



RGT Berhad
Registration No. 198101004909 (71024-T)

ANNUAL
REPORT **2025**

Embracing **CHALLENGES,** Creating **OPPORTUNITIES**



CONTENTS

ABOUT RGT

- 2 Corporate Information
- 3 Corporate Structure
- 4 Insights
- 5 Five-Year Financial Highlights
- 6 Our Leadership
- 8 Board of Directors' Profile
- 15 Key Senior Management Information

BUSINESS OVERVIEW

- 19 Chairman's Statement
- 22 Management Discussion & Analysis
- 26 Sustainability Statement

CORPORATE GOVERNANCE

- 70 Corporate Governance Overview Statement
- 78 Statement on Risk Management and Internal Control
- 83 Audit Committee Report
- 87 Additional Compliance Information
- 89 Statement of Directors' Responsibilities

FINANCIAL STATEMENTS

- 90 Directors' Report
- 96 Statement by Directors
- 96 Statutory Declaration
- 97 Independent Auditors' Report
- 101 Consolidated Statement of Financial Position
- 102 Consolidated Statement of Comprehensive Income
- 103 Consolidated Statement of Changes in Equity
- 104 Consolidated Statement of Cash Flows
- 106 Statement of Financial Position
- 107 Statement of Comprehensive Income
- 108 Statement of Changes in Equity
- 109 Statement of Cash Flows
- 110 Notes to the Financial Statements

OTHER INFORMATION

- 157 List of Properties
- 159 Analysis of Shareholdings
- 162 Analysis of Warrant Holdings
- 164 Statement on Proposed Renewal of Authority for the Company to Buy-Back its Own Shares
- 172 Notice of Annual General Meeting
Enclosed Proxy Form



EMBRACING CHALLENGES, CREATING OPPORTUNITIES

Current global economic landscape continues to present significant challenges across industries. At RGT, we have approached these headwinds with resilience and fortitude. Drawing on decades of industry expertise and a solid foundation, we remain firmly on course—transforming challenges into opportunities and moving forward with confidence.

This year's cover design, featuring an open horizon rendered in blue hues, captures the sense of boundless potential that lies ahead for RGT.

At the heart of our Group's principles lies an unwavering commitment to sustainability—ensuring we continue delivering value to our stakeholders. Looking ahead, we remain focused on breaking new ground and raising the bar, with a clear ambition to drive progress across every aspect of our business.

CORPORATE INFORMATION

BOARD OF DIRECTORS

DATO' IR. LOW KENG KOK	: Independent Non-Executive Chairman
DATUK LIM SEAT HOE	: Executive Director/ Chief Executive Officer
LEE SOO CHING	: Executive Director
NG CHOON KEAT	: Executive Director
DATO' LIM YONG JIN	: Independent Non-Executive Director
HENCO PEZIJ	: Non-Independent Non-Executive Director (Appointed on 18 November 2024)
TAN PENG LAM	: Independent Non-Executive Director (Appointed on 18 November 2024)
DR. OOI HUN PIN	: Independent Non-Executive Director (Resigned on 25 October 2024)

AUDIT COMMITTEE

Chairman

TAN PENG LAM
(Appointed on 18 November 2024)
DR. OOI HUN PIN
(Resigned on 25 October 2024)

Members

DATO' IR. LOW KENG KOK
DATO' LIM YONG JIN

NOMINATION COMMITTEE

Chairman

DATO' IR. LOW KENG KOK

Members

DATO' LIM YONG JIN
TAN PENG LAM
(Appointed on 18 November 2024)
DR. OOI HUN PIN
(Resigned on 25 October 2024)

REMUNERATION COMMITTEE

Chairman

DATO' IR. LOW KENG KOK

Members

DATO' LIM YONG JIN
TAN PENG LAM
(Appointed on 18 November 2024)
DR. OOI HUN PIN
(Resigned on 25 October 2024)

RISK MANAGEMENT COMMITTEE

Chairman

DATO' LIM YONG JIN

Members

LEE SOO CHING
LAM KIM GOON
ONG ENG KEONG
SEHU TOONG LIN

COMPANY SECRETARY

ONG TZE-EN
MAICSA 7026537 /
SSM PC NO.: 202008003397

REGISTERED OFFICE

170-09-01,
Livingston Tower,
Jalan Argyll,
10050 George Town, Penang
Tel : 604 229 4390
Fax : 604 226 5860
Email : boardroom-kl@
boardroomlimited.com

CORPORATE OFFICE

No 1032, Jalan Perindustrian
Bukit Minyak,
Taman Perindustrian
Bukit Minyak,
14100 Simpang Ampat,
Pulau Pinang
Tel : 604 501 3990
Fax : 604 501 3999
Email : info@rgt.com.my

SHARE REGISTRAR

Boardroom Share Registrars
Sdn Bhd
Registration Number:
199601006647 (378993-D)
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim,
Seksyen 13,
46200 Petaling Jaya,
Selangor Darul Ehsan
Tel : 603 7890 4700
Fax : 603 7890 4670
Email : BSR.helpdesk@
boardroomlimited.com

AUDITORS

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA)
& AF 1018
Chartered Accountants
Level 6, Wisma Penang Garden,
42 Jalan Sultan Ahmad Shah,
10050 George Town,
Penang
Tel : 604 227 7061
Fax : 604 227 8011

PRINCIPAL BANKERS

United Overseas Bank (Malaysia)
Berhad
Alliance Bank Malaysia Berhad
Hong Leong Bank Berhad
Malayan Banking Berhad

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Stock Name : RGTBHD
Stock Code : 9954

WEBSITE

www.rgtberhad.com

CORPORATE STRUCTURE AS AT 30 JUNE 2025

100%

Rapid Growth Technology Sdn Bhd
Registration no.: 199701024797 (440295-A)



100%

RGT Industries Sdn Bhd
Registration no.: 202001012712 (1369032-M)



70% **Top Degree (M) Sdn Bhd**
Registration no.: 199301004619 (259356-D)

70%

Keenness Precision Engineering Sdn Bhd
Registration no.: 201201016148 (1001659-H)



100%

T-Venture Industries (M) Sdn Bhd
Registration no.: 199901023896 (498796-M)

20%

We Are Perspective Pte Ltd
Registration no.: 201117770K

100%

Rapid Growth Industries Sdn Bhd
Registration no.: 200901002763 (845690-M)

INSIGHTS

RGT Berhad ("RGTBHD") is a public limited liability company listed on the Main Market of Bursa Malaysia Securities Berhad. RGTBHD and its subsidiaries' ("RGTBHD Group" or "the Group") business activities and operations are segmented into two core businesses namely Engineered Polymer Products ("EPP") and Factory Automation and Precision Engineering ("FAPE").

With over 30 years of extensive experience in offering integrated and customised solutions, the Group serves a diverse customer base across sectors ranging from consumer electronics, semiconductor, automotive, medical and hard disk drive industries.

The Group's focus has always been on providing the right solutions, tailored to each customer's business needs. The Group takes pride in its right combination of expertise, capabilities and facilities to meet customers' requirements and support their business goals effectively.

Driven by its progressive mindset and a commitment to sustainability, value creation and operational excellence, the Group continues to deliver long term value to its shareholders.

Engineered Polymer Products

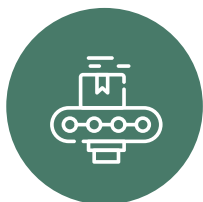
The Group has a solid reputation as reliable partner in providing one-stop solutions from design, innovation, to manufacturing of high quality products for its global customers.



Comprehensive Product Development



Plastic Injection Moulding



Assembly



Cleanroom



Product Finishing

Factory Automation and Precision Engineering

The Group offers innovative automation solutions, precision parts and components to streamline customers' manufacturing processes to boost efficiency.



Design and Development



Automation and Software



Fabrication and Machining



In-house Assembly

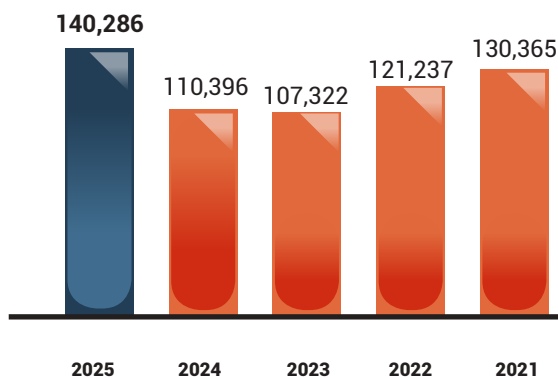


System Integration

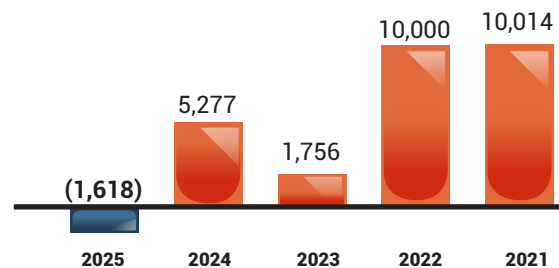
FIVE-YEAR FINANCIAL HIGHLIGHTS

FINANCIAL YEAR	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000
Revenue	140,286	110,396	107,322	121,237	130,365
(Loss)/Profit Attributable to Owners	(1,618)	5,277	1,756	10,000	10,014
Total Assets	245,842	237,309	252,371	236,097	180,395
Equity Attributable to Owners	142,824	146,240	152,029	139,129	102,278

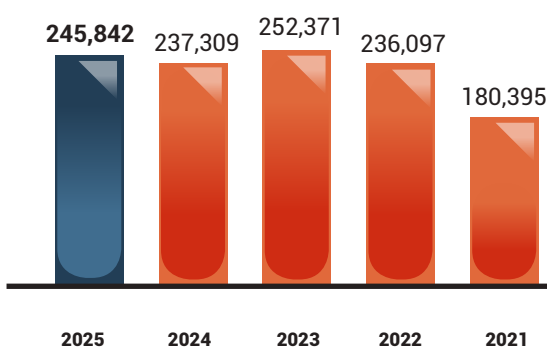
REVENUE
RM'000



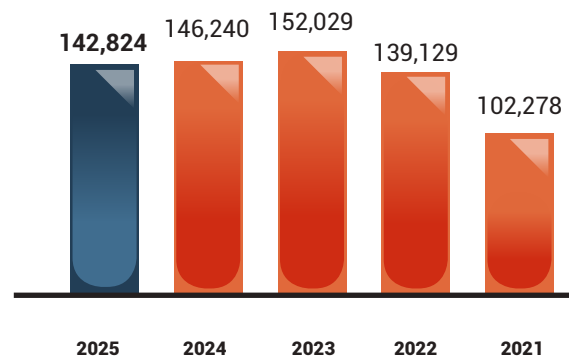
(LOSS)/PROFIT ATTRIBUTABLE TO OWNERS
RM'000



TOTAL ASSETS
RM'000



EQUITY ATTRIBUTABLE TO OWNERS
RM'000



OUR LEADERSHIP

FROM LEFT TO RIGHT

1. LEE SOO CHING

Executive Director

2. TAN PENG LAM

Independent Non-Executive Director

3. HENCO PEZIJ

Non-Independent Non-Executive Director

4. DATO' IR. LOW KENG KOK

Independent Non-Executive Chairman



5. DATUK LIM SEAT HOE

Executive Director / Chief Executive Officer ("CEO")

6. LAM KIM GOON

Chief Financial Officer

7. DATO' LIM YONG JIN

Independent Non-Executive Director

8. NG CHOON KEAT

Executive Director

RGT



BOARD OF DIRECTORS' PROFILE

DATO' IR. LOW KENG KOK

Independent Non-Executive Chairman



Nationality / Gender / Age	Malaysian / Male / 71
Date first appointed to the Board	30 May 2018
Qualification	Dato' Ir. Low graduated from the University of Malaya with a Bachelor of Engineering (Hons) Degree in Civil Engineering. He is a Chartered Engineer and Chartered Environmentalist (U.K.). He is a Fellow of the Institution of Engineers, Malaysia and the Institution of Highways and Transportation, U.K. He also holds an ACCA Diploma in Accounting and Finance.
Membership of Board Committee(s)	1. Nomination Committee (Chairman) 2. Remuneration Committee (Chairman) 3. Audit Committee (Member)
Occupation	Director
Working Experience	Dato' Ir. Low is a corporate member of The Institution of Water and Environmental Management, U.K. (M.C.I.W.E.M.) and the Institution of Civil Engineers, U.K. (M.I.C.E.). He has more than 40 years of experience in management of building, infrastructural and privatization projects. He is a Director of Universiti Teknologi Malaysia ("UTM") and Malaysian Institute of Road Safety Research (MIROS). He was an Advisor for Contractors Intelligence and Contract Variation Committee (CICVC) of Penang Development Corporation (PDC). He was the Managing Director of Road Builder (M) Holdings Berhad from 1998 until 2007, CEO/Managing Director (2007-2012) and Chairman (2012-2021) of Fajarbaru Builder Group Berhad and Chairman of Fitters Diversified Berhad from 2012 until 2022.

