18,795
Gain on lease termination (included in other operating expenses)	(2,721)	-	-	-
Loss on lease modification (included in other operating expenses)	5,073	-	-	-
Expense relating to short-term leases (included in cost of sales and other operating expenses)	248,757	61,350	30,142	14,527
Expense relating to leases of low-value assets (included in other operating expenses)	18,153	10,598	-	-
	2,400,073	604,717	689,908	458,535

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

6. LEASES – (Continued)

(e) The following are total cash outflows for leases as a lessee:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Included in net cash from/(used in) operating activities				
Payment relating to short-term leases and low value assets	266,910	71,948	30,142	14,527
Included in net cash used in investing activities				
Additions of right-of-use assets	141,683	30,329	-	-
Included in net cash used in financing activities				
Payment of lease liabilities	2,053,723	720,308	684,383	468,798
	2,462,316	822,585	714,525	483,325

(f) Management exercises significant judgement in determining the incremental borrowing rates whenever the implicit rates of interest in a lease are not readily determinable as well as the lease terms. The incremental borrowing rates used are based on prevailing market borrowing rates over similar lease terms, of similar value as the right-of-use asset in a similar economic environment. Lease terms are based on management expectations driven by prevailing market conditions and past experience in exercising similar renewal and termination options.

(g) The currency exposure profile of lease liabilities is as follows:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Ringgit Malaysia	5,843,967	1,095,920	74,510	308,220
Singapore Dollar	723,709	-	-	-
	6,567,676	1,095,920	74,510	308,220

(h) As the influence of foreign currency changes on the profit or loss is insignificant, no sensitivity analysis has been conducted.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

6. LEASES – (Continued)

(i) The table below summarises the maturity profile of the lease liabilities of the Group and of the Company at the end of the reporting period based on contractual undiscounted repayment obligations as follows:

Group	Weighted average incremental borrowing rate per annum %	On demand or within one year RM	One to five years RM	Total RM
31 December 2025				
Lease liabilities	3.77	2,119,222	4,950,779	7,070,001
30 June 2024				
Lease liabilities	2.99	494,663	677,537	1,172,200
Company				
31 December 2025				
Lease liabilities	3.55	74,620	-	74,620
30 June 2024				
Lease liabilities	3.64	311,510	-	311,510

(j) Reconciliation of liabilities arising from financing activities:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Balance as at 1 July	1,095,920	1,307,968	308,220	759,537
Cash flows				
- Payments of lease liabilities	(2,116,998)	(764,147)	(684,611)	(470,112)
- Interest paid	63,275	43,839	228	1,314
	(2,053,723)	(720,308)	(684,383)	(468,798)
Non-cash flows:				
- Additions of right-of-use assets	6,863,425	494,092	440,528	-
- Acquisition of a subsidiary	355,425	-	-	-
- Lease termination	(116,268)	-	-	-
- Lease modification	275,846	-	-	-
- Unwinding of interest	175,370	14,168	10,145	17,481
- Translation differences	(28,319)	-	-	-
Balance as at 31 December/30 June	6,567,676	1,095,920	74,510	308,220

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

6. LEASES – (Continued)

(k) The Group and the Company made the following cash payments to purchase right-of-use assets:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Purchase of right-of-use assets	7,005,108	524,421	-	-
Financed by lease liabilities	(6,863,425)	(494,092)	-	-
Cash payments on purchase of right-of-use assets	141,683	30,329	-	-

(l) Sensitivity analysis for fixed rate lease liabilities at the end of the reporting period is not presented as fixed rate instruments is not affected by changes in interest rates.

7. GOODWILL

Group	31.12.2025 RM	30.6.2024 RM
Carrying amount		
Goodwill	47,277,134	24,373,578

(a) Goodwill recognised in a business combination is an asset at the acquisition date and is initially measured at cost. After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any.

(b) Goodwill is tested for impairment on an annual basis by comparing the carrying amount with the recoverable amount of the cash generating unit ("CGU") based on value-in-use. Value-in-use is determined by discounting the future cash flows to be generated from the continuing use of the CGU.

(c) During the financial period/year, the cash flow projections are based on budgets for the next five (5) years, with various inputs, assumptions and terminal value thereafter. The cash flows were probability weighted based on the following scenarios:

31 December 2025	Mikro Busway Sdn. Bhd.	Mikro Smartconnection Sdn. Bhd.	TES Productions & Projects Pte. Ltd.
Growth rates	10.95%	2%	5%
Operating profit margin	7%	22%	37%
Pre-tax discount rate	10.70%	10.70%	10.70%

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

7. GOODWILL – (Continued)

(c) During the financial period/year, the cash flow projections are based on budgets for the next five (5) years, with various inputs, assumptions and terminal value thereafter. The cash flows were probability weighted based on the following scenarios: – (continued)

30 June 2024	Mikro Busway Sdn. Bhd.	Mikro Smartconnection Sdn. Bhd.
Growth rates	27%	28%
Operating profit margin	13%	15%
Pre-tax discount rate	11%	11%

Based on the impairment assessment undertaken by the Group, no impairment loss is required for the carrying amount of the goodwill as at 31 December 2025 as the recoverable amount is in excess of the carrying amount.

The management is not aware of any reasonably possible change in the above key assumptions that would cause the carrying amounts of the CGU to materially exceed their recoverable amounts.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

8. INTANGIBLE ASSETS

Group	Balance as at 1.7.2024 RM	Additions RM	Disposal RM	Amortisation charge for the financial period RM	Written off RM	Balance as at 31.12.2025 RM
Carrying amount						
Development costs:						
- On-going development cost	2,174,849	1,984,428	-	-	(1,255,414)	2,903,863
- Completed development cost	8,606,266	564,725	-	(2,154,182)	(315,952)	6,700,857
Testing certificate	2,150,376	36,509	(496,670)	(277,771)	-	1,412,444
	12,931,491	2,585,662	(496,670)	(2,431,953)	(1,571,366)	11,017,164

	[---- As at 31.12.2025		----]	
	Cost RM	Accumulated amortisation RM	Accumulated impairment losses RM	Carrying amount RM
Development costs:				
- On-going development cost	3,241,829	-	(337,966)	2,903,863
- Completed development cost	22,494,282	(14,621,269)	(1,172,156)	6,700,857
Testing certificate	2,067,587	(655,143)	-	1,412,444
Customer contracts	1,941,000	(1,941,000)	-	-
	29,744,698	(17,217,412)	(1,510,122)	11,017,164

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

8. INTANGIBLE ASSETS – (Continued)

Group	Balance as at 1.07.2023 RM	Additions RM	Amortisation charge for the financial year RM	Written off RM	Balance as at 30.6.2024 RM
Carrying amount					
Development costs:					
- On-going development cost	785,764	1,541,323	-	(152,238)	2,174,849
- Completed development cost	9,913,724	119,066	(1,426,524)	-	8,606,266
Testing certificate	349,063	1,939,138	(137,825)	-	2,150,376
	11,048,551	3,599,527	(1,564,349)	(152,238)	12,931,491

	[---- As at 30.6.2024			----]
	Cost RM	Accumulated amortisation RM	Accumulated impairment losses RM	Carrying amount RM
Development costs:				
- On-going development cost	2,512,815	-	(337,966)	2,174,849
- Completed development cost	22,245,509	(12,467,087)	(1,172,156)	8,606,266
Testing certificate	2,527,748	(377,372)	-	2,150,376
Customer contracts	1,941,000	(1,941,000)	-	-
	29,227,072	(14,785,459)	(1,510,122)	12,931,491

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

8. INTANGIBLE ASSETS – (Continued)

Company	Balance as at 1.7.2024 RM	Additions RM	Amortisation charge for the financial period RM	Written off RM	Balance as at 31.12.2025 RM
Carrying amount					
Development costs					
- On-going development cost	2,471,041	1,984,428	-	(1,255,414)	3,200,055
- Completed development cost	9,844,941	564,725	(2,154,182)	(315,952)	7,939,532
	12,315,982	2,549,153	(2,154,182)	(1,571,366)	11,139,587

	[------ As at 31.12.2025 ------]			
	Cost RM	Accumulated amortisation RM	Accumulated impairment losses RM	Carrying amount RM
Development costs				
- On-going development cost	3,538,021	-	(337,966)	3,200,055
- Completed development cost	30,011,852	(20,812,320)	(1,260,000)	7,939,532
	33,549,873	(20,812,320)	(1,597,966)	11,139,587

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

8. INTANGIBLE ASSETS – (Continued)

Company	Balance as at 1.7.2023 RM	Additions RM	Amortisation charge for the financial year RM	Written off RM	Balance as at 30.6.2024 RM
Carrying amount					
Development costs					
- On-going development cost	1,081,956	1,541,323	-	(152,238)	2,471,041
- Completed development cost	11,130,395	119,067	(1,404,521)	-	9,844,941
	12,212,351	1,660,390	(1,404,521)	(152,238)	12,315,982

	[---- As at 30.6.2024			----]
	Cost RM	Accumulated amortisation RM	Accumulated impairment losses RM	Carrying amount RM
Development costs				
- On-going development cost	2,809,007	-	(337,966)	2,471,041
- Completed development cost	30,047,289	(18,942,348)	(1,260,000)	9,844,941
	32,856,296	(18,942,348)	(1,597,966)	12,315,982

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

8. INTANGIBLE ASSETS – (Continued)

(a) Expenditure on development activities of internally developed products is recognised as an intangible asset when it relates to the production of new or substantively improved products and processes and when the Group can demonstrate that it is technically feasible to develop the product or processes, adequate resources are available to complete the development and that there is an intention to complete and sell the product or processes to generate future economic benefits.

