RESINTECH BERHAD

Registration No. 199501012460 (341662-X)

Spirit of New Directions

ANNUAL REPORT 2026

CONTENTS

2 Corporate Information

3 Corporate Structure

4 Directors and Key Senior Management Profile

8 Chairman’s Statement

11 Management’s Discussion & Analysis

17 Group Financial Highlights

18 Sustainability Statement

49 Audit Committee Report

53 Corporate Governance Overview Statement

68 Statement on Risk Management and Internal Control

72 Directors’ Responsibilities Statement

73 Additional Compliance Information

76 Financial Statements

193 List of Properties

197 Analysis of Shareholdings

200 Analysis of Warrant Holdings

203 Notice of 31st Annual General Meeting

Enclosed Form of Proxy

CORPORATE INFORMATION

BOARD OF DIRECTORS

DATUK HJ. ABDUL FATAH BIN HJ. ISKANDAR
Chairman/Senior Independent Non-Executive Director

DATO' DR. TEH KIM POO
Managing Director

DATIN GAN JEW
Executive Director

TEH LENG KANG
Executive Director

WEI HWEI HONG
Executive Director

DATO' HJ. RAZIF RATHA BIN ABDULLAH
Independent Non-Executive Director

GOH LAY YONG
Independent Non-Executive Director

POOK KIM NYEAN
Independent Non-Executive Director

AUDIT COMMITTEE

Pook Kim Nyean (Chairman)
Dato' Hj. Razif Ratha Bin Abdullah
Goh Lay Yong

NOMINATION COMMITTEE

Goh Lay Yong (Chairman)
Dato' Hj. Razif Ratha Bin Abdullah
Pook Kim Nyean

REMUNERATION COMMITTEE

Goh Lay Yong (Chairman)
Dato' Hj. Razif Ratha Bin Abdullah
Pook Kim Nyean

RISK MANAGEMENT COMMITTEE

Goh Lay Yong (Chairman)
Dato' Hj. Razif Ratha Bin Abdullah
Datuk Hj. Abdul Fatah Bin Hj. Iskandar
Pook Kim Nyean

COMPANY SECRETARIES

Qwik Tsae Yng
(SSM PC No. 202308000539 & MAICSA 7053568)

Tan Bee Hwa
(SSM PC No. 202008001174 & MAICSA 7058049)

REGISTERED OFFICE

Lot 3 & 5, Jalan Waja 14
Kawasan Perindustrian
Telok Panglima Garang
42500 Telok Panglima Garang
Selangor Darul Ehsan
Tel : 03-3122 2422
Fax : 03-3122 2411
Email: resintech@resintechmalaysia.my

WEBSITE & EMAIL

Website : www.resintechmalaysia.my
Email : resintech@resintechmalaysia.my

CORPORATE OFFICE

Lot 3 & 5, Jalan Waja 14
Kawasan Perindustrian
Telok Panglima Garang
42500 Telok Panglima Garang
Selangor Darul Ehsan
Tel : 03-3122 2422
Fax : 03-3122 2411
Email: resintech@resintechmalaysia.my

AUDITORS

Crowe Malaysia PLT
Chartered Accountants
Level 16, Tower C
Megan Avenue II
No. 12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Tel : 03 2788 9999

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan
Tel : 03-7890 4500
Fax : 03-7890 4590
Email: BSR.Helpdesk@boardroomlimited.com

PRINCIPAL BANKERS

Hong Leong Bank Berhad
No. 90 Jalan Persiaran Raja Muda Musa
42000 Port Klang
Selangor Darul Ehsan

United Overseas Bank (Malaysia) Berhad
2108 Jalan Meru, 41050 Klang
Selangor Darul Ehsan, Malaysia

CIMB Bank Malaysia Berhad
Ground Floor, Menara SBB
No. 83 Medan Setia Satu
Plaza Damansara, Bukit Damansara
50400 Kuala Lumpur, Malaysia

Al Rajhi Banking & Investment Corporation (Malaysia) Berhad
Level 11, Integra Tower,
The Intermark,
348, Jalan Tun Razak,
50400 Kuala Lumpur, Malaysia

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

Ordinary Shares
Stock Name : RESINTC
Stock Code : 7232

Warrants B 2022/2027
Stock Name : RESINTC-WB
Stock Code : 7232WB

CORPORATE STRUCTURE

RESINTECH BERHAD

Registration No. 199501012460 (341662-X)

- 100% Resintech Plastics (Sarawak) Sdn. Bhd.
- 100% Resintech Plastics (M) Sdn. Bhd.
  - 100% Resintech (Sabah) Sdn. Bhd.
  - 100% Resintech Products Marketing Sdn. Bhd.
  - 100% Exact Link Sdn. Bhd.
- 100% Resintech-Kapar Sdn. Bhd.
  - 100% PT Resintech Indomas
- 55% Johan Panglima (M) Sdn. Bhd.
- 100% Sarpino's Pizzeria (Cambodia) Co. Ltd
- 100% TCT Metal Sdn. Bhd.
- 100% Dunya Waja Sdn. Bhd.
- 100% Johan Hijauan Sdn. Bhd.
- 60% Johan Intan Sdn. Bhd.
- 100% Forward Metal Works Sdn. Bhd.
- 100% Dunya Murni Sdn.Bhd.
- 100% Johan Tenaga Sdn.Bhd.

DIRECTORS' AND KEY SENIOR MANAGEMENT PROFILE

DATUK HJ. ABDUL FATAH BIN HJ. ISKANDAR

Chairman/Senior Independent Non-Executive Director | **Aged 70** | **Male** | **Malaysian**

Datuk Hj. Abdul Fatah Bin Hj. Iskandar was appointed to the Board on 30 August 2017. He is a member of the Risk Management Committee. Datuk Hj. Abdul Fatah started his career as teacher in Maktab Perguruan Bahasa in 1978 after obtained his Diploma from Maktab Perguruan Bahasa. He also served as Executive of Councillor of Selangor's State in 1995. In 2015, he served as Special Officer to Minister of Home Affairs and within the same year he was appointed as Political Secretary to Deputy Prime Minister.

He does not hold any directorship in other public companies and listed issuers in Malaysia.

DATO' HJ. RAZIF RATHA BIN ABDULLAH

Independent Non-Executive Director | **Aged 70** | **Male** | **Malaysian**

Dato' Hj. Razif Ratha Bin Abdullah was appointed to the Board on 6 July 2018. He is a member of Nomination Committee, Remuneration Committee, Audit Committee and Risk Management Committee. He graduated in BA (Hons) of Economics from University Malaya in 1980 and LLB (Hons) from University of London in 1994. He also possesses a Diploma in Islamic Studies, International Islamic University Malaysia and Certificate in Legal Practice (CLP). His immediate past appointment was Deputy State Director of Customs Malaysia. He currently provides professional tax consultation and advice, leveraging his experience of over forty (40) years in the industry.

He does not hold any directorship in other public companies and listed issuers in Malaysia.

DATO' DR. TEH KIM POO

Managing Director & Key Senior Management | **Aged 75** | **Male** | **Malaysian**

Dato' Dr. Teh Kim Poo is the founder and Managing Director of the Company, was appointed to the Board on 24 April 1995. Dato' Dr. Teh obtained a PhD in Total Quality Management (TQM) from Newport University USA in 2002. He also possesses a Diploma in Accounting (LCCI), Post Graduate Diploma in Marketing (CIM, UK) and Master in Business Administration in Marketing from University of Hull, UK. He is also a chartered marketer of the Chartered Institute of Marketing (CIM, UK). Dato' Dr. Teh possesses in-depth knowledge and vast experience in the plastics industry and has successfully built up the Group into one of the more prominent plastic pipe manufacturers in Malaysia. As the Managing Director, he is responsible for the overall management and strategic direction of the Group.

Dato' Dr. Teh was the State Assemblyman of Kawasan Pandamaran Selangor from 2004 to 2008. Dato' Dr. Teh was also the Port Klang Authority Chairman and Malacca Port Authority Chairman from 2011 to 2014. Dato' Dr. Teh was appointed as the Port Klang Free Zone Chairman from 2011 to 2015.

He does not hold any directorship in other public companies and listed issuers in Malaysia.

DATIN GAN JEW

Executive Director & Key Senior Management | **Aged 72** | **Female** | **Malaysian**

Datin Gan Jew is the co-founder and Executive Director of the Company, was appointed to the Board on 24 April 1995. She has vast experience in the handling of manufacturing operations of the Group. She is well versed with all the operations on the production floor and her management style encompasses a very hands-on approach. She is also experienced in human resource matters and has been very much involved in the selection and co-ordination of the Group's employees. She currently oversees the cost savings operations of the Group, a role where she is able to leverage upon her experience of over forty (40) years in the industry.

She does not hold any directorship in other public companies and listed issuers in Malaysia.

TEH LENG KANG

Executive Director & Key Senior Management | **Aged 50** | **Male** | **Malaysian**

Mr. Teh Leng Kang was appointed to the Board on 25 July 2006. He graduated from Western Michigan University with a degree in Mechanical Engineering. He joined Resintech Plastics (M) Sdn. Bhd. in 1998. He was in the Production Department during the first two (2) years of his service, where he gained invaluable knowledge and experience in the machineries and production processes. Subsequently, he joined the Group's Sales and Marketing Department, wherein he expanded his knowledge in our sales and marketing activities. Mr. Teh was one of the key persons involved in the launching and marketing of the HDPE corrugated sewer pipe in 2000. Over the years, he has continued to play a significant role in the managing production operations and has set his sights now on expanding the Group's business. He currently oversees the Group's entire operation and also a member of Research & Development team, where he plays an important role in defining the scope of research and its objectives. He was appointed as the Management Representative position of Resintech Plastics (M) Sdn. Bhd.'s ISO Team in 2003. Over the years, he had led the Group in setting up numerous new operations, both locally and overseas.

He does not hold any directorship in other public companies and listed issuers in Malaysia.

WEI HWEI HONG

Executive Director & Key Senior Management | **Aged 50** | **Female** | **Malaysian**

Ms. Wei Hwei Hong is an Executive Director and Chief Financial Officer of the Company. She was appointed to the Board on 25 July 2006. She graduated from the University of Sheffield with a Bachelor of Arts (Hons). She is a Fellow member of Association of Certified Chartered Accountants (FCCA) and also a member of Malaysia Institute of Accountants (MIA). Ms. Wei possesses hands- on audit experience in one of the big four (4) accounting firms for a period of three (3) years, working on a vast array of projects. She joined Resintech Plastics (M) Sdn. Bhd. in May 2003 and currently she is responsible for overseeing the Accounts and Finance Department of the Group.

She does not hold any directorship in other public companies and listed issuers in Malaysia.

Directors and Key Senior Management Profile (Cont'd)

GOH LAY YONG

Independent Non-Executive Director | Aged 64 | Male | Malaysian

Mr. Goh Lay Yong was appointed to the Board on 16 March 2022. He serves as the Chairman of Nomination Committee, Remuneration Committee and Risk Management Committee, and is also a member of Audit Committee. Mr. Goh has more than 35 years of experience in financial institution and had worked in several banking establishments amongst other conventional banking at Eon Bank Berhad where his last held position was Area Business Manager and at Hong Leong Bank Berhad as Senior Regional Manager. His last stint was at Islamic banking sector with AL Rajhi Investment Bank where he held position as Senior Vice President.

He does not hold any directorship in other public companies and listed issuers in Malaysia.

POOK KIM NYEAN

Independent Non-Executive Director | **Aged 43** | **Male** | **Malaysian**

Mr. Pook Kim Nyean was appointed to the Board on 31 May 2023. He is the Chairman of the Audit Committee and a member of Nomination Committee, Remuneration Committee and Risk Management Committee. He is a Fellow member of Association of Certified Chartered Accountants (FCCA) and also a member of Malaysia Institute of Accountants (MIA). He has almost a decade of experience in is the audit industry before joining the corporate world holding positions as Financial Controller and Head of Finance in public listed companies. He currently works as Chief Financial Officer at Magnum Berhad, a public listed company on Bursa Malaysia.

He is an Independent Non-Executive Director of Hock Soon Capital Berhad, a public listed company on Bursa Malaysia.

Notes to Directors' Profile

1. **Family Relationships**

   Save for the following, none of the Directors has any family relationships with any other Directors and/or major shareholders:-

   - Dato' Dr. Teh Kim Poo is the spouse of Datin Gan Jew, a Director and major shareholder of the Company. He is also the father to Mr. Teh Leng Kang, a Director of the Company.
   - Mr. Teh Leng Kang is the spouse of Ms. Wei Hwei Hong, a Director of the Company and the son of Dato' Dr. Teh Kim Poo and Datin Gan Jew.

2. **Conflict of Interest**

   None of the Directors has any conflict of interest or potential conflict of interest with the Company.

3. **Conviction of Offences**

   None of the Directors has been convicted any offences (other than traffic offences) within the past five (5) years. There was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

4. **Attendances at Board Meetings**

   The details of the Directors' attendance at the board meetings during the financial year end are set out on page 56 of this Annual Report.

5. **Directors' Shareholdings**

   The details of the Directors' Shareholdings are set out in the Analysis of Shareholding on page 197 of this Annual Report.

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present Resintech Berhad's ("Resintech") Annual Report for the financial year ended 31 March 2026 ("FY2026").

A YEAR OF MEANINGFUL PROGRESS

FY2026 was a year of meaningful progress for Resintech and its subsidiaries ("the Group"). Despite an operating environment shaped by global trade uncertainty, fluctuating foreign-exchange rates and changing raw-material costs, Resintech delivered stronger revenue, earnings and operating cash flow. This performance reflected higher demand for pipe systems across both local and export markets, supported by disciplined cost management and the commitment of our employees.

Financial indicators	FY2026	FY2025	Change
Revenue	RM160.13 million	RM125.06 million	28.0%
Gross profit	RM36.50 million	RM26.69 million	36.8%
Profit attributable to owners	RM13.63 million	RM11.28 million	20.1%
Basic earnings per share	7.01 sen	5.80 sen	20.2%

The Group recorded revenue of RM160.13 million, representing an increase of 28.0% from RM125.06 million in FY2025. Gross profit rose by 36.8% to RM36.50 million, while gross profit margin improved to 22.8% from 21.3%. Profit before tax increased by 11.5% to RM19.07 million, and profit attributable to owners of the Company grew by 20.8% to RM13.63 million. Basic earnings per share correspondingly improved to 7.01 sen from 5.80 sen.

Although profit before tax grew at a slower rate than revenue, this was partly attributable to lower other operating income, including a smaller fair-value gain on investment properties compared with FY2025, as well as higher distribution, finance and other operating costs. Importantly, the Group continued to record growth in its underlying business and generated stronger cash flow from operations.

STRENGTHENING OUR FINANCIAL FOUNDATION

The Group's financial position remained stable at the end of FY2026. Total assets increased by 7.2% to RM340.82 million, while total equity rose by 5.5% to RM225.71 million. Net assets per share improved to RM1.1486 from RM1.0874.

Net cash generated from operating activities nearly doubled to RM21.10 million from RM10.30 million. This enabled the Group to fund its investing and financing requirements while increasing closing cash and cash equivalents to RM20.89 million.

During the year, the Group invested RM6.06 million in investment properties and RM5.65 million in property, plant and equipment. These investments reflected our continued commitment to maintaining the Group's operating and asset base while balancing growth requirements with financial discipline.

EXTENDING OUR REGIONAL REACH

One of the Group's key business developments during FY2026 was the award of two international contracts by the Phnom Penh Water Supply Authority ("PPWSA") to our wholly-owned subsidiary, Resintech Plastics (M) Sdn. Bhd., for the supply and delivery of HDPE pipes and fittings.

The two contracts carried a combined announced value of approximately RM32.57 million. Batch 1 commenced in September 2025 and was completed in February 2026, while Batch 2 commenced in December 2025 and extended into FY2027, completed in May 2026.

These contracts complemented the higher demand recorded for the Group's pipe systems in export markets during the year. They also demonstrated Resintech's ability to manufacture and supply its products for an overseas water-infrastructure customer. We will continue to evaluate regional opportunities carefully, taking into consideration their expected returns, working-capital requirements and execution risks.

DELIVERING VALUE TO SHAREHOLDERS

During FY2026, the Company paid a final single-tier dividend of 1.25 sen per ordinary share, amounting to RM2.43 million, in respect of FY2025.

Following the end of FY2026, the Board declared a first interim single-tier dividend of 2.00 sen per ordinary share for FY2026, amounting to RM3.89 million. The dividend reflects the Group's improved financial performance and our commitment to delivering value to shareholders while retaining sufficient resources to support operations and future requirements.

The Board will continue to consider future dividends in the context of the Group's financial performance, cash position, capital requirements and prevailing business conditions.

GOVERNANCE AND RISK OVERSIGHT

The Board remains committed to maintaining sound corporate governance, effective oversight and responsible decision-making. During the year, we continued to monitor the risks associated with raw-material prices, foreign-exchange movements, receivable collections, inventory management, financing requirements and contract execution.

These risks cannot be eliminated entirely. However, the Group seeks to manage them through disciplined procurement, cost and inventory controls, credit monitoring, prudent financial management and close coordination of production and delivery schedules.

As Resintech expands its local and export activities, maintaining strong governance and risk discipline will remain essential to protecting the Group's financial position and supporting sustainable growth.

OUTLOOK

Looking ahead, the Group remains focused on strengthening the performance of its operating segments by supporting demand for its products, executing customer orders efficiently and maintaining disciplined cost and working-capital management.

The PPWSA Batch 2 contract, which extended into FY2027, is expected to support near-term business activity, with its financial contribution dependent on actual delivery progress and the Group's revenue-recognition policies.

Nevertheless, the operating environment remains subject to uncertainties arising from fluctuations in the ringgit against the US dollar, geopolitical developments, raw-material and distribution costs, receivable collections, capital expenditure requirements and financing costs. Against this backdrop, the Group will continue to manage expenditure prudently while pursuing appropriate opportunities across its local and export markets.

Barring unforeseen circumstances, the Board expects Resintech to maintain a satisfactory performance in the coming financial year.

APPRECIATION

On behalf of the Board, I wish to express our appreciation to our shareholders, customers, business partners, suppliers, financiers and regulatory authorities for their continued confidence and support.

I would also like to thank our management team and employees for their dedication and contribution throughout the year. Their commitment was instrumental in delivering the Group's improved performance and serving our customers across local and export markets.

Finally, I extend my appreciation to my fellow Board members for their guidance and stewardship. We remain committed to building on the progress achieved in FY2026 and creating sustainable long-term value for all stakeholders.

MANAGEMENT'S DISCUSSION & ANALYSIS

OVERVIEW

Resintech Berhad ("Resintech") is an investment holding company that provides management services, while its subsidiaries (""the Group") are principally involved in the manufacture and trading of plastic pipes, water tanks, fittings and other uPVC and polyethylene products. The Group also has property-holding and investment-holding activities. Its published product range includes polyethylene and uPVC pipes and fittings, double- and triple-wall profile pipes, water tanks, septic tanks, rotationally moulded products and specially fabricated polyethylene products for the construction industry.

FY2026 at a glance:

Financial indicators (RM million)	FY2025	FY2026	Change
Revenue	RM125.06	RM160.13	28.0%
Gross profit	RM26.69	RM36.50	36.8%
Gross profit margin	21.30%	22.80%	+1.5 percentage points
Profit before tax	RM17.11	RM19.07	11.5%
Profit after tax	RM12.68	RM13.53	6.7%
Profit attributable to owners	RM11.28	RM13.63	20.8%
Basic earnings per share	5.80 sen	7.01 sen	20.9%
Net cash from operations	RM10.30	RM21.10	104.9%
Total assets	RM317.95	RM340.82	7.2%
Total equity	RM213.90	RM225.71	5.5%
Net assets per share	RM1.0874	RM1.1486	5.6%

Business and Operating Model

An integrated platform supporting plastic products, infrastructure applications and asset ownership.

Resintech's operating segments are Manufacturing and Trading, Services, Investment Holding and Others. The Manufacturing and Trading segment manufactures and trades a diversified range of plastic pipes, water tanks, and fittings. The Services segment represents property-holding activities, while the Investment Holding segment relates to investment-holding activities.

Management's Discussion & Analysis
(Cont'd)

MARKET AND OPERATING ENVIRONMENT

The global economy remained resilient but uneven during FY2026, amid continuing trade-policy uncertainty and divergent conditions across major economies. In its January 2026 World Economic Outlook Update, the International Monetary Fund estimated global growth at 3.3% in 2025 and projected the same pace for 2026. Technology investment, supportive financial conditions, and private-sector adaptability helped offset trade-policy headwinds, although world trade volume growth was expected to moderate from 4.1% in 2025 to 2.6% in 2026. These conditions created a mixed operating backdrop for manufacturers exposed to international trade, foreign-exchange movements and globally priced raw materials.

Source: IMF World Economic Outlook Update, January 2026

Against this backdrop, Malaysia's economy expanded by 5.2% in 2025, compared with 5.1% in 2024, supported by resilient domestic demand and favourable export performance. The construction sector remained a notable contributor, with real value added increasing by 12.2% in 2025, underpinned mainly by non-residential building and specialised construction activities. Separately, the Department of Statistics Malaysia reported that the value of construction work done rose by 12.5% to RM178.6 billion in 2025. Civil engineering activities continued to expand, although at a more moderate pace, supported by the progress of multi-year infrastructure projects. The sustained level of construction activity provided a supportive industry backdrop for suppliers of pipes, fittings, water-storage products and other construction-related plastic products, although actual demand remained subject to project awards, site progress and delivery schedules.

Source: Bank Negara Malaysia Annual Report 2025, BNM Economic and Monetary Review 2025, DOSM Construction Statistics, Fourth Quarter 2025

Within this operating environment, Resintech recorded higher demand for pipe systems across both local and export markets, contributing to a 28.0% increase in revenue to RM160.13 million in the financial year ended 31 March 2026 ("FY2026"). The Group also reported that a stronger ringgit and lower oil prices supported profitability by reducing the cost of resin, a key manufacturing input.