BOARD OF DIRECTORS' PROFILE (CONT'D)

DATUK LIM SEAT HOE

*Executive Director / Chief Executive Officer
("CEO")*



Nationality / Gender / Age	Malaysian / Male / 76
Date first appointed to the Board	30 May 2018
Qualification	Datuk Lim graduated from Chung Ling High School with O-Level certificate in 1966.
Membership of Board Committee(s)	–
Occupation	Director
Working Experience	Datuk Lim is the Executive Director & CEO of RGT Berhad ("RGTBHD" or "the Company") since 24 August 2018 with responsibility for overseeing the day-to-day operation functions and executive decisions in RGTBHD and its subsidiaries. He started his career in 1967 as Sales Representative. He then went on to hold other key executive positions with increasing responsibilities before joining Mizuno Corporation HK Ltd ("Mizuno") as its president in 1992. During his tenure with Mizuno, he had to oversee the operations of Mizuno Group of Companies in China ranging from sales & marketing, supply chain management and research & development. He was the CEO and President of Mizuno Corporation China Ltd before returning to Malaysia to join Rapid Growth Technology Sdn Bhd ("RGTSB"), a wholly owned subsidiary of RGTBHD in 2012 as CEO.

BOARD OF DIRECTORS' PROFILE (CONT'D)

LEE SOO CHING

Executive Director



Nationality / Gender / Age	Malaysian / Female / 48
Date first appointed to the Board	30 May 2018
Qualification	Ms Lee graduated from Deakin University in Australia with a Bachelor of Commerce, majoring in Marketing and Business Systems Management in 2003.
Membership of Board Committee(s)	Risk Management Committee (Member)
Occupation	Director
Working Experience	Upon graduation, Ms Lee joined I.Bor (M) Sdn Bhd, a company that specialises in plastic injection moulding, as a Factory Manager. In 2010, she joined RGTSB as a Key Account Manager and in 2012, she was promoted to Executive Director of RGTSB where she was responsible for overseeing the overall strategic business development and supply chain management of RGTSB. In 2023, she was named as Chief Sustainability Officer where she is responsible on the Group's environmental, social and governance (ESG) programs in support of the Group's sustainability initiative.

BOARD OF DIRECTORS' PROFILE (CONT'D)

NG CHOON KEAT

Executive Director



Nationality / Gender / Age	Malaysian / Male / 58
Date first appointed to the Board	1 August 2019
Qualification	Mr. Ng completed his studies in Mechanical Engineering from Chiba University in Japan in 1992.
Membership of Board Committee(s)	–
Occupation	Director
Working Experience	Mr. Ng started his career as an engineer in Yano Electronics (M) Sdn Bhd where he was involved in the metal stamping and assembly processes for video players and car stereos. In 1997, he joined Promooi Plastic Industries Sdn Bhd as a Manager and his responsibilities include overseeing the overall production activities and business development of the company. He co-founded RGTSB with his partners on 25 July 1997, and he was appointed as the Non-Executive Director of RGTSB. He assumed the position of Executive Director of RGTSB in 2004 and was promoted to Managing Director in 2010. He is responsible for overseeing the overall operations of RGTSB.

BOARD OF DIRECTORS' PROFILE (CONT'D)

DATO' LIM YONG JIN

Independent Non-Executive Director



Nationality / Gender / Age	Malaysian / Male / 65
Date first appointed to the Board	18 January 2021
Qualification	Dato' Lim graduated with a Bachelor of Mechanical Engineering (Hons) degree from the Universiti Teknologi Malaysia in 1983.
Membership of Board Committee(s)	1. Risk Management Committee (Chairman) 2. Audit Committee (Member) 3. Nomination Committee (Member) 4. Remuneration Committee (Member)
Occupation	Director
Working Experience	Dato' Lim was the Regional President for Asia-Pacific (APAC) and Executive Officer of Plexus Corporation, a US-based Electronic Manufacturing Services ("EMS") industry since 2007 before retiring in 2020. He has extensive experiences in Manufacturing, Product Design, Market Development, Customer Management and IT function in various industries such as semiconductors, hard-disk storage and medical. He is currently the Vice President of Malaysia Semiconductor Industry Association since 2021. On 19 March 2024, he was appointed as an Independent Non-Executive Chairman of TT Vision Holdings Berhad, a company listed on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities"). He was also an Independent Non-Executive Director of Genetec Technology Berhad and ATIS Corporation Berhad from 2005 until 2007 respectively.

BOARD OF DIRECTORS' PROFILE (CONT'D)

HENCO PEZIJ

Non-Independent Non-Executive Director



Nationality / Gender / Age	Dutch / Male / 55
Date first appointed to the Board	18 November 2024
Qualification	Mr Pezij graduated with a Master's degree in Mechanical Engineering from University of Twente, the Netherlands, in 1995. He also holds an International Master of Business Administration (MBA) from Erasmus University Rotterdam, the Netherlands in 2008.
Membership of Board Committee(s)	–
Occupation	Director
Working Experience	Mr Pezij started his career by setting up his own company, Pezy Group in 1995 which specialises in design and engineering services. It is currently a leading firm in the Netherlands with 3 offices across the country. PEZY Group specialises in designing new-to-the-world products in Medical Technology and Healthcare Innovation, Consumer Electronics and Industrial Products to its European clients where some are listed on the Fortune Global 500 companies. He is a Director and Shareholder of We Are Perspective Pte Ltd, an associate company of RGTBHD. He is also a director of PEZY Group Ventures, specialised in investing in hardware scale-ups.

BOARD OF DIRECTORS' PROFILE (CONT'D)

TAN PENG LAM

Independent Non-Executive Director



Nationality / Gender / Age	Malaysian / Male / 66
Date first appointed to the Board	18 November 2024
Qualification	Mr Tan graduated with a Master of Business Administration (MBA) from Massey University in New Zealand in November 1992. Mr. Tan is a Fellow member of the Association of Chartered Certified Accountants (ACCA) and a registered Chartered Accountant with the Malaysian Institute of Accountants (MIA).
Membership of Board Committee(s)	1. Audit Committee (Chairman) 2. Nomination Committee (Member) 3. Remuneration Committee (Member)
Occupation	Director
Working Experience	Mr Tan had 39 years of working experience in Auditing, Finance, Accounting and Corporate Finance both in Malaysia and overseas. He had worked in Big 8 Accounting Firm and listed company in Malaysia. Prior to his retirement in 2019, he was the Chief Financial Officer of Texchem Resources Berhad where he served for 19 years. He is also an Independent Non-Executive Director of Yenher Holdings Berhad ("Yenher") and Berjaya Land Berhad ("BLand"). Both Yenher and BLand are listed on the Main Market of Bursa Securities. He is the Chairman of the Audit and Risk Management Committee and a member of the Nomination and Remuneration Committees at Yenher. He is the Chairman of the Audit, Nomination, and Remuneration Committees at BLand, while also being a member of the Risk Management and Sustainability Committees.

Additional information on Directors

Family relationship with any director and/or major shareholder

Save for the undermentioned, the above Directors have no family relationship with any other Directors and/or major shareholders of RGTBHD:-

- (i) Lee Soo Ching is the daughter of Hor Lim Chee, a major shareholder of the Company

Convictions for offences (within the past 5 years other than traffic offences, if any)

None of the Directors have any convictions for any offences, other than traffic offences (if any), within the past 5 years.

Particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year, if any

None of the Directors have public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

Conflict of interest

The Directors have not entered into any transaction, whether directly and indirectly, which has a conflict of interest with the Company.

Securities held in the Company

The details are disclosed on page 159 and page 162 of this Annual Report.

KEY SENIOR MANAGEMENT INFORMATION

LAM KIM GOON

Chief Financial Officer



Nationality / Gender / Age	Malaysian / Male / 54
Date first appointed to the Board	1 March 2019
Qualification	Mr. Lam graduated with a Bachelor of Business (Accounting) from Deakin University, Australia in 1994. He is a member of the Malaysian Institute of Accountants (MIA) and a Certified Practising Accountant registered with CPA Australia.
Membership of Board Committee(s)	Risk Management Committee (Member)
Occupation	Chief Financial Officer
Working Experience	Mr. Lam started his career as an Audit Assistant with Arthur Andersen & Co. in 1994 and subsequently joined Ernst & Young. He left Ernst & Young as an Audit Manager in 2003. In 2004, he joined Texchem Corporation Sdn Bhd as Group Finance Manager where he was in charge of the financial matters for Texchem Resources Berhad and was promoted to Head of Group Finance of Texchem-Pack Holdings (S) Ltd, a company listed on the Main Board of Singapore Stock Exchange. In 2008, he left Texchem Group and joined D'nonce Technology Bhd as its Chief Financial Officer before leaving to join RGTSB in May 2018 as the Finance Director. Both D'nonce Technology Bhd and Texchem Resources Berhad are listed on the Main Market of Bursa Securities.

KEY SENIOR MANAGEMENT INFORMATION (CONT'D)

ONG ENG KEONG

Nationality / Gender / Age	Malaysian / Male / 52
Date first appointed to the Key Senior Management	1 March 2019
Qualification	Mr. Ong graduated from Politeknik Sultan Abdul Halim Mu'adzam Shah with a Diploma in Electro-Mechanical Engineering in 1995.
Membership of Board Committee(s)	Risk Management Committee (Member)
Occupation	Business Development Director of RGTSB
Working Experience	Mr. Ong started his career as an Assistant Engineer with Nikko Electronics Sdn Bhd in 1996. He joined TC (Malaysia) Sdn Bhd in 1999 as a Mechanical Engineer and he was promoted to various positions and his last position was Senior Research and Development Manager in-charge of Asia Pacific Region before joining RGTSB. He joined RGTSB as a Senior Engineering Manager in 2013 but left in 2014. In 2016, he returned to RGTSB as Deputy Operation Director. He is now the Business Development Director, overseeing RGTSB's Business Development and Engineering Departments.

SEHU TOONG LIN

Nationality / Gender / Age	Malaysian / Male / 50
Date first appointed to the Key Senior Management	1 March 2019
Qualification	Mr. Sehu graduated with a Bachelor of Business (Accounting & Economics) from Deakin University, Australia in 1999.
Membership of Board Committee(s)	Risk Management Committee (Member)
Occupation	General Manager of T-Venture Industries (M) Sdn Bhd
Working Experience	Mr. Sehu started his career in 2000 as an Account Executive with DiGi Telecommunication Sdn Bhd and subsequently joined Intel Technology Sdn Bhd ("Intel") as an Accountant. In 2012, he left Intel as a Senior Accountant and joined Robert Bosch (M) Sdn Bhd ("Robert Bosch") as a Section Manager. In Robert Bosch, he was in-charge of project and product management where his main functions included project feasibility studies, forecast, planning and cost monitoring for the progress of the projects and products. He joined RGTSB in May 2018 as the Senior Manager of Corporate Planning Department.

KEY SENIOR MANAGEMENT INFORMATION (CONT'D)

YEW CHONG HOOI

Nationality / Gender / Age	Malaysia / Male / 43
Date first appointed to the Key Senior Management	1 July 2020
Qualification	Mr. Yew completed his studies from Pantai Remis Yik Ching High School in 1999.
Membership of Board Committee(s)	–
Occupation	Director of RGT Industries Sdn Bhd ("RISB")
Working Experience	Mr. Yew started his career as Production Spray Assistant with Hong Wei Enterprise in 2000. He resigned and joined Unifabrication Industries Sdn Bhd ("Unifabrication") in 2002 as a Production Spray Supervisor and promoted to Production Manager. His last position was Operation Manager in Unifabrication before joining RISB in 2020. He is responsible for overseeing the overall operations of RISB. He has more than 20 years' experience in secondary process (spray painting & printing).

ONG LIANG KHENG

Nationality / Gender / Age	Malaysia / Male / 54
Date first appointed to the Key Senior Management	25 October 2021
Qualification	Mr. Ong graduated from VTAR Institute (formerly known as JayaDiri Institute of Technology) with a Certificate in Electronic and Electrical Engineering in 1992.
Membership of Board Committee(s)	–
Occupation	Deputy Managing Director of Top Degree (M) Sdn Bhd ("TDSB")
Working Experience	Mr. Ong started his career as a Technician with KESP Sdn Bhd in 1992. He left in 1998 before joining Intel as a General Service Support Engineer. In 2001, he joined ZV Technology Sdn Bhd as a Sales and Service Manager. He left the company in 2003 and set up several companies to supply general automation parts and components. He joined TDSB in 2014 as a Sales Director and he is responsible for overseeing its sales and marketing functions. He was promoted to Deputy Managing Director of TDSB on 1 August 2022.

KEY SENIOR MANAGEMENT INFORMATION (CONT'D)

OOI SWANG KIEAT

Nationality / Gender / Age	Malaysia / Male / 47
Date first appointed to the Key Senior Management	4 January 2022
Qualification	Mr. Ooi completed his studies from Vocational School in 1995.
Membership of Board Committee(s)	–
Occupation	Managing Director of Keenness Precision Engineering Sdn. Bhd. ("KPSB")
Working Experience	Mr. Ooi started his career as Wire Cut Machinist with K-Tool Engineering Sdn Bhd in 1995 and subsequently joined Indah Tool Sdn Bhd as a Wire Cut Supervisor. He left Indah Tool Sdn Bhd in 2012 and he co-founded KPSB with his partner. He was then appointed as Managing Director of KPSB where he oversees its overall operations. He has more than 20 years' experience in high precision engineering industry.

Additional information on the Key Senior Management

None of the Key Senior Management has:-

- any family relationship with any Director and/or major shareholder of RGTBHD.
- any conflict interest with RGTBHD.
- any conviction for offences within the past five (5) years other than traffic offences, if any.
- any directorship in public company and/or listed issuer.
- any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

CHAIRMAN'S STATEMENT

“On behalf of the Board of Directors (“the Board”), I am pleased to present the Annual Report and Audited Financial Statements of RGT Berhad (“RGTBHD” or “the Company”) and its subsidiaries (“RGTBHD Group” or “the Group”) for the financial year ended 30 June 2025 (“FYE 2025”).”