(b) Capitalised development costs are amortised on a straight-line basis over a period of twelve (12) years (2024: twelve (12) years) based on the assessment of the existing products' market lifespan. Development expenditure not satisfying the criteria mentioned and expenditure arising from research or from the research phase of internal projects are recognised in profit or loss as incurred.

(c) The testing certificate acquired separately for the purpose of selling imported products from overseas in Malaysia is measured on initial recognition at cost.

(d) Following initial recognition, the testing certificate is carried at costs less any accumulated amortisation and accumulated impairment losses, if any. The useful life of the testing certificate is assessed to be finite and is amortised on a straight-line basis over the estimated economic useful life of twelve (12) years (2024: twelve (12) 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 once at the end of each reporting period. The amortisation expense on the testing certificate with finite useful life is recognised in the profit or loss.

(e) The customer contracts were acquired as part of a business combination. They are recognised at their fair value at the date of acquisition, and are subsequently amortised on a straight-line basis based on the timing of projected cash flows of the contracts over their estimated economic useful life of one (1) year.

(f) During the financial period, amortisation for intangible assets of the Group and of the Company amounting to RM2,431,953 (2024: RM1,564,349) and RM2,154,182 (2024: RM1,404,521) respectively has been recognised in profit or loss under cost of sales.

(g) During the financial period, the Group and the Company wrote off development costs relating to ongoing and completed development costs amounting to RM1,255,414 with a cost of Nil and RM315,952 with a cost of RM600,162 respectively.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

9. INVESTMENT IN SUBSIDIARIES

	Company	
	31.12.2025 RM	30.6.2024 RM Restated
At cost:		
- Unquoted shares	98,427,914	69,439,150
Accumulated impairment losses	(686,110)	(686,110)
	97,741,804	68,753,040

(a) Investments in subsidiaries, which are eliminated on consolidation are stated in the separate financial statements of the Company at cost less impairment losses, if any. Non-controlling interests are measured at their acquisition-date fair values, unless another measurement basis is required by MFRSs.

(b) The Company has assessed whether there were any indicators of impairment during the financial period. The Company determines whether an impairment loss is required by evaluating the extent to which the recoverable amount is less than its carrying amount. The recoverable amount is determined based on the value-in-use and fair value less cost to sell.

Value-in-use is the net present value of the projected future cash flows, which involve judgements in estimating the key assumptions, including growth rate, operating profit margin as well as determining an appropriate pre-tax discount rate.

(c) The details of the subsidiaries are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity 2025	2024	Principal activities
Mikro Sdn. Bhd.	Malaysia	100%	100%	Sales of analogue, digital and computer controlled electronic devices for the purpose of protecting, monitoring and programming in an electrical system.
Formula Concept Sdn. Bhd. ^	Malaysia	100%	100%	Manufacturing of analogue, digital and computer controlled electronic devices for the purpose of protecting, monitoring and programming in an electrical system.
Mikrocap Sdn. Bhd. ("Mikrocap")	Malaysia	100%	100%	Trading of capacitors.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

9. INVESTMENT IN SUBSIDIARIES – (Continued)

(c) The details of the subsidiaries are as follows: – (continued)

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity 2025	2024	Principal activities
Mikro Busway Sdn. Bhd. ("Busway") (formerly known as EPE Busway Sdn. Bhd.)	Malaysia	100%	100%	Manufacturing and dealing of medium voltage and low voltage busway system.
Mittric Systems Sdn. Bhd. ("Mittric")	Malaysia	100%	100%	Trading of busduct.
Mikro Smartconnection Sdn. Bhd. ("Smartconnection")	Malaysia	60%	60%	Manufacturing of coil, transformer and all types of magnetic from low to high power.
Mikro Energy Solutions Sdn. Bhd. ("Energy")	Malaysia	100%	100%	The installation of non-electric solar energy collectors and operation of generation facilities that produce electric energy.
Mikro Engineering Solutions Sdn. Bhd. ("Engineering")	Malaysia	100%	100%	Trading and service of electrical equipment and components and carry out business of contracting services related to the installation, troubleshooting, repair and maintenance of electrical and electronic systems.
TES Production & Projects Pte. Ltd. ("TES") *	Singapore	100%	-	General contractors and manufacturer of signs and advertising displays.

** Subsidiaries not audited by HLB Ler Lum Chew PLT*
^ In the process of members' voluntary winding-up

(d) The reconciliation of movement in the impairment loss is as follows:

	Company 31.12.2025 RM	30.6.2024 RM
Balance as at 1 July 2024/2023	686,110	650,424
Charge for the financial period/year	-	35,686
Balance as at 31 December/30 June	686,110	686,110

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

9. INVESTMENT IN SUBSIDIARIES – (Continued)

(e) During the previous year, the Company had made an additional impairment of RM Nil (2024: RM35,686) in respect of a subsidiary due to poor financial position of the subsidiary. The recoverable amount of the cost of investment in the subsidiary was based on its fair value less cost to sell ("FVLCTS") of the underlying assets. The net assets of the subsidiary were used as a proxy for its recoverable amount based on FVLCTS method and were within Level 3 of the fair value hierarchy.

(f) The subsidiary of the Group that had material non-controlling interests ("NCI") was as follows:

	Mikro Smartconnection	
	31.12.2025	30.6.2024
NCI percentage of ownership interest and voting interest	40%	40%
Carrying amount of NCI (RM)	533,310	275,904
Profit/(Loss) allocated to NCI (RM)	257,406	(13,823)
Total comprehensive income/(loss) allocated to NCI (RM)	257,406	(13,823)

(g) The summarised financial information before intra-group elimination of the subsidiary that had NCI as at the end of each reporting period were as follows:

	Mikro Smartconnection	
	31.12.2025	30.6.2024
	RM	RM
Assets and liabilities		
Non-current assets	270,743	205,986
Current assets	1,502,048	586,665
Non-current liabilities	(84,970)	(13,220)
Current liabilities	(567,558)	(302,682)
Net assets	1,120,263	476,749
Results		
Revenue	4,130,149	1,316,832
Profit/(Loss) for the financial period/year	643,514	(34,557)
Total comprehensive income/(loss)	643,514	(34,557)
Net cash flows from operating activities	575,422	72,973
Net cash flows used in investing activities	(34,105)	-
Net cash flows used in financing activities	(165,186)	(236,680)
Net changes in cash and cash equivalents	376,131	(163,707)

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

9. INVESTMENT IN SUBSIDIARIES – (Continued)

(h) Acquisition of TES Production & Projects Pte. Ltd. ("TES")

On 14 January 2025, the Company completed the acquisition of 100% of the equity interest in TES Production & Projects Pte. Ltd. ("TES") from Calida Group Pte. Ltd. for a total consideration of RM28,988,764 to be satisfied entirely through issuance of 134,831,460 new ordinary shares in the Company.

The fair values of identifiable assets acquired and liabilities assumed have been determined on a provisional basis and will be finalised within one year after the acquisition date.

Details of the consideration transferred and goodwill recognised are as follows:

	RM
Purchase consideration	28,988,764
Less: Share of net assets aquired	
Fair value of net assets acquired	6,085,208
Provisional goodwill	22,903,556

The provisionally determined fair values of the assets and liabilities as at the date of acquisition are as follows:

	RM
Property, plant and equipment	234,810
Right-of-use assets	357,660
Trade and other receivables	2,952,027
Cash and bank balances	3,985,746
Trade and other payables	(1,089,610)
Lease liabilities	(355,425)
Identifiable net assets acquired	6,085,208

Details of cash flow arising from the acquisition are as follows:-

	RM
Purchase consideration	28,988,764
Less: Ordinary shares issued	(28,988,764)
Cash consideration	-
Less: Cash and cash equivalents in subsidiary acquired	(3,985,746)
Net cash (inflow)/outflow on acquisition	(3,985,746)

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

9. INVESTMENT IN SUBSIDIARIES – (Continued)

(h) Acquisition of TES Production & Projects Pte. Ltd. ("TES") – (continued)

(a) Had the subsidiary been acquired on 1 July 2024, contributed revenue and profit for the financial period ended 31 December 2025 would have been RM15,287,157 and RM4,641,787 respectively.

(b) The Group incurred acquisition-related costs of RM674,269. These costs are included in "Administrative expenses" in the Income Statements and in operating cash flows in the Statements of Cash Flows.

10. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Shares at cost	114,843,750	114,843,750	91,406,250	91,406,250
Share of post-acquisition reserves	41,598,146	8,400,489	-	-
	156,441,896	123,244,239	91,406,250	91,406,250

(a) Investment in an associate is measured at cost less impairment losses in the separate financial statements of the Company and accounted for using equity method in the consolidated financial statements.

(b) During the financial period, the Company entered into an agreement on share exchange of its 25% equity in Bio Eneco Sdn Bhd ("BESB") for 25% equity interest in Elridge Energy Holdings Berhad ("EEHB"). Consequently, BESB ceased to be an associate of the Group and EEHB become an associate of the Group.

(c) EEHB was successfully listed on the ACE market of Bursa Securities Malaysia Berhad ("Bursa Securities") and raised RM101,500,000 through its initial public offering. Consequently, the Group's effective interest in EEHB has been diluted to 20.625%.

(d) The Group has assessed whether there were any indicators of impairment during the financial period. The Group determines whether an impairment loss is required by evaluating the extent to which the recoverable amount is less than its carrying amount. The recoverable amount is determined based on the fair value of the quoted shares.