Strengthening the Core, Extending Regional Reach

FY2026 marked a period of stronger operating activity and regional business development for Resintech. The Group recorded higher demand for pipe systems across both local and export markets, contributing to a 28.0% increase in revenue to RM160.13 million. A key development during the year was the award of two contracts to wholly owned subsidiary Resintech Plastics (M) Sdn Bhd by the Phnom Penh Water Supply Authority ("PPWSA") for the supply and delivery of HDPE pipes and fittings. Commencing in September and December 2025 respectively, the contracts carried a combined announced value of approximately RM32.57 million, with Batch 1 completed in February 2026 and Batch 2 completed in May 2026. Locally, the Group successfully completed production and delivery of medium density polycthylene gas pipes to Gas Malaysia Bhd contributing increase in revenue by RM2.13 million.

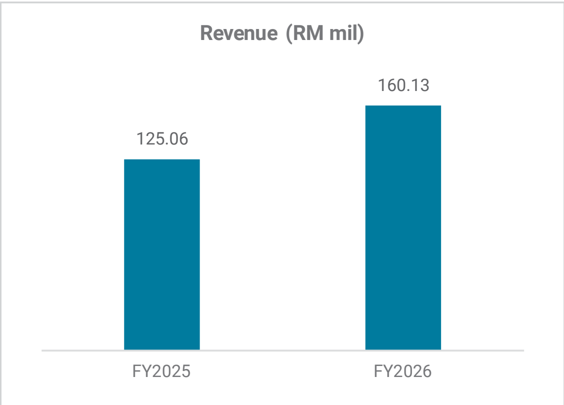
The Group also invested RM7.06 million in investment properties and RM5.65 million in property, plant and equipment during the year, while reporting approved and contracted capital commitments of RM22.28 million at year-end. In addition, Resintech incorporated Dunya Murni Sdn. Bhd. as a wholly-owned subsidiary on 28 January 2026, although its intended activities were not disclosed in the FY2026 results. Collectively, these developments reflected continued investment in the Group's operating and asset base, alongside greater participation in export supply contracts.

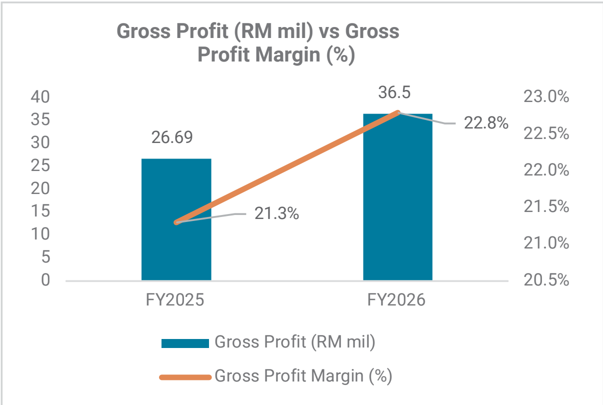
FINANCIAL PERFORMANCE REVIEW

1) Revenue and gross profit

Revenue increased by RM35.07 million or 28.0% to RM160.13 million, from RM125.06 million in FY2025. The Group attributed this improvement mainly to higher demand for pipe systems in local and export markets. Cost of sales rose by 25.7% to RM123.62 million, compared with RM98.37 million. As revenue grew faster than cost of sales, gross profit increased by 36.8% to RM36.50 million. The gross profit margin improved from 21.3% to 22.8%. This represents an increase of approximately 1.5 percentage points.

RM million	FY2025	FY2026	Change
Revenue	125.06	160.13	28.0%
Cost of sales	98.37	123.62	25.7%
Gross profit	26.69	36.50	36.8%
Gross margin	21.30%	22.80%	+1.5 percentage points





2) Profitability and Other Income

Other operating income decreased by 43.0% to RM6.22 million, mainly because the fair-value gain on investment properties fell to RM0.79 million from RM5.29 million in FY2025. Despite this, PBT increased by 11.5% to RM19.07 million, although the PBT margin declined to 11.91% from 13.7%. The margin moderation reflected lower other operating income, higher distribution and operating expenses, increased finance costs and impairment charges, which partly offset the improvement in gross profit and lower administrative expenses.

Income tax expense increased to approximately RM5.54 million, resulting in an effective tax rate of approximately 29.1%. Profit after tax rose by 6.7% to RM13.53 million, while PATMI increased by 20.8% to RM13.63 million, partly because non-controlling interests recorded a small loss in FY2026 compared with a profit in FY2025. Basic EPS consequently increased to 7.01 sen from 5.80 sen.

Total comprehensive income declined to RM14.25 million from RM31.72 million, mainly because FY2025 included a RM18.12 million property revaluation surplus that did not recur in FY2026. The decline therefore reflected lower revaluation gains rather than weaker operating profit.

Profitability indicators (RM million)	FY2025	FY2026
PBT	RM17.11	**RM19.07**
PBT margin	13.70%	**11.91%**
Income tax expense	RM4.43	**RM5.54**
Effective tax rate	25.90%	**29.10%**
Profit after tax	RM12.68	**RM13.53**
PATMI	RM11.28	**RM13.63**
Basic EPS	5.80 sen	**7.01 sen**

3) Financial Position

Key financial-position indicators (RM million)	FY2025	FY2026
Total assets	RM317.95	**RM340.82**
Total equity	RM213.90	**RM225.71**
Trade receivables	RM29.01	**RM42.13**
Inventories	RM43.74	**RM40.70**
Cash and cash equivalents	RM12.80	**RM20.89**
Total borrowings	RM60.10	**RM62.30**
Net assets per share	RM1.0874	**RM1.1486**
Current ratio	1.95 times	**1.82 times**

The Group maintained a stable financial position in FY2026, with total assets increasing by RM22.87 million or 7.2% to RM340.82 million. Non-current assets increased slightly to RM225.05 million, mainly due to the increase in investment properties to RM89.63 million. Current assets rose by 20.3% to RM115.77 million, supported by higher trade receivables and cash balances, partly offset by a reduction in inventories.

Trade receivables increased to RM42.13 million from RM29.01 million, alongside the Group's higher revenue during the year. Cash and bank balances rose to RM26.89 million, while inventories declined by 7.0% to RM40.70 million. The increase in receivables should continue to be monitored as part of the Group's working-capital and collection management.

Total equity increased by 5.5% to RM225.71 million, supported by the profit recorded during the year. Equity attributable to owners rose to RM223.30 million, while retained profits increased to RM87.22 million. Net assets per share correspondingly improved to RM1.1486 from RM1.0874.

Total liabilities increased by 10.6% to RM115.11 million, mainly due to higher current liabilities. Total borrowings increased slightly to RM62.30 million, comprising RM33.72 million in short-term borrowings and RM28.58 million in long-term borrowings. Nevertheless, the improvement in cash and cash equivalents to RM20.89 million reduced derived net borrowings to approximately RM41.41 million from RM47.32 million.

4) Cash Flow

RM million	FY2025	FY2026
Net cash from operating activities	10.30	21.10
Net cash used in investing activities	-22.29	-11.30
Net cash from/(used in) financing activities	10.59	-3.08
Closing cash and cash equivalents	12.80	20.89

The Group recorded a stronger cash-flow position in FY2026, with cash and cash equivalents increasing to RM20.89 million from RM12.80 million.

Operating activities

Net cash generated from operating activities nearly doubled to RM21.10 million from RM10.30 million. This was mainly supported by higher operating profit before working-capital changes and a reduction in inventories, although part of the cash generated was absorbed by the increase in receivables. The higher operating cash flow strengthened the Group's ability to fund its operations and investments internally.

Investing activities

Net cash used in investing activities decreased to RM11.30 million from RM22.29 million. The principal outflows were RM6.06 million for investment properties and RM5.65 million for property, plant and equipment. These investments reflected the Group's continued allocation of capital towards its property and operating asset base.

Financing activities

Net cash used in financing activities was RM3.08 million, compared with net cash generated of RM10.59 million in FY2025. Financing movements during the year included dividend and interest payments, repayments of term loans and hire-purchase obligations, as well as movements in bill payables.

Overall, the improvement in operating cash generation was sufficient to fund the Group's investing activities and financing requirements during FY2026, resulting in a higher year-end cash balance.

5) Dividends

The Company paid a final single-tier dividend of 1.25 sen per ordinary share, amounting to RM2.43 million, on 30 September 2025. This dividend related to FY2025. On 29 May 2026, the Board declared a first interim dividend of 2.00 sen per share for FY2026, amounting to RM3.89 million. The dividend was payable on 3 July 2026 to shareholders registered on 19 June 2026.

KEY RISKS

Effective risk management remains central to Resintech's ability to deliver consistent performance and preserve long-term stakeholder value. As the Group expands its local and export activities, it faces a combination of operational, financial and market-related uncertainties that could affect costs, cash flow and profitability. These risks cannot be eliminated entirely, but they can be managed through disciplined procurement, credit and inventory controls, prudent financial management and close monitoring of contract execution. The Group's principal risk exposures during FY2026 are discussed below.

1) Raw-material risk

Resin and other inputs are important to the Group's manufacturing activities. Changes in oil prices, petrochemical markets, currency movements and supply conditions can affect input costs. While stronger Ringgit and lower oil prices supported FY2026 earnings, currency fluctuations and geopolitical developments could raise material costs.

Management's Discussion & Analysis (Cont'd)

2) Foreign-exchange risk

The Group recorded a RM1.17 million unrealised foreign-exchange loss during FY2026. Export orders and US dollar-denominated contracts expose the Group to changes in the value of foreign-currency revenue and receivables, while imported inputs may create foreign-currency costs.

3) Customer and receivable risk

Trade receivables increased by 45.23% to RM42.13 million. The Group also recorded an impairment loss on receivables of RM1.18 million. This increases the importance of credit assessment, collection monitoring and expected credit-loss reviews.

4) Inventory risk

Inventories decreased by 7.0% to RM40.70 million. Inventory management remains relevant because price movements, demand changes and product specifications may affect the recoverability and turnover of stock.

5) Financing and liquidity risk

Total borrowings increased moderately to RM62.30 million, with a larger proportion classified as short term. Finance costs also increased by 30.8% to RM2.42 million. The Group generated higher operating cash flow and increased cash and cash equivalents, partly offsetting this exposure.

6) Contract-execution risk

The PPWSA contracts expose the Group to delivery, logistics, currency, collection and contractual risks. As of writing, the Group did not foresee exceptional risks beyond the normal operational risks associated with the contracts.

7) Property-valuation risk

Investment properties amounted to RM89.63 million and represented approximately 26.3% of total assets. Changes in property valuation can affect reported other operating income and net assets. The fair-value gain decreased significantly from RM5.29 million in FY2025 to RM0.79 million in FY2026.

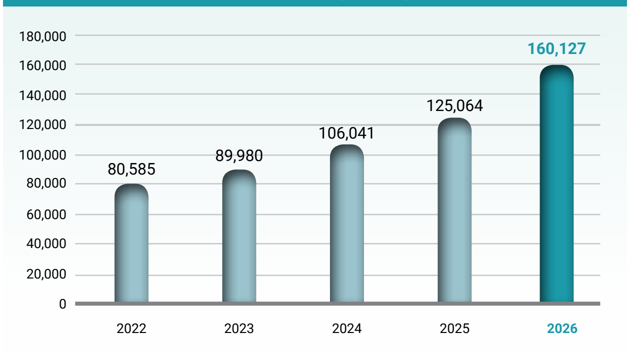
PROSPECTS

Looking ahead, the Group remains focused on strengthening the performance of its operating segments by supporting demand for its products, executing customer orders efficiently and maintaining disciplined cost and working-capital management. The PPWSA Batch 2 contract, which extended into FY2027, is expected to support near-term business activity, with its financial contribution dependent on actual delivery progress and the Group's revenue-recognition policies. Nevertheless, the operating environment remains subject to uncertainties arising from fluctuations in the ringgit against the US dollar, geopolitical developments, raw-material and distribution costs, receivable collections, capital expenditure requirements and financing costs. Against this backdrop, the Group will continue to manage expenditure prudently while pursuing opportunities across its local and export markets, and the Board expects Resintech to maintain a satisfactory performance, barring unforeseen circumstances.

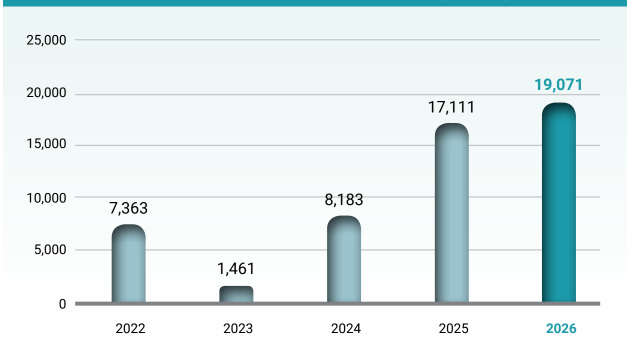
GROUP FINANCIAL HIGHLIGHTS

	2026	2025	2024	2023	2022
Revenue (RM'000)	**160,127**	125,064	106,041	89,980	80,585
Profit before taxation (RM'000)	**19,071**	17,111	8,183	1,461	7,363
Total assets (RM'000)	**340,822**	317,954	255,656	256,037	251,834
Earnings per share (sen)	**7.01**	5.80	3.10	0.51	2.72
Shareholders' equity (RM'000)	**223,303**	211,389	180,335	174,079	174,513
Net assets per share (sen)	**114.87**	108.74	92.76	89.54	92.87

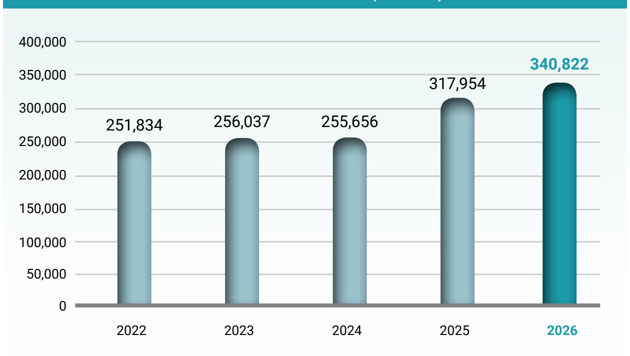
REVENUE *(RM'000)*



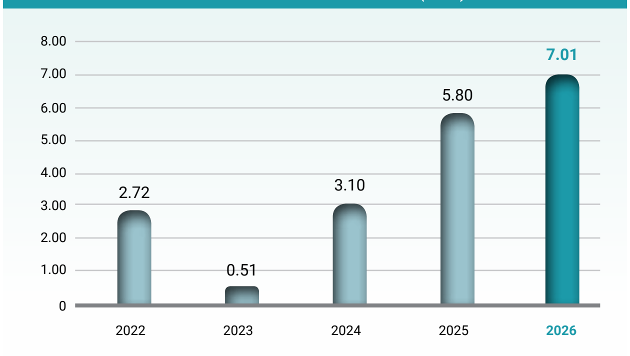
PROFIT BEFORE TAXATION *(RM'000)*



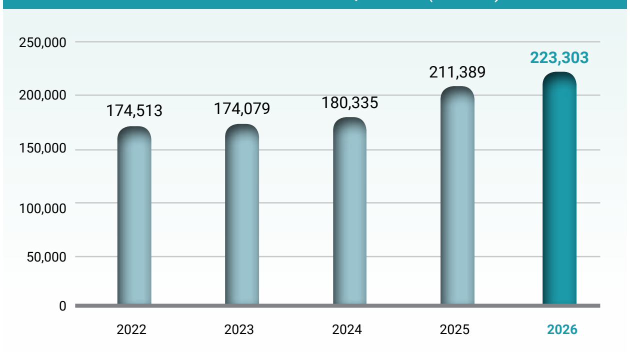
TOTAL ASSETS *(RM'000)*



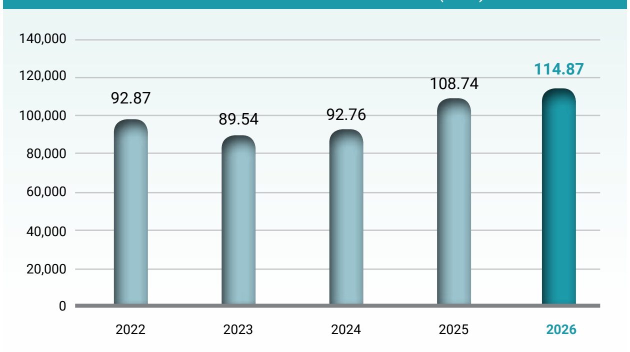
EARNING PER SHARE *(SEN)*



SHAREHOLDERS' EQUITY *(RM'000)*



NET ASSETS PER SHARE *(SEN)*



SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

Reporting Period, Scope and Boundary

Resintech Berhad's ("Resintech") FY2026 Sustainability Statement presents the Group's economic, environmental, social and governance performance for the period from 1 April 2025 to 31 March 2026. It explains how responsible business practices support resilient growth, dependable products and enduring relationships with employees, customers, suppliers, communities and investors.

The Statement has been prepared with reference to the following reporting requirements and standards:

- Bursa Malaysia Sustainability Reporting Guide (3rd Edition, 2022)
- Bursa Malaysia Main Market Listing Requirements (Enhanced Sustainability Reporting Requirements - Annexure A of Practice Note 9)
- Global Reporting Initiative (GRI) Standards 2021

In FY2026, the reporting scope comprised eight entities in Malaysia and one in Indonesia. The entities are organised by business activity and geography in the following table.

Company Name	Division	Country
Resintech Berhad	Investment Holding	Malaysia
Resintech Plastics (M) Sdn. Bhd.	Manufacturing	Malaysia
Resintech-Kapar Sdn. Bhd.	Manufacturing	Malaysia
Resintech Plastics (Sarawak) Sdn. Bhd.	Manufacturing	Malaysia
Resintech (Sabah) Sdn. Bhd.	Manufacturing	Malaysia
Resintech Products Marketing Sdn. Bhd.	Sales & Distribution	Malaysia
Exact Link Sdn. Bhd.	Property Holding	Malaysia
Johan Panglima (M) Sdn. Bhd.	Real Estate	Malaysia
Pt Resintech Indomas	Manufacturing	Indonesia

Assurance and Data Integrity

Management reviewed the FY2026 sustainability information against the supporting records for the reporting cycle and applied Resintech and its subsidiaries ("the Group") reporting and governance processes to support consistency, completeness and accuracy across the Statement.

The Sustainability Committee coordinated the consolidation and review of entity-level information, with management oversight of the reported disclosures and performance indicators. This governance process provides the foundation for reliable sustainability reporting and the continued development of the Group's reporting controls.

Feedback

Resintech values constructive stakeholder feedback as an important input to stronger sustainability management and reporting. Questions, comments and suggestions on this Statement can be directed to resintech@resintechmalaysia.my. The Group will continue to use stakeholder perspectives to strengthen accountability and support responsible, long-term progress.

ABOUT RESINTECH

Vision

- A leading Malaysian manufacturer and marketer of a comprehensive range plastic pipe systems tanks.

Mission

- Pursue new opportunities and lead in an evolving market.
- Drive continuous quality improvement, meet customer expectations and build on the Group's strengths
- capabilities
- Operate as a market-driven, efficient and dependable organisation for customers, employees communities.

Core Value

- Customer Focus: We place customer care at the centre of our priorities
- People: We support employees through training and development, recognising that engaged people sustain quality
- Quality Excellence: We pursue continuous improvement, innovation and consistent product standards. service.
- Teamwork: We share responsibility and work together to achieve common goals
- Effectiveness: We exchange ideas and act decisively to improve results.
- Innovation: We develop practical solutions that strengthen business vitality.
- Honesty and Integrity: We act honestly build trust.
- Positive Social Contribution: We create meaningful value for our communities.

Who We Are

Resintech is an integrated manufacturer and marketer of uPVC and polyethylene products, including pipe systems, fittings and tanks used in water, building and industrial applications. The Group combines product design, manufacturing capability and market reach to serve customers that value dependable quality, fit-for-purpose performance and responsive delivery.

Our Core Business

The Group's core activities encompass the innovation, design, manufacture and marketing of a diversified range of uPVC and polyethylene products for water, building and industrial applications.

Review of Operations

The Group's review of operations is elaborated in the "Management Discussion and Analysis" section set out in this Annual Report.

Our Sustainability Framework

Our Sustainability Framework connects responsible business practice with Resintech's purpose: to provide dependable pipe systems and tanks that support water, building and industrial needs. It is grounded in quality, integrity, innovation and contribution to society.

Guided by our core values of quality, integrity, innovation, and social contribution, the Framework supports our overarching aspirations to:

- Enable inclusive and resilient economies,
- Reduce environmental impact,
- Advance social wellbeing and human capital, and
- Uphold ethical governance and accountability.

Sustainability Statement (Cont'd)

Our sustainability approach is anchored on four strategic focus areas:

1. Economic Performance - Delivering consistent, market-driven growth while ensuring customer satisfaction, resilient supply chain management, and responsible investments in community development.
2. Environmental Stewardship - Addressing climate change, waste, and water management through targeted actions and measurable impact.
3. Social Advancement - Prioritising health and safety, employee welfare, diversity, equity and inclusion, and respect for human rights.
4. Governance and Risk Integrity - Promoting strong ethical conduct through anti-corruption measures, as well as cybersecurity and data protection protocols.

The framework gives each material matter an operational home, a responsible owner and a measurable indicator where data are available. This helps the Group turn sustainability from a reporting exercise into day-to-day decisions on product quality, resource use, workplace safety, business integrity and stakeholder trust.

Vision

To become the manufacturer and marketer with the widest range of plastic pipes systems and tanks in Malaysia

Mission

1. We will progress with new opportunities and be the leader in an ever-changing market
2. We will be driven out commitment to continuous quality improvement and to meet all of our customers' expectations
3. We will market-driven, efficient, excellent and successful

Core Value

Customers	Employees	Quality Excellence	Teamwork	Innovation	Honesty and Integrity	Positive Social Contribution

Our Focus Area

Inclusive and Resilient Economies	Reducing Environmental Impact	Advancing Social Wellbeing and Human Capital	Upholding Ethical Governance and Accountability
Economic Performance	Climate Change	Health & Safety	Anti-Corruption
Supply Chain Management	Waste Management	Employee Management	Cybersecurity & Data Protection
	Water Management	Diversity, Equity & Inclusion	
		Community Investment	
		Customer Satisfaction	
		Human Rights	

Review Of Operations

The Group's review of operations is elaborated in the "Management Discussion and Analysis" section set out in this Annual Report.

Our Approach To Driving Sustainability

Our approach to sustainability is based on our core values of excellence, united we achieve, integrity, humility and building relationships, supported by policies and procedures at the Group level. We consistently embed sustainability into the core of our business. The following value-added sustainability framework forms the basis of the Group's steps to strengthen our approach to sustainability

OUR SUSTAINABILITY APPROACH

Resintech's sustainability approach is anchored in excellence, teamwork, integrity, humility and trusted relationships. Group-level policies, governance and operating processes embed these values across decision-making and provide a consistent foundation for managing material sustainability matters.