CHAIRMAN'S STATEMENT (CONT'D)

PERFORMANCE AND OPERATIONAL REVIEW

The Group achieved a revenue of RM140.3 million in FYE 2025, driven by strong demand in our core segments, the Engineered Polymer Product ("EPP") and Factory Automation and Precision Engineering ("FAPE"). The EPP segment continued to be the primary revenue driver, accounting for approximately 75% of the Group's total turnover.

The Group's gross profit margin contracted marginally to 18%, compared to 19% in FYE 2024. This was primarily due to adverse foreign exchange fluctuations arising from the United States Dollar ("USD") denominated sales. Consequently, the Group reported a loss before tax of RM2.4 million compared to a profit before tax position of RM3.1 million in the previous financial year.

As at FYE 2025, the Group's total assets stood at RM245.8 million. Shareholder's equity dropped to RM149.2 million while net gearing remained manageable at 0.35 times. Operating cash flow remained healthy at RM10.6 million, reflecting efficient and effective working capital management.

CORPORATE DEVELOPMENT

On 22 October 2024, the Company invested in 143,750 ordinary shares of We Are Perspective Pte Ltd ("WAP"), a private limited company incorporated in Singapore, for a cash consideration of SGD600,000. This strategic investment resulted in the Group holding a 20% equity interest in WAP, thereby classifying it as an associate company. WAP is principally engaged in industrial design activities as well as research and experimental development in engineering. This investment represents a strategic collaboration opportunity for the Group, as WAP is part of Pezy Group, a company incorporated in the Netherlands, which specialises in designing new-to-the-world products across sectors such as Medical Technology and Healthcare Innovation, Consumer Electronics, and Industrial Products to its European clients. This investment is expected to open new avenues for business collaboration and innovation-driven growth for the Group.

On 13 February 2025, the Company announced a proposal to undertake a special issue of up to 59,110,000 new ordinary shares in RGTBHD to Bumiputera investors to be identified and/or approved by the Ministry of Investment, Trade and Industry Malaysia ("Special Issue"). The proposal was approved by shareholders at an Extraordinary General Meeting held on 15 May 2025. The issue price was fixed at RM0.258 per ordinary share and a total of 319,500 new ordinary shares were issued and listed on the Main Market of Bursa Malaysia Securities Berhad on 17 September 2025. The Company raised total proceeds of RM82,431 from this Special Issue.

PROSPECTS

The operating environment remains challenging due to ongoing geopolitical tensions, tariffs and trade uncertainties, inflationary pressures, and currency volatility. Despite these headwinds, the Group enters FYE 2026 with a stronger operational base and sufficient production capacity to support growth from both existing and new customers.

With a continued emphasis on disciplined cost and capital expenditure management, prudent risk-taking, targeted customer engagement, and ongoing investments in market expansion, product development, technical capabilities, and sustainability initiatives, the Group is well-positioned to drive a steady year-on-year recovery and deliver long-term value to shareholders.

CHAIRMAN'S STATEMENT (CONT'D)

During the year, the Group acquired two parcels of land and building located within the vicinity of its existing factories in Bukit Minyak Industrial Park, Penang. Strategically situated within the same industrial estate, these new properties offer significant cost efficiencies in logistics and operational management. This timely and cost effective acquisition anticipates rising demand for hygiene care and air care products from both existing and new customers. Management expects full utilisation of the current capacity within the next three years, with these new properties supporting the Group's long-term growth objectives.

SUSTAINABILITY

The Board remains committed to building a sustainable business that delivers long-term value to shareholders and stakeholders, including employees, business partners, society, and the environment. To support the sustainability of our operations and strengthen public trust, the Board and the management team actively embeds sound principles of sustainable governance across the Group's work culture and business practices.

DIVIDENDS

The Board has not proposed any dividend for the financial year under review in view of the need to preserve cash for operational resilience and future strategic initiatives. This decision reflects a prudent approach to capital management amid ongoing market uncertainties.

THE BOARD

The Board of RGTBHD has undergone some changes following the Annual Report 2024. During this time, Dr. Ooi Hun Pin resigned from the Board. I would like to thank Dr. Ooi for his services to the Company and stewardship of the Audit Committee over the years.

The Board is also pleased to welcome Mr. Tan Peng Lam and Mr. Henco Pezij as Independent Non-Executive Director and Non-Independent Non-Executive Director respectively. Mr. Tan, with his extensive leadership experience across audit, tax, and accounting, succeeds Dr. Ooi, ensuring continued strength in financial governance and oversight. Mr. Pezij brings in-depth industry expertise and strong business credentials that will be instrumental in supporting the Group's strategic expansion into the European market and new business segments.

ACKNOWLEDGEMENT

I would like to take this opportunity to extend my sincere thanks to all my fellow Board members for their invaluable contributions.

I would like to express my gratitude to our CEO, Datuk Lim Seat Hoe and Executive Directors, for their commitment in leading and motivating the Group towards achieving a reasonable set of results despite a challenging year.

The Board extends the gratitude to shareholders, valued customers, business partners, financiers, and relevant regulatory authorities for their continued support, and to our employees whose dedication remains the foundation of our business.

DATO' IR. LOW KENG KOK
CHAIRMAN
30 SEPTEMBER 2025

MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL PERFORMANCE

RGT Berhad ("RGTBHD" or "the Company") and its subsidiaries ("RGTBHD Group" or "the Group") delivered a commendable performance for the financial year ended 30 June 2025 ("FYE 2025"), achieving RM140.3 million in consolidated revenue, marking a robust 27% year-on-year growth. This reflects the Group's ability to continue to drive revenue expansion and continued market traction despite a challenging macroeconomic environment. The Group posted a loss before tax of RM2.4 million, which was primarily attributable to non-operational factors, namely foreign exchange ("forex") losses arising from the depreciation of the US Dollar against the Ringgit Malaysia and impairment losses on goodwill. Excluding these one-off impacts, the Group's core operations remained resilient, supported by healthy operating cash flows and prudent cost management.

Financial Result	FYE 2025 RM' million	FYE 2024 RM' million	Variance RM' million	%
Revenue	140.3	110.4	29.9	27%
Gross Profit	24.7	21.4	3.3	15%
(Loss)/Profit Before Tax	(2.4)	3.1	(5.5)	(177%)
(Loss)/Profit After Tax	(2.4)	4.7	(7.1)	(151%)
(Loss)/Profit Attributable to Owners	(1.6)	5.3	(6.9)	(130%)

The Group's business activities are underpinned by 2 key segments: Engineered Polymer Product ("EPP") segment, and Factory Automation and Precision Engineering ("FAPE") segment.

The EPP segment continued to demonstrate its dominant position, contributing RM104.8 million to the consolidated revenue, a strong 29% increase from RM81.3 million in FYE 2024. This segment accounted for 75% of total revenue (FYE 2024: 74%). The FAPE segment posted RM35.5 million in revenue, up from RM29.1 million in previous year. The improved performance reflects sustained demand and operational momentum, underscoring the Group's ability to secure opportunities across diversified markets and product lines.

Gross Profit rose to RM24.7 million, up from RM21.4 million reported in the previous financial year, boosted by revenue growth and improved operational efficiency. This figure would have been higher if not for adverse currency movements, particularly the depreciation of the US Dollar against the Ringgit Malaysia. As 80% of the EPP segment's sales are denominated in US Dollars, the weakening of the US Dollar from RM4.72 at the start of the year to RM4.21 by year-end exerted downward pressure on margins. In response, the Group has proactively realigned customer pricing to reflect prevailing exchange rates; a strategic move aimed at mitigating future forex exposure and preserving profitability.

Administrative and general expenses increased to RM25.6 million from RM22.9 million, largely due to forex losses of approximately RM2.0 million, alongside a one-off expense relating to the corporate exercise (Special Issue of RGTBHD shares to Bumiputra Investors) and impairment loss on goodwill of RM0.7 million.

As a result, the Group recorded a Loss Before Tax position of RM2.4 million (FYE 2024: Profit Before Tax of RM3.1 million) and a Loss After Tax of RM2.4 million (FYE 2024: Profit After Tax of RM4.7 million). Loss attributable to owners of the Company was at RM1.6 million (FYE 2024: Profit attributable to owners of the Company of RM5.3 million), translating to a basic loss per share of 0.47 sen (FYE 2024: earnings per share of 1.51 sen).

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

Notwithstanding the reported losses, the Group maintains a healthy financial position with total assets increasing to RM245.8 million (FYE 2024: RM237.3 million). Total borrowings rose to RM70.3 million (FYE 2024: RM57.9 million), primarily to fund the strategic acquisition of two parcels of leasehold land and buildings at Bukit Minyak Industrial Park, Penang. As a result, the Group's net gearing ratio increased to 0.35 times, which remains at a manageable level and is well supported by positive operating cash flows and prudent liquidity management. In particular, the Group generated a strong net cash inflow from operating activities of RM10.6 million (FYE 2024: RM3.5 million), reflecting improved working capital management and underlying business resilience.

Capital Expenditure

In FYE 2025, the Group invested strategically in capacity expansion and sustainability initiatives to support long term growth. A key highlight was the acquisition of two parcels of leasehold land and buildings located at Bukit Minyak Industrial Park, Penang for a total consideration of RM16.8 million. This acquisition, completed in August 2025, strengthens the Group's infrastructure and position us for scalability going forward.

The Group also made meaningful progress in its sustainability initiative with the installation of a 501 kWp industrial-scale Solar Photovoltaic (PV) system. This initiative not only reduces energy costs but also contributes to the environmental stewardship by lowering gas emissions which is aligned to global expectations. These investments are expected to enhance production capacity, improve operational efficiency and elevate the Group's sustainability profile, enabling it to secure higher-value projects in the future. Despite the increased capital expenditure, the Group maintained a prudent funding approach, preserving healthy gearing ratio and liquidity position.

BUSINESS OVERVIEW

On the operational side, the business segments have been restructured into EPP and FAPE to more accurately reflect the Group's core activities and operations.

Engineered Polymer Products ("EPP")

The Group has expanded its role as an Original Design Manufacturer for EPP, complementing to its existing manufacturing products based on customer designs and specifications. The expansion of its in-house research and development (R&D) division, the Group now leverages its technical expertise and industrial knowledge to provide value-added product design services. This expansion opens new opportunities not only in the Hygiene Care and Air-Care segment but also in the Automotive, Medical and Consumer Products sectors. The R&D team has successfully collaborated with customers throughout the entire process, from ideation and product design to development and commercialisation.

Factory Automation and Precision Engineering ("FAPE")

The FAPE segment provides Integrated Automation Solutions, offering complete machine equipment assembly with software integration. This is supported by the Group's strong in-house capabilities in designing and fabricating high precision machining parts and components. Significant capital investments in recent years have enhanced the Group's ability to deliver a comprehensive suite of services, which includes precision manufacturing as well as the design, build, and commissioning of customised automated systems. These "Build to Requirements" solutions are tailored to meet stringent specifications and delivery timelines of industries such as Hard Disc Drives, Semiconductors, Automotive and Medical.

Looking ahead, the Group remains optimistic about the sustained demand for its products across all segments.

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

STRATEGIC DIRECTION

In FYE 2025, the Group refreshed its Vision Statement to reflect its evolving role and aspirations in the global marketplace: "To be a global trusted partner for a better tomorrow."

Over the years, the Group has built a strong reputation as a trusted partner for designing, innovating, and manufacturing a diverse range of high quality products that meet the rigorous standards of global customers across diverse industries.

The Group remains committed to delivering sustainable and innovative solutions that address immediate customer needs while creating long term value for stakeholders. These efforts are aligned to the Group's broader mission to contribute to society and the environment, reinforcing its role as a responsible corporate citizen.

RISK MANAGEMENT

Foreign Exchange Risk

The Group is exposed to forex risk primarily arising from transactions denominated in the US Dollars, which is the main currency used for the export and import of goods. As the Group operates predominantly as an export-oriented entity, fluctuations in the US Dollar against Ringgit Malaysia will have significant impact on its financial performance. To mitigate this risk, the Group utilises forward exchange contracts to hedge its foreign currency exposure. These hedging activities are monitored closely to ensure that the net exposure remains within an acceptable level.

Competition Risk

The Group operates in a competitive global landscape, facing challenges from both established players and emerging entrants across its business segments. Customer demands may fluctuate periodically and this can affect the Group's ability to maintain optimal production levels and achieve cost efficiencies during certain periods. To mitigate this risk, the management adopts prudent financial policies and continuously reviews business activities and operations to improve efficiency.

DIVIDEND

No dividend was declared for the financial year under review, demonstrating the Group's prudent approach to capital management amid a volatile operating environment. The Group remains focused on reinvesting in strategic initiatives that support long-term growth and shareholder value creation.

MANAGEMENT DISCUSSION & ANALYSIS (CONT'D)

FUTURE OUTLOOK AND PROSPECTS

The global operating environment is expected to remain challenging in the near term, with persistent geopolitical tensions, ongoing tariff and trade uncertainties, and inflationary pressures continuing to exert pressure on both demand and cost structures. Currency exchange rate volatility, particularly involving the US Dollar, is also expected to persist, potentially affecting reported financial performance through forex gains or losses.

In FYE 2025, the depreciation of the US Dollar against the Malaysian Ringgit negatively impacted the Group's revenue and profitability. In response, management has taken proactive steps, including quarterly customer pricing adjustments and strengthened hedging and risk management practices. These measures are expected to mitigate forex risks and support margin stabilisation in the coming quarters.