EEHB's shares are quoted on the Bursa Securities following the IPO and the market value of the Group's investment in EEHB at the end of reporting period was RM416,625,000.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

10. INVESTMENT IN AN ASSOCIATE – (Continued)

(e) The details of the associate are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest in equity 2025	2024	Principal activities
Bio Eneco Sdn. Bhd. ("BESB")	Malaysia	-	25%	Manufacturing and trading of biomass fuel products
Elridge Energy Holdings Berhad ("EEHB")	Malaysia	20.625%	-	Investment holding company

(f) In the previous financial year, BESB had a financial year end of 31 December, which was not coterminous with that of the Group. Accordingly, the unaudited financial statements of BESB for the financial period ended 30 June 2024 were used in applying the equity method of accounting.

(g) The summarised financial information of the associate, not adjusted for the proportion of ownership interest held by the Group, is as follows:

(i) Summarised statement of financial position

	EEHB 31.12.2025 RM	BESB 30.6.2024 RM
Assets and liabilities		
Current assets	302,534,860	118,705,453
Non-current assets	61,858,769	31,384,537
Total assets	364,393,629	150,089,990
Current liabilities	104,842,341	77,785,746
Non-current liabilities	27,541,588	13,686,869
Total liabilities	132,383,929	91,472,615
Net assets	232,009,700	58,617,375

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

10. INVESTMENT IN AN ASSOCIATE – (Continued)

(g) The summarised financial information of the associate, not adjusted for the proportion of ownership interest held by the Group, is as follows:

(ii) Summarised statement of comprehensive income

	EEHB 31.12.2025 RM	BESB 30.6.2024 RM
Results		
Revenue	630,443,176	347,587,623
Profit for the financial period	74,890,688	35,297,165
Total comprehensive income	74,890,688	35,297,165

(iii) Reconciliation of the summarised financial information presented above to the carrying amount of the Group's interest in associate

	EEHB 31.12.2025 RM	BESB 30.6.2024 RM
Net assets as at 1 July 2024 / 1 September 2023	58,617,375	23,320,210
Changes in equity arising from share issuance	98,501,637	-
Total comprehensive income	74,890,688	35,297,165
Net assets as at 31 December 2025/ 30 June 2024	232,009,700	58,617,375
Interest in associate	20.625%	25.00%
	47,852,001	14,654,344
Goodwill	108,589,895	108,589,895
Carrying value of Group's interest in associate	156,441,896	123,244,239

	RM	RM
Share of profit for the financial period	15,711,382	8,400,489
Share of changes in equity	17,486,275	-
Share of results of an associate	33,197,657	8,400,489

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

11. OTHER INVESTMENT

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Current				
Fair value through profit or loss:				
Quoted shares in Malaysia	1,608,000	1,632,000	-	-

(a) The Group's and Company's other investments are classified as financial assets measured at fair value through profit or loss. These are strategic investments for which the Group and the Company consider this classification to be appropriate and relevant.

(b) Quoted shares in Malaysia are categorised as Level 1 fair value hierarchy. Fair value of quoted shares is determined by reference to exchange quoted market prices at the end of the reporting period.

(c) Information on financial risks of other investments is disclosed in Note 29 to the financial statements.

12. INVENTORIES

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
At cost				
Raw materials	10,538,182	8,919,144	7,065,565	5,742,051
Work-in-progress	2,949,854	3,586,297	2,274,106	2,466,380
Finished goods	7,987,742	9,608,376	7,403,248	9,390,236
	21,475,778	22,113,817	16,742,919	17,598,667

(a) Inventories are stated at the lower of cost and net realisable value.

(b) Cost is determined using the weighted average method. The cost of raw materials comprises all costs of purchase, plus the cost of bringing the inventories to their present location and condition. The cost of work-in-progress and finished goods includes the cost of raw materials, direct labour, other direct cost and a proportion of production overheads based on normal operating capacity of the production facilities.

(c) During the financial period, inventories of the Group and of the Company recognised as cost of sales amounted to RM44,804,034 and RM23,974,270 (2024: RM28,309,623 and RM12,937,955) respectively.

(d) A write off of inventories amounting to RM380,778 (2024: RM648,665) and RM379,324 (2024: RM648,665) were made by the Group and the Company respectively during the financial period

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

13. CONTRACT ASSETS/(LIABILITIES)

	Group	
	31.12.2025 RM	30.6.2024 RM
Contract assets	355,737	-
Contract liabilities	(65,307)	-

The contract assets primarily relate to the Group's right to consideration for work completed but not billed at the reporting. The contract assets are transferred to trade receivables when the right becomes unconditional. This usually occurs when the Group invoices the customer.

The contract liabilities primarily relate to advance consideration received from customers for project of sign board and installation services.

14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Trade receivables				
Third parties	23,895,041	19,391,690	-	-
Amount owing by a subsidiary	-	-	20,184,646	21,698,846
	23,895,041	19,391,690	20,184,646	21,698,846
Less: Impairment losses				
- Third parties	(1,147,774)	(683,769)	-	-
	22,747,267	18,707,921	20,184,646	21,698,846
Other receivables and deposits				
Amount owing by subsidiaries	-	-	7,887,007	123,900
Third parties	787,329	720,153	169,935	130,011
Deposits	711,284	139,023	-	13,520
	1,498,613	859,176	8,056,942	267,431
Less: Impairment losses				
- Third parties	(294,820)	-	-	-
	1,203,793	859,176	8,056,942	267,431
Total receivables	23,951,060	19,567,097	28,241,588	21,966,277
Prepayments	226,448	340,509	-	-
	24,177,508	19,907,606	28,241,588	21,966,277

(a) Total receivables are classified as financial assets measured at amortised cost.

(b) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group and the Company ranging from 30 to 150 days (2024: 30 to 150 days). They are recognised at their original invoices amounts, which represent their fair values on initial recognition.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

14. TRADE AND OTHER RECEIVABLES – (Continued)

(c) Trade amount owing by a subsidiary is on normal credit terms of the Company. During the financial period, the non-trade amount owing by subsidiaries is unsecured, interest-free and repayable within next twelve (12) months in cash and cash equivalents.

(d) The currency exposure profile of receivables (excluding prepayments) is as follows:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Ringgit Malaysia	16,085,623	13,122,658	28,241,588	21,966,277
Singapore Dollar	3,289,187	-	-	-
US Dollar	4,419,398	6,343,461	-	-
Euro	93,430	100,978	-	-
Chinese Yuan	63,422	-	-	-
	23,951,060	19,567,097	28,241,588	21,966,277

(e) Sensitivity analysis of RM against foreign currencies at the end of the reporting period, assuming that all other variables remain constant, is as follows:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Effects of 3% (2024: 3%) changes to RM against foreign currencies				
Profit after taxation and equity				
- SGD/RM	±74,993	-	-	-
- USD/RM	±100,762	±144,631	-	-
- EUR/RM	±2,130	±2,302	-	-
- CNY/RM	±1,446	-	-	-

(f) The ageing analysis of trade receivables of the Group and of the Company are as follows:

	Gross RM	Impaired RM	Total RM
Group			
31 December 2025			
Current (not past due)	18,314,553	(157,856)	18,156,697
1 to 30 days past due	3,268,599	(175,988)	3,092,611
31 to 60 days past due	842,239	(66,326)	775,913
61 to 90 days past due	393,865	(53,073)	340,792
More than 90 days past due	1,058,023	(676,769)	381,254
	5,562,726	(972,156)	4,590,570
Credit impaired			
Individually impaired	17,762	(17,762)	-
	23,895,041	(1,147,774)	22,747,267

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

14. TRADE AND OTHER RECEIVABLES – (Continued)

	Gross RM	Impaired RM	Total RM
30 June 2024			
Current (not past due)	12,358,677	(110,946)	12,247,731
1 to 30 days past due	3,273,849	(71,145)	3,202,704
31 to 60 days past due	418,471	(43,476)	374,995
61 to 90 days past due	1,811,587	(2,366)	1,809,221
More than 90 days past due	1,511,344	(438,074)	1,073,270
	7,015,251	(555,061)	6,460,190
Credit impaired			
Individually impaired	17,762	(17,762)	-
	19,391,690	(683,769)	18,707,921
Company			
31 December 2025			
Current (not past due)	3,647,955	-	3,647,955
1 to 30 days past due	2,483,531	-	2,483,531
31 to 60 days past due	1,887,762	-	1,887,762
61 to 90 days past due	3,358,227	-	3,358,227
More than 90 days past due	8,807,171	-	8,807,171
	16,536,691	-	16,536,691
	20,184,646	-	20,184,646
30 June 2024			
Current (not past due)	2,600,942	-	2,600,942
1 to 30 days past due	1,927,123	-	1,927,123
31 to 60 days past due	1,518,684	-	1,518,684
61 to 90 days past due	1,762,792	-	1,762,792
More than 90 days past due	13,889,305	-	13,889,305
	19,097,904	-	19,097,904
	21,698,846	-	21,698,846

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

14. TRADE AND OTHER RECEIVABLES – (Continued)

(g) Impairment for trade receivables that do not contain a significant financing component are recognised based on the simplified approach using the lifetime expected credit losses and are calculated based on the common credit risk characteristics - type of product sold.

The Group considers credit loss experience 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.

During this process, the probability of non-payment by the trade receivables is adjusted by forwardlooking information and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. The Group uses roll rate method to measure the expected credit loss of trade receivables and has identified the gross domestic product rate as the key macroeconomic factors. For trade receivables, which are reported net, such impairments are recorded in a separate impairment account with the loss being recognised in the statements of profit or loss and other comprehensive income. On confirmation that the trade receivable would not be collectable, the gross carrying value of the asset would be written off against the associated impairment.

It requires management to exercise significant judgement in determining the probability of default by trade receivables and appropriate forward-looking information.