Sustainability Governance

Sustainability governance is integrated within Resintech's corporate governance framework to support effective oversight, strategic alignment and cross-functional execution of the Group's ESG priorities. This structure embeds accountability across the organisation and supports long-term value creation for stakeholders.

The Board of Directors (BOD) assumes ultimate accountability for the Group's sustainability direction and performance. In line with the expectations of the Malaysian Code on Corporate Governance (MCCG) 2021, the Board provides strategic oversight on sustainability matters, including climate-related risks and opportunities. To support informed decision-making, the Board is committed to ongoing capacity-building and periodic assessment of its competencies in EESG.

Operational leadership is delegated to the Executive Director (ED), who serves as the Group's Sustainability Champion and chairs the Sustainability Committee (SC). The SC comprises executive directors from key subsidiaries and members of Senior Management, tasked with steering the implementation of the Group's sustainability strategies, monitoring performance against targets, and driving alignment with material sustainability matters.

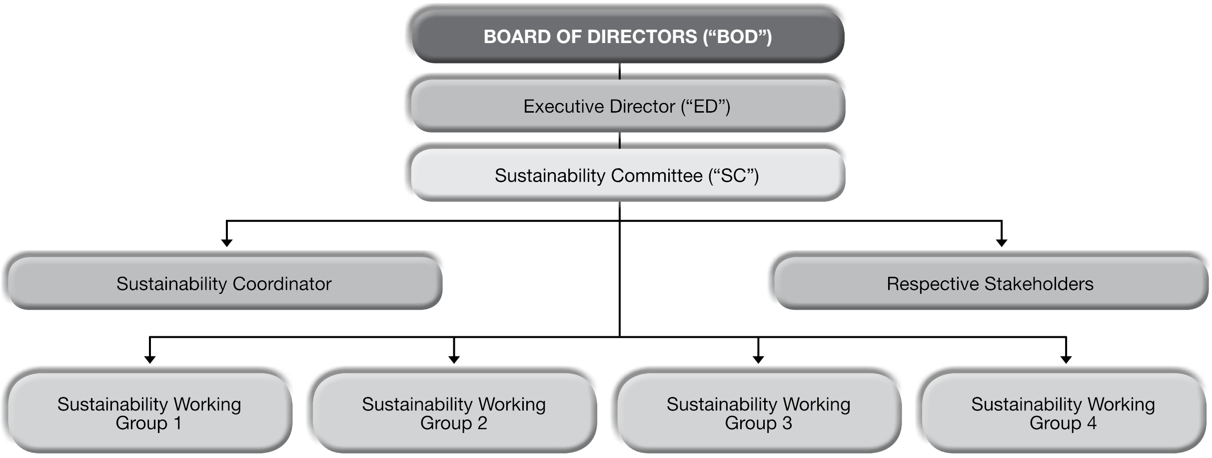
The Sustainability Committee is supported by a structured working-level governance mechanism:

- A Sustainability Coordinator functions as the key liaison across business units, facilitating coordination, data consolidation, and reporting.
- Sustainability Working Groups (SWG 1-4) comprise departmental heads and functional leads responsible for operationalising sustainability initiatives within their respective domains. These groups are accountable for tracking ESG metrics, advancing continuous improvements, and embedding sustainability into daily operations.
- Internal and external stakeholders are engaged through established channels so that the Group's ESG priorities remain relevant and responsive to stakeholder expectations.

This multi-tiered governance model ensures clear accountability, enhances the quality of EESG disclosures, and reinforces a culture of sustainability throughout the Group. The SC convenes regularly to review progress, assess emerging risks, and escalate key matters to the Executive Director and Board as appropriate.

Through this governance structure, Resintech positions sustainability as both an operational responsibility and a strategic driver of competitiveness, resilience and stakeholder trust.

Sustainability Statement (Cont'd)



Responsibilities of the Sustainability Committee

	Responsibilities
Board of Directors	• Leads sustainability efforts for the Group, including developing strategy and targets, assessing materiality, and managing climate risks and opportunities. • Promotes sustainability integration across the Group and its businesses, fostering a strong sustainability culture. • Oversees the implementation of sustainability strategies and targets and approve the annual Sustainability Statement.
Executive Director	• Approves key sustainability plans, including strategies, targets, policies, and materiality assessment. • Oversees the integration of sustainability and climate considerations into the Group's Enterprise Risk Management ("ERM") framework. • Manages and monitors critical sustainability issues, encompassing climate- related risks and opportunities. • Tracks progress towards sustainability goals and identifies areas for improvement. • Advises the Board on sustainable strategies and monitors their implementation.
Sustainability Committee	• Crafts sustainability strategies and policies, seeking ED and BOD approval. • Drives consistent implementation across all business segments and locations. • Assesses overall sustainability risks and opportunities, prioritising climate-related aspects. • Evaluates and refines the materiality assessment process and outcomes. • Reviews and provides feedback on the Sustainability Statement before Board approval. • Develops and recommends sustainability-linked KPIs for performance evaluation of the Board and Senior Management. • Oversees engagement with stakeholders, ensuring their concerns are incorporated into sustainability initiatives. • Recommends material sustainability matters, policies, goals, and targets for Board approval. • Monitors the implementation of sustainability policies and initiatives. • Identifies the material sustainability matters relevant to business operations. • Recommends targets, initiatives, and standard procedures to manage material sustainability matters identified. • Evaluates the implementation of the approved recommendations. • Considers the views of stakeholders in managing material sustainability matters. • Assesses the company's sustainability risks and opportunities.

Responsibilities	
Sustainability Coordinator	• Coordinates and supports the Sustainability Working Group in managing material matters. • Consolidates sustainability reports and data from the Working Group for the Sustainability Committee ("SC"). • Guides the materiality assessment process. • Oversees management of material sustainability matters. • Leads the preparation of the Sustainability Statement and recommends it for Board approval.
Sustainability Working Group	• Bridges strategy and execution, ensuring local practices align with the overall sustainability agenda and targets. • Assists the Sustainability Committee in implementing and monitoring sustainability initiatives and performance. • Monitors and reports on the progress of all sustainability initiatives and strategies to the Sustainability Committee. • Ensures the strategies planned by the Sustainability Committee are implemented.

Sustainability Strategy

As a Public-Listed Company
Resintech integrates sustainability into Board oversight, risk management, stakeholder engagement and transparent reporting. The Group aligns responsible value creation with stronger environmental and social performance across its operations and value chain.
As a Manufacturer and Solution Provider
Resintech prioritises dependable product quality, responsive delivery and solutions that support water, building and industrial applications. Operational improvement is directed towards resource efficiency, safe work, ethical conduct and long-term customer value.

Strategies and Directions

Resintech's sustainability direction focuses on profitable and disciplined growth, reliable products, responsible resource use, a safe workplace and trusted business conduct. The priorities are designed around the Group's manufacturing footprint and the needs of Malaysia's water and construction value chains.

Policies for Internal Control and Governance

The Group's policies provide the foundation for internal control, ethical conduct and consistent governance. They promote shared values, accountable decision-making and coordinated execution across the organisation:

- Code of Ethics and Conduct
- Anti-Bribery and Corruption Policy
- Whistleblowing Policy
- Board Charter
- Audit Committee Terms of Reference
- Risk Management & Internal Control Framework
- Management Information & Operating Manuals

Stakeholder Engagement

Resintech maintains constructive engagement with its key stakeholder groups through formal and informal channels. Business and functional teams use these interactions to understand expectations, identify sustainability risks and opportunities, respond to concerns and strengthen long-term relationships. Material matters raised through engagement are communicated through the Group's management and sustainability governance processes.

The following table summarises the Group's key stakeholder groups, engagement channels, areas of interest and principal responses.

Key Stakeholder	Engagement Platform	Engagement Focus & Objective	Our Initiative & Achievement
Shareholders and Investment Community	**As needed** • Statutory Announcement • One-on-one and group meetings **Quarterly** • Financial reports and announcements **Annually** • General Meetings • Annual reports	• Maintain proactive engagement with investors • Communicate effectively with the investment community on various topics, including: o Sustainable and responsible investing initiatives o Expansion plans and strategies o Business risk assessments o Compliance, integrity, and ethical business conduct practices	• Manage timely and transparent communication • Quarterly financial results announcement on Bursa Securities • Annual public action of AGM notice in local newspapers • Regular shareholder meetings • Adherence to reporting deadlines • Oversee effective communication of business strategies and prudent risk management practices.
Regulators and Government Authorities	**As needed** • Scheduled/ ad- hoc meetings **Regularly** • Participation in government and regulatory events **Yearly** • Renewal of various licenses/ permits	• Ensure legal and regulatory compliance • Maintain adherence to all applicable requirements • Interpret and apply relevant laws, regulations, and guidelines • Foster continuous engagement with stakeholders through formal and informal channels • Support initiatives like the Corporate Integrity Pledge • Manage matters related to special industrial tariffs	• Conduct training sessions for staff on updated rules and regulations • Utilise various communication channels, such as WhatsApp groups, to disseminate compliance information • Ensure adherence to local authority regulations through various means, including: o Meetings and briefings o Site visits o Obtaining and maintaining authorisations and licenses to operate

Key Stakeholder	Engagement Platform	Engagement Focus & Objective	Our Initiative & Achievement
Customers	**Immediately** • Customer support channels **Yearly** • Public engagement events • Customer Satisfaction Survey	• Enhance customer experience • Improve response quality and accuracy for all customer inquiries • Gather and utilise customer feedback • Regularly review customer feedback to identify areas for improvement • Maintain open communication and engagement	• Actively respond to customer reviews through verbal communication • Conduct internal progress meetings to address product quality and customer needs based on feedback • Regularly review and update pricing strategies to maintain market competitiveness • Gather customer feedback through various channels • Analyse customer feedback to identify areas for improvement and attract new customers • Implement cost-optimisation strategies while maintaining customer satisfaction
Employees	**As needed** • Internal communications • Corporate announcements • Workshop and training • Employee engagement events **Annually** • Town halls • Employee feedback survey • Employee appraisals	• Employee engagement and development • Develop and manage effective performance management systems • Administer staff remuneration and benefits packages • Promote employee well-being through various initiatives • Address operational performance issues and maintain efficient functioning • Manage employee welfare and benefits programs	• Offer training programs to enhance staff competencies, such as sales tax, tax audits and investigation, presentation and disclosure of information in financial statements public • workshops for the finance team • Prioritise workplace safety by providing fire safety training, drills, and necessary equipment • Conduct employee appraisals and set performance targets/KPIs • Organise various employee engagement activities, such as luncheons and dinners, to boost morale and productivity • Implement employee induction programs

Sustainability Statement (Cont'd)

Key Stakeholder	Engagement Platform	Engagement Focus & Objective	Our Initiative & Achievement
Community	**As needed** • Strategic and • ad-hoc meetings/ visits **Yearly** • CSR events • Community development program	• Community engagement and social responsibility • Manage sponsorship and donation requests • Address social requirements and concerns regarding specific programs • Community investment and development initiatives • Promote awareness and understanding of social and environmental responsibility within the organisation and among stakeholders	• Ensuring practices are not negatively affecting the environment • Employment drives
Suppliers	**As needed** • Meetings **Annually** • Supplier assessment/ performance appraisals	• Ethical procurement and supplier management • Maintain compliance with ethical business conduct practices throughout the supply chain • Engage regularly with suppliers and subcontractors to • understand their needs and concerns • Effectively manage the supply chain for optimal efficiency and responsible sourcing • Develop strategic partnerships with key suppliers for mutual benefit	• Maintain regular communication with suppliers to ensure timely deliveries and adherence to requirements • Evaluate the quality of services provided by suppliers, including material continuity and quality • Uphold high standards of code of conduct and business ethics in all aspects of procurement • Foster open communication through contractor discussions • Implement sound payment practices and ensure vendor performance meets expectations

Key Stakeholder	Engagement Platform	Engagement Focus & Objective	Our Initiative & Achievement
Media	**Ad hoc basis** • Media releases and interview • Media briefings and press kit	• Public communication and engagement • New developments and updates for public knowledge and awareness • Secure press coverage and media exposure for relevant information • Continuous and meaningful communication • Events and utilise various advertising channels to engage with the public	• Media releases over the year • Conduct interviews with stakeholders
General Public	**Regularly** • Company Website	• Responsible corporate governance	• Maintain company website via www.resintechmalaysia.my

Materiality Assessment

Our Material Topics

Material matters are those that can materially affect Resintech's ability to create value, or where the Group can have a significant impact on people, the environment or the economy. They shape the information we manage, the controls we strengthen and the outcomes we report.

For FY2026, the Group validated its material matters against operating developments, stakeholder concerns captured through established engagement channels, Bursa and GRI requirements, peer disclosures and sector trends.

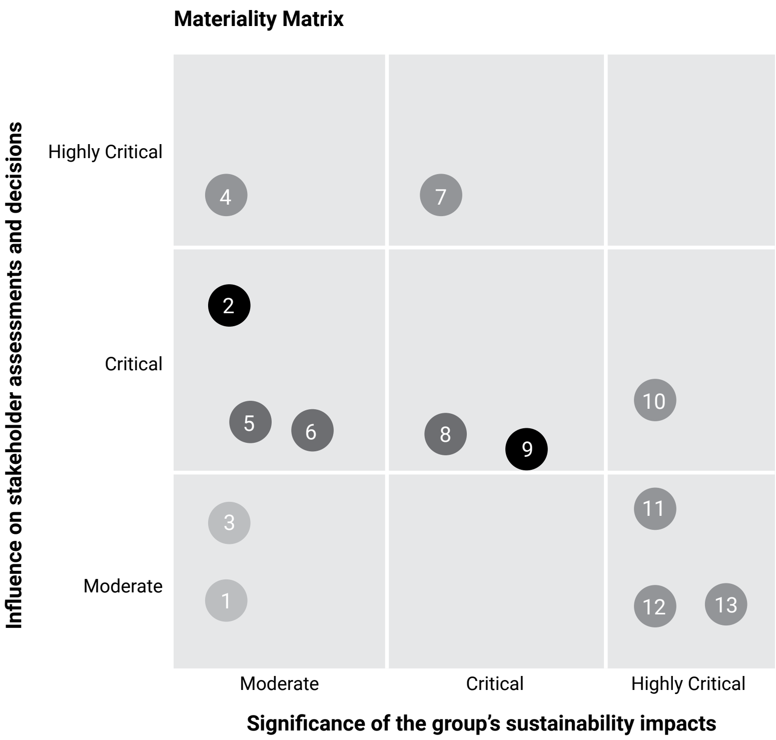
The review retained the existing thirteen material matters while sharpening the risks and opportunities most relevant to a plastics manufacturer serving water, construction and industrial markets. Priority themes include raw-material and energy exposure, climate resilience, product quality, circularity, workforce safety, ethical procurement and digital resilience.

The Sustainability Committee reviewed the resulting priorities and confirmed the thirteen material matters used to structure the FY2026 Statement and guide management attention.

01 Review of Material Topics	02 Stakeholder Engagement	03 Prioritisation of Material Topics	04 Validation
• FY2026 material topics were reviewed against operating developments, stakeholder input and reporting requirements • The 13 material topics were retained for FY2026.	• Established stakeholder channels informed the review of topic relevance and business impact. • Stakeholder influence and dependency were considered through the Group's engagement framework.	• Each topic was assessed across economic, environmental, social and governance impacts. • Impact significance and business relevance informed prioritisation. • The prioritised topics are presented in the FY2026 materiality matrix.	• The Sustainability Committee reviewed and confirmed the FY2026 material topics. • The priorities guide management attention and the structure of this Statement.

Sustainability Statement (Cont'd)

Materiality Matrix



FY 2026 Material Topics

ECONOMIC VALUE CREATION
- 1 Supply Chain Management
- 3 Economic Performance

ENVIRONMENTAL STEWARDSHIP
- 5 Climate Change
- 6 Waste Management
- 8 Water Management

SOCIAL WELLBEING AND HUMAN CAPITAL
- 4 Customer Satisfaction
- 7 Health and Safety
- 10 Employee Management
- 11 Diversity, Equity and Inclusion
- 12 Human Rights
- 13 Community Investment

ETHICAL GOVERNANCE AND ACCOUNTABILITY
- 2 Cybersecurity and Data Protection
- 9 Anti-Corruption

The materiality matrix remains a practical guide to the issues that matter most to Resintech and its stakeholders. It is used alongside the Group's risk process, operational performance reviews and indicators, not as a substitute for them.

Industry conditions reinforce the importance of these priorities. Malaysian plastics manufacturers face volatile resin, freight, labour and energy costs, while demand for durable water and utility infrastructure creates a significant market opportunity. The Group must therefore pair commercial agility with product quality, resource efficiency and strong governance.

Material matters are reviewed in response to changes in business conditions, regulation, stakeholder expectations and performance. Significant developments are escalated through the Group's management and sustainability governance channels.

The assessment considers two connected perspectives: the significance of Resintech's impacts on the economy, environment and people, and the potential financial effects of sustainability-related risks and opportunities on the Group.

This approach supports more focused investment, clearer accountability and reporting that is closer to the realities of the business.

Sector context MPMA reported a 5.4% increase in Malaysian plastics industry sales turnover and an 8.0% increase in plastic-product exports in 2024. DOSM reported 5.9% growth in civil engineering work in 2025, while Air Selangor's 30-year programme to replace more than 5,600 km of ageing pipes reinforces long-term demand for resilient water infrastructure. Sources: Malaysian Plastics Manufacturers Association, Outlook of the Malaysian Plastics Industry 2025; Department of Statistics Malaysia, Construction Statistics, Fourth Quarter 2025; Air Selangor, Pipe Replacement Programme. The identified risks and opportunities are based on a preliminary assessment of the Group's current activities, operating context and relevant industry developments. These risks and opportunities will be further evaluated through the Group's established risk-management, strategic-planning and materiality-assessment processes to determine their relative significance and potential level of impact. In the coming years, the Group intends to progressively assess the current and anticipated financial effects of material sustainability-related risks and opportunities over the short, medium and long term, with reference to the IFRS Sustainability Disclosure Standards.

Risks and Opportunities Across Our Material Topics

Material factor	Preliminarily Identified Sustainability-Related Risks and Opportunities	Resintech response and value pathway
Raw materials and supply	**Risk:** resin prices, foreign exchange, freight disruption and supplier concentration can compress margins or interrupt production. **Opportunity:** local and dual sourcing, recovered resin and better demand planning can improve resilience.	Maintain approved alternatives for critical inputs, monitor price and lead-time exposure, use specification-based purchasing and expand auditable material recovery without compromising quality.
Water infrastructure and market demand	**Risk:** project timing, tender concentration and payment cycles can create uneven demand. **Opportunity:** Malaysia's pipe-replacement and non-revenue-water programmes support demand for durable pipe and tank systems.	Prioritise dependable product performance, tender discipline, delivery capability and solutions suited to rehabilitation, water storage and utility projects.
Energy and carbon transition	**Risk:** electricity, LPG and future carbon-related costs can raise conversion costs. **Opportunity:** solar, efficient machinery and production-normalised energy management can reduce intensity.	Track site and process energy, evaluate high-load equipment, manage peak demand, maintain solar assets and apply clear investment criteria to efficiency projects.
Physical climate and continuity	**Risk:** floods, heat, water interruption and logistics disruption can affect sites, employees and deliveries. **Opportunity:** resilient water and drainage products can support customer adaptation.	Integrate flood access, drainage, utilities and recovery arrangements into site continuity plans, supplier planning and capital decisions.
Product quality and standards	**Risk:** defects, leakage, certification failure or incorrect application can cause claims and reputational harm. **Opportunity:** long-life, corrosion-resistant products can lower lifecycle maintenance needs.	Protect quality through approved specifications, process controls, traceability, testing, complaint closure and disciplined change management.
Circularity and plastic waste	**Risk:** plastic pollution and weak material records can undermine trust and regulatory readiness. **Opportunity:** in-house regeneration and design for efficient material use can reduce waste and virgin-resin demand.	Build a material mass balance, segregate production scrap, verify recovered content and use licensed contractors for material that cannot be reused.
People and workplace safety	**Risk:** machinery, forklifts, manual handling, chemical exposure and labour turnover can cause injury, downtime and quality loss. **Opportunity:** capability building and safer work improve retention and productivity.	Use risk assessments, guarding, PPE, traffic controls, incident learning, competency records and supervisor accountability, with contractor coverage included.

Material factor	Preliminarily Identified Sustainability-Related Risks and Opportunities	Resintech response and value pathway
Integrity and third parties	**Risk:** procurement, tenders, licensing and intermediaries create bribery and conflict-of-interest exposure. **Opportunity:** trusted conduct supports customer, regulator and investor confidence.	Apply segregation of duties, declarations, whistleblowing, risk-based due diligence and documented anti-corruption communication for employees and relevant third parties.
Cybersecurity and data	**Risk:** ransomware, unauthorised access or system failure can disrupt operations and expose sensitive data. **Opportunity:** secure digital monitoring can improve production visibility and decision-making.	Maintain access control, tested backups, endpoint protection, incident escalation and staff awareness, including systems supporting production and finance.