Despite ongoing macroeconomic headwinds, the Group enters the new financial year with a strengthened operational foundation. The recent acquisition of land and building at Bukit Minyak Industrial Park, Penang, provides additional capacity and flexibility for future expansion. The further installation of solar PV systems further demonstrates the Group's commitment to cost reduction and environmental sustainability. Production capacity across the Group's current facilities remains sufficient to accommodate anticipated increases in orders from both existing and new customers.

In the EPP segment, encouraging orders and enquiries from key customers are expected to sustain growth, particularly in hygiene care and air-care products, as well as from potential new customers in the electronics and electrical industry. In the FAPE segment, the Group will continue to capitalise on demand for automated machinery and precision engineering solutions from both domestic and export markets.

The Group remains focused on disciplined cost and capital expenditure management, prudent risk-taking, and targeted customer engagement. Supported by long-term strategies including expanding market reach, strengthening customer relationships, investing in product development and technical capabilities, and advancing sustainability initiatives, the Group is well positioned to navigate a volatile global environment and deliver sustainable long-term value to shareholders.

CONCLUSION

Management hopes that this Annual Report will help investors in making informed investment decisions and provide shareholders with a clearer understanding of the Group's business operations and financial performance.

This Management Discussion & Analysis is issued in accordance with a resolution of the Directors dated 30 September 2025.

SUSTAINABILITY STATEMENT

RGT Berhad ("RGTBHD" or "the Company") and its subsidiaries ("the Group") present the Sustainability Statement ("this Statement") to disclose the governance structure established to manage the Group's Environmental, Social and Governance programmes ("ESG") during financial year ended 30 June 2025 ("FYE 2025"). The Board of Directors ("Board") is committed to build a sustainable business that delivers value for all shareholders and stakeholders, including employees, business partners, society, and the environment. To ensure the long term sustainability of the businesses and the creation of greater public trust in the Company, the Board consistently integrates sound principles of sustainable governance into the work environment and business processes across the Group.

The Group is committed to be transparent in sustainability performance, which is based upon the following principles:-

- (i) To observe and comply with all relevant legislation, regulations and code of practice,
- (ii) To consider sustainability issues and integrate these considerations into business decisions,
- (iii) To promote and ensure all employees are aware of, and are committed to implement and measure sustainability activities as part of the Group's strategy, taking into consideration of Economic Performance, Environment and Social factors, and
- (iv) To strive for good governance.



Headquarters of RGT Berhad

SUSTAINABILITY STATEMENT (CONT'D)

REPORTING FRAMEWORK AND STANDARDS

This Statement has been prepared in accordance with the requirements of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("MMLR"), and is guided by Bursa Malaysia's Sustainability Reporting Guidance (3rd Edition) & Toolkits (Illustrative Sustainability Report), with reference to the Global Reporting Initiative ("GRI") Standards and the Task Force on Climate-related Financial Disclosures ("TCFD"). It is also aligned with the United Nations Sustainable Development Goals ("UN SDGs").

The Group consider the principles of stakeholders' inclusiveness, sustainability context, materiality and completeness in preparation for this report.

1. Stakeholders' inclusiveness

The Group aims to demonstrate its commitment to engaging with stakeholders, beyond shareholders, to better understand their expectations and business needs. The objective is to create value for all stakeholders through continuous engagements and addressing relevant stakeholder concerns.

2. Sustainability context

The Group has presented in this Statement its performance in the wider context of sustainability whereby the Group describes business activities and initiatives in the context of sustainability risks, opportunities, and strategy.

3. Materiality

This Statement shall reflect the Group's significant ESG impact as determined by stakeholders and presented in the materiality matrix.

4. Completeness

All information presented in this Statement is within the operating boundaries of the Group that sufficiently reflects the Group's ESG impact. This allows readers to assess the Group's sustainability performance during the reporting period.

REPORTING PERIOD AND BOUNDARY

The information in this Statement includes the reporting period from 1 July 2024 to 30 June 2025. The scope and boundary of this Statement cover the Group's business operations in Malaysia. In FYE 2025, the Company expanded the organisational boundary of Greenhouse gas ("GHG") inventory, which previously included only the main subsidiary, Rapid Growth Technology Sdn Bhd and now also encompasses two(2) of subsidiaries as listed below. This reflects a commitment to more comprehensive, transparent climate reporting. While this change has resulted in a higher emissions footprint, it strengthens the accuracy and credibility of the Group's decarbonisation journey.

- Rapid Growth Technology Sdn Bhd
- RGT Industries Sdn Bhd (except Scope 3 emissions)
- Top Degree (M) Sdn Bhd (except Scope 3 emissions)

These two subsidiaries were not reflected in FYE 2023 and FYE 2024 disclosures as their contributions to the Group's overall emissions were assessed to be relatively insignificant, and the internal systems and processes to capture and verify their emissions data were not yet in place. With the system now established, their inclusion in FYE 2025 ensures more reliable and complete reporting.

Looking ahead, the Group is monitoring the performance of another subsidiary, Keenness Precision Engineering Sdn Bhd, and plans to expand the organisational boundary further by incorporating it into the GHG inventory in FYE 2026. This phased approach demonstrates the Group's commitment to progressively enhancing coverage and data robustness across all operations.

For any queries, please contact Chief Sustainability Officer, Ms Lee Soo Ching at info@rgt.com.my or +604-5013990.

SUSTAINABILITY STATEMENT (CONT'D)

ASSURANCE

The Group is committed to strengthening its ESG data management and reporting practices to ensure the completeness, accuracy, and reliability of all disclosed information.

To uphold the highest standards of accountability, the Board provides oversight and governance over the Group's ESG disclosures. In addition, independent assurance has been undertaken by Talent League Sdn Bhd to validate the integrity of the reported data. This dual-layer assurance process reinforces stakeholder confidence and reflects the Group's commitment to transparent and credible sustainability reporting.

Please refer to the Independent Limited Assurance Statement (as contained within) for further information.

ABOUT THE GROUP

The Group's business activities and operations are segmented into two core businesses namely, Engineered Polymer Products ("EPP") and Factory Automation and Precision Engineering ("FAPE"). Drawing on more than 30 years of experience in offering integrated and customised solutions, the Group serves customers across sectors ranging from consumer electronics, semiconductor, automotive, medical and hard disk drive industries.

The corporate structure as tabulated below.



SUSTAINABILITY STATEMENT (CONT'D)

Companies	Locations	Principle Activities
Rapid Growth Technology Sdn Bhd	Penang, Malaysia	Manufacture and sale of air freshener dispensers, hygiene care products and plastic parts
RGT Industries Sdn Bhd	Penang, Malaysia	Design, manufacture and sale of moulded plastic products to various industries together with secondary processes
Top Degree (M) Sdn Bhd	Penang, Malaysia	Design, manufacture and sale of machinery, high precision parts and related accessories
Keenness Precision Engineering Sdn Bhd	Penang, Malaysia	Precision machining and tooling for moulds and machine part
T-Venture Industries Sdn Bhd	Selangor, Malaysia	Manufacture of moulded plastic products
We Are Perspective Pte Ltd	Singapore	Providing industrial design activities and research and experimental development on engineering

CORPORATE VALUES

Responsible Organisation

- The Group practises good governance while safeguarding the interests of stakeholders, employees, and environment.

Aim to Exceed Expectations

- The Group strives to excel and to consistently exceed customers expectations.

Partnership with Customers and Suppliers

- The Group works synergistically with suppliers to source for high quality materials sustainably.

Innovative

- The Group continuously develop innovative ideas and transforms them into solutions.

Dynamic and dedicated

- The Group maintains a dynamic and dedicated team, ever ready to meet the challenges of the business environment.

LEADERSHIP TEAM

The leadership of the Group is headed by Dato' Ir. Low Keng Kok, supported by an experienced team of Executive Directors and Non-Executive Directors. Together, they provide strategic direction and oversight to drive the Group's commitment to sustainability, governance, and growth.

DATO' IR. LOW KENG KOK <i>Independent Non-Executive Chairman</i>		
DATUK LIM SEAT HOE <i>Executive Director / Chief Executive Officer</i>	LEE SOO CHING <i>Executive Director</i>	NG CHOON KEAT <i>Executive Director</i>
DATO' LIM YONG JIN <i>Independent Non-Executive Director</i>	HENCO PEZIJ <i>Non-Independent Non-Executive Director</i>	TAN PENG LAM <i>Independent Non-Executive Director</i>

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY APPROACH

Sustainability is guided by the Sustainability Framework which supports the Group's Vision and Mission. The efforts taken are guided by the sustainability material matters identified through the materiality assessments that were carried out. The Sustainability Framework sets out the Group's approach to sustainability, defines how sustainability is carried out in line with the sustainability strategies, reporting performance and stakeholder engagement.

SUSTAINABILITY GOVERNANCE

The sustainability strategy is driven by the Board and is executed by operations through various working groups. The Enterprise Risk Management Framework ("ERM") serves as a core document for the Group to incorporate the everchanging sustainability landscape. The ERM is implemented through the Risk Management Committee ("RMC") to provide guidance for the operationalisation of sustainability and risk related initiatives throughout the Group.

“ There is an expectation and understanding throughout the Group that all members of the management team embody the spirit of sustainability. ”

Governance Structure	Duties and Responsibilities
BOARD OF DIRECTORS	- Responsible for sustainability strategies. - Ensure goals are met through sustainable manner integrated into business operations.
SUSTAINABILITY WORKING COMMITTEE	- Chaired by Executive Director, Ms Lee Soo Ching supported by Head of Departments ("HOD"). - Setting and oversees the implementation of sustainability strategies. - Evaluates overall sustainability related risks and opportunities. - Responsible to ensure proper implementation of sustainability initiatives are being carried out throughout the Group.
HEAD OF DEPARTMENTS	- Various functions within the Group such as Human Resources ("HR"), Finance, Business Development, Supply Chain, Warehouse, Quality Control and Production. - Monitoring of sustainability initiatives. - Reporting on the performance of processes and controls associated with managing the sustainability matters.

SUSTAINABILITY STATEMENT (CONT'D)

MEMBERSHIP OF ASSOCIATIONS



SEDEX Members Ethical Trade Audit (SMETA)

SMETA is an ethical audit methodology encompassing multiple aspects of responsible business practices. The SMETA best practices guidance describes the key steps of planning, executing and documenting a SMETA Audit against the SMETA 4-pillar namely:

- 1) Labour Standards
- 2) Health and Safety
- 3) Environmental Assessment
- 4) Business Ethics

The essence of the SMETA 4-pillar is based on the conventions of the International Labour Organization.

A component of SMETA 4-pillar audit includes a Corrective Action Plan report where the Group can objectively determine the areas of improvement required for business operations. This ensures that the Group examines the key areas of non-compliance raised during the audit and undergo the necessary corrective measures to meet international standards on ethical practices.

SEDEX membership provides independent verification of ethical compliance. Through this, the Group is able to achieve visibility of the supply chain, while also improving on supplier relations.



National Sanitation Foundation ("NSF") International Certification

As a preferred Original Design Manufacturer ("ODM"), it is of utmost importance that the products are safe for public usage. The Group believes in the importance of ensuring that all food equipment products meet NSF International Certification. The products undergo the stringent requirement for an independent, third-party certification company that tests, inspects, validates and verifies the safety of the products.

The NSF certification, assured that:

- Products are only produced with Federal Drug and Administration (FDA) approved raw materials
- Products have passed numerous NSF testing for material safety, design, and product performance



SCAN Security Audit - Customs-Trade Partnership against Terrorism (C-TPAT)

C-TPAT is a voluntary supply chain security program led by the United States Customs and Border Protection (CBP) focused on improving the security of private companies' supply chains with the objectives of minimising the customs examinations associated with terrorism.

The Group undergoes regular audits to meet the requirement of C-TPAT whereby the following components are frequently tested and examined:

- 1) Outside barrier and physical security
- 2) Factory and internal security
- 3) Factory employee security
- 4) Shipping dock security
- 5) Key and seal controls
- 6) Security procedures
- 7) Containers and merchandise movement
- 8) Computer system security and controls
- 9) Management commitment
- 10) Cybersecurity and protection from social threats
- 11) Preventing money laundering and terrorism financing
- 12) Protecting related to agriculture

SUSTAINABILITY STATEMENT (CONT'D)

STAKEHOLDER ENGAGEMENT

The Group's stakeholders refer to groups or individuals whose business activities impact the Group and/or who are impacted by the Group's business operations. The Group interacts with various stakeholders via certain communication channels, as part of the business operations. Stakeholder engagement is an important practice to help the Group to better understand challenges and concerns faced by the various groups. It will also help the Group to obtain business insights to improve overall business outcomes and strengthen the working relationships.

Stakeholder engagement, as a business function and focus area fall under the purview of various departments and subsidiaries within the Group, depending on the nature of the engagement and its purpose. The table below provides an overview of the various engagements with stakeholders and frequency of such engagements.