(h) As at the end of each reporting period, the credit risks exposures and concentration relating to trade receivables of the Group and of the Company are summarised in the table below:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Maximum exposure	23,895,041	19,391,690	20,184,646	21,698,846
Collateral obtained	(1,427,614)	(3,017,013)	-	-
Net exposure to credit risk	22,467,427	16,374,677	20,184,646	21,698,846

During the financial period, the Group and the Company did not renegotiate the terms of any trade receivables.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

14. TRADE AND OTHER RECEIVABLES – (Continued)

(i) Movements in the impairment allowance for trade receivables of the Group are as follows:

Group	Lifetime allowance RM	Credit impaired RM	Total RM
31 December 2025			
Balance as at 1 July 2024	666,007	17,762	683,769
Charge during the financial period	464,005	-	464,005
Balance as at 31 December 2025	1,130,012	17,762	1,147,774
30 June 2024			
Balance as at 1 July 2023	812,140	17,762	829,902
Reversal during the financial year	(146,133)	-	(146,133)
Balance as at 30 June 2024	666,007	17,762	683,769

Credit impaired refers to individually determined debtors who are more than twelve (12) months past due and in significant financial difficulties as at the end of the reporting period.

(j) Impairment for other receivables, deposits and amount owing by a subsidiary is recognised based on the general approach within MFRS 9 Financial Instruments using the forward-looking expected credit loss model. The Group has identified the lending interest rate as the key macroeconomic factors. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. At the end of the reporting period, the Group and the Company assess whether there has been a significant increase in credit risk for financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group and the Company defined significant increase in credit risk based on operating performance of the receivables, changes to contractual terms, payment trends and past due information.

The Group and the Company consider both quantitative and qualitative information that are reasonable and supportable, including historical experience and observable forward-looking information without undue cost or effort.

The probability of non-payment by other receivables and a subsidiary is adjusted by forward-looking information and multiplied by the amount of the expected credit loss arising from default to determine the twelve month or lifetime expected credit loss for the other receivables, deposits and amount owing by a subsidiary.

(k) No expected credit loss is recognised arising from other receivables, deposits and amount owing by a subsidiary as it is negligible.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

14. TRADE AND OTHER RECEIVABLES – (Continued)

(l) The credit risk concentration profile of the trade receivables at the end of the reporting period are as follows:

Group	31.12.2025 RM	31.12.2025 % of total	30.6.2024 RM	30.6.2024 % of total
By country				
Malaysia	16,623,629	70%	12,906,210	67%
Vietnam	2,808,081	12%	3,894,066	20%
India	241,172	1%	183,927	1%
Indonesia	568,293	2%	494,851	3%
Singapore	3,283,676	14%	3,814	0%
Others	370,190	1%	1,908,822	9%
	23,895,041	100%	19,391,690	100%

Company	31.12.2025 RM	31.12.2025 % of total	30.6.2024 RM	30.6.2024 % of total
By country				
Malaysia	20,184,646	100%	21,698,846	100%

At the end of the reporting period, approximately:

(i) Forty-three percent (43%) and hundred percent (100%) (2024: 83% and 100%) of the trade receivables of the Group and of the Company were due from five (5) major customers and one (1) major customer respectively.

(ii) None of the trade and other receivables of the Group were due from related parties whilst all of the trade receivables of the Company were balance with a subsidiary.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

15. CASH AND BANK BALANCES

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Cash and bank balances	22,990,589	18,030,926	1,743,204	287,252
Deposits with licensed banks	646,969	624,714	-	-
Total cash and bank balances, representing cash and cash equivalents as reported in statements of cash flows	23,637,558	18,655,640	1,743,204	287,252

(a) Cash and bank balances are classified as financial assets measured at amortised cost.

(b) During the financial period, deposits with a licensed bank of the Group with a carrying amount of RM646,969 (2024: RM624,714) are subject to a fixed weighted average effective interest rate of 2.30% (2024: 2.20%).

(c) Deposits with licensed banks of a subsidiary amounting to RM649,969 have been pledged as security for loan facilities granted to a subsidiary as disclosed in Note 17.

(d) Sensitivity analysis for fixed rate deposits at the end of the reporting period is not presented as fixed rate instruments is not affected by changes in interest rates.

(e) The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Ringgit Malaysia	9,981,274	4,662,867	1,743,204	287,252
US Dollar	7,481,410	13,992,773	-	-
Singapore Dollar	6,174,874	-	-	-
	23,637,558	18,655,640	1,743,204	287,252

(f) Sensitivity analysis of RM against foreign currency at the end of the reporting period, assuming that all other variables remain constant, is as follows:

	Group	
	31.12.2025 RM	30.6.2024 RM
Effects of 3% (2024: 3%) changes to RM against foreign currency		
Profit after taxation and equity		
- USD/RM	±170,576	±319,035
- SGD/RM	±140,787	-

(g) No expected credit loss is recognised arising from the cash and bank balances because the probability of default was negligible.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

16. SHARE CAPITAL

	Group and Company			
	31.12.2025		30.6.2024	
	Number of shares	RM	Number of shares	RM
Issued and fully paid-up ordinary shares with no par value:				
Balance as at 1 July 2024/2023	1,073,490,940	171,418,037	745,365,940	102,511,787
Ordinary shares issued pursuant to:				
- acquisition of a subsidiary	134,831,460	28,988,764	-	-
- acquisition of an associate	-	-	328,125,000	68,906,250
Balance as at 31 December/30 June	1,208,322,400	200,406,801	1,073,490,940	171,418,037

(a) On 14 January 2025, the issued and fully paid-up ordinary shares of the Company was increased from 1,073,490,940 to 1,208,322,400 by way of issuance of 134,831,460 new ordinary shares of RM0.215 each totaling RM28,988,764 to offset against acquisition of additional shares in a subsidiary as disclosed in Note 9(h) to the financial statements.

The newly issued shares rank pari passu in all respects with the existing ordinary shares of the Company. There were no other issuance of shares during the financial period.

(b) On 13 September 2023, the issued and fully paid-up ordinary shares of the Company was increased from 745,365,940 to 1,073,490,940 by way of issuance of 328,125,000 new ordinary shares totalling RM68,906,250 to offset against acquisition of additional shares in an associate.

(c) The owners of the Company are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the residual assets of the Company.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

17. BORROWINGS

	Group 31.12.2025 RM	Group 30.6.2024 RM Restated	Company 31.12.2025 RM	Company 30.6.2024 RM
Current liabilities				
Trust receipts	788,649	-	-	-
Term loan	80,902	76,770	-	-
Financial guarantee contracts	-	-	8,535	984,531
	869,551	76,770	8,535	984,531
Non-current liabilities				
Term loan	101,470	225,435	-	-
	971,021	302,205	8,535	984,531
Total borrowings				
Trust receipts	788,649	-	-	-
Term loan	182,372	302,205	-	-
Financial guarantee contracts	-	-	8,535	984,531
	971,021	302,205	8,535	984,531

(a) Borrowings are classified as financial liabilities measured at amortised cost.

(b) Borrowings are denominated in RM.

(c) Financial guarantee contracts issued are initially measured at fair value. Subsequently, they are measured at higher of:

(i) the amount of the loss allowance; and

(ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, Revenue from Contracts with Customers.

(d) Term loan of the Group is subject to fixed interest rate of 3.50% (2024: 3.50%) per annum.

(e) The trust receipts, term loan and bank overdraft of the Group are secured by the following:

(i) Corporate guarantees by the Company;

(ii) Deposits with licensed bank of a subsidiary as disclosed in Note 15(c).

There was no utilisation of bank overdraft granted to the Group as at 31 December 2025 and 30 June 2024.

(f) Sensitivity analysis for fixed rate borrowing at the end of the reporting period is not presented as fixed rate instrument is not affected by changes in interest rate.

(g) Fair value of the borrowings of the Group is categorised as Level 2 in the fair value hierarchy. There is no transfer between levels in the hierarchy during the financial period.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

17. BORROWINGS – (Continued)

(h) Borrowing that is not carried at fair value and whose carrying amount is reasonable approximation of fair value is as follows:

	31.12.2025 Carrying amount RM	31.12.2025 Fair value RM	30.6.2024 Carrying amount RM	30.6.2024 Fair value RM
Group				
Term loan (fixed rate)	182,372	172,443	302,205	281,326

Fair value of the borrowing is estimated by discounting future contracted cash flows at the current market interest rate available to the Group for similar financial instruments.

(i) The table below summarises the maturity profile of the borrowings at the end of each reporting period based on contractual undiscounted repayment obligations.