ECONOMIC VALUE CREATION

Enabling Inclusive and Resilient Economies

Economic Performance

Why it Matters

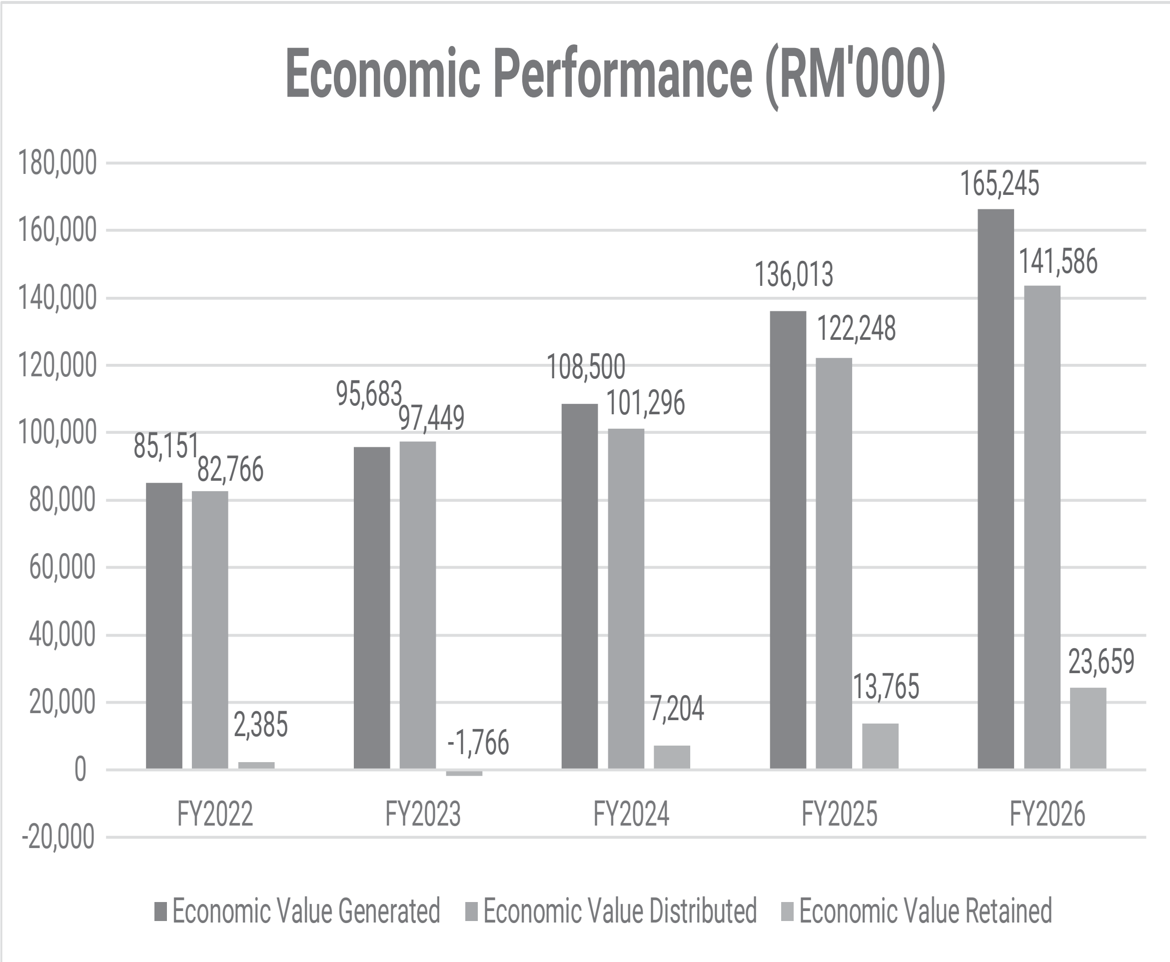
Economic performance provides the financial capacity to invest in reliable products, efficient operations, employee capability and long-term resilience. Disciplined value creation also supports stakeholder confidence and enables Resintech to pursue growth while advancing its environmental and social priorities.

Our Approach and FY2026 Performance

In FY2026, Resintech generated RM165.245 million in direct economic value, representing an increase of 21.5% from RM136.013 million in FY2025. Economic value distributed increased by 15.8% to RM141.586 million, comprising operating costs, employee wages and benefits, payments to capital providers, payments to government, and community investments. Economic value retained increased by 71.9%, from RM13.765 million in FY2025 to RM23.659 million in FY2026, equivalent to 14.3% of the direct economic value generated. This result strengthens the Group's capacity to reinvest in its operations, people, product capabilities and business resilience.

The Group will continue to balance financial discipline with investments that strengthen quality, productivity, employee capability and resource efficiency. Direct economic value is reported on an accrual basis, except where the GRI guidance specifically calls for cash amounts such as taxes paid.

GRI 201-1
Direct economic value generated and distributed



Supply Chain Management

Why it Matters
Resintech's product quality and delivery commitments depend on a resilient supply chain. Responsible procurement strengthens continuity, specification compliance and commercial integrity while helping the Group manage exposure to resin prices, foreign exchange, freight and supplier concentration.

Our Approach and FY2026 Performance

Resintech's supply chain must secure resin, components and services at the right quality, cost and lead time. Supplier selection and performance review therefore focus on specification compliance, delivery reliability, commercial integrity and the supplier's ability to support business continuity.

New and existing suppliers are assessed through procurement and quality controls appropriate to the material or service provided. Environmental, labour and anti-corruption expectations are integrated progressively into supplier onboarding and periodic evaluation, with priority given to higher-risk and higher-spend vendors.

Local and regional sourcing can reduce exposure to freight disruption and long replenishment cycles, but resin pricing and foreign-exchange exposure remain significant. Resintech's practical response is to maintain qualified alternatives, plan purchases against demand and avoid compromising product specifications when markets tighten.

GRI 204-1	FY2022	FY2023	FY2024	FY2025	FY2026
Proportion of spending on local suppliers (%)	27	36	51	60	44

ENVIRONMENTAL STEWARDSHIP

Reducing Environmental Impact

Climate Change

Why it Matters
Climate change influences Resintech through energy costs, physical disruption, evolving market expectations and the carbon profile of manufacturing inputs. It also reinforces demand for dependable pipe systems and tanks that support water security, infrastructure resilience and climate adaptation.

Our Approach and FY2026 Performance

Climate change affects Resintech through electricity and fuel costs, potential disruption from floods and extreme weather, evolving disclosure requirements and the carbon exposure embedded in resin and logistics. It also creates demand for durable water-storage and distribution products that support climate adaptation.

Rooftop solar generation at selected sites reached 1,439,783 kWh in FY2026, an increase of 23.0% from FY2025. Solar supports lower grid dependence and provides a visible platform for further work on energy productivity in extrusion, moulding, compressed-air and auxiliary systems.

Resintech advances energy and climate resilience through disciplined site-level monitoring, production-normalised indicators, preventive maintenance and clear investment criteria for efficiency projects. Site continuity planning addresses flood access, drainage, utility interruption and logistics recovery.

Resintech's capabilities in pipe systems and tanks can support emerging clean-energy and water applications. Any new opportunity will be evaluated against technical fit, commercial viability, safety, lifecycle impact and the Group's ability to deliver dependable quality at scale.

The Group is aligning its sustainability governance, data ownership, emissions boundaries and climate-risk documentation with Malaysia's National Sustainability Reporting Framework, creating a structured foundation for scenario analysis and financial quantification.

Greenhouse Gas Emissions

The following table presents Scope 1, Scope 2 and selected Scope 3 emissions. Historical Scope 2 figures have been restated using the applicable regional electricity factors, and historical air-travel calculations were corrected where returned-trip factors had previously been treated as single-trip factors.

Emissions management	UOM	FY2022	FY2023	FY2024	FY2025	FY2026
Scope 1	tCO2e	1,084.35	1,120.96	1,378.19	1,262.62	1,412.39
Scope 2	tCO2e	5,170.21*	5,702.50*	6,756.62*	6,869.77*	7,622.26
Scope 3	tCO2e	-	-	-	222.88**	186.88**

The inventory follows the GHG Protocol's operational-control approach for the data made available. Scope 1 covers LPG and fuel used in company-controlled vehicles and forklifts. Scope 2 covers purchased electricity. Selected Scope 3 covers business air travel, hotel accommodation, water supply and well-to-tank emissions from company-vehicle fuels.

1. Scope 1 emissions comprise LPG and fuel used in company-controlled vehicles and forklifts. DEFRA 2025 conversion factors were applied to petrol and diesel, while the applicable supplied conversion factors were used for LPG.

2. Scope 2: Location-based emissions were calculated from purchased electricity using the latest supplied Energy Commission grid factors.

FY2026 Scope 1 and Scope 2 emissions totalled 9,034.65 tCO2e, 11.1% above the restated FY2025 total. Revenue grew faster than these emissions, so Scope 1 and Scope 2 intensity improved by 13.2% to 56.43 tCO2e per RM million of revenue.

3. **Scope 3: selected emissions totalled 186.88 tCO2e, comprising air travel of 29.11 tCO2e, hotel accommodation of 42.88 tCO2e, water supply of 5.61 tCO2e and fuel well-to-tank emissions of 109.28 tCO2e.

Including the selected Scope 3 categories, FY2026 reported emissions totalled 9,221.53 tCO2e, with an intensity of 57.60 tCO2e per RM million of revenue. The FY2026 selected Scope 3 boundary reflects the categories reported for the current cycle.

Resintech is strengthening its emissions inventory through consistent entity-level ownership, material Scope 3 screening and operational baselines that connect reduction initiatives with measurable performance drivers.

Energy Management

Purchased electricity increased 10.2% to 10,640,913 kWh in FY2026, while solar generation increased 23.0% to 1,439,783 kWh. Combined energy consumption from grid electricity, solar and liquified petroleum gas was 58,363.47 GJ, equivalent to 16,212.07 MWh.

The five-year table incorporates the FY2025 restatement for purchased electricity at Sabah and Sarawak. Historical figures are presented according to the reporting boundaries applicable to each financial year.

Category	FY2022	FY2023	FY2024	FY2025	FY2026
Purchased electricity (kWh)	6,829,869.00	7,415,476.00	8,890,293.00	9,654,567.00*	10,640,913.00
On-site solar generation (kWh)	162,775.00	152,144.00	191,615.00	1,170,842.00	1,439,783.00
Total energy consumption (GJ)	42,460.52	45,104.37	54,651.84	65,556.39*	58,363.47
Total energy (MWh)	11,794.59	12,528.99	15,181.07	18,210.11*	16,212.07

Note: Total energy consumption includes purchased electricity, on-site solar generation and liquified petroleum gas. Solar generation is reported separately and is not netted against purchased electricity.

Waste Management

Why it Matters

Waste management is central to resource efficiency, environmental compliance and circular manufacturing. Effective segregation, recovery and responsible disposal reduce operational loss, support material productivity and strengthen confidence in the Group's management of plastic and industrial waste.

Our Approach and FY2026 Performance

Resintech adopts a structured and integrated waste management strategy that focuses on:

- Waste minimisation at source
- Recovery and reuse of materials, and
- Compliance with all applicable environmental regulations.

In-house resin regeneration provides a practical circularity route for suitable production scrap, reducing disposal and demand for virgin input. Resintech is advancing a consistent material mass balance covering generation, recovery, reuse and licensed disposal.

To further institutionalise environmental responsibility, we have implemented a Group-wide 3R (Reduce, Reuse, Recycle) initiative, encouraging all employees to actively contribute:

- REDUCE - Practise resource conservation in daily operations, including energy and water usage.
- REUSE - Repurpose materials internally before discarding them.
- RECYCLE - Segregate recyclable materials and ensure they are channelled through approved recovery systems.

To support these practices, monthly monitoring of energy and water consumption is conducted across all operational sites. Any irregularities or excessive usage are promptly investigated and resolved to uphold environmental compliance and operational efficiency.

We also promote practical conservation habits among employees and site operators, including:

- Avoiding concurrent use of air-conditioning units
- Switching off unused lighting and equipment
- Deactivating water systems when idle, and
- Repairing water leaks immediately upon detection.

Property-development and manufacturing waste is segregated by material type and managed through approved contractors.

Water Management

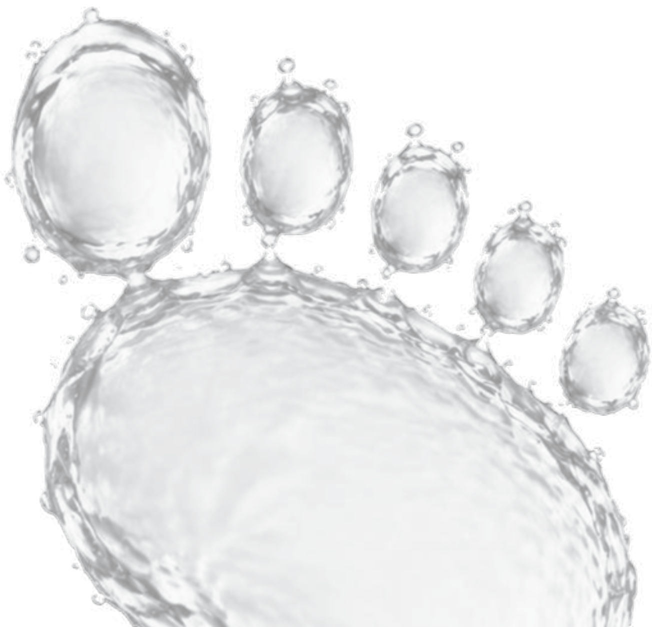
Why it Matters
Water is both an operational resource and a core part of Resintech's value proposition. Responsible water management supports efficient extrusion, cooling and cleaning processes, while the Group's products contribute to safe storage and reliable distribution across water and infrastructure systems.

Our Approach and FY2026 Performance

FY2026 water use was 20.57 megalitres, down 55.0% from FY2025. Site-level monitoring supports timely review of consumption movements and their relationship with operating activity.

The table presents total reported water use for the five financial years to FY2026.

Indicator	UOM	FY2022	FY2023	FY2024	FY2025	FY2026
Total water used	Megalitres	24.09	23.63	29.84	36.19	20.57



SOCIAL WELLBEING AND HUMAN CAPITAL

Advancing Social Wellbeing and Human Capital

Community Investment

Why it Matters
Community investment strengthens the relationship between Resintech and the communities connected to its operations. Focused support for education, welfare and local environmental or infrastructure needs creates practical value while reinforcing the Group's role as a responsible corporate citizen.

Our Approach and FY2026 Performance

Community investment is directed to needs where Resintech can make a practical contribution and where outcomes can be followed up. FY2026 contributions totalled RM43,250, a material increase from RM2,000 in FY2025.

In recent years, community-related efforts have focused on three key themes:

- **Education & Youth Development:** Support for school facilities, scholarship contributions, and skills training for students in selected technical and vocational fields.
- **Community Welfare:** Targeted distribution of food and basic aid to low-income households, particularly during festive seasons or emergency periods.
- **Environmental & Infrastructure Support:** Participation in local tree planting activities, community clean-up efforts, and small-scale support for nearby infrastructure upkeep.

We also encourage employee involvement in these activities to promote internal awareness and cultivate a sense of shared responsibility across the organisation.

The table shows community investment over the five financial years to FY2026.

Category	FY2022	FY2023	FY2024	FY2025	FY2026
Community investment (RM'000)	1.00	4.00	9.00	2.00	43.25
Total number of beneficiaries of the investment in communities	1	1	1	2	8

Diversity, Equity and Inclusion

Why it Matters
A fair and inclusive workplace supports employee wellbeing, organisational stability and access to capability. Resintech applies merit-based employment practices, respectful treatment and equitable access to opportunity across its manufacturing, technical, commercial and management workforce.

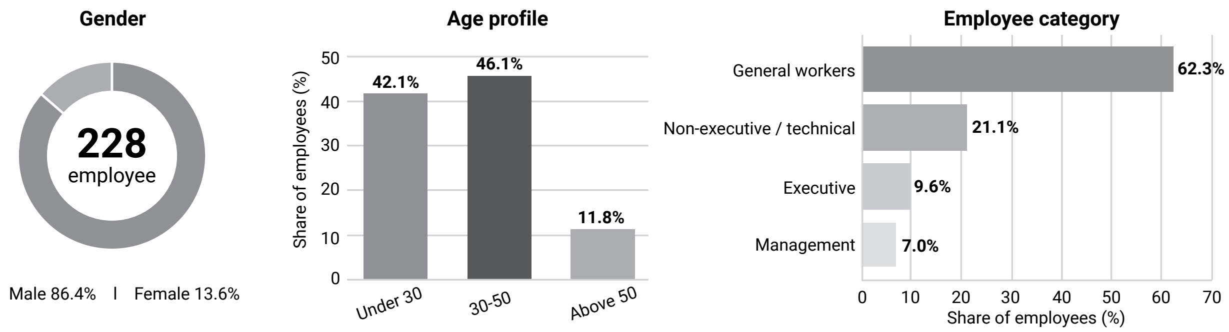
Our Approach and FY2026 Performance

Resintech employs people across manufacturing, technical, commercial and management roles. Fair access to work, respectful treatment and clear employment practices are central to a stable workforce. The FY2026 workforce comprised 228 employees, of whom 86.4% were male and 13.6% female.

Key areas of focus include:

- **Non-Discriminatory Hiring:** Recruitment decisions are based on job requirements, skills, and operational fit, without discrimination based on gender, race, age, or other protected characteristics.
- **Gender Representation:** women represented 13.6% of employees and held 43.8% of management positions. The overall profile reflects the production-intensive nature of the workforce, while management representation shows a foundation for broader participation.
- **Support for Local Employment:** Resintech prioritises suitable employment opportunities for communities near its facilities, supporting regional economic participation.
- **Fair Access to Training:** Training and upskilling opportunities are made available across employee categories based on performance and job relevance.

FY2026 Workforce Profile



Employee Management

Why it Matters

Resintech's operational continuity, productivity and product quality depend on a capable and engaged workforce. Responsible employee management supports fair employment, workforce planning, retention, performance and consistent standards across the employment lifecycle.




Sustainability Statement
(Cont'd)

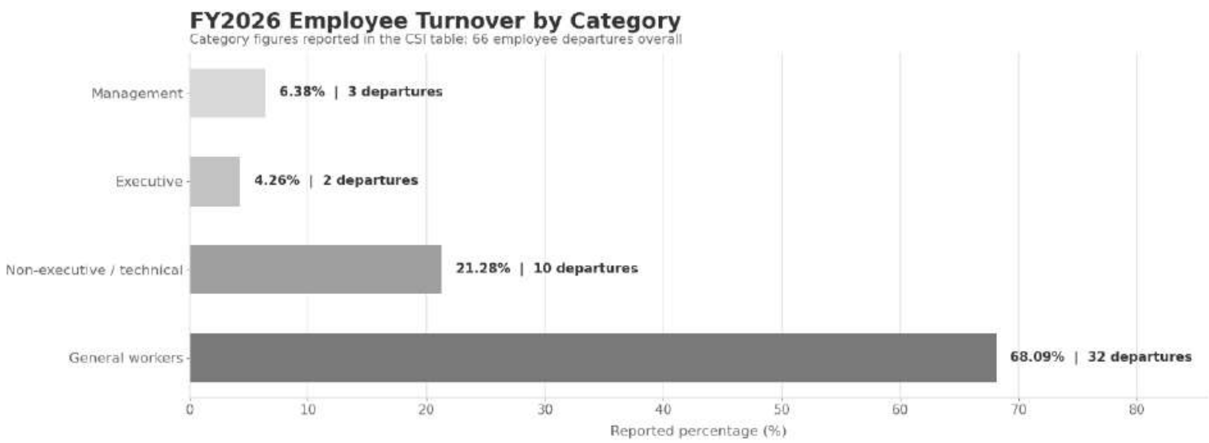
Our Approach and FY2026 Performance

As at 31 March 2026, Resintech employed 228 people. General workers represented 62.3% of the workforce, followed by non-executive and technical employees at 21.1%, executives at 9.6%, and management at 7.0%. Temporary employees engaged under fixed-term employment contracts accounted for 44.7% of the total employee headcount.

Key areas of focus include:

- **Fair Employment Practices:** Compliance with labour laws and regulations, including provision of fair wages, regulated working hours, and appropriate rest periods.
- **Employee Benefits:** Employees receive applicable statutory benefits, including Employees Provident Fund (EPF), Social Security Organisation (SOCSO) and annual leave entitlements. Role- and site-specific benefits are administered according to approved employment terms.
- **Skills and Performance Monitoring:** Line managers and supervisors are responsible for overseeing productivity and identifying skills gaps or training needs as part of daily operations.
- **Worker Safety and Compliance:** Occupational health and safety remains a key focus. All employees are required to follow established safety protocols to minimise the risk of workplace incidents.
- **Management of Foreign Workers:** For operations involving foreign labour, we engage licensed recruitment agents and ensure that accommodations and welfare provisions comply with local authority requirements.

During FY2026, 47 employees left the Group, equivalent to 28.9% of year-end headcount. Based on the category figures reported in the CSI table, general workers recorded 32 departures (68.09%), followed by 10 non-executive or technical employees (21.28%), 3 management employees (6.38%) and 2 executives (4.26%).



Resintech addresses turnover through supervisor capability, skills pathways, fair employment practices, workforce planning and timely analysis of employee-departure trends.

Flexible work arrangements are applied in suitable roles, supported by parental leave and wellness initiatives that promote work-life balance, employee morale and a stable workplace.

Resintech continues to strengthen workforce management through consistent employment practices, performance oversight, capability development and responsive employee support.

Training and Development

Why it Matters
Training and development strengthens workforce readiness, safe work, technical performance and product quality. Role-relevant learning, induction, coaching and refresher briefings help employees apply the competencies required for dependable and efficient operations.

Our Approach and FY2026 Performance

Departments assess training needs in line with operational requirements. Supervisors and line managers identify capability gaps, provide on-the-job coaching and arrange role-relevant briefings, keeping learning closely aligned with work activities and competency needs.

Resintech standardises training records by attendance, duration, employee category and learning topic to support consistent capability management and reporting.

- **Safety and Equipment Handling Briefings:** Conducted periodically for production and warehouse personnel to reinforce safe work practices and minimise incident risks.
- **Job-Specific Skills Training:** Delivered to employees in technical roles, such as machine operators and maintenance teams, based on functional needs.
- **Compliance-Based Training:** Refresher sessions on workplace safety, chemical handling, and waste segregation, in accordance with regulatory obligations.
- **Induction for New Hires:** Introductory orientation sessions covering company policies, workplace rules, and standard operating procedures (SOPs) to facilitate smooth onboarding.

The practical priority is to link training to role competencies, product quality, machinery and forklift safety, maintenance, frontline supervision and sustainability-data ownership.

Health and Safety

Why it Matters
Health and safety is a fundamental responsibility across Resintech's manufacturing, logistics and material-handling activities. Preventive controls protect employees and contractors, support reliable operations and reinforce the Group's legal, ethical and operational commitments.

Our Approach and FY2026 Performance

Internal safety protocols are developed in accordance with the nature of our operational activities, with an emphasis on hazard prevention, risk awareness, and continuous performance monitoring. The aim is to minimise workplace risks while meeting our legal obligations and maintaining a safe environment for all personnel.

FY2026 safety controls included workplace inspections, PPE requirements, incident reporting, machine-safety procedures and operational briefings appropriate to site risks.