Stakeholders and focus areas	Engagement Methods	Frequency
Customers: - Product quality and safety - Supply-chain practices - Procurement practices	Feedback survey Customer audits Live interactions Regular meetings Customer site visits	On going On going On going On going On going
Employees: - Employment practices - Training and education - Occupational Health and Safety - Diversity and Equal Opportunity	Health and safety briefing In-house trainings Corporate/staff memos Performance evaluations Regular meetings Anti-bribery and corruption briefings	On going On going On going Annually On going On going
Management: - Sustainability governance - Ethics and Integrity - Anti-corruption and whistleblowing - Legal compliance	Monthly operation reviews Semi-annual operation review Preparation of budget Regular meetings Anti-bribery and corruption briefings	Monthly Semi-annually Annually On going On going
Suppliers: - Procurement practices - Supply-chain practices	Evaluation of suppliers Live interactions Supplier audit Anti-bribery and corruption briefings	On going On going On going On going
Investors: Sustainability governance and strategy	Quarterly Bursa announcements Annual general meeting Press releases Corporate website	Quarterly Annually On going On going
Government and regulators: - Compliance - Product certification	Inspections and audits Participation of government or regulator organised events	On going On going
Community: Community development	Donations Sponsorships	On going On going

SUSTAINABILITY STATEMENT (CONT'D)

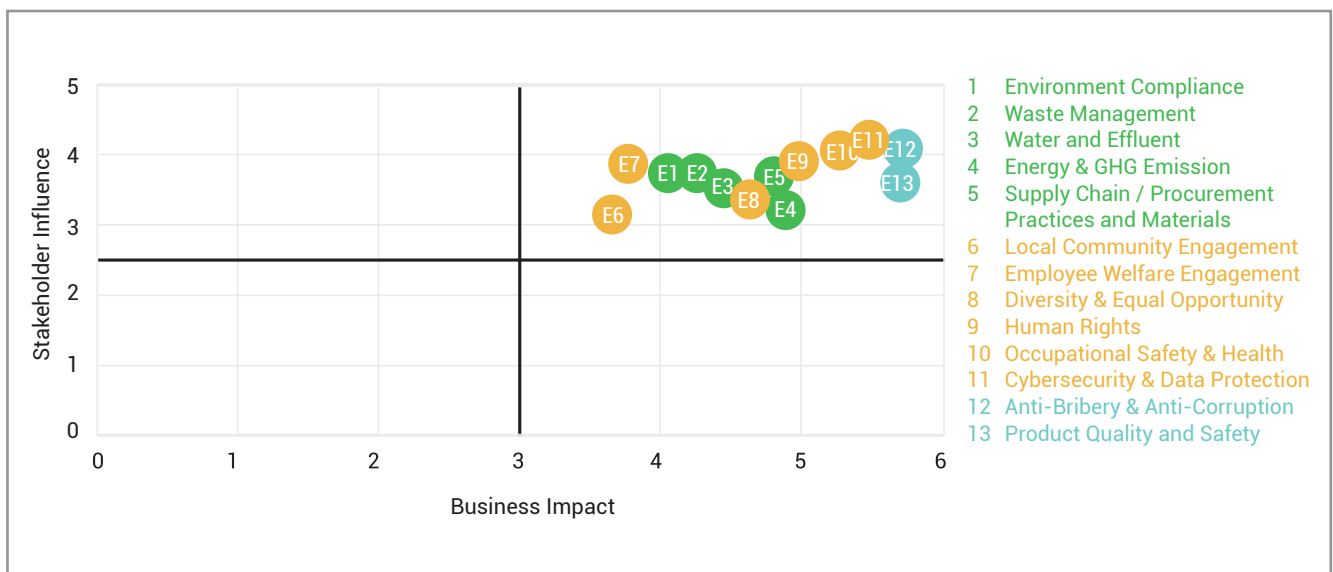
MATERIALITY ASSESSMENT

The Group has conducted a comprehensive materiality assessment by engaging with a diverse range of stakeholders, including management, employees, customers, suppliers, and community partners. Through these engagements, a range of ESG material sustainability issues were identified and assessed.

To prioritise these issues, the Group employed a weighted ranking method, which was also used to build the Sustainability Materiality Matrix. This matrix helps to ensure that the most significant ESG matters are given due attention in the Group's decision-making processes.

The Group recognises the importance of maintaining regular communication with both internal and external stakeholders to understand their concerns, expectations, and priorities. These ongoing engagements provide valuable insights that inform the Group's business practices, highlight areas for improvement, and enhance future decision-making. By aligning the Group's sustainability strategy with the feedback gathered, the Group strives to deliver long-term value to all stakeholders while addressing material ESG issues effectively remain transparent, responsive, and aligned with the needs and expectations of all parties involved.

Materiality Matrix



The material topics, identified based on the value and impact to the Group, as well as our stakeholders, were grouped in the following manners.

Environment	Social	Governance
- Environmental Compliance - Climate Change and Energy Management - Waste Management - Water Management and Effluents - Supply Chain Management and Procurement Practices	- Local Community Engagement - Employee Welfare and Engagement - Diversity and Equal Opportunity - Human Rights - Occupational Health and Safety - Cybersecurity and Data Protection	- Anti-Bribery & Corruption - Product Quality and Safety

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY MATERIALITY MATRIX

Sustainability Materiality Matrix	GRI Standards Specific Topics	UN SDGs
Environment		
Climate Change and Energy Management	GRI 3: Material Topics 2021 GRI 302: Energy 2016 GRI 305: Emissions 2016	   
Waste Management	GRI 3: Material Topics 2021 GRI 306: Waste 2020 GRI 205: Waste directed to landfill	 
Water Management and Effluent	GRI 3: Material Topics 2021 GRI 303: Water and Effluents 2018	  
Environmental Compliance	GRI 3: Material Topics 2021 GRI 307: Environmental compliance GRI 308: Supplier environmental assessment 2016	  
Supply Chain Management and Procurement Practices	GRI 204: Procurement practices 2016 GRI 308: Supplier environmental assessment 2016 GRI 414: Supplier social assessment 2016	 
Social		
Local Communities Engagement	GRI 3: Material Topics 2021 GRI 203: Indirect Economic Impacts 2020 GRI 413: Local Communities 2020	   
Employee Welfare and Engagement	GRI 3: Material Topics 2021 GRI 401: Employment 2016 GRI 403: Occupational Health and Safety 2018 GRI 404: Training and Education 2016	  
Diversity and Equal Opportunity	GRI 3: Material Topics 2021 GRI 405: Diversity and Equal Opportunity 2016 GRI 406: Non-discrimination 2016	   
Human Rights	GRI 3: Material Topics 2021 GRI 406: Non-Discrimination 2016 GRI 407: Freedom of Association and Collective Bargaining 2016 GRI 408: Child Labour 2016 GRI 409: Forced or Compulsory Labour 2016 GRI 412: Human Rights Assessment 2016	   
Occupational Health and Safety	GRI 3: Material Topics 2021 GRI 403: Occupational Health and Safety 2018	 
Cybersecurity and Data Protection	GRI 416: Customer health & safety 2016 GRI 418: Customer Privacy 2016	
Governance		
Anti-Bribery and Corruption	GRI 3: Material Topics 2021 GRI 205: Anti-Corruption 2016	
Product Quality and Safety	GRI 416: Customer Health and Safety 2016	 

SUSTAINABILITY STATEMENT (CONT'D)

RISK ASSESSMENT

Risk Summary		
Risk Area	Key Risks Identified	Mitigation Measures
Climate Target	Increased energy use due to reporting boundary expansion	Strategic roadmap to reduce carbon footprint in line with 45% Net Zero reduction by 2030
Environmental	GHG emissions, climate transition risk, pollution, water discharge and waste generation	Energy efficiency initiatives, renewable energy adoption, wastewater treatment, waste minimisation, and TCFD-aligned strategy
Social	Occupational health and safety ("OHS"), labour rights, workplace discrimination and harassment	OHS controls, employee training, zero-tolerance policy, grievance mechanism and culture
Governance	Bribery and corruption, regulatory, non-compliance, and ethical lapses	Anti-bribery policy, employee training, third-party due diligence, and whistleblowing channel

ESG risks are integrated into the Group's ERM Framework and are monitored on a regular basis to ensure alignment with stakeholder expectations and regulatory developments.

The Group undertakes structured ESG risk assessments to identify, evaluate, and manage potential ESG risks that may impact its business operations, stakeholder relationships, and long-term value creation. These assessments are integrated into the Group's ERM process and guided by the TCFD recommendations, as well as GRI and International Financial Reporting Standards ("IFRS") S1/S2 standards.

This proactive approach supports regulatory compliance, cost efficiency, and reputational resilience, while also enables the Group to leverage emerging sustainability opportunities.

Environmental Risks

Key environmental risks identified include GHG emissions, air and water pollution, waste generation, and broader climate-related risks. The Group mitigates these through energy-efficient technologies, adoption of renewable energy, water recycling, and responsible waste management. Climate-related physical and transition risks are being managed in line with TCFD principles, supporting business continuity and carbon reduction.

Social Risks

The Group prioritises employee health and safety, especially in roles with higher physical exposure. Risk controls include safety training, provision of protective equipment, and continuous hazard assessments. Social risks such as labour rights violations and workplace discrimination are managed through a zero-tolerance policy, inclusive workplace practices, and a confidential grievance mechanism. No grievance cases were reported during the reporting year.

Governance & Compliance Risks

Governance risks such as bribery, corruption, and regulatory breaches are addressed through robust internal policies and oversight. All employees are trained on the Group's Code of Ethics, and a secure whistleblowing channel (whistleblowing@rgt.com.my) is available for confidential reporting. Due diligence is conducted on suppliers and third parties to ensure ethical alignment, while periodic internal audits reinforce governance compliance.

Forward Outlook

ESG risks identification and management is an ongoing process embedded in the Group's corporate strategy. The Group continues to align with evolving stakeholder expectations and global sustainability frameworks. In support of its climate ambitions, the Group has developed a strategic roadmap to progressively reduce its carbon footprint in line with its mid-term target of a 45% Net Zero reduction by 2030.

SUSTAINABILITY STATEMENT (CONT'D)

ENVIRONMENTAL COMPLIANCE

The Group recognises that continuous growth in its production capacities could create significant environmental challenges and obligations. To manage business operations responsibly, the Group has proposed for the reduction of adverse environmental impacts to be one of its primary goals. The Group's medium and long-term goals are to reduce the potential negative effects of day-to-day activities to provide a safe environment within business operations and surrounding communities.

The Group strives to comply with all applicable environmental regulations and meet stakeholder expectations.

In line with its Environmental, Health and Safety ("EHS") practices, the Group applies appropriate technology to complement the complexity of today's environmental practices. During the reporting period, no penalties for non-compliance with environmental regulations were received.

The Group adheres to the following local laws and regulations pertaining to environmental compliance:

1. Environmental Quality Act (EQA) 1974
2. Environmental Quality (Clean Air) Regulations 2014
3. Environmental Quality (Scheduled Wastes) Regulations 2007
4. Environmental Quality (Sewage) Regulations 2009
5. Environmental Quality (Industrial Effluents) Regulations 2009
6. Solid Waste and Public Cleansing Act 2007

To support this commitment, the Group conducted the following environmental monitoring activities, with all parameters found to be within permissible regulatory limits:

- **Effluent Water Discharge**
Wastewater generated from operations was regularly tested and complied with the *Environmental Quality (Industrial Effluent) Regulations 2009*.
- **Air Emission Monitoring**
Air emissions were monitored and confirmed to comply with the Environmental Quality (Clean Air) Regulations 2014. No significant emissions of nitrogen oxides (NO_x), sulphur oxides (SO_x), or particulate matter were recorded beyond regulatory thresholds.
- **Boundary Noise Monitoring**
Noise levels at the boundaries of the Group's facilities were assessed in accordance with the *Guidelines for Environmental Noise Limits and Control*, with all readings within acceptable limits.

The Group is pleased to report that there were no issues of non-compliance with laws of regulations pertaining to the environment in FYE 2025.

As a SEDEX member, the Group adheres to the guidance for suppliers for environment assessment. The Group is routinely audited on the extended environment pillar and meets SMETA 4-Pillar's environmental assessment requirements.

SUSTAINABILITY STATEMENT (CONT'D)

BOOSTING ENERGY EFFICIENCY

CLIMATE CHANGE AND ENERGY MANAGEMENT

During the financial year under review, the Group continues to invest in advanced environmental technologies and refining plant operations management systems. These efforts are aimed at delivering products manufactured through processes that significantly reduce the Group's carbon footprint.

The Company achieved its interim decarbonisation target under the original organisational boundary. In the Statement of FYE 2024, GHG emissions were disclosed for the main subsidiary, Rapid Growth Technology Sdn Bhd.

In FYE 2025, the GHG inventory was expanded to include key subsidiaries which represent remaining 30% of the total GHG emissions, resulting in an apparent increase in GHG emissions. This boundary update provides a more complete GHG inventory and is aligned with IFRS S2 and the GHG Protocol's best practices for consolidation. The Group is recalibrating its baseline and emissions targets to reflect the enlarged boundary and expects to publish revised goals by FYE 2026.

Scope 1 – Direct GHG Emissions

As a manufacturing facility, the Group's primary source of direct GHG emissions arises from fuel consumption in transportation activities, particularly from company-owned vehicles (e.g. cars, vans and trucks).

For the reporting year (FYE 2025), the Group's Scope 1 GHG emissions totalled 70 tonnes of CO₂e ("tCO₂e"), reflecting a 118% increase compared to the previous year. This increase is primarily due to the inclusion of an additional two subsidiaries in the FYE 2025 sustainability boundary. Notably, the rise in diesel consumption contributed substantially to this increase, as one of the newly included subsidiaries operates its own trucks to deliver products locally—an initiative intended to reduce reliance on third-party transporters.

While absolute Scope 1 emissions increased due to the expanded reporting boundary, GHG intensity remained stable, reflecting improved operational efficiency relative to revenue growth.

In line with its carbon reduction goals, the Group implemented a zero-emission policy within internal warehouse material handling operations. By exclusively deploying electric forklifts, fuel-related emissions from internal logistics have been eliminated.