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
As at 31 December 2025				
Group				
Financial liabilities				
Borrowings	874,773	103,919	-	978,692
Company				
Financial liabilities				
Borrowings	192,647	-	-	192,647
As at 30 June 2024				
Group				
Financial liabilities				
Borrowings	86,124	236,763	-	322,887
Company				
Financial liabilities				
Borrowings	7,315,858	-	-	7,315,858

(j) Reconciliation of liabilities arising from financing activities:

	Term loan 31.12.2025 RM	Term loan 30.6.2024 RM
Group		
Balance as at 1 July 2024/2023	302,205	376,339
Cash flows	(119,833)	(74,134)
Balance as at 31 December/30 June	182,372	302,205

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

18. DEFRRED TAX

The deferred tax liabilities and assets are made up of the following:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
At the beginning of financial period/year	(1,204,099)	(1,225,337)	(461,545)	(867,497)
Impact of initial application of MFRS 17 (financial guarantee contracts)	-	-	-	257,448
Restated balance at the beginning of the financial period/year	(1,204,099)	(1,225,337)	(461,545)	(610,049)
Recognised in profit or loss (Note 24)	(1,029,866)	21,238	(961,010)	148,504
At the end of financial period/year	(2,233,965)	(1,204,099)	(1,422,555)	(461,545)
Presenting after appropriate offsetting:				
Deferred tax assets	414,196	493,198	44,585	341,870
Deferred tax liabilities	(2,648,161)	(1,697,297)	(1,467,140)	(803,415)
	(2,233,965)	(1,204,099)	(1,422,555)	(461,545)

There is in respect of estimated deferred tax assets and (liabilities) arising from temporary differences as follows:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Deferred tax assets:				
Provision and other temporary differences:				
- Provision for financial guarantee contracts	247,058	-	44,323	236,287
- Unused tax losses and provision	-	493,198	-	105,583
Other temporary differences	-	-	262	-
Property, plant and equipment	8,753	-	-	-
Unabsorbed capital allowance	158,385	-	-	-
	414,196	493,198	44,585	341,870
Deferred tax liabilities:				
Provision and other temporary differences:				
- Property, plant and equipment	(2,332,171)	(1,123,091)	(1,467,140)	(727,962)
- Other temporary differences	(315,990)	(574,206)	-	(75,453)
	(2,648,161)	(1,697,297)	(1,467,140)	(803,415)

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

19. TRADE AND OTHER PAYABLES

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM Restated
Trade payables				
Third parties	6,120,780	3,476,665	1,189,725	729,556
Related parties	33,634	-	-	-
Amount owing to a subsidiary	-	-	167,724	26,039
	6,154,414	3,476,665	1,357,449	755,595
Other payables				
Amount owing to subsidiaries	-	-	28,232,946	24,902,488
Third parties	1,739,744	1,038,215	377,905	207,199
Deposit received	253,306	-	-	-
Accruals	2,241,004	1,154,182	561,407	244,681
	4,234,054	2,192,397	29,172,258	25,354,368
	10,388,468	5,669,062	30,529,707	26,109,963

(a) Trade and other payables are classified as financial liabilities measured at amortised cost.

(b) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and to the Company range from 30 to 90 days (2024: 30 to 90 days) from date of invoice.

(c) Trade amount owing to a subsidiary is on normal credit terms granted to the Company. The non-trade amount owing to a subsidiary is unsecured, interest-free and payable within next twelve (12) months in cash and cash equivalents.

(d) The currency exposure profile of trade and other payables is as follows:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM Restated
Ringgit Malaysia	8,722,006	5,263,130	30,411,535	26,078,904
Singapore Dollar	882,823	-	-	-
US Dollar	783,639	405,932	118,172	31,059
	10,388,468	5,669,062	30,529,707	26,109,963

(e) The maturity profile of the trade and other payables at the end of each reporting period based on contractual undiscounted repayment obligations is payable on demand or within one (1) year.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

19. TRADE AND OTHER PAYABLES – (Continued)

(f) Sensitivity analysis of RM against foreign currency at the end of the reporting period, assuming that all other variables remain constant is as follows:

	Group		Company	
	31.12.2025	30.6.2024	31.12.2025	30.6.2024
	RM	RM	RM	RM
Effects of 3% (2024:3%) changes to RM against foreign currency				
Profit after tax and equity				
- SGD/RM	±20,128	-	-	-
- USD/RM	±17,867	±9,255	-	±708

20. REVENUE

	Group		Company	
	31.12.2025	30.6.2024	31.12.2025	30.6.2024
	RM	RM	RM	RM
Sales of goods	109,699,264	57,169,751	40,263,925	19,254,511
Services rendered	-	-	2,226,955	2,828,753
Revenue from contracts with customers	109,699,264	57,169,751	42,490,880	22,083,264

Disaggregation of revenue from contracts with customers of the Group has been presented in the operating segments, Note 4 to the financial statements, which has been presented based on geographical location from which the sales transactions originated.

The revenue of the Company is derived entirely in Malaysia.

Revenue from sale of goods is recognised at a point in time when the products have been transferred to the customer and coincides with the delivery of products and acceptance by customers.

Revenue from services rendered is recognised over time as income when the customer receives and consumes the benefits.

There is no right of return and warranty provided to the customers on the sale of goods.

There is no significant financing component in the revenue arising from sale of products and services rendered as the sales or services are made on the normal credit terms not exceeding twelve (12) months.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

21. COST OF SALES

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Cost of inventories sold	55,604,573	28,309,623	23,974,270	12,937,955
Direct overhead	13,380,164	5,195,123	3,445,526	2,569,491
Others	5,876,854	4,526,646	5,789,081	2,786,961
	74,861,591	38,031,392	33,208,877	18,294,407

22. FINANCE COSTS

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Interest expense on:				
- bank charges	-	82,312	-	-
- term loan	9,353	11,990	-	-
- lease liabilities	238,645	58,007	10,373	18,795
- trust receipts	3,688	-	-	-
	251,686	152,309	10,373	18,795

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

23. PROFIT BEFORE TAX

Other than those disclosed elsewhere in the financial statements, the profit before tax is arrived at:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
After charging:				
Auditor's remuneration:				
(a) statutory audit fees payable to auditor of the Company				
- current financial period/year	333,750	219,500	172,500	95,000
(b) Other audit services	80,000	-	80,000	-
(c) Non audit services	8,000	8,500	8,000	8,500
(d) Statutory audit fees payable to affiliates of auditor of the Company	39,307	-	-	-
Management fees paid to a subsidiary	-	-	757,159	504,773
Loss on disposal of intangible assets	54,910	-	-	-
Realised loss on foreign exchange	1,297,739	347,531	15,172	347,313
Unrealised loss on foreign exchange	1,385,243	-	-	-
Fair value loss on other investment	24,000	168,000	-	-
And crediting:				
Unrealised gain from foreign exchange	-	1,178,897	-	-
Gain upon deemed disposal	-	23,437,500	-	-
Gains on disposals of:				
- property, plant and equipment	120,002	81,400	-	1,000
- right-of-use assets	-	778	-	-
Interest income	76,971	58,203	-	6,685

(a) Interest income is recognised as it accrues, using the effective interest method.

(b) Dividend income is recognised when the shareholder's right to receive payment is established.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

24. TAX EXPENSE

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Current income tax				
- Malaysia income tax	566,205	2,013,845	18,066	670,412
- Foreign income tax	483,328	-	-	-
Deferred tax	1,029,866	(21,238)	961,010	(148,504)
	2,079,399	1,992,607	979,076	521,908
Current tax expense:				
For the current financial period/year	1,945,729	2,304,020	798,291	1,101,399
Over provision in previous financial year	(896,196)	(290,175)	(780,225)	(430,987)
	1,049,533	2,013,845	18,066	670,412
Deferred tax (Note 18):				
Relating to origination and reversal of temporary differences	(556,091)	260,282	(129,241)	(151,856)
(Over)/Under provision in previous financial year	1,585,957	(281,520)	1,090,251	3,352
	1,029,866	(21,238)	961,010	(148,504)
Income tax expense recognised in profit or loss	2,079,399	1,992,607	979,076	521,908

Domestic income tax is calculated at the statutory tax rate of 24% (2024: 24%) of the estimated assessable profit for the financial year. Taxation for other jurisdiction is calculated at the rates prevailing in the respective jurisdictions.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

24. TAX EXPENSE – (Continued)

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

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Profit before tax	35,864,331	37,844,018	3,440,229	387,481
Tax at Malaysian statutory tax rate of 24% (2024: 24%)	8,607,439	9,082,563	825,655	92,995
Tax effects in respect of:				
Different tax rate of a subsidiary operating in another jurisdictions	255,329	-	-	-
Non-allowable expenses	704,225	1,289,733	77,634	869,416
Non-taxable income	(8,179,117)	(7,807,994)	(234,239)	(12,868)
Utilisation of previously unrecognised deferred tax assets	1,762	-	-	-
Over provision of tax expense in prior years	(896,196)	(290,175)	(780,225)	(430,987)
Under/(Over) provision of deferred tax in prior years	1,585,957	(281,520)	1,090,251	3,352
	2,079,399	1,992,607	979,076	521,908

25. EARNINGS PER SHARE

	Group	
	31.12.2025	30.6.2024
Profit attributable to equity holders of the parent (RM)	33,527,526	35,865,234
Weighted average number of ordinary shares in issue	1,159,940,255	1,068,097,104
Earnings per share (sen)		
- Basic	2.89	3.36
- Diluted	2.89	3.36

Basic earnings per ordinary share for the financial period is calculated by dividing the profit for the financial period attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial period/year.

The Group has not issued any dilutive potential shares and hence, the diluted earnings per share equals to the basic earnings per share.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

26. DIVIDENDS

	Group and Company			
	31.12.2025		30.6.2024	
	Dividend per share RM	Amount of single tier dividend RM	Dividend per share RM	Amount of single tier dividend RM
Final single-tier dividend in respect of the financial period/year ended 31 December 2025 / 30 June 2024	-	-	0.05	536,744

27. EMPLOYEE BENEFITS

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Operating expenses				
Salaries, bonuses and allowances	19,787,313	9,987,385	5,159,556	2,761,812
Contributions to defined contribution plan	1,852,275	682,669	534,742	262,968
Other benefits	600,235	235,681	178,470	113,662
	22,239,823	10,905,735	5,872,768	3,138,442
Capitalised as development costs				
Salaries, bonuses and allowances	2,269,271	1,449,418	2,269,271	1,449,418
Contributions to defined contribution plan	262,048	176,931	262,048	176,931
Other benefits	17,834	27,241	17,834	27,241
	2,549,153	1,653,590	2,549,153	1,653,590
	24,788,976	12,559,325	8,421,921	4,792,032

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

28. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties could be individuals or other parties.