- **Machine and Operational Safety:** Routine briefings, machine-operation guidance and workplace signage reinforced safe behaviour and hazard awareness.
- **Personal Protective Equipment:** PPE requirements were applied in production and loading areas to reduce exposure to physical and chemical risks.
- **Incident Reporting and Response:** Reported incidents were logged, investigated and followed by corrective action appropriate to the cause.
- **Routine Safety Inspections:** Supervisors and line managers used workplace checks, maintenance records and compliance checklists to identify and address hazards.

Sustainability Statement (Cont'd)

FY2026 occupational health and safety	UOM	FY2022	FY2023	FY2024	FY2025	FY2026
Work-related fatalities	Cases	0	0	0	0	0
LTIR (employee)	Rate	0.05	0	0	1.018	0.549
Rate of fatalities as a result of work-related injury	Rate	0	0	0	0	0
Rate of high-consequence work-related injuries (excluding fatalities)	Rate	0	0	0	0	0
LTIR (nonemployee)	Rate	0	0	0	0	0

Customer Satisfaction

Why it Matters

Customer satisfaction reflects the quality, reliability and responsiveness of Resintech's products and services. Strong feedback, complaint-resolution and delivery processes support customer trust, repeat business and the Group's reputation in water and infrastructure markets.

Our Approach and FY2026 Performance

Our Group adopts a practical, relationship-based approach to customer satisfaction, particularly through direct communication, service follow-ups, and problem resolution. We prioritise response time, delivery accuracy, and post-delivery issue handling as core service components.

Key efforts in FY2026 included:

- **Informal Feedback Channels:** Sales and service teams maintain regular contact with key customers to gather feedback on product quality, lead time, and service responsiveness.
- **Customer Complaint Resolution:** All product-related complaints are documented and reviewed by relevant departments to determine root causes and corrective actions.
- **Delivery Performance Monitoring:** Internal tracking of order fulfilment timelines helps us address gaps that could impact customer satisfaction.
- **Account Relationship Management:** Selected customers receive account-specific support through assigned sales personnel for better continuity and issue handling.

Customer feedback is managed through sales, service and quality channels. Resintech consolidates performance across product quality, delivery, responsiveness and complaint closure to support consistent service improvement.

Product Health and Safety Compliance

No incidents of product health and safety non-compliance were recorded in FY2026.

- No incidents resulting in fines or penalties
- No official warnings received
- No breaches of voluntary product safety standards

This outcome reflects the Group's ongoing focus on product quality assurance and compliance with applicable regulatory frameworks and internal protocols.

Marketing Communications Compliance

No incidents of non-compliance concerning marketing communications were recorded in FY2026.

Human Rights

Why it Matters
Respect for human rights underpins responsible employment and trusted business relationships. Resintech is committed to lawful and fair recruitment, freedom from child and forced labour, non-discrimination, appropriate worker accommodation and accessible grievance channels.

Our Approach and FY2026 Performance

Resintech applies a compliance-based and risk-aware approach to human rights. Employment practices are guided by the Employment Act 1955, the Industrial Relations Act 1967 and other applicable labour requirements, supported by the principles of fair treatment, lawful employment and respect at work.

Key practices in FY2026 included:

- **Legal Employment Practices:** All workers, including foreign labour, are recruited through licensed agents, and employment terms are documented and consistent with local law.
- **No Child or Forced Labour:** We do not employ individuals below the legal working age and do not engage in any form of bonded or forced labour.
- **Accommodation for Foreign Workers:** Where foreign workers are employed, housing is provided in accordance with local authority guidelines and monitored periodically for basic standards.
- **Non-Discrimination:** Recruitment and employment decisions are based on job requirements and qualifications, without bias towards gender, race, or nationality.
- **Access to Grievance Mechanisms:** Workers have the ability to raise concerns or complaints through their supervisors or designated channels, without fear of retaliation.

The Group's employment practices are guided by applicable Malaysian labour laws and the principle of respectful treatment. No substantiated human-rights complaints were recorded in FY2026.

ETHICAL GOVERNANCE AND ACCOUNTABILITY

Upholding Ethical Governance and Accountability

Anti-Corruption

Why it Matters
Anti-corruption safeguards Resintech's licence to operate and protects stakeholder trust. Clear standards, segregation of duties, conflict-of-interest controls, awareness and whistleblowing arrangements support integrity across procurement, tendering, licensing and third-party relationships.

Our Approach and FY2026 Performance

Resintech's anti-corruption controls reflect the integrity risks associated with procurement, tendering, contract negotiation, licensing and third-party dealings. The Code of Ethics and Conduct, Anti-Bribery and Corruption Policy and whistleblowing arrangements provide the policy foundation.

In FY2026, the following practices were implemented:

- **Basic Code of Conduct:** All employees are expected to adhere to core ethical standards, including a strict prohibition on offering, soliciting, or accepting bribes or facilitation payments.
- **Awareness Briefings:** Selected personnel involved in procurement, sales, or contract approvals were reminded of anti-bribery obligations and required to declare any conflict of interest.
- **Segregation of Duties:** Key functions, such as procurement approvals and payment authorisations, are periodically reviewed to ensure proper segregation and reduce the risk of misconduct.
- **Whistleblowing Channel:** A confidential channel is in place for employees to report ethical concerns or misconduct. The channel accepts anonymous reports, and all disclosures are treated with confidentiality and without retaliation.

Anti-Corruption	FY2025	FY2026
Management trained	100%	100%
Executive trained	100%	100%
Non-executive / Technical trained	100%	100%
General workers trained	100%	100%
Operations assessed for corruption risk	0%	0%
Confirmed incidents and action taken	0	0

Political Contributions

No monetary or in-kind political contributions were recorded in FY2026.

Cybersecurity and Data Protection

Why it Matters

Cybersecurity and data protection support operational continuity and the responsible handling of employee, customer and commercial information. Robust access, backup, endpoint, awareness and incident-response controls strengthen resilience across the Group's digital environment.

Our Approach and FY2026 Performance

Cybersecurity supports safe operations, reliable service and the protection of employee, customer and commercial information. The Group focuses on access control, backups, endpoint protection, awareness and incident escalation, with controls scaled to operational risk.

Key initiatives undertaken in FY2026 include:

- **Cyber Risk Assessments:** Regular vulnerability scans and periodic penetration testing to proactively identify and address security gaps in systems and networks.
- **Policy and Procedure Enhancements:** Continuous updates to cybersecurity policies, including areas such as data classification, access control, and incident response protocols.
- **Employee Awareness and Training:** Cybersecurity training sessions were conducted to increase awareness on phishing, social engineering, and responsible data handling practices.
- **Advanced Security Technologies:** Use of firewalls, endpoint protection, encryption, and multi-factor authentication across mission-critical systems.
- **Incident Response and Reporting:** A designated incident response team is in place, supported by clearly defined escalation protocols to manage cybersecurity events effectively.

FY2026 records show zero customer privacy complaints, identified data leaks, thefts and losses of customer data.

To uphold customer privacy, the Group limits personal data collection to lawful and necessary purposes and communicates clearly how such data is used. We process all personal data in accordance with the PDPA 2010 and have adopted internal controls to prevent unauthorised use or disclosure.

Specific measures include:

- Obtaining express consent for data processing in the property development segment.
- Ensuring transparency on any updates to data protection policies.
- Secure storage and access management of customer records.

Resintech continues to strengthen cybersecurity and data protection controls in line with operational risk, regulatory requirements and recognised industry practices.

Year	Complaints	Identified leaks	Thefts	Losses of customer data
FY2022	0	0	0	0
FY2023	0	0	0	0
FY2024	0	0	0	0
FY2025	0	0	0	0
FY2026	0	0	0	0

MOVING FORWARD

Resintech enters its next phase of sustainability management with a clear ambition: to convert responsible growth into stronger products, more efficient operations and lasting value for the communities and infrastructure systems the Group serves. Building on FY2026 performance, the Group will deepen the integration of sustainability into capital planning, operational discipline and stakeholder engagement across its manufacturing and market footprint.

Strategic Priorities

- Advance the emissions inventory through disciplined entity-level controls, employee commuting data and material Scope 3 screening
- Advance resource productivity through production-normalised indicators for electricity, LPG, water and waste
- Reinforce circular manufacturing through material mass balance, production scrap recovery, regenerated resin and responsible disposal
- Extend environmental, labour and integrity expectations across higher-risk supplier relationships
- Build workforce capability through targeted safety, technical, supervisory and sustainability-data training

Together, these priorities will support resilient growth, trusted product performance and a stronger sustainability culture. Resintech will continue to align commercial progress with responsible resource use, safe work, ethical conduct and transparent reporting as it contributes to dependable water and infrastructure solutions.

APPENDICES

Sustainability Performance Summary

Bursa CSI Prescribed Table

RESINTECH BERHAD
BMLR Transition Period

Date & Time: 2026-07-27 23:19:04
FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Economic Performance	Direct economic value generated	RM'000	136,013	165,245	-	No assurance
Economic Performance	Direct economic value distributed	RM'000	122,248	141,586	-	No assurance
Economic Performance	Direct economic value retained	RM'000	13,765	23,659	-	No assurance
Supply Chain Management	Proportion of spending on local suppliers	%	60%	44%	-	No assurance
Climate Change	Scope 1 emissions	tCO_2e	1,262.62	1,412.39	-	No assurance
Climate Change	Scope 2 emissions	tCO_2e	7,342.52	7,622.26	-	No assurance
Climate Change	Scope 3 emissions	tCO_2e	222.88	186.88	-	No assurance
Water Management	Total water used	Megalitres	36.193	20.569	-	No assurance
Community Investment	Community investment	RM'000	2.00	43.25	-	No assurance
Community Investment	Beneficiaries of community investment	Number	2	8	-	No assurance
Diversity, Equity and Inclusion	Male employees	% of employees	87.8%	86.4%	-	No assurance
Diversity, Equity and Inclusion	Female employees	% of employees	12.2%	13.6%	-	No assurance
Diversity, Equity and Inclusion	Women in management positions	% of management	35.7%	43.8%	30%	No assurance
Diversity, Equity and Inclusion	Employees aged under 30	% of employees	39.4%	42.1%	-	No assurance
Diversity, Equity and Inclusion	Employees aged 30–50	% of employees	51.2%	46.1%	-	No assurance

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Page 1 of 3

Sustainability Statement (Cont'd)

RESINTECH BERHAD
BMLR Transition Period

Date & Time: 2026-07-27 23:19:04
FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity and Inclusion	Employees aged above 50	% of employees	9.4%	11.8%	-	No assurance
Diversity, Equity and Inclusion	General workers	% of employees	69.0%	62.3%	-	No assurance
Diversity, Equity and Inclusion	Non-executive/technical employees	% of employees	19.2%	21.1%	-	No assurance
Diversity, Equity and Inclusion	Executives	% of employees	7.0%	9.6%	-	No assurance
Diversity, Equity and Inclusion	Management employees	% of employees	4.9%	7.0%	-	No assurance
Employee Management	Temporary employees under fixed-term contracts	% of employees	39.0%	44.7%	-	No assurance
Employee Management	Total employee departures	Total employee departures	50	47	-	No assurance
Employee Management	Overall employee turnover	% of year-end workforce	17.4%	28.9%	-	No assurance
Employee Management	Management departures	Pax	0	3	-	No assurance
Employee Management	Management turnover	% of year-end workforce	0.0%	6.38%	-	No assurance
Employee Management	Executive departures	Pax	1	2	-	No assurance
Employee Management	Executive turnover	% of year-end workforce	0.3%	4.26%	-	No assurance
Employee Management	Non-executive/technical departures	Pax	6	10	-	No assurance
Employee Management	Non-executive/technical turnover	% of year-end workforce	2.1%	21.28%	-	No assurance
Employee Management	General-worker departures	Pax	43	32	-	No assurance
Employee Management	General-worker turnover	% of year-end workforce	15.0%	68.09%	-	No assurance
Health and Safety	Work-related fatalities	Cases	0	0	0	No assurance

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Page 2 of 3

RESINTECH BERHAD

BMLR Transition Period

Date & Time: 2026-07-27 23:19:04

FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Health and Safety	Employee LTIR	Rate	1.018	0.549	-	No assurance
Customer Satisfaction	Marketing communications non-compliance incidents	Cases	0	0	0	No assurance
Human Rights	Substantiated human-rights complaints	Cases	0	0	0	No assurance
Anti-Corruption	Management trained on anti-corruption	%	100%	100%	-	No assurance
Anti-Corruption	Executives trained on anti-corruption	%	100%	100%	-	No assurance
Anti-Corruption	Non-executive/technical employees trained on anti-corruption	%	100%	100%	-	No assurance
Anti-Corruption	General workers trained on anti-corruption	%	100%	100%	-	No assurance
Cybersecurity and Data Protection	Customer privacy complaints	Cases	0	0	0	No assurance
Cybersecurity and Data Protection	Identified data leaks	Cases	0	0	0	No assurance
Cybersecurity and Data Protection	Data thefts	Cases	0	0	0	No assurance
Cybersecurity and Data Protection	Losses of customer data	Cases	0	0	0	No assurance

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-27 23:19:04

GRI CONTENT INDEX

Report of use	Resintech Berhad has reported the information cited in this GRI content index for the period 1 April 2025 to 31 March 2026 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	About Resintech
	2-2 Entities included in the organization's Sustainability reporting	Reporting Scope
	2-3 Reporting period, frequency and contact point	About This Statement and Feedback
	2-4 Restatements of information	Reporting Scope and restatement notes
	2-5 External assurance	Assurance Statement
	2-6 Activities, value chain and other business relationships	About Resintech and Supply Chain Management
	2-7 Employees	Diversity, Equity and Inclusion; Sustainability Performance Summary
	2-8 Workers who are not employees	Employee Management; Sustainability Performance Summary
	2-9 Governance structure and composition	Sustainability Governance and Annual Report Corporate Governance Overview
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance
	2-14 Role of the highest governance body in Sustainability reporting	Sustainability Governance
	2-23 Policy commitments	Policies for Internal Control and Governance
	2-24 Embedding policy commitments	https://resintechmalaysia.my/corporate-governance/
	2-26 Mechanisms for seeking advice and raising concerns	Whistleblowing Policy and Anti-Corruption
	2-27 Compliance with laws and regulations	https://resintechmalaysia.my/corporate-governance/
	2-29 Approach to stakeholder engagement	Stakeholder Engagement
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Sustainability Matters
	3-2 List of material topics	Material Sustainability Matters
	3-3 Management of material topics	Relevant material matter sections
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Performance
	201-2 Financial implications and other risks and opportunities due to climate change	Climate Change and Risks and Opportunities

Sustainability Statement (Cont'd)

GRI STANDARD	DISCLOSURE	LOCATION
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supply Chain Management
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Anti-Corruption
	205-2 Communication and training about anti-corruption policies and procedures	Anti-Corruption
	205-3 Confirmed incidents of corruption and actions taken	Anti-Corruption
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Climate Change and Energy Management
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Management
	303-3 Water withdrawal	Water Management
	303-5 Water consumption	Water Management
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate Change
	305-2 Energy indirect (Scope 2) GHG emissions	Climate Change
	305-3 Other indirect (Scope 3) GHG emissions	Climate Change
	305-4 GHG emissions intensity	Climate Change
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management
	306-2 Management of significant waste-related impacts	Waste Management
	403-9 Work-related injuries	Health and Safety
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Employee Management; Training and Development; Sustainability Performance Summary
	404-2 Programs for upgrading employee skills and transition assistance programs	Employee Management; Training and Development
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity, Equity and Inclusion; Sustainability Performance Summary
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Investment
GRI 415: Public Policy 2016	415-1 Political contributions	Anti-Corruption; Political Contributions
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Customer Satisfaction; Product Health and Safety Compliance
	417-3 Incidents of non-compliance concerning marketing communications	Customer Satisfaction; Marketing Communications Compliance
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity and Data Protection

AUDIT COMMITTEE REPORT

The Board of Directors of Resintech is pleased to present the Audit Committee Report for the financial year ended 31 March 2026.

OBJECTIVE

The objective of the Audit Committee ("AC") is to assist the Board of Directors ("the Board") in fulfilling its fiduciary responsibilities relating to internal controls, financial and accounting records and policies as well as integrity in financial reporting practices of the Company and its subsidiaries ("the Group").

COMPOSITION AND MEETINGS ATTENDANCE

During the financial year ended 31 March 2026, a total of five (5) AC meetings were conducted and the members of the AC and details of their attendance of the meetings during the financial year are as follows:

Name of AC Members	Designation	Directorships	No. of meetings attended
Pook Kim Nyean	Chairman	Independent Non-Executive Director	5/5
Dato' Hj. Razif Ratha Bin Abdullah	Member	Independent Non-Executive Director	4/5
Goh Lay Yong	Member	Independent Non-Executive Director	5/5

The AC comprises of three (3) members, all of whom are Independent Non-Executive Directors ("INED"). The composition of the AC complies with Paragraph 15.09 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities").

Mr Pook Kim Nyean, the Chairman of AC, is a Fellow Member of the Association of Chartered Certified Accountant ("ACCA") and a member of the Malaysia Institute of Accountants ("MIA"). No alternate Director has been appointed as a member of the AC.

The AC Chairman is not the Board Chairman and is appointed from amongst their members who is an INED. In the absence of the AC Chairman, the remaining members present shall elect one of their members as Chairman of the meeting.

The AC met five (5) times during the financial year. The AC invites the Executive Directors, internal auditors, external auditors, and relevant management to attend the AC meetings, as and when necessary to provide explanations, reports and updates relating to matters under the AC's consideration. Their presence allows for briefing the AC on pertinent matters and offering input and clarification on audit issues and the operations of the Group. The AC shall also meet with the external auditors without the presence of the Executive Directors and management at least twice a year to allow the external auditors to express their concerns or observations during the audit.

During the financial year, the Board, through the Nomination Committee has reviewed the term of office and assessed the performance of the AC members. The Board was satisfied that the AC members have discharged their functions, duties and responsibilities in accordance with the Terms of Reference of the AC thereby supporting the Board in ensuring appropriate corporate governance standards within the Group.

TERMS OF REFERENCE

The AC reviewed the Terms of Reference of the AC on 29 May 2026 to ensure continued alignment with the Malaysian Code on Corporate Governance, the MMLR and the evolving responsibilities of the AC.

The Terms of Reference is available on the corporate website of the Company at www.resintechmalaysia.my.

SUMMARY OF ACTIVITIES OF THE AC

The following activities were undertaken by the AC during the financial year ended 31 March 2026:

a) Financial Results

- Reviewed the unaudited quarterly results of the Company and the Group including announcements, going concern of the Company and the Group, clarifications or explanations were sought from the Management in particular on any significant changes to the items or transactions that would affect the financial position of the Company and the Group before the AC recommends to the Board for their approval and subsequent release to Bursa Malaysia.

- Reviewed the unaudited quarterly results to ensure that the quarterly financial reporting and disclosures are presented in a true and fair view of the Group's financial performance in accordance with the applicable Malaysian Financial Reporting Standards (MFRS) and International Accounting Standards as well as the applicable disclosure provisions of the Listing Requirements.

- Prior to the issuance of the finalised audited financial statements of the Company and the Group, the AC had reviewed the audit status update presented by the External Auditors comprising, amongst others, areas of audit emphasis, audit materiality, significant audit adjustments, going concern considerations, impairment assessments and significant accounting and auditing matters arising from the audit for the financial year under review.

- Reviewed any significant changes in accounting policies and practices adopted by the Group and their financial impact, where applicable.

b) External Audit

- Reviewed the audit plan of the External Auditors in terms of their scope of audit, methodology and timetable, audit materiality, areas of focus prior to the commencement of their annual audit;

- Reviewed and discussed the External Auditors' audit report and areas of concern highlighted in the management letter (i.e. revenue recognition, going concern, property, plant and equipment, recoverability of receivables and proper measurement and recognition of liabilities), including management's response to the concerns raised by the External Auditors, and evaluation of the system of internal controls;

- Two (2) private sessions were held between the AC and the External Auditors without the presence of Executive Directors and the Management to further discuss matters arising from audit; and

- Considered the re-appointment of External Auditors and their audit fees, after taking into consideration of the independence and objectivity of the External Auditors vide a written assurance of independence and the cost effectiveness of their audit, before recommending to the Board for approval.

c) Internal Audit

- The AC reviewed and approved the internal audit plan, methodology, functions and resources to ensure adequate audit scope and coverage of the key risk areas of business operations of the Group are carried out.

- The AC reviewed and discussed the internal audit reports which outlined the recommendations towards correcting areas of weaknesses and ensured that there were Management action plans established for the implementation of the Internal Auditors' recommendations. Management was invited to attend the AC meeting to provide clarification on specific issues raised in the internal auditor reports. Summary of internal audit reports presented to the AC provided status updates for management action plans to address the findings reported in the previous audit cycles.

- The Internal Auditors monitored the implementation of the Management's action plan on outstanding issues through follow-up reports to ensure all audit findings were adequately dealt with by the Management.

- The AC reviewed the adequacy of the scope, functions and competency of the internal audit function, and the results of the internal audit process to ensure the appropriate actions are taken of the recommendations of the internal audit function.

SUMMARY OF ACTIVITIES OF THE AC (CONT'D)

d) Related Party Transactions

- The AC reviewed the system for identifying, monitoring and disclosing related party transactions for the Group and to ensure that related party transactions are not to the detriment of minority shareholders of the Company.

- The report of Related Party Transactions of the Group was tabled and reviewed by the AC at every quarterly meeting.

e) Annual Reporting

- The AC reviewed and recommended the Audit Committee Report and Statement on Risk Management and Internal Control for inclusion in the Annual Report for the financial year ended 31 March 2026 to the Board for approval.

- The AC reviewed the Terms of Reference and made the necessary amendments in line with the MMLR.

f) Conflict of Interest

- The AC reviewed all the conflict of interest or potential conflict of interest's declarations (excluding a related party transaction) made by the respective persons as at the financial year ended under review and concluded that sufficient disclosure of all conflict of interest or potential conflict of interest (excluding a related party transaction) had been made and documented and the Audit Committee is satisfied save for those recurrent or related party transactions that had been disclosed earlier, there were no other conflict of interest or potential conflict of interest noted during the financial year under review.

g) Whistleblowing and Fraud

- The AC reviewed the Company's arrangements that allow employees to confidentially raise concerns about potential wrongdoing in financial reporting or other matters. They ensured that these arrangements facilitate proportionate and independent investigations of such issues, as well as appropriate follow-up actions. Additionally, the Committee assessed the Company's procedures for detecting fraud and worked to raise employee awareness about these matters.