The total fuel consumption and corresponding Scope 1 emissions for the past three financial years are presented below:

Scope 1 - Fuel Consumption	Unit	FYE 2025	FYE 2024	FYE 2023
Petrol	Litre	22,040	11,725	12,204
Diesel	Litre	7,223	1,919	1,841
Direct Scope 1 GHG Emission	tCO ₂ e	70	32	33
Scope 1 Intensity tCO ₂ e / Number of vehicles		5	4	4

SUSTAINABILITY STATEMENT (CONT'D)

Scope 2 GHG Emissions and Energy Management

Scope 2 GHG emissions represent indirect emissions from the use of purchased electricity across the Group's operations. During the reporting period, the Group recorded 3,523 tCO₂e, reflecting a 106% increase compared to FYE 2024. This rise is primarily due to the inclusion of electricity consumption data from two additional subsidiaries in FYE 2025, resulting in a broader and more accurate representation of the Group's carbon footprint. This expanded boundary underscores the Group's commitment to enhanced environmental transparency and accountability.

Despite the expanded reporting scope, the Group's GHG emission intensity remained stable at 0.04 tCO₂e per RM million revenue over the past three financial years. This stability reflects the Group's ongoing energy-efficiency initiatives, which have offset increases in operational activity and electricity usage associated with revenue growth. Looking ahead, the Group has strategised to progressively reduce its carbon footprint in line with its mid-term target of achieving a 45% Net Zero reduction by 2030 and reaching Net Zero by 2050.

Notably, one of the newly reported subsidiaries commissioned a photovoltaic (PV) solar system in October 2024, as part of its initiatives to reduce dependency on grid electricity and offset carbon emissions. This renewable energy integration marks a significant step towards the Group's long-term transition to cleaner energy sources.

As part of its ongoing sustainability efforts, the Group has implemented several initiatives to reduce energy consumption and enhance operational efficiency:

- **Upgraded to energy-efficient Light Emitting Diode (LED) lighting** across manufacturing facilities, replacing conventional lighting systems to reduce electricity usage and extend bulb lifespan.
- **Achieved long-term cost savings** through reduced energy bills and lower maintenance requirements due to the durability of LED systems.
- **Promoted energy awareness** by conducting regular training sessions to educate employees on sustainable energy practices and responsible energy usage.
- **Fostered a culture of sustainability** within the group by embedding environmental consciousness into daily operations and employee behaviour.
- **An additional 629.92 kWp solar PV system planned for FYE 2026** has already been installed in August 2025, further increasing the Group's renewable energy capacity and reducing dependence on grid electricity.

Scope 2 - Electricity Consumption	Unit	FYE 2025	FYE 2024	FYE 2023
Purchased electricity	Gj	16,732	8,106	8,827
Solar energy generated	Gj	4,149	2,774	2,617
Total electricity consumption	Gj	20,881	10,880	11,444
Solar energy generated over total electricity	%	25	26	23
Indirect (Scope 2) GHG Emission	tCO ₂ e	3,523	1,707	1,859
Scope 2 Intensity Grid Energy kWh/RM mil revenue		0.04	0.04	0.04

Renewable Energy Transition and Climate-Related Opportunities

The increasing global demand for electricity has intensified dependence on fossil fuel-based power generation, leading to significant environmental impacts including air pollution, water degradation, soil contamination, and global warming. Addressing these challenges has become a global priority, with renewable energy—particularly solar power—playing a vital role in the transition to a sustainable and low-carbon energy future.

SUSTAINABILITY STATEMENT (CONT'D)

Recognising both the environmental and economic value of solar PV systems, the Group began its renewable energy transition in FYE 2022 with the installation of a 550.6 kWp rooftop solar PV system at one of its manufacturing sites. This effort was further expanded in October 2024, with the commissioning of an additional 501 kWp system at another subsidiary. As a result, total renewable electricity generated increased significantly from 2,774 GJ in FYE 2024 to 4,149 GJ in FYE 2025, demonstrating the Group's continued commitment to decarbonising its operations.

With the inclusion of two (2) subsidiaries in the reporting boundary, these initiatives collectively avoided approximately 874 tonnes of CO₂e emissions, based on an emission factor of 0.758 kg CO₂e per kWh, in alignment with GRI 305: Emissions and TCFD guidance. This carbon reduction is equivalent to the capacity of approximately 24,500 mature trees, highlighting the tangible environmental benefits of the Group's solar investments.

In addition to environmental gains, the solar energy systems have also enhanced economic performance. During FYE 2025, these systems generated an estimated RM564,005 in annual cost savings through reduced electricity purchases. This underscores how the Group is actively leveraging climate-related opportunities to create long-term financial and environmental values, as outlined under the TCFD Strategy and Financial Impact Disclosures.

In August 2025, the Group successfully completed the installation of its third clean energy project, adding an additional 629.92 kWp solar PV system as planned. This system is projected to generate approximately 808,590 kWh (or 2,911 GJ) of renewable electricity annually, offsetting an estimated 612.91 tonnes of CO₂e. These efforts not only contribute to Malaysia's national renewable energy goals but also strengthen the Group's climate resilience and sustainability performance.

Footnote:

The carbon sequestration rate of 28 kg CO₂e per mature tree per year is based on internal benchmarking and may vary depending on tree species, maturity, and local environmental conditions.



Solar PV system in Rapid Growth Technology Sdn. Bhd.

SUSTAINABILITY STATEMENT (CONT'D)

Scope 3 – Indirect GHG Emissions

Scope 3 emissions refer to indirect GHG emissions that occur outside of the Group's direct control but are associated with its value chain activities. These emissions fall beyond the boundaries of Scope 1 and Scope 2 and include sources such as business travel and employee commuting.

As highlighted in the FYE 2024 report, the Group initiated Scope 3 emissions reporting by disclosing employee commuting under the upstream category for its main subsidiary, Rapid Growth Technology Sdn Bhd. In FYE 2025, this was further expanded to include business travel emissions for the same subsidiary. This development marks a significant step in broadening the Group's carbon footprint boundary beyond direct operational emissions.

Scope 3 Emissions	Unit	FYE 2025	FYE 2024	FYE 2023
Category 6 - Business Travel	tCO ₂ e	14	–	–
Category 7 - Employee Commuting	No. of employees	363	340	–
	tCO ₂ e	196	162	–
Total Scope 3 Emissions	tCO ₂ e	210	162	–

A total of 210 tonnes of CO₂e was recorded under Scope 3 for FYE 2025, consisting of:

- 14 tCO₂e from employee business travel;
- 196 tCO₂e from 363 employee commuting.

These figures were calculated using standard emission factors aligned with the GHG Protocol for Scope 3 accounting, ensuring consistency and transparency.

As part of its ongoing sustainability journey, the Group intends to gradually extend Scope 3 reporting to include other subsidiaries when they are operationally prepared to undertake the required data tracking and verification processes. This phased expansion reflects the Group's commitment to enhancing the completeness and robustness of its GHG inventory over time.

WASTE MANAGEMENT

The Group is committed to effective and responsible waste management, with ongoing efforts to reduce environmental impact and ensure full compliance with regulatory standards. Waste generated from manufacturing operations is managed systematically to promote recycling, reduce landfill dependency, and maintain a clean and safe working environment.

Waste is classified into two main categories: hazardous waste and non-hazardous waste.

1. Hazardous Waste

Hazardous waste arising from industrial processes is handled strictly in accordance with Malaysia's Environmental Quality (Scheduled Wastes) Regulations. The Group appoints licensed contractors approved by the Department of Environment ("DOE") to manage scheduled waste, which is then sent to certified recycling centres or incineration facilities. The designated person-in-charge conducts regular inspections of scheduled waste storage areas to ensure proper handling, labelling, and inventory control.

SUSTAINABILITY STATEMENT (CONT'D)

2. Non-Hazardous Waste

Non-hazardous waste includes general waste and recyclable materials such as paper, plastic, and packaging. The Group implements source segregation and recycling practices across its facilities to maximise waste diversion from landfills. Only residual general waste is sent to municipal landfills.

The Group has set a waste management Key Performance Indicators ("KPI") of diverting at least 80% of total waste from landfill, with not more than 20% of waste directed to landfill. Performance is monitored annually to assess progress and identify improvement areas.

The table below showed the waste produced by the Group from its manufacturing operation during the review period.

Waste Management	Unit	FYE 2025	FYE 2024	FYE 2023
Total waste generated	MT	225	170	137
Total waste diverted from disposal	MT	172	141	114
Total waste directed from disposal	MT	53	29	23
Waste directed to landfill KPI and target	%	23	17	17

Note:

MT = Metric Tonne

The increase in landfill waste in FYE 2025 was primarily due to the relocation of worker dormitories from residential to commercial zones in compliance with new housing regulations. This transition temporarily resulted in additional non-recyclable waste.

The Group remains committed to achieving its waste diversion targets through:

- Expanding waste segregation and paper recycling programmes;
- Increasing awareness among employees and workers; and
- Enhancing tracking of waste sources and volumes for better data-driven decision-making.

Efforts will continue to align waste practices with GRI 306: Waste and support the Group's broader environmental sustainability strategy.

WATER MANAGEMENT AND EFFLUENTS

While water consumption is not considered a material environmental aspect for the Group's operations, the Group continues to monitor its usage as part of its commitment to resource efficiency and environmental responsibility.

Water is sourced from Perbadanan Bekalan Air Pulau Pinang ("PBA") and used primarily for general purposes such as equipment cooling, fire-fighting systems, drinking, and sanitation. During the reporting period, the Group recorded a total water consumption of 22 megalitres ("ML"). The increase in consumption compared to the previous year is attributed to the inclusion of two additional subsidiaries in the reporting boundary.

To promote responsible consumption, the Group has implemented various awareness initiatives, including educational reminders and posters at water taps, encouraging water conservation in daily routines.

These efforts demonstrate the Group's ongoing commitment to minimising resource usage and fostering sustainable practices, in line with GRI 303: Water and Effluents (2018).

Water Consumption	Unit	FYE 2025	FYE 2024	FYE 2023
Total consumption	ML	22	14	13

SUSTAINABILITY STATEMENT (CONT'D)

SUPPLY CHAIN AND PROCUREMENT PRACTICES



The Group endeavours to act ethically and requires its suppliers to conduct their businesses within the same ethical framework. The Code of Conduct and Ethics includes a commitment to treat the employees in a way that ensures equal opportunities.

The Group recognises that operations can probably result in social and environmental impacts. The Group takes responsibility for performing the operations in a sustainable way and also sets high standards for suppliers to ensure that they adapt to the Group's procurement practices. The Group would eventually seek to work with suppliers who are committed to the principles of sustainable development.

During the selection stage, potential suppliers are assessed based on their competencies in delivering a particular product or service. As part of the assessment, the Group organises field inspections and supplier audits (more so when product certification for imported products is required by the local authorities, which entails field audits by licensed certification bodies), and conduct evaluation the financial standings of the potential suppliers, as well as consider feedbacks from their clients, if available.

The Group also sets requirements for suppliers on basic responsible business practices. These are outlined in the Code of Conduct and Ethics relating to business ethics, social liability and high integrity way of doing business. Besides, the Group also emphasises zero tolerance towards child labour, all forms of slavery, and this shall form an essential part of its business contracts.

The Group also pays close attention to suppliers' approaches to managing EHS issues. As part of the supplier selection process, the Group carefully reviews assessment forms completed by potential suppliers in terms of safety and environmental issues and, where necessary, conducts face-to-face interviews.

SUSTAINABILITY STATEMENT (CONT'D)

Some of the metrics that the Group subjects its suppliers and vendors to comply with includes:

1. Business requirements

- All products must meet specifications required by customers

2. Environmental requirements

- Suppliers must meet all regulatory and environmental requirements
- Suppliers need to be conscious about the usage of energy, materials, and water during production

3. Social requirements

- Suppliers must meet all relevant labour laws
- Suppliers must meet all regulatory health and safety requirements
- Suppliers must meet necessary business ethics and standards

In the event a supplier has failed to meet the criteria determined by the Group, the Group will conduct an assurance review and collaborate with the supplier on methods of improvement.

8 were suppliers been selected during the review period. Moving forward, ESG will be included in supplier audits.

The Group's manufacturing operations are primarily located in Penang, Malaysia where it plays a significant role in supporting local socioeconomic development. The Group prioritises the procurement of goods and services from local suppliers that meet the Group's quality and operational requirements, wherever feasible.

The Group is committed to engaging and developing the local suppliers, creating opportunities to boost local employment, help grow local businesses and further develop local communities. The Group will continue to prioritise the sourcing of goods and service locally.

Packaging and Recycled Materials

As part of its commitment to environmental sustainability, all export cartons used by the Group are made from 100% recycled materials. The Group work closely with its packaging suppliers to ensure compliance with this requirement, thereby reducing its environmental footprint and promoting circular economy practices across supply chain. All packaging suppliers are certified under the Forest Stewardship Council (FSC) standards, confirming that only 100% recycled materials are used.

Local vs Foreign Procurement

The Group's procurement strategy continues to prioritise local suppliers, wherever feasible, to support national economic development, increase employment, and foster community resilience.