Related parties of the Group include:

(i) Direct subsidiaries as disclosed in Note 9 to the financial statements; and
(ii) Direct associate as disclosed in Note 10 to the financial statements.

(b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Company had the following transactions with related parties during the financial period/year:

	Company	
	31.12.2025 RM	30.6.2024 RM
Sales of goods to a subsidiary	(40,263,881)	(19,254,511)
Purchases of goods from a subsidiary	2,962,934	1,256,080
Royalty fees receivable from a subsidiary	(32,935)	(19,340)
Software fees receivable from a subsidiary	(1,779,020)	(2,509,413)
Technical fees receivable from a subsidiary	(450,000)	(300,000)
Management fees paid to a subsidiary	757,159	504,773
Lease payable to a subsidiary	671,580	447,720
Quit rent and assessment payable to a subsidiary	-	23,220

The related party transactions described above were entered into in the normal course of business carried out based on negotiated terms and conditions and are mutually agreed with respective parties.

(c) Compensation of key management personnel

Key management personnel are those persons who have the authorities and responsibilities for planning, directing and controlling the activities of the Group or of the Company either directly or indirectly. This includes any Director, whether executive or otherwise, of the Group and of the Company.

The remuneration of Directors of the Group and of the Company during the financial period/year was as follows:

	Group		Company	
	31.12.2025 RM	30.6.2024 RM	31.12.2025 RM	30.6.2024 RM
Short term employee benefits	3,725,680	2,182,084	817,030	290,700
Contributions to defined contribution plan	341,698	193,997	97,800	38,484
Other remuneration	535,258	423,133	535,258	423,133
	4,602,636	2,799,214	1,450,088	752,317

The estimated monetary value of benefits-in-kind received by the Directors otherwise than in cash from the Group amounted to RM73,780 (2024: RM90,588).

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

29. CAPITAL AND FINANCIAL RISK MANAGEMENT

(a) Capital management

The primary objective of the capital management of the Group is to ensure that entities of the Group would be able to continue as going concerns whilst maximising the return to shareholders through the optimisation of the debt and equity ratios. The overall strategy of the Group remains unchanged from that in the previous financial year.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial period/year ended 31 December 2025 and 30 June 2024.

The Group and the Company monitor capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group and the Company include within net debt, borrowings, lease liabilities, less cash and bank balances. Borrowings comprise term loan and trust receipts. Capital represents equity attributable to the owners of the parent.

	Group		Company	
	31.12.2025 RM	30.6.2024 RM Restated	31.12.2025 RM	30.6.2024 RM
Borrowings	971,021	302,205	8,535	984,531
Lease liabilities	6,567,676	1,095,920	74,510	308,220
Total liabilities	7,538,697	1,398,125	83,045	1,292,751
Less: Cash and bank balances	(23,637,558)	(18,655,640)	(1,743,204)	(287,252)
Net (surplus)/debt	(16,098,861)	(17,257,515)	(1,660,159)	1,005,499
Total capital	301,402,947	239,230,906	218,097,933	186,648,016
Net (surplus)/debt	(16,098,861)	(17,257,515)	(1,660,159)	1,005,499
Total	285,304,086	221,973,391	216,437,774	187,635,515
Gearing ratio	N/A	N/A	N/A	0.54%

Pursuant to the requirements of Guidance Note No. 3/2006 of the Bursa Malaysia Securities Berhad, the Group is required to maintain a shareholders' equity of more than twenty-five percent (25%) of the issued and paid-up capital of the Company.

The Group has complied with these requirements for the financial period ended 31 December 2025.

The Group is not subject to any other externally imposed capital requirements.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

29. CAPITAL AND FINANCIAL RISK MANAGEMENT – (Continued)

(b) Financial risk management

The overall financial risk management objective of the Group is to optimise its shareholders' value and not to engage in speculative transactions.

The Group is exposed mainly to foreign currency risk, interest rate risk, credit risk, liquidity and cash flow risk and price risk. Information on the management of the related exposures is detailed below:

(i) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States Dollar ("USD") and Singapore Dollar ("SGD"). Foreign exchange risk arises when future commercial transactions or recognised assets or liabilities are denominated in a currency that is not the entity's functional currency. The Group also holds cash and bank balances denominated in foreign currency for working capital purposes.

The policy of the Group is to minimise the exposure in foreign currency risk by matching foreign currency income against foreign currency cost. The Group also attempts to limit its exposure for all committed transactions by entering into foreign currency forward contracts. As such, the fluctuations in foreign currencies are not expected to have a significant financial impact to the Group.

The Group maintains a natural hedge, where possible, by borrowing in the currency of the country in which the investment is located or by borrowing in currencies that match the future revenue stream to be generated from its investments.

The foreign currency exposure profile and sensitivity analysis of foreign currency risk have been disclosed in Notes 14, 15, and 19 to the financial statements.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group and of the Company will fluctuate because of changes in market interest rates. The exposure to market risk of the Group and of the Company for changes in interest rates relates primarily to the lease liabilities, borrowings and deposits with a licensed bank of the Group and of the Company.

The interest rate profile and sensitivity analysis of interest rate risk have been disclosed in Notes 6, 15 and 17 to the financial statements.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

29. CAPITAL AND FINANCIAL RISK MANAGEMENT – (Continued)

(b) Financial risk management – (continued)

(iii) Credit risk

Exposure to credit risk arises mainly from sales made on credit terms and deposits with a licensed bank. The Group controls the credit risk on sales by ensuring that its customers have sound financial position and credit history. The Group also seeks to invest cash assets safely and profitably with approved financial institutions in line with the policy of the Group.

Exposure to credit risk

At the end of each reporting period, the maximum exposure to credit risk of the Group and of the Company is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Information regarding credit risk concentration for trade and other receivables is disclosed in Note 14 to the financial statements.

(iv) Liquidity and cash flow risk

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all operating, investing and financing needs are met. In executing its liquidity risk management strategy, the Group measures and forecasts its cash commitments and maintains a level of cash and cash equivalents deemed adequate to finance the activities of the Group.

The analysis of financial instruments by remaining contractual maturities have been disclosed in Notes 6, 17 and 19 to the financial statements.

(v) Price risk

Price risk is the risk that the fair value or future cash flows of the financial instruments of the Group would fluctuate because of changes in market prices (other than interest or exchange rate).

The Group is exposed to equity price risks arising from investment held by the Group. The investment comprises of quoted shares in Malaysia and is classified as financial asset designated at fair value through profit or loss.

During the financial period, the maximum exposure of the Group to market risk is represented by the total carrying amount of the quoted investment recognised in the statements of financial position, which amounted to RM1,608,000 (2024: RM1,632,000). There has been no change to the exposure of the Group to market risk or the manner in which the risk is managed and measured.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

30. SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

(a) Share exchange with Elridge Energy Holdings Berhad ("EEHB")

On 31 January 2024, the Company entered into a conditional share sale agreement ("SSA") on the proposed share exchange of its 25% equity in Bio Eneco Sdn. Bhd. ("BESB") for the 1,750,000 ordinary shares in EEHB representing 25% equity interest in EEHB.

The transaction had been completed on 10 July 2024. Consequently, BESB ceased to be an associate of the Group and EEHB became an associate of the Group.

Details of the share exchange are disclosed in Note 10 to the financial statements.

Information regarding credit risk concentration for trade and other receivables is disclosed in Note 14 to the financial statements.

(b) Diversification into design, manufacture and installation of signs and advertising displays, and interior fit-out services.

On 12 August 2024, the Company proposed to diversify its business to include design, manufacture, and installation of signage and advertising displays, as well as interior fit-out services. The proposal has been approved by the shareholders of the Company at the Extraordinary General Meeting held on 27 November 2024.

(c) Acquisition of TES Production & Projects Pte. Ltd. ("TES")

On 14 January 2025, the Company completed the acquisition of 100% equity interest in TES from Calida Group Pte. Ltd. for a total consideration of RM28,988,764. The purchase consideration was satisfied through issuance of 134,831,460 new ordinary shares in the Company.

Details of the acquisition of subsidiary are disclosed in Note 9(h) to the financial statements.

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

31. COMPARATIVE FIGURES

a) The Company has changed its financial year end from 30 June to 31 December. Consequently, the comparative for the statement of comprehensive income, changes in equity and cash flows as well as certain comparatives in the notes to the financial statements of the Company for the period of 18 months from 1 July 2024 to 31 December 2025, are not comparable to those of the previous 12 months ended 30 June 2024. The next financial statements will be for a period of 12 months commencing from 1 January 2026.

b) The following comparative amount as at 30 June 2024 and 1 July 2023 has been reclassified to conform with current year's presentation:

	As previously reported RM	Reclassification RM	As restated RM
The Group Statements of Financial Position As at 1 July 2023			
Current assets			
Cash and bank balances	25,230,040	(7,446,852)	17,783,188
Non-current liabilities			
Borrowings	7,268,966	(6,966,760)	302,206
Current liabilities			
Borrowings	554,225	(480,092)	74,133
Effects on Statements of Cash Flows:			
Cash flows from financing activities			
Repayment of flexi loan	(480,092)	480,092	-
Cash and cash equivalents at the beginning of the financial year	25,230,040	(7,446,852)	17,783,188
Cash and cash equivalents at the end of the financial year	25,622,400	(6,966,760)	18,655,640
Statements of Financial Position As at 30 June 2024			
Current assets			
Cash and bank balances	25,622,400	(6,966,760)	18,655,640
Non-current liabilities			
Borrowings	6,696,018	(6,470,583)	225,435
Current liabilities			
Borrowings	572,947	(496,177)	76,770

MIKRO MSC BERHAD (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – (Continued)

31. COMPARATIVE FIGURE – (Continued)

b) The following comparative amount as at 30 June 2024 and 1 July 2023 has been reclassified to conform with current year's presentation: – (continued)

	As previously reported RM	Reclassification RM	As restated RM
The Company Statements of Financial Position As at 1 July 2023			
Non-current asset			
Investment in subsidiaries	51,765,293	17,020,833	68,786,126
Current liabilities			
Trade and other payables	8,489,870	17,020,833	25,510,703
Statements of Financial Position As at 30 June 2024			
Non-current asset			
Investment in subsidiaries	51,732,207	17,020,833	68,753,040
Current liabilities			
Trade and other payables	9,089,130	17,020,833	26,109,963

32. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements have been authorised for issue in accordance with a resolution of the Board of Director on 14 April 2026.