INTERNAL AUDIT FUNCTION AND ACTIVITIES

The Company recognised that an effective internal audit function is an integral component of the Group's governance framework and plays an important role in evaluating the adequacy and effectiveness of the Group's risk management, internal control and governance processes

Appointment of Internal Auditors

The Group's internal audit function ("IAF") was outsourced to an independent professional firm, Smart Focus Group, which adopts internal audit standards and best practices based on the International Professional Practices Framework, endorsed by the Institute of Internal Auditors Malaysia. The IAF team is headed by an Associate Director – Advisory, who is a member of the Malaysian Institute of Internal Auditors and was assisted by three staff during the financial year under review.

The Internal Auditors are independent of the activities and operations of the Group and report functionally to the AC. None of the internal audit personnel has any relationship or conflict of interest that could impair their objectivity and independence in carrying out their duties.

IAF provides independent assessment on the effectiveness and efficiency of internal controls utilising a global audit methodology and tool to support the corporate governance framework and an efficient and effective risk management to provide assurance to the AC.

INTERNAL AUDIT FUNCTION AND ACTIVITIES (CONT'D)

Appointment of Internal Auditors (Cont'd)

The principal role of the internal auditors is to undertake independent, regular and systematic reviews of the Group's systems of risk management and internal control so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively.

The internal auditors carry out audit assignments based on an audit plan that was reviewed and approved by the AC. The reports of the audits undertaken were forwarded to the management for attention and necessary action and presented to the AC for deliberation and approval.

The outsourced internal auditors report directly to the AC. The terms of engagement of the outsourced internal auditors are governed by a formal engagement letter reviewed by the AC and includes engagement objectives and scope, reporting structure, internal audit methodology, independence and objectivity, authorities and responsibilities.

Summary of Internal Audit Works

The activities carried out by the internal auditors during the financial year ended 31 March 2026 include:

- Developed the internal audit plan for year 2025/2026;
- Issuance of reports on the results of the internal audit review, identifying key weaknesses with suggested recommendations to the management for further action; and
- Attended AC meetings to table and discuss the internal audit reports.

The management was responsible for ensuring that corrective actions where necessary were taken within the required timeframes.

Total costs incurred

The cost incurred for the internal audit function of the Group in respect of the financial year ended 31 March 2026 amounted to RM21,000 (FY2025: RM21,000).

Further details of the Internal Audit Function are set out in the Statement on Risk Management and Internal Control on pages 68-71 of this Annual Report.

The Audit Committee Report was approved by the Board on 23 July 2026.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board remains committed to subscribe to the principles of good corporate governance that is central to the effective operation of the Group and to ensure to reach the highest standards of accountability and transparency. The Board will continue promoting existing corporate governance principles and incorporate the practices and corresponding guidance as set out in the Malaysian Code on Corporate Governance 2021 ("MCCG 2021") into the existing Corporate Governance framework with reference to the Corporate Governance Guide (4th Edition) ("the Guide") issued by Bursa Securities.

The Board is pleased to provide an overview of the Group's corporate governance practices, which summarises the Group's application of the following Principles under the MCCG 2021 during the financial year ended 31 March 2026:

A. Board Leadership and Effectiveness
B. Effective Audit and Risk Management
C. Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

This Statement is also prepared in compliance with the MMLR and it is to be read together with the Corporate Governance Report 2026 of the Company which is available on Bursa Securities' website at www.bursamalaysia.com/market. It is also available on the Company's website at www.resintechmalaysia.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

PART I - BOARD RESPONSIBILITIES

The Duties and Responsibilities of the Board

The Board is collectively responsible to the Company's shareholders for the long-term success of the Group via its overall strategic direction, its values and governance. The Board is led by experienced and knowledgeable Board members who provide the Company with the core competencies and leadership necessary for the Group to meet its business objectives and goals.

All members of the Board are aware of their responsibility to take decisions objectively which promote the success of the Group for the benefits of shareholders and other stakeholders.

The Board is responsible for formulating and reviewing the strategic plans and key policies of the Company, shaping the strategic direction of the Company and charting the course of the Group's business operations whilst providing effective oversight of Management's performance, risk assessment and controls over business operations.

The Board has discharged its responsibilities in the best interests of the Company. The following are among the key responsibilities of the Board:

a) Reviewing and adopting the Company's strategic plans;
b) Overseeing the conduct of the Company's business;
c) Identifying principal risks and ensuring the implementation of appropriate internal controls and mitigation measures;
d) Succession Planning;
e) Overseeing the development and implementation of a shareholder communications policy for the Company; and
f) Reviewing the adequacy and integrity of management information and internal control system of the Company.

The Board formalises the Company's strategies on promoting sustainability. Discussion was held amongst the Directors to explore future investment and expansion of business in other countries.

The Board promotes good corporate governance in the application of sustainability practices throughout the Company, the benefits of which are believed to translate into better corporate performance. Accordingly, the Company takes cognisance of the global environmental, social, governance and sustainability agenda.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I - BOARD RESPONSIBILITIES (CONT'D)

Key Focus Area and Priorities on Corporate Governance

To promote accountability, the Board has established clear functions reserved for the Board and those delegated to Management. There is a formal schedule of matters reserved to the Board for its deliberation and decision to ensure the direction and control of the Company are in its hands.

The principal roles and responsibilities of the Board in discharging its leadership function and fiduciary duties towards achieving the goals and objectives of the Group include but not limited to the following:

- Reviewing and adopting a strategic plan;
- Overseeing and monitoring the conduct, performance and sustainability of the Group's business operations;
- Reviewing the adequacy and effectiveness of the Group's risk management framework, internal control systems and management information systems, and ensuring that appropriate mitigation measures are implemented to address principal risks;
- Overseeing succession planning for the Board and Senior Management;
- Promoting effective communication and engagement with shareholders and stakeholders;
- Overseeing the Group's sustainability agenda, including environmental, social and governance ("ESG") matters, to support long-term value creation and sustainable business practices;

The Board has also adopted Directors' Fit and Proper Policy in line with Paragraph 15.01A of the MMLR. The Directors' Fit and Proper Policy serves as a guide to Nomination Committee and the Board in assessing candidates to be appointed to the Board as well as Directors who are seeking re-election. The Directors' Fit and Proper Policy is published on the Company's website.

During the financial year under review, the Board reviewed the Board Charter, Terms of Reference of the Nomination Committee, Remuneration Committee, Risk Management Committee and Audit Committee to ensure continued alignment with the MMLR.

Looking ahead to FY2027, the priorities of the Board will be in the following areas:

- Reviewing and revising sustainability practices, policies and procedures to embrace the enhanced sustainability requirements and to be geared for the enhanced sustainability disclosures under the Enhanced Sustainability Reporting Framework issued by Bursa Securities and the amendment to the MMLR; and
- Continuing to work towards achieving high standards of corporate governance and leverage on technology to broaden its channel of dissemination of information and to enhance the quality of engagement with the shareholders.
- Seeing and monitoring the conduct of business.

Establishing clear roles and responsibilities of the Board

The Chairman leads the vision and strategic planning of the Group at the Board level, he is primarily responsible to provide leadership to the Board and ensure the Board perform their responsibilities effectively. He acts as a facilitator at Board meetings to ensure no domination of discussion of Board and encourage participation of all Directors deliberated at all Board meetings.

Executive Directors are responsible for the implementation of the policies laid down and executive decision-making, he implements and execute the strategies, policies and decision adopted by the Board and oversees the operations and business development of the Group.

The Non-Executive Directors play a fundamental role in instilling high standard of corporate governance and accountability by providing unbiased and independent views and advice on management proposals.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I - BOARD RESPONSIBILITIES (CONT'D)

Separation of the positions of the Chairman and Managing Director

The positions of Chairman and Managing Director ("MD") are held by separate individuals to ensure an appropriate balance of power, authority and accountability within the Group. This separation promotes effective oversight, independent decision-making and good corporate governance, while ensuring that no individual has unfettered powers of decision-making.

The Chairman is primarily responsible to provide leadership to the Board, instil good corporate governance practices and to ensure the effective functioning of the Board, the MD, with the assistance of the Executive Directors and Senior Management, has the responsibility to oversee the overall operations of the Group, including the implementation of strategies and policies.

Separation in the role of the Chairman and the MD is imperative as both roles have different expectations and serve distinct primary audiences.

The MD is responsible for the day-to-day management of the business and operations of the Group in respect of both its regulatory and commercial functions. He is supported by Management and the Executive Directors. Management's performance, under the leadership of the MD, is assessed by the Board through monitoring the success in delivering the approved targets and business plans against the performance of the Group.

The Board has in place a strategy planning process, whereby the MD presents to the Board its recommended strategy annually, together with the proposed business plans for the ensuing year for the Board's review and approval. The Board will deliberate both Management's and its own perspectives, and challenge Management's views and assumptions to ensure the best outcome.

Roles and Responsibilities of the Company Secretary

The Board in delivering their duties and responsibilities, is supported by suitably qualified and competent Company Secretaries.

The Company Secretaries were entrusted to record the Board's deliberations, in terms of issues discussed, and the conclusions and the minutes of the previous Board meeting is distributed to the Directors prior to the Board meeting for their perusal before confirmation of the minutes at the commencement of the following Board meeting. The Company Secretaries also ensure that there is good information flow within the Board and between the Board, Board Committees and Management.

The Board is regularly updated by the Company Secretaries on new changes to relevant legislation and MMLR.

All Directors have direct access to the services of the Company Secretaries in discharging their duties effectively.

Board of Directors' Meetings

The Board and Committee meetings are scheduled in advance before the commencement of the new financial year to enable Directors to plan ahead and accommodate the years' meetings into their schedules. The Board requires all members devote sufficient time to effectively discharge their duties and to endeavour to attend meetings to the best of their ability.

To ensure the Board receives information on a timely manner, the Board papers for meetings will be circulated to the Board at least seven (7) days before the meeting. This provides the Directors with sufficient time to go through the meeting papers and to obtain further explanation, where necessary, in order to be fully informed of the matters to be discussed at the meeting.

All issues and decisions made during the Board meetings are properly recorded and thereafter circulated to the Board for comments before minutes of proceedings are finalised and tabled to the Board for confirmation. The Company Secretary organises and attends all Board meetings to ensure proper recording of the proceedings.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I - BOARD RESPONSIBILITIES (CONT'D)

The Directors, in exercising their duties, have full and unrestricted access to any information pertaining to the Company and direct access to Senior Management Executives and professional advice and services from the Company Secretary. Where necessary, the Board may engage external independent advisors at the Group's expense on specialised issues to enable them to discharge their duties proficiently.

The Board meets at least five (5) times a year or more when circumstance require. Where appropriate, decisions are also made by way of circular resolutions in between scheduled meetings during the financial year.

The attendance record of the Directors at the Board Meeting during the financial year under review is set out as follows:

Name	Designation	No. of Meetings attended in FYE 31 March 2026
Datuk Hj. Abdul Fatah Bin Hj. Iskandar	Chairman/Senior Independent Non-Executive Director	4/5
Dato' Dr. Teh Kim Poo	Managing Director	5/5
Goh Lay Yong	Independent Non-Executive Director	5/5
Dato' Hj. Razif Ratha Bin Abdullah	Independent Non-Executive Director	4/5
Teh Leng Kang	Executive Director	5/5
Wei Hwei Hong	Executive Director	5/5
Datin Gan Jew	Executive Director	5/5
Pook Kim Nyean	Independent Non-Executive Director	5/5

The Board has adopted a minimum attendance requirement of 50% for Board and Board Committees meetings. During the financial year under review, all Directors and Board Committee complied with the prescribed attendance threshold.

In terms of time commitment, all members of the Board currently hold not more than five (5) directorships in listed companies in line with the maximum limit as set out under Paragraph 15.06 of the MMLR of Bursa Securities. The Board is satisfied that each member of the Board has spent sufficient time on all Board matters, as evidenced by their attendance record at the Board and Board Committees meetings, hence ensuring a timely and orderly decision-making process for the Group.

Board Charter

The Board is guided by a Board Charter for the effective discharge of its fiduciary duties. The Board Charter serves to ensure that all Board members acting on the Group's behalf are aware of their expanding roles and responsibilities. It sets out the specific and respective roles and responsibilities to be discharged by the Board and Board Committees members collectively and individually. It also regulates on how the Board conducts business in accordance with Corporate Governance principles. The Board Charter is subject to periodic review and will be updated as and when necessary to ensure it remains consistent with the Group's policies and procedures, the Board's overall responsibilities as well as changes to legislation and regulations.

During the financial year under review, the Board Charter was reviewed and approved by the Board on 29 May 2026.

The Board Charter is available on the Company's website at www.resintechmalaysia.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART I - BOARD RESPONSIBILITIES (CONT'D)

Board Committees

The Board has established four (4) Board Committees, namely Audit Committee, Nomination Committee, Risk Management Committee and Remuneration Committee that are entrusted with specific responsibilities to oversee the Group's affairs, with authority to act on behalf of the Board in accordance with their respective Terms of Reference.

The Board had delegated the day-to-day management of the Group to MD, Executive Directors and management team. The MD, Executive Directors are responsible for implementing the policies and decisions of the Board, overseeing day to day operations as well as coordinating the development and implementation of business and corporate strategies.

The delegation of authority to the Committees and Management enables the Board to achieve operational efficiency, by empowering each Committee to review, report and make recommendations to the Board on matters relevant to their roles and responsibilities. These Committees have the authority to examine particular issues and report to the Board with their recommendations. However, the ultimate responsibility for the final decision on all matters lies with the Board.

Code of Ethics and Conduct

The Board is guided by the Code of Ethics and Conduct for Directors and Employees in discharging its oversight role effectively. The Codes of Conduct require all Directors to observe high ethical business standards, and to apply these values to all aspects of the Group's business and professional practice and act in good faith in the best interests of the Group and its shareholders. The Code of Ethics and Conduct was published on the Company's website at www.resintechmalaysia.my.

Whistleblowing Policy

The Company has adopted a whistleblowing policy for the Group as a measure to promote the highest standard of corporate governance. The whistleblowing policy serves as a platform whereby all employees are encouraged to report genuine concerns about unethical behaviour or malpractices. Any such concerns should be raised with the Chairman of Audit Committee, Mr Pook Kim Nyean. The whistleblowing policy is available at the Company's website at www.resintechmalaysia.my.

Anti-Bribery & Corruption Policy

The Company has implemented an Anti-Bribery and Anti-Corruption Policy to prevent the occurrence of bribery and corruption practices in relation to the businesses of the Group. This policy aims to prevent corrupt practices in accordance with Section 17A of the Malaysian Anti-Corruption Commission Act 2018, which addresses corporate liability for corruption. The Anti-Bribery and Anti-Corruption Policy are available on the Company's website at www.resintechmalaysia.my.

Directors' Fit and Proper Policy

The Board has adopted the Directors' Fit and Proper Policy to ensure a formal and transparent process for the appointment and re-election of Directors and key Senior Management of the Group. The execution is delegated to the Nomination Committee and to be reviewed and approved by the Board. This Policy shall be reviewed periodically by the Board and be revised at any time as it may deem necessary in accordance with the needs of the Company. The Directors' Fit and Proper Policy are available on the Company's website at www.resintechmalaysia.my.

Sustainability Strategies

The Board takes into consideration sustainability issues when it oversees the planning, performance and long-term strategy of the Company and views the commitment to do so as part of its broader responsibility to all its various stakeholders and the communities in which it operates.

The Group strives to achieve a sustainable balance between meeting its business goals, preserving the environment to sustain the ecosystem and the welfare of its employees and the communities in which it operates. The Group's efforts to promote sustainable initiatives for the communities in which it operates, the environment and the employees are set out in the Sustainability Statement in this Annual Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II - BOARD COMPOSITION

Board Composition

The current Board composition with an even balance of four (4) Executive Directors and four (4) Independent Non- Executive Directors goes beyond the MMLR which stipulates that at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors. It also conforms with Practice 5.2 of the MCCG which calls for independent directors to make up at least half of the Board membership.

The Independent Non-Executive Directors do not participate in the day-to-day management of the Company and do not involve themselves in business transactions or relationships with the Company, in order not to compromise their objectivity. In staying clear of any potential conflict of interest, the Independent Non-Executive Directors remained in a position whereby they are able to fulfil their responsibility and act independently of Management to provide check and balance to the Board.

The Independent Non-Executive Directors are of the calibre to provide an independent judgment on the issues of strategy, performance and resource allocation of the Group. They carry sufficient weight in Board decisions to ensure long-term interest of the shareholders, employees, customers and other stakeholders.

Independent Director and its Tenure

The tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon reaching the nine (9) years threshold , an Independent Director may continue to serve the Board subject to the Director's re-designation as a Non-Independent Non-Executive Director. The retention of Independent Directors after serving a cumulative term of more than nine (9) years is subject to shareholders' approval in line with Practice 5.3 of the MCCG. If the Board continues to retain Independent Directors after nine (9) years, the Board must justify its decision and seek annual shareholders' approval through a two-tier voting process.

Consistent with the Practice 5.3 of the MCCG, the Nomination Committee undertook the independence assessment taking into account the Independent Non-Executive Directors' self-declaration on their compliance with the independence criteria under the MMLR and the ability of the Independent Non-Executive Director to continue bringing independent and objective judgement to the Board deliberations. The Nomination Committee notes that there are no reasons that have come to their attention that the independence status of the Independent Non-Executive Directors is affected.

As at the date of this statement, Datuk Hj. Abdul Fatah Bin Hj. Iskandar and Dato' Hj. Razif Ratha Bin Abdullah had served as Independent Non-Executive Directors of the Company for a cumulative term of approximately 8 years 10 months and 8 years respectively. Although neither director has exceeded a cumulative term of nine (9) years as at the date of 31st Annual General Meeting ("AGM"), the Board is seeking shareholders' approval in advance to enable them to continue serving as Independent Non-Executive Directors of the Company, taking into consideration that the next AGM is expected to be held after they attain the nine (9)-year tenure threshold.

Following the annual independence assessment and upon the recommendation of the Nomination Committee, the Board is satisfied that both Directors continue to fulfil the independence criteria as prescribed under Paragraph 1.01 of the MMLR and remain capable of exercising independent judgement and objective oversight.

The Board is also of the view that their length of service does not in any way impair their independence, objectivity or ability to act in the best interests of the Company. Their extensive knowledge of the Group's business, together with their professional experience and expertise, enable them to continue providing valuable contributions to Board deliberations and decision-making. Accordingly, the Board will seek shareholders' approval at the forthcoming 31st AGM for them continue appointment as Independent Non-Executive Directors of the Company.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II - BOARD COMPOSITION

Board Diversity and Senior Management Team

The Board acknowledges the importance of diverse Board and Senior Management and take cognisance of the Practice 5.9 of the MCCG to have at least 30% of female directors. The Board has established the Board Diversity Policy as set out in the Board Charter of the Company, which is available on the Company's website at www.resintechmalaysia.my.

The Group adhered strictly to the practice of non-discrimination of any form, whether based on race, age, religion and gender throughout the organisation, in the selection of Board members and Senior Management. The Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Company.

In the event of a vacancy in the Board arise, the Board, through the Nomination Committee, will consider the female representation when suitable candidates are identified. However, the appointment of a new Board member will not be guided solely by gender but will also take into account the skills-set, experience and knowledge of the candidate. The Company's prime responsibility in new appointments is always to select the best candidates available. Hence, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board remains a priority.

Thus, the Company does not set any specific target for board diversity but will actively work towards achieving the appropriate board diversity. Currently, the Company has two (2) female Directors, denoting a 25% of women representation on the Board.

Nomination Committee

The Nomination Committee ("NC") comprises solely Independent Non–Executive Directors and is chaired by Independent Non–Executive Director. The members of the NC and the records of attendance of each NC member at NC meeting(s) held during the financial year ended 31 March 2026 are as follows:-

Name	Designation	Directorship	No. of Meetings attended
Goh Lay Yong	Chairman	Independent Non-Executive Director	1/1
Dato' Hj. Razif Ratha Bin Abdullah	Member	Independent Non-Executive Director	–
Pook Kim Nyean	Member	Independent Non-Executive Director	1/1

The NC has written terms of reference dealing with its authority and duties which includes the selection and assessment of directors.

Meetings of the NC are held as and when required, and at least once a year. The NC carries out the evaluation exercise annually.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II - BOARD COMPOSITION

Nomination Committee (Cont'd)

During the financial year ended 31 March 2026 and up to the date of the Annual Report, key activities undertaken by the NC are summarised as follows:

(1) Assessed the effectiveness of the Board as a whole, the Board Committees and the contribution and performance of each individual Director.
(2) Reviewed the Board structure, composition and the balance between Executive Directors and Independent Non-Executive Directors to ensure that the Board has the appropriate mix of skills and experience including core competencies which Directors should bring to the Board and other qualities to function effectively and efficiently.
(3) Assessed and confirmed the independence of the Independent Non-Executive Directors based on the criteria set out in the MMLR of Bursa Securities.
(4) Discussed, reviewed and recommended the re-election of Directors retiring by rotation, namely Datuk Hj. Abdul Fatah Bin Hj. Iskandar, Dato' Dr. Teh Kim Poo and Datin Gan Jew at the 31st AGM for shareholders' approval, pursuant to the Constitution of the Company.
(5) Reviewed the tenure of the Independent Non-Executive Directors and considered their continued independence, objectivity and ability to exercise independent judgement in the best interest of the Company.
(6) Reviewed and assessed the effectiveness of the AC in carrying out its duties as set out in the terms of reference.
(7) Reviewed the performance of Chief Financial Officer ("CFO") of the Company.
(8) Assessed Directors' training needs.
(9) Reviewed the terms of office of the AC and each member of the AC and assessed whether the Audit Committee possessed the appropriate mix of skills, experience and expertise to effectively discharge its responsibilities.
(10) Assessed the Financial literacy of the AC members to ensure compliance with regulatory requirements and their ability to understand and analyse the Group's financial reporting process.
(11) Reviewed the Terms of Reference of NC.

Board Evaluation

The Board reviews and evaluates the performance of the Board, Board Committees and individual Directors on an annual basis. The evaluation comprises a Board Assessment, Board Committee Assessment, an Individual Director Assessment and an Assessment of Independence of Independent Non-Executive Directors.