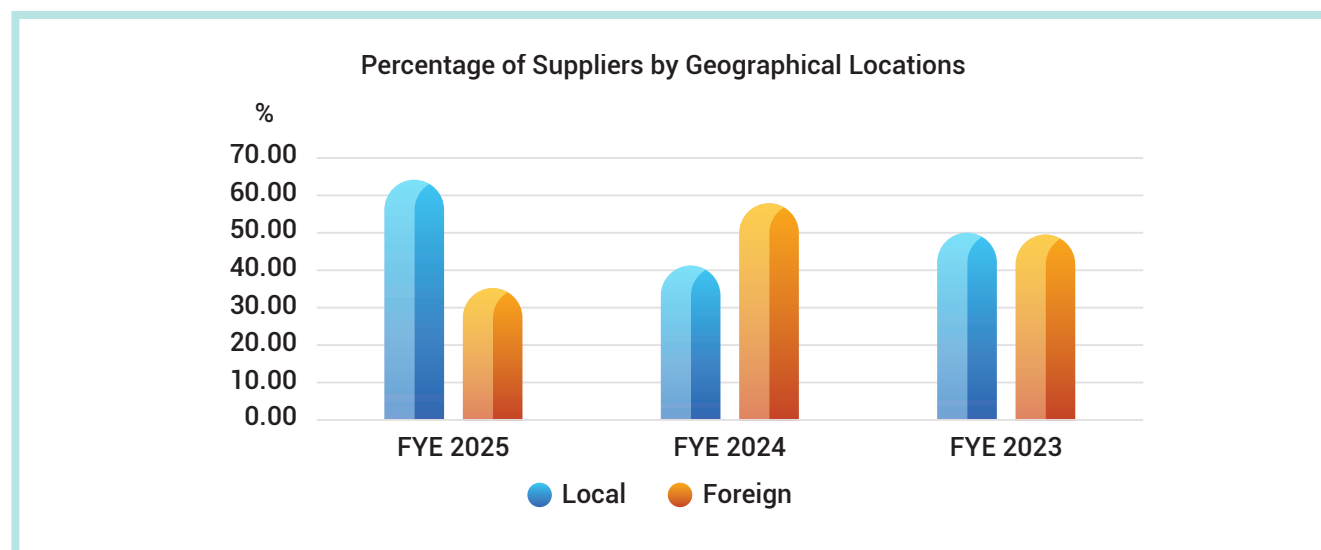
During FYE 2025, the Group recorded total gross material purchase of RM64 million across three subsidiaries:

- **Local procurement:** RM41 million (64%)
- **Foreign procurement:** RM23 million (36%)

SUSTAINABILITY STATEMENT (CONT'D)

This marks a meaningful shift towards local sourcing compared to prior years. The Group will continue to deepen engagement with local suppliers and support their transition toward improved ESG performance.

Proportion of spending on local suppliers	Unit	FYE 2025	FYE 2024	FYE 2023
Proportion of spending on local suppliers	%	64	42	50



LOCAL COMMUNITY ENGAGEMENT

The Group recognises the importance of giving back to the communities in which it operates and does so through various contributions and donations. The Group strives to create a positive impact on local communities, especially those that are underserved.

Summary of Key Community Contribution

Initiative	Beneficiary	Purpose	Contribution (RM)
Direct Donation	Pusat Jagaan Sinar Ceria	Support for welfare home operations	2,500
Direct Donation	Persatuan Kebajikan Kanak-Kanak Cacat Yee Ran Jing Sheh	Support for welfare home operations	3,100
Direct Donation	Pusat Kebajikan Simpang Ampat	Support for welfare home operations	1,000
Direct Donation	Pertubuhan Kebajikan Kasih Ayah Bonda	Support for welfare home operations	3,000
		Cash contributions pooled by employees for charitable purposes	1,200
Souvenir Programme Advertisement	Olympic Council of Malaysia	Support national sports and community engagement	5,000
Total			15,800

SUSTAINABILITY STATEMENT (CONT'D)

The Group remains committed to empowering communities and creating meaningful social impact. In addition to company-led initiatives, the Group actively encourages employees to participate in charitable activities and community engagements. The collective efforts of staff through volunteerism and pooled contributions, reflect the shared values that underpin the Group's sustainability journey.

Social Visit



Employee Welfare and Engagement

As part of its ongoing commitment to employee well-being and meaningful social engagements, the Group regularly partners with panel medical professionals to deliver health talks on relevant wellness topics.

In the FYE 2025, the Group organised a mental health awareness session titled: "When Thoughts Turn to Shadows: Understanding Mental Illness", aimed at increasing awareness, reducing stigma, and encouraging early intervention and peer support.

In addition, the Group hosted health talks on hypertension and diabetes, focusing on preventive care and empowering employees to make healthier lifestyle choices.

Commitment to Social Sustainability

The Group believes that our continued success is built on the dedication, performance, and well-being of its employees. As such, the Group continuously strengthens personnel management practices, focusing on:

- Fair and transparent recruitment and retention strategies;
- Continuous training and education;
- Improving employee engagement; and
- Promoting inclusive social programmes to enhance morale and workplace culture.

The Group has identified the following key social sustainability matters as integral to its business operations:

- Diversity
- Employment practices
- Training and education
- Occupational health and safety

SUSTAINABILITY STATEMENT (CONT'D)

SEDEX Audit and Labour Practice Assurance

As a member of SEDEX (Supplier Ethical Data Exchange), the Group is subject to periodic independent audits that evaluate labour standards, business ethics, health & safety and environment performance across operations. These audits help the Group proactively identify potential risks and ensure full compliance with internationally recognised standards.

The Group is pleased to report that during the review period, no non-compliance issues were identified, reinforcing the commitment to ethical labour practices and safe working conditions.

The Group is also bounded by the following regulations pertaining to social practices:

1. Employment Act 1955 & Regulations
 - The Group does not restrict the rights of employees to join, participate or organise trade unions.
 - There is no forced or involuntary labour within the organisation.
 - Employees' wages are paid in a timely manner.
 - Working hours do not exceed 45 hours per week.
 - Total working hours to not exceed 60 hours in a seven-day period.
 - Sexual harassment and discrimination policies are addressed.
 - The minimum wage standards are met.
2. Employees Provident Fund Act
 - The Group fulfils responsibilities as an employer by providing mandatory retirement contributions to employees.
3. Employees' Social Security Act 1969
 - The Group fulfils responsibilities as an employer through registering and contributing to the Social Security Organisation (SOCSO).
4. Employment Insurance System Act 2017
 - The Group fulfils responsibilities as an employer by contributing to the Employment Insurance System (EIS) to provide protection to workers in the event of loss of employment.
5. Anti-Trafficking in Persons and Anti-Smuggling of Migrant Act 2017
 - The Group ensures that all migrant workers have a valid pass and permit.
6. Human Rights Act 1999
 - The Group upholds the principles of basic human rights whereby "all human beings are born free and equal in dignity and rights".
7. Children and Young Persons (Employment Act) 1966
 - The Group ensures that there is no hiring of child labour or young person within the organisation.

The Group is pleased to report that there were no issues of non-compliance with laws of regulations pertaining to the social practices in FYE 2025.

Employment Practices

The Group recognises that factors such as employee engagement, financial and non-financial motivation, and working conditions largely determine operational efficiency practices. Therefore, HR Department would from time to time perform survey and provide insights to the management team on how best to keep the employees in top shape for optimum performance.

SUSTAINABILITY STATEMENT (CONT'D)

Financial Motivation

The Group endeavours to make the remuneration system transparent and comprehensible for employees, as well as consistent with internal regulations and external competitiveness. Salary levels are determined based on the market range established for each grade and are reviewed annually.

The Group pays the remuneration according to prevailing industry market rates and abide by all the regulatory act such as EPF Act, SOCSO Act, and EIS Act. EIS is a social network which aims to help workers who lost their jobs which some financial assistance while seeking new jobs.

Non-Financial Motivation

As a socially responsible company, the Group offers the employees a wide range of non-financial compensation packages which are commensurate with the industrial practices, and form part of the total compensation package.

The Group provides a comprehensive range of leave entitlements to ensure employees are well-supported both during and outside working hours. These include medical leave, 98 days of maternity leave, 7 days of paternity leave, annual leave, marriage leave, hospitalisation leave, compassionate leave, unpaid leave, emergency leave, casual leave, and prolonged illness benefits. In addition, employees are covered under the Company's group insurance scheme.

To promote workplace safety and compliance, employees are provided with company uniforms, safety shoes, and ESD shoes in designated working areas to safeguard both personnel and equipment.

The Group also offers accommodation facilities located in close proximity to the workplace. These accommodations are fully equipped with essential amenities and meet the standards set by the Department of Labour / Jabatan Tenaga Kerja Pulau Pinang.

HUMAN RIGHTS

The Group is committed to create conducive working conditions and providing social security, safeguarding employee rights, and adhering to the principles of equality and non-discrimination.

All types of modern slavery and child labour are strictly prohibited and also apply to the suppliers of the Group. The Group is committed to conducting business ethically and requiring the suppliers to agree to the same ethical framework.

The Group complies with the respective legislations and applicable international labour standards. The activities in this area are regulated by the Code of Conduct and Ethics Policy, Anti-Bribery and Corruption Policy, Corporate Disclosure Policy which can be found on the Company website at <https://rgtberhad.com/corporate-governance/>.

The Group also strictly adhere to a zero-cost recruitment process. Recruitment service charges of migrant workers - such as the visa fee, airfares, security screenings and other related cost - are borne by the Group. This policy on zero-cost recruitment is aligned to the United Nations Convention for the Protection of the Right of All Migrant Workers and members of their families, and exemplifies the Group's commitment to protecting human rights.

SUSTAINABILITY STATEMENT (CONT'D)

DIVERSITY AND EQUAL OPPORTUNITY

The management of human resources is formalised in the Code of Conduct and Ethics in the RGT Employee Handbook, whereby acceptable requirements of fair treatment of legitimate employees are specified for strict compliance. No discrimination of gender (including acts of sexual harassment), sexual orientation, race, religion, ethnicity, nationality, age, political affiliation, marital/pregnant, and disabled status is allowed, and strict enforcement of no illegal and child labour in the workplace. Besides, the Group takes measures to ensure equal rights and opportunities are provided to all employees.

Employees are the driving force of the Group. The Group appreciates how workforce diversity can ensure both business development and compliance with ethical standards. Irrespective of race, nationality, gender, or age, the Group will provide an appropriate level playing field for all its employees.

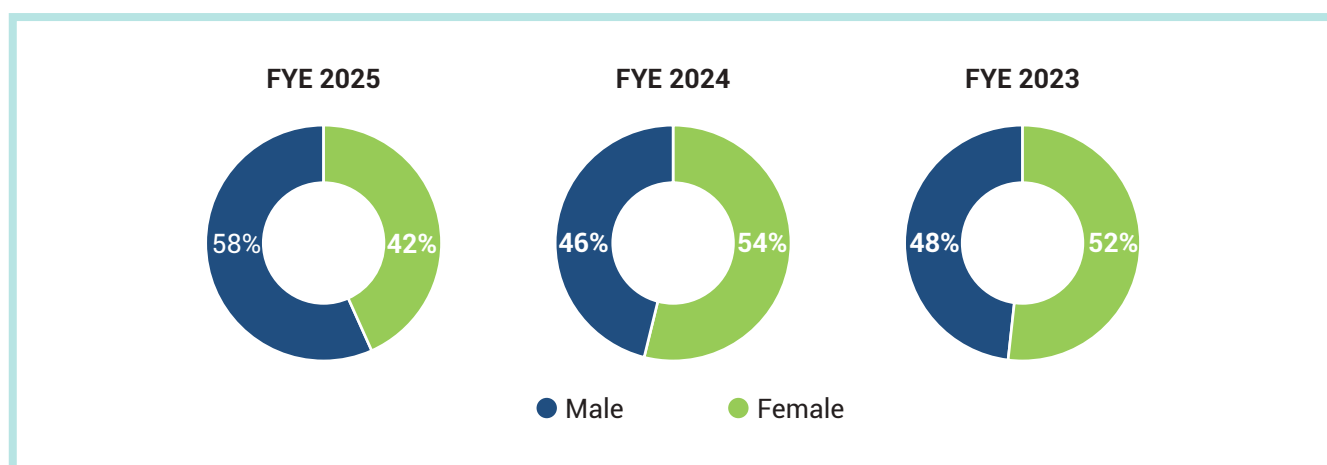
The Group is committed to creating and supporting a healthy work environment that is free from discrimination of any kind. All work-related decisions on the current and potential employees are made based on their professional's skills, abilities and qualities.

There is almost equal distribution of employees for both genders. From the diagram below, 49% of total employees are age 30 and below, while 27% aged 31 – 40. This provides the Group with a dynamic and invigorating workforce, and together with the experiences of the senior management, this will drive the Group to the next level in the new millennia with innovative and technologically advanced products for the industry.

The Group is committed to fostering gender balance and inclusivity across all levels of the organisation as part of its broader ESG strategy. The Group has set an internal gender diversity KPI of 55% male and 45% female workforce composition to reflect a balanced and equitable workplace.

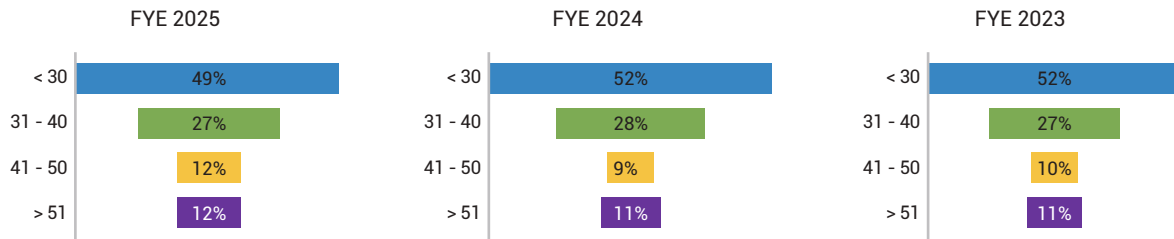
Following the inclusion of two additional subsidiaries in FYE 2025, the Group recorded a workforce composition of 58% male and 42% female. This slight variance is primarily attributed to the operational requirements where more male employees are required to perform physically demanding tasks.