LIST OF ALL PROPERTIES HELD AS AT 31 DECEMBER 2025

Location/ Address	Description	Current Use	Tenure and Approximate Age of Building (Years)	Land Area (sq.ft.)	Net Book value	Revaluation Value	Date of last revaluation / Date of acquisition
No. 3, Jalan Anggerik Mokara 31/48, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor	A Single (1)-Storey Warehouse, With An Annexed Three (3)-Storey Office Block, A Guard House And A Refuse Chamber	Plant and Office	Freehold, 18 years	43,562 sq ft	RM14,990,412	16,000,000	31st December 2020

ANALYSIS OF SHAREHOLDINGS AS AT 31 MARCH 2026

Issued Share Capital : 1,208,322,400
Class of Shares : Ordinary Shares
Voting Rights : One Vote Per Ordinary Share
No. of Shareholders : 2,844

DISTRIBUTION OF SHAREHOLDINGS AS AT 31 MARCH 2026

Category	No. of Shareholders	No. of Shares	% of Shareholding
Less than 100	226	8,438	0.00
100 - 1,000	671	226,561	0.02
1,001 - 10,000	760	4,429,400	0.37
10,001 - 100,000	939	33,659,865	2.79
100,001 to less than 5% of issued shares	243	564,904,987	46.75
5% and above of issued shares	5	605,093,149	50.07
Total	**2,844**	**1,208,322,400**	**100.00**

LIST OF SUBSTANTIAL SHAREHOLDERS AS AT 31 MARCH 2026

		Direct		Indirect	
No.	**Names**	**No. of Shares**	**%**	**No. of Shares**	**%**
1	Yeo Hock Cheong	234,814,493	19.43		
2	Cartaban Nominees (Tempatan) Sdn Bhd - RHB Trustees Berhad for Kenanga Islamic Return Fund	157,518,106	13.04	-	-
3	Yim Yuen Wah	136,373,900	11.29	-	-
4	Calida Group Pte. Ltd.	134,831,460	11.16		
5	Lim Seng Gee	-	-	134,831,460[a]	11.16

(a) Deemed interested by virtue of Section 8(4)(c) of the Companies Act 2016 via his interest in Calida Group Pte. Ltd.

DIRECTORS' INTERESTS IN SHARES AS 31 MARCH 2026

		Direct		Indirect	
No.	**Names**	**No. of Shares**	**%**	**No. of Shares**	**%**
1	Dato' Seri Ir. Haji Mohamad Zulkefly Bin Sulaiman	-	-	-	-
2	Yim Yuen Wah	136,373,900	11.29	-	-
3	Syed Mohd Hafiz Bin Syed Mohd	-	-	-	-
4	Nor Azlan Bin Zainal	-	-	-	-
5	Yang Shing Sing	-	-	-	-
6	Ts. Wan Adli Ridzwan Bin Wan Hassan	3,000	0.00		-
7	Wang Hong	-	-	-	-
8	Sindi, Mohammed Nabil M	-	-	-	-

ANALYSIS OF SHAREHOLDINGS AS AT 31 MARCH 2026

30 LARGEST SHAREHOLDERS AS AT 31 MARCH 2026

NO.	SHAREHOLDERS	NO. OF SHARES	%
1	CARTABAN NOMINEES (TEMPATAN) SDN BHD RHB TRUSTEES BERHAD FOR KENANGA ISLAMIC ABSOLUTE RETURN FUND	157,518,106	13.04
2	YIM YUEN WAH	136,373,900	11.29
3	MALACCA EQUITY NOMINEES (ASING) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CALIDA GROUP PTE. LTD.	134,831,460	11.16
4	MAYBANK NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR KENANGA INVESTORS BHD (CLIENTS' ACCOUNT)	114,138,460	9.45
5	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEO HOCK CHEONG	62,231,223	5.15
6	CITIGROUP NOMINEES (TEMPATAN) SDN BHD URUSHARTA JAMAAH SDN. BHD. (2)	58,000,000	4.80
7	MBSB INVESTMENT NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEO HOCK CHEONG (MGN - YHC0003M)	50,000,000	4.14
8	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEO HOCK CHEONG (3030080)	43,000,000	3.56
9	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEO HOCK CHEONG (MY4769)	35,000,000	2.90
10	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR KENANGA INVESTORS BHD	34,498,970	2.86
11	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOW KOK YEW (MY3041)	34,487,400	2.85
12	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR CITIBANK NEW YORK (NORGES BANK 22)	29,880,100	2.47
13	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YEO HOCK CHEONG	25,500,000	2.11
14	NEF PRESTIGE SDN BHD	21,664,380	1.79
15	SINAR AMANDA SDN BHD	21,567,600	1.78
16	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEO HOCK CHEONG	19,083,270	1.58
17	CARTABAN NOMINEES (TEMPATAN) SDN BHD KENANGA INVESTORS BERHAD FOR MALAYSIAN RUBBER COUNCIL	17,262,570	1.43
18	MOOMOO NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR NUM SIEW YOKE	10,225,000	0.85
19	NUM SIEW YOKE	8,065,700	0.67
20	PUBLIC INVEST NOMINEES (ASING) SDN BHD EXEMPT AN FOR PHILLIP SECURITIES PTE LTD (CLIENTS)	7,474,200	0.62
21	TAN EDIN	7,050,000	0.58

ANALYSIS OF SHAREHOLDINGS AS AT 31 MARCH 2026

NO.	SHAREHOLDERS	NO. OF SHARES	%
22	PAU YU TIONG	5,757,500	0.48
23	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LAM SIEW MEE (MF00434)	5,700,000	0.47
24	FJCAP SDN BHD	4,987,300	0.41
25	CAO, YU	4,740,200	0.39
26	AZLIN ROMLEZ BIN TASLIM	3,950,000	0.33
27	TAN YAU LAM	3,862,500	0.32
28	ANDRIATY BINTI ABDUL RAHMAN	3,804,500	0.31
29	ASTANA PRISMA SDN BHD	3,275,500	0.27
30	LEE SANDOR	2,820,000	0.23
	TOTAL	1,066,749,839	88.28

NOTICE OF 19TH ANNUAL GENERAL MEETING 2026

MIKRO MSC BERHAD

Registration No.: 200601018418 (738171-M)

(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN that the Nineteenth Annual General Meeting ("19th AGM") of Mikro MSC Berhad ("MMSC" or "Company") will be held at 1st Floor, Danau 3-4, Kota Permai Golf & Country Club, No. 1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia on Friday, 29 May 2026 at 9.30 a.m., or at any adjournment thereof, for the purpose of considering and if thought fit, passing with or without modifications the following resolutions:

AGENDA

AS ORDINARY BUSINESS

1.	To receive the Audited Financial Statements for the financial period ended 31 December 2025 together with Reports of the Directors' and the Auditors' thereon.	**Please refer to Explanatory Note 1**
2.	To approve the Directors' Fees and Benefits Payable to the Non-Executive Directors of the Company and its subsidiaries amounting to RM600,000.00 until the next Annual General Meeting of the Company.	**Ordinary Resolution 1**
3.	To re-elect Dato' Seri Ir. Haji Mohamad Zulkefly Bin Sulaiman who retires pursuant to Clause 90 of the Company's Constitution and being eligible has offered himself for re-election.	**Ordinary Resolution 2**
4.	To re-elect the following Directors, who are retiring pursuant to Clause 83 of the Constitution of the Company and being eligible have offered themselves for re-election:	
	i. Syed Mohd Hafiz Bin Syed Mohd	**Ordinary Resolution 3**
	ii. Yang Shing Sing	**Ordinary Resolution 4**
5.	To re-appoint Messrs HLB Ler Lum Chew PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	**Ordinary Resolution 5**

AS SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modifications, the following resolutions:

6. **AUTHORITY TO ALLOT AND ISSUE SHARES BY THE DIRECTORS AND WAIVER OF PRE-EMPTIVE RIGHTS PURSUANT TO THE COMPANIES ACT 2016** — **Ordinary Resolution 6**

"THAT pursuant to Section 75 and Section 76 of the Companies Act 2016, the Directors be and are hereby empowered to allot and issue shares in the Company, at any time, at such price, upon such terms and conditions, for such purpose and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total issued shares/total number of voting shares of the Company (excluding treasury shares) at the time of issue.

NOTICE OF 19TH ANNUAL GENERAL MEETING 2026

THAT pursuant to Section 85 of the Companies Act 2016 approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued Company's shares arising from any issuance of new Company's shares pursuant to Section 75 and Section 76 of the Companies Act 2016.