The assessments are based on specific criteria, covering areas such as the Board structure, operations, roles and responsibilities of the Board, the Board Committees, and the Chairman's role and responsibilities. For Individual Director Assessment, the assessment criteria include areas of contribution and interaction with peers, quality of input, and understanding of role.

During the annual assessment exercise, the NC members are given performance evaluation forms in respect of individual Directors, the Board and the Board Committees to complete. Sufficient time is given to the NC members to complete the forms and upon completion, the forms are submitted to the Company Secretary for compilation of results of assessment and the summary of which would then be presented to the NC.

Based on the annual assessment conducted, the NC was satisfied with the existing Board composition and concluded that each Director has the requisite competence to serve on the Board and had sufficiently demonstrated their commitment to the Company in terms of time and participation during the year under review, and recommended to the Board the re-election of the retiring Directors at the Company's forthcoming AGM. All assessments and evaluations carried out by the NC in discharge of its functions were properly documented.

Further, based on the assessment in 2026, the Board is generally satisfied with the level of independence demonstrated by all the Independent Directors and their ability to bring independent and objective judgement for Board deliberations.

The NC also undertakes yearly evaluation of the performance of the Chief Financial Officer ("CFO"), whose remuneration is directly linked to performance, based on the score sheet. For this purpose, the performance evaluation for the year 2026 of the CFO was reviewed by the NC on 23 July 2026.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II - BOARD COMPOSITION

Board Evaluation (Cont'd)

In addition, the AC and each of its members have carried out their duties in accordance with their terms of reference and that the AC members shall continue in office for the next financial year end.

The Board is of the view that its present size and composition is optimal based on the Group's operations and that it reflects a fair mix of financial, technical and business experiences that are important to the stewardship of the Group.

Board Appointment Process

The Company has in place formal and transparent procedures for the appointment of new Directors i.e. Board Diversity Policy. The Company strictly adhered to the practice of non-discrimination of any form, whether based on race, age, religion and gender throughout the organisation, which includes the selection of Board members. The Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Company.

As for the appointment of Directors, the NC evaluates the ability to discharge such responsibilities before making recommendation to the Board. The Board has entrusted the NC with the responsibility to review candidates for the Board and to determine remuneration packages for these appointments. The NC is also entrusted to the nomination, selection, remuneration and succession policies for the Group.

Following the amendments made to the MMLR, the Board has in June 2022 adopted a Fit and Proper Policy which sets out the approach, guidelines and procedures to ensure that a formal, rigorous and transparent process is adhered to for the appointment, re-appointment and/or re-election of the Directors of the Group.

No new appointments during the financial year ended 31 March 2026.

Re-election of Retiring Directors

In accordance with the Company's Constitution, one third (1/3) of the Directors (with the exception of the Alternate Director) are subject to retirement by rotation annually and all Directors shall retire from office once at least every three years. The Directors to retire each year are the Directors who have been longest in office since their last appointment on re-election. The Directors appointed during the financial year are subject to retirement at the next AGM held following their appointments in accordance with the Company's Constitution. All retiring Directors are eligible for re-election. A retiring Director shall retain until the close of the AGM at which he retires.

The Directors, namely Datuk Hj. Abdul Fatah Bin Hj. Iskandar, Dato' Dr. Teh Kim Poo and Datin Gan Jew who are subject to retirement by rotation pursuant to the Company's Constitution, at the forthcoming 31st AGM, and have expressed their willingness to seek for re-election at the forthcoming meeting.

Directors' Training

The Directors are encouraged to evaluate their own training needs on a continuous basis and to determine on the relevant programme, seminars, briefings or dialogues available that would best enable them to enhance their knowledge and contributions to the Board.

The Board has undertaken an assessment of the training needs of each of each Director and ensured that all the Directors undergo the necessary training programme to enable them to effectively discharge their duties.

During the financial year under review, the Directors were updated on recent developments in the areas of statutory and regulatory requirements from the briefing by the External Auditors, the Internal Auditors and the Company Secretaries during the Board Committees and/or Board meetings and suitable training and education programmes were identified for their participation from time to time.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART II - BOARD COMPOSITION

Directors' Training (Cont'd)

During the financial year ended 31 March 2026, the Directors attended the following training, seminars and conferences:-

Directors	Date of Course	Seminar / Course
Dato' Hj. Razif Ratha Bin Abdullah	29 July 2025	Beyond Emission: Practical Guide Into Decarbonisation
	25 November 2025	AOB Conversation with Audit Committee
Teh Leng Kang	10 April 2025	Solar & Storage Live Malaysia 2025
	16 – 18 April 2025	Chinaplas 2025
	6 August 2025	Sabah Water Expo 2025
	28 August 2025	The Business Show Asia
	15 October 2025	CamWater 2025
Wei Hwei Hong	28 August 2025	The Business Show Asia
	23 – 24 September 2025	Beyond ESG
	25 November 2025	Critical Budget 2026
	26 March 2026	IFRS Sustainability Standards Introduction
Goh Lay Yong	9 September 2025	Board Simulation – Balancing Risks & Opportunity in Sustainability Leadership Programme
Dato' Dr. Teh Kim Poo	16 – 18 April 2025	Chinaplas 2025
Pook Kim Nyean	20 August 2025	Refresher Training & Awareness Session on Director' Duties & Responsibilities
	26 November 2025	Magnum Anti-Bribery and Anti-Corruption in the Workplace
Datin Gan Jew	23 - 24 July 2025	Mandatory Accreditation Programme Part II

Datuk Hj. Abdul Fatah Bin Hj. Iskandar was unable to attend external training due to his busy schedule. However, he has gained other relevant knowledge through reading materials and trade business discussions.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART III – REMUNERATION

The Remuneration Committee ("RC") was established comprising exclusively of Independent Non-Executive Directors.

The RC and the Board ensure that the Company's remuneration policy remains supportive of the Company's corporate objectives and is aligned with the interest of shareholders, and further that the remuneration packages of Directors and key Senior Management Officers are sufficiently attractive to attract and to retain persons of high calibre.

The RC is entrusted under its terms of reference which are available at the Company's website, reviews annually the performance of the Executive Directors and submits recommendations to the Board on specific adjustments in remuneration and/or reward payments that reflect their respective contributions for the year, depending on the performance of the Group, achievement of the goals and/or quantified organisational targets as well as strategic initiatives set at the beginning of each year.

The Board determines the remuneration of Independent Non-Executive Directors and recommends the same for shareholders' approval.

The Executive Directors are not entitled to the above Director's fee and any meeting allowance for Board or Board Committee Meetings they attend. The remuneration package of the Executive Directors consists of monthly salary, bonus and benefits-in-kind such as company car. The Directors and principal officers are required to contribute jointly towards the premium of the said policy.

During the financial year ended 31 March 2026, one (1) RC meeting was conducted and the details of their attendance of the meetings during the financial period are as follows:

Name	Designation	Directorship	No. of Meetings attended in FYE 31 March 2026
Goh Lay Yong	Chairman	Independent Non-Executive Director	1/1
Pook Kim Nyean	Member	Independent Non-Executive Director	1/1
Dato' Hj. Razif Ratha Bin Abdullah	Member	Independent Non-Executive Director	–

The details of the Directors' remuneration (including benefits-in-kind) of each Director of the Company, paid and payable for the financial year ended 31 March 2026 are as follows:

Company					
Categories of Remuneration	Directors Fees (RM)	Salary, Bonus and Incentive (RM)	Meeting Allowance (RM)	EPF Contribution (RM)	Benefit-in-kind (RM)
Non-Executive Directors:					
Datuk Hj. Abdul Fatah Bin Hj. Iskandar	60,000	–	3,750	–	–
Pook Kim Nyean	36,000	–	3,750	–	–
Dato' Hj. Razif Ratha Bin Abdullah	48,000	–	3,750	–	–
Goh Lay Yong	36,000	–	4,500	–	–

The Directors' remuneration paid and payable or otherwise made available to all Executive Directors of the Company and its subsidiaries for financial year ended 31 March 2026 are disclosed in the Corporate Governance Report which is available on the Company's website.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

PART III – REMUNERATION (CONT'D)

The Number of Directors of the Company whose remuneration fall within the following bands is tabulated as below:-

	Company	
Range of Remuneration	**Executive Directors**	**Non-Executive Directors**
Up to RM50,000	–	2
RM50,001 – RM100,000	–	2
Total	**–**	**4**

The remuneration received by the Executive Directors and Non-Executive Directors in FY2026 at Group Level can be found in Note 36 to the financial statements on pages 150 to 151 of the Annual Report.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I – AUDIT COMMITTEE ("AC")

AC COMPOSITION AND CHAIRMAN

The AC of the Company comprises all Independent Non-Executive Directors and is chaired by Mr. Pook Kim Nyean, who is not the Chairman of the Board. The AC members possess an appropriate range of experience and qualifications, including the appropriate financial literacy to meet the objectives of AC. The composition of the AC and a summary of its activities carried out in the financial year ended 31 March 2026 are set out on the pages 49 to 52 of this Annual Report.

The AC has adopted a policy that requires a former key audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of the AC.

The AC is relied upon by the Board to, amongst others, provide advice in the areas of financial reporting, external audit, internal control environment and internal audit process, review of related party transactions as well as conflict of interest situation. The AC also undertakes to provide oversight on the risk management framework of the Group.

The AC is responsible for reviewing audit, recurring audit-related and non-audit services provided by the External Auditors. These recurring audit-related and non-audit services comprise regulatory reviews and reporting, interim reviews, tax advisory and compliance services.

The terms of engagement for services provided by the External Auditors are reviewed by the AC prior to submission to the Board for approval.

All the AC members, who are financially literate and have direct communication channels with the External and Internal auditors, reviewed the Company's financial statements prior to recommending them for approval by the Board.

The Chief Financial Officer ("CFO") updates the AC regularly on the Group's financial performance and highlights key issues in connection with the preparation of the financial results, including adoption of new accounting standard/policies.

As part of the governance process in reviewing the quarterly and yearly financial statements by the AC, the MD and the CFO provided assurance to the AC that adequate processes and controls were in place for effective and efficient financial reporting and disclosures.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

PART I – AUDIT COMMITTEE ("AC") (CONT'D)

AC COMPOSITION AND CHAIRMAN (CONT'D)

The AC has reviewed the provision of non-audit services by the External Auditors during the year and concluded that the provision of these services did not compromise the External Auditors' independence and objectivity as the amount of the fees paid for these services was not significant when compared to the total fees paid to the External Auditors.

Having satisfied itself with Messrs. Crowe Malaysia PLT's performance, competency and audit independence as well as fulfilment of criteria as set out in the Auditors' Independence Policy, the AC will recommend their re-appointment to the Board, upon which the shareholders' approval will be sought at the AGM.

The Company has in placed an External Auditors Performance and Independent checklist and will adopt the same in the next financial year onwards to evaluate the performance of the External Auditors, including the review of the calibre of the audit firm, quality of processes, audit team, independence and objectivity, audit scope and planning, audit fees and audit communications.

The AC has also obtained a written assurance from the External Auditors confirming that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The composition of AC is reviewed by NC and recommended to the Board for its approval. The NC in maintaining an independent and effective AC, will ensure that only an Independent Non-Executive Director who is financially literate, has the relevant expertise and experience, and the strong understanding of the Company's business would be considered for appointment on AC. All the AC members will continue to attend training to keep themselves abreast of recent developments in accounting and auditing standards, practices and rules.

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board oversees reviews and monitors the operation, adequacy and effectiveness of the Group's system of internal controls through the Audit Committee and Risk Management Committee. The composition of the AC including its roles and responsibilities of the AC are set out on the pages 49 to 52 of the Audit Committee Report.

The Risk Management Committee defines the level of risk appetite, approving and overseeing the operation of the Group's Risk Management Framework, assessing its effectiveness and reviewing any major/significant risk faced by the Group.

The Risk Management Committee is governed by the terms of reference which outlines its scope, duties and responsibilities. The membership of the Risk Management Committee is stated in the Corporate Information of this Annual Report. The terms of reference of the Risk Management & Sustainability Committee is available for viewing at the corporate website at www.resintechmalaysia.my.

During the financial year ended 31 March 2026, one (1) Risk Management Committee meeting were held. The activities carried out by the Risk Management & Sustainability Committee were as follows:

1. Reviewed the identified key risks and the controls in place to mitigate the risks; and
2. Reviewed and discussed the Risk Assessment and Assurances Reports of the Company and its subsidiaries.

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

PART I – ENGAGEMENT WITH STAKEHOLDERS

The Board recognises the importance of being transparent and accountable to the Company's stakeholders and acknowledges that continuous communication between the Company and stakeholders would facilitate mutual understanding of each other's objectives and expectations. As such, the Board consistently ensures the supply of clear, comprehensive, and timely information to their stakeholders via various disclosures and announcements including quarterly and annual financial results which provides investors with up-to-date financial information of the Group. All these announcements and other information about the Company is available on the Company's website at https://resintechmalaysia.my which shareholders, investors and the public may access.

In addition, the Directors engage with shareholders at least once a year during the AGM to understand their needs and seek their feedback.

PART II – CONDUCT OF GENERAL MEETINGS

Shareholder Participation at General Meeting

The AGM is the principal forum for dialogue and interaction with the shareholders of the Company. The Company values feedback from its shareholders and therefore, encourages shareholders to attend and participate in the general meeting to raise questions pertaining to issues in the Annual Report, corporate developments in the Group, the resolutions being proposed and the business of the Group at the AGM.

In order to encourage shareholders' participation at the AGM, the Company sends out the notice of AGM at least 28 days to allow sufficient time for shareholders to make arrangements to attend either in person, by corporate representative, proxy or attorney.

All the Directors shall endeavor to present in person to engage directly with and be accountable to the shareholders for their stewardship of the Company at the AGM. During the AGM, the Board encourages shareholders' participation in deliberating resolutions being proposed or on the Group's operation in general. The Directors, CFO and External Auditors will be in attendance to respond to the shareholders' queries.

The 30th AGM was held physically on 28 August 2025 and afforded an opportunity to the shareholders to participate and vote at the AGM (including submitting questions directly to the Board both prior to and during the AGM). All the Directors, External Auditors and Senior Management attended the said AGM physically and responded to questions raised by shareholders.

The Minutes of the 30th AGM was made available on the Company's website.

COMPLIANCE STATEMENT

During the year under review, the Board directed its focus on the core duties of the Board which is grounded on the creation of long-term value for stakeholders. In light of the improvements in the corporate governance regulations, the Board has reviewed and updated (if necessary) its existing board charter, policies and procedures, etc.

Moving forward, the Board will continue to operationalise and improve the Company's corporate governance practices and instil a risk and governance awareness culture and mindset throughout the organisation in the best interest of all stakeholders.

As at the date of this statement, the Board is satisfied with the current composition of the Board by comprising four (4) Independent Non-Executive Directors and four (4) Executive Director, and believed that the existing composition enable efficient corporate/board decisions to be made amongst the Board members.

COMPLIANCE STATEMENT (CONT'D)

The current Independent Non-Executive Chairman, Datuk Hj. Abdul Fatah Bin Hj. Iskandar is appropriate for the role with his abundant experience and knowledge can provide constructive advice and guidance to the Board and Management without compromising the balance of power and authority amongst the Board.

The Board is satisfied and assured that no individual or group of Directors has unfettered powers of decision that could create a potential conflict of interest. The Board has also demonstrated their independence and is free from any businesses or other relationships which may interfere with the exercise of their independent judgement.

This Corporate Governance Overview Statement was approved by the Board on 23 July 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board is pleased to present its Statements on Risk Management and Internal Control which outlines the nature and scope of risk management and internal control of the Group for the financial year ended 31 March 2026. This statements has been prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR"), Malaysian Code on Corporate Governance and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guideline").

BOARD RESPONSIBILITY AND ACCOUNTABILITY

The Board recognises the importance of good risk management practices and sound internal controls as a platform for good corporate governance. The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control, and for reviewing its adequacy and integrity.

Due to inherent limitations in any risk management and internal control system, such a system is designed to manage the risk that may impede the achievement of the Group's business objectives rather than eliminate these risks. Therefore, the risk management and internal control system can only provide reasonable and not absolute assurance against fraud, material misstatement, losses, or errors.

The Board, through its Audit Committee ("AC") has established an ongoing process for identifying, evaluating, and managing the significant risks faced by the Group and this process includes enhancing the risk management and internal control system as and when there are changes to the business environment and regulatory requirements. The process is reviewed by the Board and the AC on a periodic basis.

Management assists the Board in the implementation of the Board's policies and procedures on risk and control by identifying and assessing the risks faced by the Group, and in the design and operation of suitable internal controls to mitigate these risks identified.

The effectiveness of internal controls was reviewed by the AC in relation to the audits conducted by internal auditors ("IA") during the financial year. Audit issues and actions taken by Management to address the issues tabled by IA were deliberated during the AC meetings. Minutes of the AC meetings which recorded these deliberations were presented to the Board.

Internal control and risk-related matters which warranted the attention of the Board were recommended by the AC to the Board for its deliberation and approval and matters or decisions made within the AC's purview were referred to the Board for its notation.

MANAGEMENT'S RESPONSIBILITIES

Senior Management is accountable to the Board for the risk management and the internal control system and for the implementation of processes to identify, evaluate, monitor and report the relevant risks. The implementation of the risk management process for the Group is the responsibility of the Resintech's Senior Management. The Risk Management Committee ("RMC") has been established at Resintech, for its operations to institutionalise risk management practices.

Review and ensure the effectiveness of the risk management policies and processes. Manage the relevant risks that may impede the achievement of objectives are identified and appropriate mitigating actions have been implemented. Identify significant changes to Resintech's risks, including emerging risks and take actions as appropriate to communicate to Resintech Group's AC and the Board.

The RMC which is chaired by the Independent Non-Executive Director ("INED"), to ensure the continual effectiveness, adequacy and integrity of the risk management system and that key risk matters would be recommended for escalation to the AC and the Board for deliberation and approval. The senior management of the principal subsidiary companies is tasked to identify and manage the significant risks that are affecting their respective business units. The risk management practices adopted by the Group's principal subsidiary companies are aligned to the Group's risk management practices.

The Board is of the view that the risk management and internal control system in place for the year under review and up to the date of issuance of the annual report is adequate and effective to safeguard the shareholders' investment, the interests of customers, regulators, employees and the Group's assets.

RISK MANAGEMENT FRAMEWORK

The Board regards risk management as an integral part of the Group's business operations and has oversight over this critical area through the AC. The AC, supported by the IA, provides an independent assessment of the effectiveness of the Group's Enterprise Risk Management ("ERM") framework and reports to the Board. The Group's ERM framework is consistent with the ERM framework and involves systematically identifying, analysing, measuring, monitoring and reporting on the risks that may affect the achievement of its business objectives.

There is no dedicated ERM department, however the Executive Director ("ED") and Chief Financial Officer ("CFO") who works closely with the Group's operational managers are continuously strengthening the risk management initiatives within the Group so that it responds effectively to the constantly changing business environment and is thus able to protect and enhance shareholder value.

RISK STRUCTURE/ACCOUNTABILITY AND RESPONSIBILITY

Further improving Resintech's risk governance, ERM structures have been established in each department and subsidiary. The aim is for a risk culture to be internalised through risk ownership and to drive ERM implementation at the functional level. ERM Resource Persons also known as Head of Department ("HOD")/Risk Coordinators ("RC"), are appointed at each business unit, and act as the single point of contact to liaise directly with the Group's ED and CFO in matters relating to ERM, including the submission of reports on a periodic basis. In addition, they are responsible for assisting their HOD to manage and administer the business units' risk portfolios, which include arranging, organising and coordinating ERM programmes.

During the financial year ended 31 March 2026, comprehensive reviews were conducted across various risk areas and formal reports were issued to provide insights and recommendations for ongoing risk management.

INTERNAL CONTROL SYSTEM AND ENVIRONMENT

Apart from the risk management and internal audit, the Group has put in place the following key elements of internal controls:

- The Group has an organisational structure that is aligned to business requirements.
- The internal control mechanism is embedded in the various work processes at appropriate levels in the Company.

The Board is accountable for ensuring the existence and effectiveness of internal control and provides leadership and direction to senior management in the manner the Company controls its businesses, the state of internal control and its activities. In developing the internal control systems, consideration is given to the overall control environment of the Company, assessment of financial and operational risks and an effective monitoring mechanism.

INTERNAL AUDIT

The Board is fully aware of the importance of the internal audit function and has engaged an independent professional firm, namely Messrs. Smart Focus Group ("IA Firm") to provide independent assurance to the Board and the AC in providing an independent assessment on the adequacy, efficiency and effectiveness of the Group's internal control system.

The IA Firm adopts a risk based approach and prepares its audit plan based on the risk profiles from the risk assessment of the business units of the Group. Scheduled internal audits are carried out based on the annual audit plan approved by the AC. The IA Firm presents the AC with the internal audit reports.

During the year under review, internal audit reviews were carried out by the Internal Audit team to address the related internal control weaknesses. The significant weaknesses identified during the reviews together with the improvement measures to strengthen the internal controls were reported accordingly.

INTERNAL AUDIT (CONT'D)

The main elements in the system of internal control framework included:

- An organisational structure in the Group with formally defined lines of responsibility and delegation of authority;
- Documentation of written policies and procedures for certain key operational areas;
- Quarterly review of financial results by the Board and the AC;
- Active participation and involvement by the Managing Director ("MD") and the ED in the day-to-day running of the major businesses and regular discussions with the Senior Management of smaller business units on operational issues;
- Review of internal audit reports and findings by the AC; and
- Monthly review of Group management accounts by MD, ED and Management.

INTERNAL AUDIT

The Internal Audit ("IA") also periodically reports on the activities performed, key strategic and control issues observed by IA to the AC in order to preserve its independence. The AC reviews and approves IA's annual budget, remuneration, audit plan and human resource requirements to ensure the function maintains an adequate number of internal auditors with sufficient knowledge, skills and experience. IA adopts the International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors (IIA), the definition of Internal Auditing, Code of Ethics, Practices and Framework in order to ensure standardisation and consistency in providing assurance on the adequacy, integrity and effectiveness of the Group's overall system of internal controls, risk management and governance. IA has aligned its current internal audit practices with the Committee of Sponsoring Organizations of the Treadway Commission (COSO - USA Standard) and the Criteria of Control Board (COCO - Canadian Standard)'s Internal Controls - Integrated Framework.

Using this framework, all internal control assessments performed by IA are based on the internal control elements, scope and coverage. IA continues to adopt the risk-based audit plan to ensure the programmes carried out are prioritised based on the Group's key risks and core or priority areas. Input from various sources inclusive of the ERM Framework, business plan, past audit issues, external auditors, Management and Board are gathered, assessed and prioritised to derive the annual audit plan.

During the financial year ended 31 March 2026, Resintech conducted audit assignments to review the adequacy of the internal control on business operations for its subsidiary Resintech Plastics (Sarawak) Sdn. Bhd.

All reports from the internal audit reviews carried out were submitted and presented to the AC with the feedback and agreed corrective actions to be undertaken by Management. Subsequently, the progress of these corrective actions was monitored and verified by IA prior submitting to the AC.

QUALITY ASSURANCE

The IA develops and maintains a quality assurance and improvement programme that covers all aspects of internal audit activities. The quality assurance programme assesses the effectiveness of IA processes and identifies opportunities for improvement via both internal and external assessment. It has its own peer reviewer mechanism to ensure consistently good quality output of every audit engagement. The team leader is well experienced to manage the internal audit assignments.

INFORMATION AND COMMUNICATION

While the Management has full responsibility in ensuring the effectiveness of internal control, which it establishes, the Board of Directors has the authority to assess the state of internal control as it deems necessary. In doing so, the Board has the right to enquire information and clarification from Management as well as to seek inputs from the AC, external and internal auditors, and other experts at the expense of the Company.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR, the External Auditors have reviewed this Statement on Risk Management and Internal Control for inclusion in this Annual Report. Their reviews were performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagement Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. Based on their reviews, nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

ASSURANCE FROM THE MANAGEMENT

The Board has also received reasonable assurance from the MD, CFO and other HOD that the Group's risk management and internal control system are operating adequately and effectively, in all material aspects, based on the risk management model adopted by the Group.

CONCLUSION

For the financial year under review, there were no significant internal control deficiencies or material weaknesses resulting in material losses or contingencies requiring separate disclosure in the Annual Report. The Board is of the view that the Group's system of internal control and risk management is adequate to safeguard shareholders' investments and the Group's assets. However, the Board is also cognisant of the fact that the Group's system of internal control and risk management practices must continuously evolve to meet the changing and challenging business environment. Therefore, the Board will, when necessary, put in place appropriate action plans to further enhance the Group's system of internal control and risk management framework.

This statement on Risk Management and Internal Control was made approved by the Board on 23 July 2026.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Board of Directors of the Company is responsible in preparing financial statements and ensuring that:

i. The annual audited financial statements of the Group and of the Company are drawn up in accordance with applicable approved accounting standards in Malaysia, the provisions of the Companies Act 2016 and the Main Market Listing Requirements of Bursa Securities so as to give a true and fair view of the state of affairs of the Group and the Company for the financial year; and

ii. Proper accounting and other records are kept which enable the preparation of the financial statements with reasonable accuracy and taking reasonable steps to ensure that appropriate systems are in place to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

In preparing the financial statements for the financial year ended 31 March 2026 the Directors of the Company have:

a) Adopted the appropriate accounting policies and have applied them consistently;
b) Made adjustments and estimates that are reasonable and prudent;
c) Ensured applicable accounting standards have been followed, subjects to any material departures disclosed and explained in the financial statements; and
d) Prepared the financial statements going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

The Directors have overall responsibility for taking such steps that are reasonable open to them to safeguard the assets of the Group and the Company to prevent and detect fraud and other irregularities.

ADDITIONAL COMPLIANCE INFORMATION

1. AUDIT AND NON-AUDIT FEES

The auditors' remuneration including non-audit fees for the Company and the Group for the financial year 31 March 2026 are as follows:-

Details of Audit Fees	Group (RM)	Company (RM)
- Statutory Audit Fees	313,750	80,000
- Non-Audit Fees	6,000	6,000
Total	**321,750**	**86,000**

2. MATERIAL CONTRACTS INVOLVING THE INTERESTS OF THE DIRECTORS, CHIEF EXECUTIVE WHO IS NOT A DIRECTOR OR MAJOR SHAREHOLDERS

There were no material contracts entered into by the Company and its subsidiaries involving the interest of the Directors, Chief Executive who is not a Director or major shareholders, either still subsisting at the end of the year, or which was entered into since the end of previous financial year.

3. RECURRENT RELATED PARTY TRANSACTIONS OF REVENUE NATURE ("RRPT")

There were no shareholders mandate obtained in respect of RRPT of revenue or trading nature during the financial year end. However, details of the transactions with related parties undertaken by the Group during the financial year end are disclosed in the Note 37 to the Financial Statements.

4. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

(a) Group Total Income and Total Assets

Total Income	2026 RM'000	2025 RM'000
Revenue	160,127	125,064
Other Income	5,768	10,610
Interest Income	450	339
Total	**166,345**	**136,013**
Total Assets	**340,822**	**317,954**

Additional Compliance Information (Cont'd)

4. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)

(b) Business Activities

Shariah Non-Compliant Activities	2026 RM'000	2025 RM'000
Interest Income	333	235
Total	**333**	**235**

(c) Component of Financial Position

(i) Cash Component

Islamic Account	2026 RM'000	2025 RM'000
Cash and bank balances	1,864	1,796
Deposits with licensed bank	170	129
Total Cash	**2,034**	**1,925**

Conventional Account/Instruments	2026 RM'000	2025 RM'000
Cash and bank balances (exclude cash in hand)	15,103	7,376
Deposits	9,561	9,254
Money market instruments	82	227
Other cash equivalents (cash in hand)	5	2
Total Cash	**24,751**	**16,859**

(ii) Debt Component

Islamic Financing	2026 RM'000	2025 RM'000
Current		
Term loans	2,029	2,526
Bankers acceptance	2,465	1,605
Total	**4,494**	**4,131**

Non-Current		
Term loans	18,050	19,351
Total	**18,050**	**19,351**

4. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)

(c) Component of Financial Position (Cont'd)

(ii) Debt Component (Cont'd)

Conventional Borrowing	2026 RM'000	2025 RM'000
Current		
Amount due to a shareholder	7,692	4,943
Hire purchase	319	368
Term loans	499	283
Bankers acceptance	23,668	19,574
Overdraft	4,737	4,974
Total	**36,906**	**30,142**
Non-Current		
Hire purchase	189	575
Term loans	10,337	10,483
Total	**10,526**	**11,418**

FINANCIAL STATEMENTS

77 Directors' Report

88 Statement by Directors

88 Statutory Declaration

89 Independent Auditors' Report

96 Statements of Financial Position

98 Statements of Profit or Loss and Other Comprehensive Income

100 Statements of Changes in Equity

103 Statements of Cash Flows

105 Notes to the Financial Statements

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding and the provision of management services.

The information on the name, principal place of business/country of incorporation, principal activities, and percentage of issued share capital held by the Company in each subsidiary company are set out in the "Subsidiaries" section of this report.

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

RESULTS

	The Group RM'000	**The Company** RM'000
Profit after taxation for the financial year	13,531	6,403
Attributable to:-		
Owners of the Company	13,630	6,403
Non-controlling interests	(99)	-
	13,531	6,403

DIVIDENDS

The Company paid a final dividend of 1.25 sen per ordinary share amounting to RM2,430,076 for the financial year ended 31 March 2025 on 30 September 2025.

On 29 May 2026, the Company declared an interim dividend of 2.00 sen per ordinary share amounting to RM3,888,131 in respect of the current financial year, payable on 3 July 2026, to shareholders whose names appeared in the record of depositors on 19 June 2026. The financial statements for the current financial year do not reflect this interim dividend. Such dividend will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2027.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the issued and paid-up share capital of the Company; and

(b) there were no issues of debentures by the Company.

WARRANTS

The Company had on 1 September 2022, issued 97,202,691 free warrants ("warrants") pursuant to the bonus issue of warrants on the basis of one (1) warrant for every two (2) existing ordinary shares of the Company held by the shareholders after the completion of Bonus Shares on 23 August 2022. The warrants were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 1 September 2022.

The warrants were constituted under the Deed Poll dated 8 August 2022. Each warrant entitled the registered holder the right at any time during the exercise period from 25 August 2022 to 24 August 2027 to subscribe in cash for one new ordinary share of the Company at an exercise price of RM0.57 each.

The salient features of the warrants are as follows:-

(i) the exercise price is RM0.57 per warrant, which entitles the holders of such warrants ("Warrant Holders") to subscribe for one (1) new ordinary shares of the Company at any time and from time to time within five (5) years commencing on and including the date of issuance of the warrants ("Exercise Period"), subject to the terms and conditions set out in the Deed Poll;

(ii) at the expiry of the Exercise Period, any warrants, which have not been exercised shall automatically lapse and cease to be valid for any purposes; and

(iii) the allotment of the new ordinary shares of the Company arising from the subscription of the warrants which shall rank pari passu in all aspects with the existing ordinary shares of the Company, save and except that the new ordinary shares of the Company shall not be entitled to any dividends, rights, allotments and/or other forms of distribution that may be declared, made or paid prior to the relevant date of allotment and issuance of the new ordinary shares of the Company arising from the exercise of the warrants and quotation of the said additional new ordinary shares of the Company on Bursa Malaysia Securities Berhad.

As at 31 March 2026, the total number of warrants that remain unexercised were 97,202,691 units.

TREASURY SHARES

During the financial year, there were no treasury shares being purchased or cancelled by the Company.

Of the total 195,739,292 (2025 - 195,739,292) ordinary issued and fully paid-up ordinary shares at the end of the reporting period, 1,333,333 (2025 - 1,333,333) ordinary shares are held as treasury shares by the Company.

Treasury shares have no rights to voting, dividends and participation in any other distribution. Treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that all known bad debts had been written off and that adequate allowance has been made for impairment losses in receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, 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 which would render the values attributed to the current assets in the financial statements misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature other than the recognition of impairment losses on trade receivables as disclosed in Note 29 to the financial statements.

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Datuk Hj. Abdul Fatah Bin Hj. Iskandar, DSPM, JPN
Dato' Dr. Teh Kim Poo, DSSA, PJK, JP
Datin Gan Jew, PJK
Teh Leng Kang, PJK
Wei Hwei Hong
Dato' Hj. Razif Ratha Bin Abdullah
Goh Lay Yong
Pook Kim Nyean

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Teh Hooi Ching
Roslan Bin Mohamad Nanek
Yap Zi Xiu
Yap Cheng Hwa

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares and warrants of the Company and its related corporations during the financial year are as follows:-

	<---------------Number of Ordinary Shares---------------->			
	At 1.4.2025	Bought	Sold	At 31.3.2026
The Company				
Direct Interests				
Dato' Dr. Teh Kim Poo, DSSA, PJK, JP	78,634,131	-	-	78,634,131
Datin Gan Jew, PJK	13,291,466	-	-	13,291,466
Teh Leng Kang, PJK	11,050,268	50,000	-	11,100,268
Wei Hwei Hong	6,902,866	1,644,000	-	8,546,866
Goh Lay Yong	120,000	-	-	120,000
Deemed Interests				
Dato' Dr. Teh Kim Poo, DSSA, PJK, JP#	24,748,400	50,000	-	24,798,400
Datin Gan Jew, PJK#	90,091,065	50,000	-	90,141,065
Teh Leng Kang, PJK#	6,902,866	1,644,000	-	8,546,866
Wei Hwei Hong#	11,050,268	50,000	-	11,100,268

	<---------------Number of Warrants---------------->			
	At 1.4.2025	Bought	Sold	At 31.3.2026
The Company				
Direct Interests				
Dato' Dr. Teh Kim Poo, DSSA, PJK, JP	39,317,065	-	-	39,317,065
Datin Gan Jew, PJK	6,645,733	-	-	6,645,733
Teh Leng Kang, PJK	5,235,133	-	-	5,235,133
Wei Hwei Hong	1,350,332	-	-	1,350,332
Goh Lay Yong	60,000	-	-	60,000
Deemed Interests				
Dato' Dr. Teh Kim Poo, DSSA, PJK, JP#	12,084,199	-	-	12,084,199
Datin Gan Jew, PJK#	44,755,531	-	-	44,755,531
Teh Leng Kang, PJK#	1,350,332	-	-	1,350,332
Wei Hwei Hong#	5,235,133	-	-	5,235,133

Note:-
Deemed interested through spouse's and/or children's shareholdings in the Company.

DIRECTORS' INTERESTS (CONT'D)

By virtue of their shareholdings in the Company, Dato' Dr. Teh Kim Poo, DSSA, PJK, JP and Datin Gan Jew, PJK are deemed to have interests in shares in its subsidiaries during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares and warrants of the Company or its subsidiaries during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) 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 except for any benefits which may be deemed to arise from the following transactions:-

	The Group RM'000
A shareholder of a subsidiary	
Advances from	(2,750)
A related party	
Lease expenses paid/payable	194

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

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	From the Company RM'000	**From the Subsidiaries** RM'000	**Total** RM'000
Fees	180	60	240
Salaries, bonuses and other benefits	16	1,913	1,929
Defined contribution benefits	-	217	217
	196	2,190	2,386

INDEMNITY AND INSURANCE COST

No indemnities were given to, nor insurance effected for, the directors, officers or auditors of the Company.

SUBSIDIARIES

(a) The details of the subsidiaries' name, principal place of business/country of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed as follows:-

Name of Subsidiary	Principal Place of Business/Country of Incorporation	Percentage of Issued Share Capital Held by Parent	Principal Activities
Direct subsidiaries:-			
Resintech Plastics (M) Sdn. Bhd.	Malaysia	100%	Designing, manufacturing, trading and marketing of a diversified range of plastic pipes, water tanks and fittings.
Resintech-Kapar Sdn. Bhd.	Malaysia	100%	Designing, manufacturing, trading and marketing of a diversified range of Polyethylene, Polypropylene and Acrylonitrile Butadiene Styrene pipes, tanks and fittings.
Resintech Plastics (Sarawak) Sdn. Bhd.	Malaysia	100%	Designing, manufacturing, trading and marketing of a diversified range of plastic pipes, water tanks and fittings.
Johan Panglima (M) Sdn. Bhd.	Malaysia	55%	Property holding.
Sarpino's Pizzeria (Cambodia) Co., Ltd.	Cambodia	100%	Property holding.
TCT Metal Sdn. Bhd.	Malaysia	100%	Property holding.
Johan Hijauan Sdn. Bhd.	Malaysia	100%	Investment holding.
Johan Intan Sdn. Bhd.	Malaysia	60%	Investment holding.

SUBSIDIARIES (CONT'D)

(a) The details of the subsidiaries' name, principal place of business/country of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed as follows (Cont'd):-

Name of Subsidiary	Principal Place of Business/Country of Incorporation	Percentage of Issued Share Capital Held by Parent	Principal Activities
Direct subsidiaries (Cont'd):-			
Forward Metal Works Sdn. Bhd.	Malaysia	100%	Property holding.
Dunya Waja Sdn. Bhd.	Malaysia	100%	Designing, manufacturing, trading and marketing of plastic industrial products, property holding and provision of property management services.
Dunya Murni Sdn. Bhd.	Malaysia	100%	Property holding.
Indirect subsidiaries:-			
Resintech (Sabah) Sdn. Bhd.^	Malaysia	100%	Trading and marketing of a diversified range of plastic pipes, water tanks and fittings.
Resintech Products Marketing Sdn. Bhd.^	Malaysia	100%	Trading and marketing of a diversified range of plastic pipes, water tanks, fittings and children's playground equipment.
Exact Link Sdn. Bhd.^	Malaysia	100%	Property holding.
PT Resintech Indomas*√	Indonesia	100%	Designing and manufacturing of a diversified range of plastic pipes, water tanks and fittings.

Notes:-
^ Interest held by Resintech Plastics (M) Sdn. Bhd..
* Interest held by Resintech Plastics (M) Sdn. Bhd. and Resintech-Kapar Sdn. Bhd..
√ This subsidiary was audited by a firm other than member firms of Crowe Malaysia PLT, Malaysia.

(b) The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 28 January 2026, the Company incorporated a wholly-owned subsidiary, Dunya Murni Sdn. Bhd. ("DMSB"), with an issued and paid-up share capital of RM1 comprising 1 ordinary share. The incorporation did not have a material impact on the financial position or financial performance of the Group for the financial year ended 31 March 2026.

SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

On 5 May 2026, DMSB entered into a Sale and Purchase Agreement with the vendors for the acquisition of a freehold agricultural land held under Geran 338041, Lot 3492, Mukim Telok Panglima Garang, District of Kuala Langat, Selangor, measuring approximately 2.0235 hectares (5 acres), for a total purchase consideration of RM9,801,000.

The acquisition is subject to certain conditions precedent, including the transmission of an undivided half share of the land to the executor of the estate and the obtaining of a court order permitting the sale of such interest. Upon fulfillment of these conditions, the agreement will become unconditional.

The directors of the Company are of the opinion that the acquisition is in the best interests of the Group and is intended to support the Group's future business development and expansion plans.

The transaction occurred after the reporting date and accordingly has not been recognised in the financial statements for the year ended 31 March 2026. The financial impact of the acquisition on the Group's future financial position will be recognised upon completion of the transaction.

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM'000	**The Company** RM'000
Audit fees	316	80
Non-audit fees	6	6
	322	86

Signed in accordance with a resolution of the directors dated 27 July 2026

Teh Leng Kang, PJK

Datin Gan Jew, PJK

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Teh Leng Kang, PJK and Datin Gan Jew, PJK, being two of the directors of Resintech Berhad, state that, in the opinion of the directors, the financial statements set out on pages 96 to 192 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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 of 31 March 2026 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 27 July 2026.

Teh Leng Kang, PJK **Datin Gan Jew, PJK**

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Wei Hwei Hong, MIA Membership Number: 22445, being the director primarily responsible for the financial management of Resintech Berhad, do solemnly and sincerely declare that the financial statements set out on pages 96 to 192 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Wei Hwei Hong, NRIC Number: 760909-10-5544
at Kuala Lumpur
in the Federal Territory
on this 27 July 2026

Wei Hwei Hong

Before me

Shaiful Hilmi Bin Halim (W-804)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RESINTECH BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Resintech Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 March 2026, 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 96 to 192.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Key Audit Matters (Cont'd)

We have determined the matter described below to be the key audit matter to be communicated in our report.

Valuation of investment properties **Refer to Note 7 to the financial statements**	
Key Audit Matter	**How our audit addressed the Key Audit Matter**
As at 31 March 2026, the carrying amount of investment properties amounted to RM89,632,000 representing 40% and 26% of the Group's total non-current assets and total assets respectively. Investment properties are stated at fair value and any gains or losses arising from changes in the fair value are included in profit or loss in the year in which they arise. The Group has appointed independent professional valuers to perform valuations on its investment properties. The valuations are based on assumptions, amongst others, comparable historical transactions and adjustment factors to comparable transactions including location, size, condition, accessibility and design and market knowledge, estimated rental value per square foot, expected market growth and discount rate. We consider the valuation of the investment properties as an area of audit focus as such valuation involves significant judgement and estimates that are highly subjective.	Our procedures included, amongst others:- • Assessed the objectivity, independence, competence and capabilities of the professional valuers; • Reviewed the methodology adopted by the independent valuers in estimating the fair value of the investment properties and assessed whether such methodology is consistent with those used in the industry; • Evaluated the appropriateness of the data used by the professional valuers as input into their valuations; and • Interviewed the professional valuers, discussed and challenged the significant estimates and assumptions applied in their valuation process.

Key Audit Matters (Cont'd)

Valuation of other investments **Refer to Note 9 to the financial statements**	
Key Audit Matter	**How our audit addressed the Key Audit Matter**
As at 31 March 2026, the carrying amount of other investments amounted to RM4,424,000 representing 2% and 1% of the Group's total non-current assets and total assets respectively. The Group classifies its unquoted equity investments as Fair Value Through Other Comprehensive Income ("FVOCI"). The other investments principally comprise the investment in Entity A with a carrying amount of RM4,352,000. The Group has appointed an independent professional valuer to perform the valuation on this investment. The valuation is based on assumptions, amongst others, the financial performance and position of the underlying investee company, discount rate and other unobservable inputs. We consider the valuation of other investments as an area of audit focus as such valuation involves significant judgement and estimates that are highly subjective.	Our procedures included, amongst others:- • Assessed the objectivity, independence, competence and capabilities of the professional valuer; • Reviewed the methodology adopted by the independent valuer in estimating the fair value of the investment and assessed whether such methodology is consistent with those used in the industry; • Evaluated the appropriateness of the data used by the professional valuer as input into the valuation; and • Interviewed the professional valuer, discussed and challenged the significant estimates and assumptions applied in the valuation process.

Key Audit Matters (Cont'd)

Impairment of trade receivables **Refer to Notes 11 and 40.1(b)(iii) to the financial statements**	
Key Audit Matter	**How our audit addressed the Key Audit Matter**

As at 31 March 2026, trade receivables that were past due and not impaired amounted to RM8,709,000. The details of trade receivables and its credit risk are disclosed in Notes 11 and 40.1(b)(iii) to the financial statements respectively.
 	
The management applied assumptions in assessing the level of allowance for impairment losses on trade receivables based on the following:-
 	
• customers' payment profiles of past sales and corresponding historical credit losses;
• specific known facts or circumstances on customers' ability to pay; or
• by reference to past default experience.
 	
The impairment assessment involves significant judgements and there is inherent uncertainty in the assumptions applied by the management to determine the level of allowance. Hence, we determined this to be a key audit matter.
	Our procedures included, amongst others:-
	
	• Obtained an understanding of:-
	  • the Group's control over the trade receivables collection process;
	  • how the Group identifies and assesses the impairment of trade receivables; and
	  • how the Group makes the accounting estimates for impairment.
	• Reviewed the ageing analysis of trade receivables and testing the reliability thereof;
	• Reviewed subsequent cash collections for major trade receivables and overdue amounts;
	• Made inquiries of management regarding the action plans to recover overdue amounts;
	• Compared and challenged management's view on the recoverability of overdue amounts to historical patterns of collection;
	• Examined other evidence including customer correspondences, proposed or existing settlement plans, repayment schedules; and
	• Evaluated the reasonableness and adequacy of the allowance for impairment loss recognised.

There are no key audit matters to report for the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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.

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities 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.

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 5 to the financial statements.

OTHER MATTERS

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

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Lam Chan Moi
03835/05/2028 J
Chartered Accountant

Kuala Lumpur

27 July 2026