THAT the Directors be and are hereby also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad and THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

7. To transact any other business that may be transacted at the 19th AGM of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

BY ORDER OF THE BOARD

CHIN WAI YI (MAICSA 7069783) (SSM PC NO. 202008004409)
Company Secretary

Kuala Lumpur
Dated : 28 April 2026

Explanatory Notes:

1. Item 1 of the Agenda

This item is meant for discussion only as the provisions of Section 340 of the Companies Act 2016, it does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

2. Items 3, 4(i) and 4(ii) of the Agenda

The Nomination Committee ("NC") have considered the performance and contribution of each of the retiring Directors. Based on the results of the Board Evaluation conducted for the financial period ended 31 December 2025, the performance of each of the retiring Directors was found to be satisfactory. In addition, each of the retiring Directors had provided their annual declaration/confirmation on their fitness and propriety as well as independence, where applicable.

Based on the recommendation of the NC, the Board supports the re-election of the Directors based on the following justifications:

Dato' Seri Ir. Haji Mohamad Zulkefly Bin Sulaiman	:	Dato' Seri Ir. Haji Mohamad Zulkefly Bin Sulaiman has exercised his due care and carried out his professional duties proficiently during his tenure as Director of the Company. Dato' Seri Ir. Haji Mohamad Zulkefly Bin Sulaiman fulfils the requirements of independence set out in Listing Requirements of Bursa

NOTICE OF 19TH ANNUAL GENERAL MEETING 2026

		Securities. He remains objective and independent in expressing his view and participating in Board's deliberations and decision-making process.
Syed Mohd Hafiz Bin Syed Mohd	:	Syed Mohd Hafiz Bin Syed Mohd has exercised his due care and carried out his professional duties proficiently during his tenure as the Executive Director/Chief Executive Director of the Company. He takes a hands-on approach with all things concerning business development, group strategy, human resource and corporate affairs.
Yang Shing Sing	:	Yang Shing Sing has extensive experience in corporate relationship management, business consultancy and operational strategizing. The Board believes her expertise is hugely beneficial to the Company. She remains objective in expressing her views and participating in Board's deliberations and decision-making process. Yang Shing Sing has exercised her due care and carried out her professional duties proficiently during her tenure as a Non-Independent Non-Executive Director of the Company.

3. Item 6 of the Agenda

The Company had, during its Eighteenth Annual General Meeting held on 27 November 2024, obtained its shareholders' approval for the general mandate for issuance of shares pursuant to Section 75 and Section 76 of the Companies Act 2016. The Company did not issue any shares pursuant to this mandate obtained.

The Ordinary Resolution 6 proposed under item 6 of the Agenda is a renewal of the general mandate for issuance of shares by the Company under Section 75 and 76 of the Companies Act 2016. The mandate, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares speedily in the Company up to an amount not exceeding in total ten per centum (10%) of the total issued shares/ total number of voting shares of the Company (excluding treasury shares) capital for such purpose as the Directors consider would be in the interest of the Company. This would eliminate any delay arising from and cost involved in convening a general meeting to obtain approval of the shareholders for such issuance of shares. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM. The authority will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding investment project(s) and/or working capital.

The waiver of pre-emptive rights pursuant to Section 85 of the Companies Act 2016 will allow the Directors of the Company to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer new shares to all the existing shareholders of the Company prior to issuance of new shares in the Company under the general mandate.

Notes:

1. A member of the Company who is entitled to attend, speak and vote at this 19th AGM may appoint proxy(ies) to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.

2. Where a member appoints more than one (1) proxy to attend and vote at the same 19th AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.

3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), he(she) may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.

NOTICE OF 19TH ANNUAL GENERAL MEETING 2026

4. Where a member of the Company is an exempt authorised nominee holding 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.

   An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

5. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.

6. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the 19th AGM or at any adjournment thereof, as follows:

   a)In hard copy form

   The original instrument appointing a proxy ("Proxy Form") must be deposited at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively, to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia.

   b)By electronic means

   The Proxy Form can also be lodged electronically via online lodgement facility, please login to the link website at https://srmy.vistra.com and select "e-Services" to login.

7. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.

8. In respect of deposited securities, only members whose names appear in the Record of Depositors on 21 May 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 19th AGM.

9. Any alteration in the Proxy Form must be initialed.

10. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Securities, all the resolutions set out in the Notice of 19th AGM will be put to the vote by poll.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 19th 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 19th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 19th 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 the member has obtained the prior consent of such 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 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

MIKRO MSC BERHAD
Registration No.: 200601018418 (738171-M)

PROXY FORM

Number of Shares Held	
CDS Account No.	

I/We,____NRIC/Passport No.________________________
(FULL NAME IN BLOCK LETTERS)

of____
(FULL ADDRESS)

contact no. __________________email address ________________________being a member / members of Mikro MSC Berhad ("Company") hereby appoint the person(s) below as my/our proxy(ies) to vote for me/us and on my/our behalf at the Nineteenth Annual General Meeting of the Company ("19th AGM") which will held at 1st Floor, Danau 3-4, Kota Permai Golf & Country Club, No. 1, Jalan 31/100A, Kota Kemuning, Section 31, 40460 Shah Alam, Selangor Darul Ehsan, Malaysia on Friday, 29 May 2026 at 9.30 a.m., or at any adjournment thereof.

IMPORTANT NOTE:
Please (i) tick [✓] either **ONE** of the option (a) or (b) for the number of proxy which you wish to appoint, (ii) complete the details of your proxy/proxies and the proportion of your shareholding to be represented (if applicable), (iii) please tick [✓] option (c) if you would like to appoint the Chairman of the 19th AGM as the proxy or failing the proxy to vote on your behalf and (iv) sign or execute this form.

Option		**Name of proxy(ies)**	**NRIC/ Passport No.**	**Email Address & Phone Number**	**Proportion of shareholding to be represented**
(a)		**Appoint ONE proxy only** *(Please complete details of proxy below)*			
					100%
(b)		**Appoint MORE THAN ONE proxy** *(Please complete details of proxies below)*			
Proxy 1					%
Proxy 2					%
					100%
(c)		**The Chairman of the 19th AGM as my/our proxy and/or failing the above proxy to vote for me/us on my/our behalf**			

*My/our *proxy/proxies shall vote as follows :-

Please indicate with an "X" in the space provided below how you wish your votes to be casted. If no specific direction as to voting is given, the *proxy/proxies will vote or abstain forvoting at his(her) discretion.

NO.	**RESOLUTIONS**	**FOR**		**AGAINST**	
	Ordinary Business	**PROXY 1**	**PROXY 2**	**PROXY 1**	**PROXY 2**
Ordinary Resolution 1	To approve the Directors' Fees and Benefits Payable to the Non-Executive Directors of the Company and its subsidiaries amounting to RM600,000.00 until the next Annual General Meeting of the Company.				
Ordinary Resolution 2	To re-elect Dato' Seri Ir. Haji Mohamad Zulkefly Bin Sulaiman as Director in accordance with Clause 90 of the Constitution of the Company.				
Ordinary Resolution 3	To re-elect Syed Mohd Hafiz Bin Syed Mohd as Director in accordance with Clause 83 of the Constitution of the Company.				
Ordinary Resolution 4	To re-elect Yang Shing Sing as Director in accordance with Clause 83 of the Constitution of the Company.				
Ordinary Resolution 5	To re-appoint Messrs HLB Ler Lum Chew PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.				
	Special Business				
Ordinary Resolution 6	Authority to allot and issue shares by the Directors and waiver of pre-emptive rights pursuant to the Companies Act 2016.				

Dated this _____ day of ____________ 2026

____
Signature / Common Seal of Shareholder

Contact No: __________________________

Notes:

1. A member of the Company who is entitled to attend, speak and vote at this 19th AGM may appoint proxy(ies) to attend, speak and vote on his(her) behalf. A proxy may but need not be a member of the Company, and a member may appoint any person to be his(her) proxy without limitation.

2. Where a member appoints more than one (1) proxy to attend and vote at the same 19th AGM, the appointment shall be invalid unless he(she) specifies the proportion of his(her) holdings to be represented by each proxy.

3. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), he(she) may appoint one (1) proxy in respect of each security account it holds with ordinary shares of the Company standing to the credit of the said security account.

4. Where a member of the Company is an exempt authorised nominee holding 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.

   An exempt authorised nominee refers to an authorised nominee defined under the SICDA who is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

5. The instrument appointing a proxy shall be in writing by the appointer or an attorney duly authorised in writing or, if the appointer is a corporation, whether under its seal or by an officer or attorney duly authorised.

6. The appointment of proxy may be made in a hard copy form or by electronic means, not less than forty-eight (48) hours before the time for holding the 19th AGM or at any adjournment thereof, as follows:

   a)In hard copy form

   The original instrument appointing a proxy (“Proxy Form”) must be deposited at Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively, to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia.

   b)By electronic means

   The Proxy Form can also be lodged electronically via online lodgement facility, please login to the link website at https://srmy.vistra.com and select “e-Services” to login.

7. The right of foreigners to vote in respect of deposited securities is subject to Sections 41(1)(e) and 41(2) of the Securities Industry (Central Depositories) Act, 1991; the Securities Industry (Central Depositories) (Foreign Ownership) Regulations 1996 and the Constitution of the Company.

8. In respect of deposited securities, only members whose names appear in the Record of Depositors on 21 May 2026 (General Meeting Record of Depositors) shall be eligible to attend, speak and vote at this 19th AGM.

9. Any alteration in the Proxy Form must be initialed.

10. Pursuant to Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Securities, all the resolutions set out in the Notice of 19th AGM will be put to the vote by poll.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the 19th 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 19th AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 19th 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 the member has obtained the prior consent of such 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 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

Mikro®

Mikro MSC Berhad

200601018419 (738171-M)

If undelivered, please return to :-

No.3, Jalan Anggerik Mokara 31/48,
Seksyen 31, Kota Kemuning
40460 Shah Alam, Selangor Darul Ehsan
Tel: +603-5525-3873
Fax: +603-5525-3863

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