Distribution of Employee by Gender

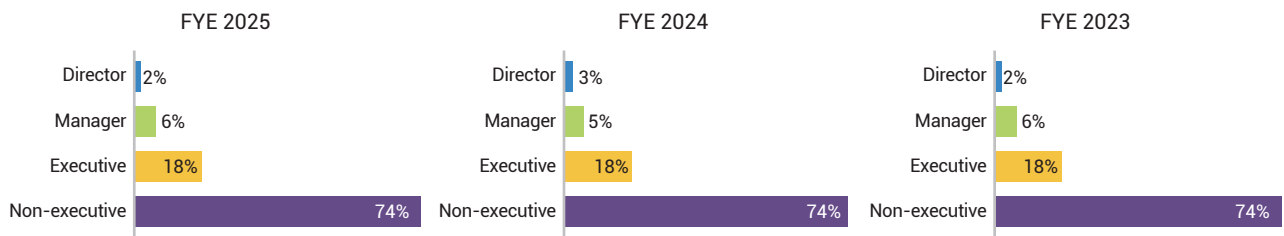


SUSTAINABILITY STATEMENT (CONT'D)

Distribution of Employee by Age



Distribution of Employee by Categories

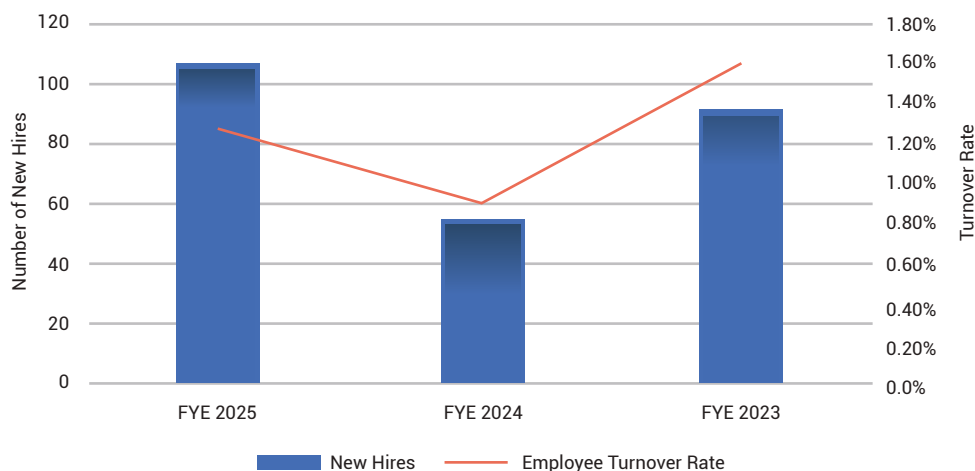


Employee turnover rates are an indication of employee satisfaction, and the Group continuously strive to ensure that it remains an attractive organisation to current and future employees. Measuring and monitoring employee turnover rates enables the Group to assess and prioritise changes or adjustments to culture or practices in order to decrease attrition and ensure retention of employees in the future.

The attrition rate during the review period was at average 1.26% versus target 4.0%. This indicates that the Group has a strong grasp of motivating and keep the employees satisfied in workplace.

Employee New Hires & Turnover rate	Unit	FYE 2025	FYE 2024	FYE 2023
New Hires	Number	107	55	91
Employee Turnover Rate	%	1.26%	0.91%	1.59%

Employee Turnover Rate from FYE 2023 to FYE 2025



SUSTAINABILITY STATEMENT (CONT'D)

Training

The Group focuses on three main training categories:

- 1) Environment, Health and Safety
- 2) Process & Technical
- 3) Security and Compliance

Through regular and relevant training programs, the Group builds a workforce that is highly skilled, motivated, competitive, and productive. These are the core competencies required to achieve organisational objectives and goals.

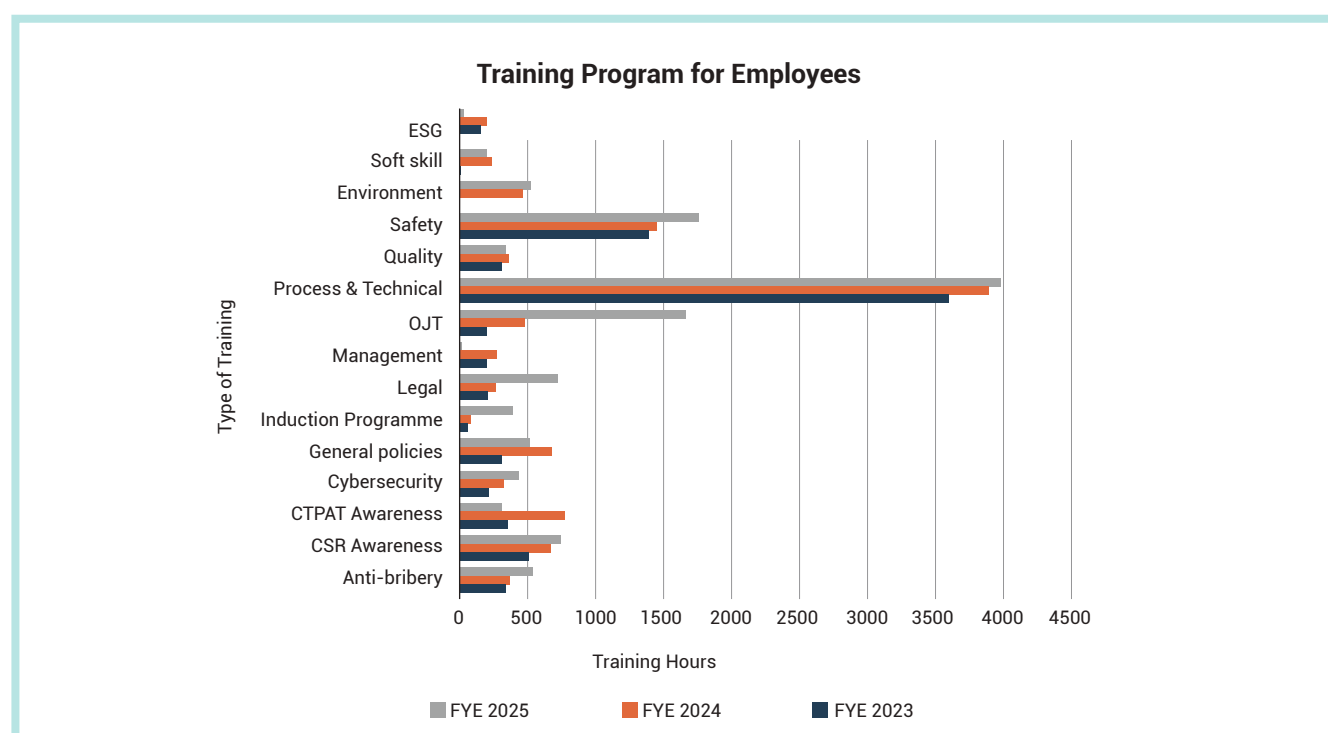
The HR department is mainly responsible for all training needs of employees. An on-boarding training programme is provided for every new employee on Health and Safety, Code of Business Conducts and Ethics, and other essential areas. This ensures every new employee in the Group is well aware of and familiar with high standards of safety acumen and professionalism when dealing with internal and external stakeholders.

The HR department also work together with the HOD to identify training needs and collaborates with external service providers to conduct training to equip employees with the necessary skills and knowledge.

In FYE 2025, a total of 12,262 hours were registered by employees, with an average of 20 hours per employee. The training covered various topics important and relevant to the upskilling and ensured the employees particularly new hires were able to familiarise themselves quickly with the new environment and contribute positively to the Group's productivity.

In FYE 2024, 10,549 training hours were completed. The Group maintained its commitment by increasing total training hours by 1,713 hours.

From the chart below, the most covered training include Process & Technical followed up by Safety, which consist of 47% of the total training hours.



SUSTAINABILITY STATEMENT (CONT'D)

Company Trip



Well-Being of Employees

Apart from work, the Group also aim to promote harmony and opportunity for the members of the workforce to get to know each other. With this in mind, the Group has organised the following activities during the review period for this purpose:

1. Sport Activities
 - A healthy lifestyle is encouraged amongst employees through organised company activities such as friendly sport tournaments and exercise classes.
2. Festival celebrations
 - Celebrations of cultures and festivals are wonderful occasions to inculcate fellowship amongst colleagues.
3. Employee welfare
 - The Group provides benefits and facilities that enhance the work environment, enabling employees to be more effective in performing their tasks.

Blood Donation



SUSTAINABILITY STATEMENT (CONT'D)

Sport Activities



1. Badminton and Pickleball

2. Zumba Class

3. Futsal Tournament

Recognition for Social Compliance



RGT Awarded by Newell for
**Best Internal
Management 2024**



SUSTAINABILITY STATEMENT (CONT'D)

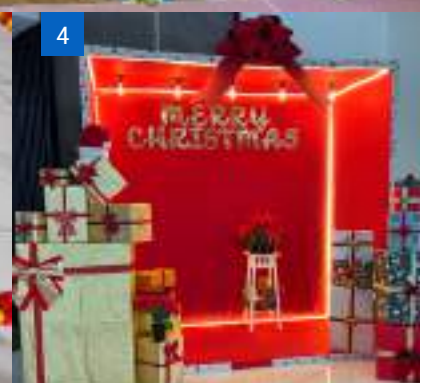
EMPLOYEE ENGAGEMENT AND CULTURAL INCLUSIVITY

As part of efforts to create a positive, inclusive, and engaging work environment, the Group organised various festive celebrations throughout the year, including Chinese New Year, Hari Raya Aidilfitri, Deepavali, and Christmas. These events were held to acknowledge and respect Malaysia's rich cultural diversity, while also strengthening camaraderie among employees across the group.

Activities such as communal meals, cultural performances, team games, and themed decorations helped foster a sense of belonging, appreciation, and unity within the workplace. These engagement efforts reflect the Group's commitment to supporting employee well-being, diversity, and a harmonious workplace culture.

Festival Celebrations

1. Chinese New Year Celebration
2. Hari Raya Puasa Open House
3. Deepavali
4. Christmas



SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY ENGAGEMENT ACTIVITIES

The Group organised a company-wide paper recycling campaign, with active participation from all departments. The initiative aimed to raise awareness of resource conservation and promote responsible waste management practices across the organisation. Departments were encouraged to collect used paper for recycling, with a light-hearted competition to foster engagement and team spirit.

This campaign is held on a quarterly basis, and the collected paper is accounted for under non-hazardous waste, contributing to the Group's broader efforts to reduce waste sent to landfill. In one such cycle, a total of 1,354 kg of paper was collected and sold. The proceeds are distributed among employees, with a small token of appreciation extended to the team with the highest contribution.

Beyond supporting circular resource use and waste reduction, the campaign has also helped to strengthen cross-departmental collaboration and reinforce a culture of sustainability within the workplace.

Recycling Campaign



Sustainability Day



SUSTAINABILITY STATEMENT (CONT'D)

OCCUPATIONAL HEALTH AND SAFETY

The Group remains fully committed to safeguarding the health, safety, and well-being of all employees, contractors, and stakeholders. The OHS management system is designed to proactively identify, evaluate, and control workplace hazards in accordance with the Occupational Safety and Health Act 1994 and OSHA (Amendment) 2024 and SMETA requirements.

OHS policies are governed by the Safety, Health and Environment (SHE) Committee, with operational oversight and incident response led by the Emergency Response Team (ERT). This dual governance structure ensures both strategic direction and effective implementation of safety measures across all operations.

During the FYE 2025, all employees received role-specific OHS training, covering on hazard identifications, emergency procedures, and the proper use of Personal Protective Equipment (PPE). Through consistent monitoring, workplace inspections, and internal safety audits, no work-related accidents or near-miss incidents were reported during the year. This achievement reflects the effectiveness of the preventive measures and the strong safety culture embedded across the Group.

To further reinforce workplace safety, the Group implemented a series of structured initiatives, including:

- Regular workplace safety inspections and monitoring;
- Prompt reporting and resolution of near-miss incidents to mitigate potential hazards;
- Strict enforcement of appropriate PPE usage;
- Recurring SHE Committee and ERT meetings to review safety performance and reinforce best practices;
- Continued employee engagement through awareness programs and participation in safety briefings.

To ensure a safe and healthy work environment, the Group also implemented targeted health surveillance and exposure control measures aligned with its manufacturing processes and in accordance with OSHA standards. These included:

- Chemical Health Risk Assessments (CHRA)
- Chemical Exposure Monitoring
- Medical Surveillance
- Noise Risk Assessments (NRA)
- Audiometric Testing for hearing conservation
- Local Exhaust Ventilation (LEV) System Testing
- Ergonomic Risk Assessment (ERA)
- Drinking Water Quality Monitoring

These proactive measures are designed to prevent occupational illnesses and long-term health risks, while ensuring full compliance with applicable regulatory limits. The assessment results confirmed that all monitored parameters were within safe thresholds.

As a result of these efforts, the Group recorded zero work-related accidents in FYE2025, achieving a Lost Time Injury Rate (LTIR) of 0.0. This milestone underscores the effectiveness of the OHS management system and reflects the Group's continued commitment to workplace safety. The Group attained a 93% score in the latest audit by the Department of Occupational Safety and Health (DOSH), reflecting a high level of regulatory compliance and effective implementation of OHS system.

Looking ahead, the Group remains dedicated to enhancing OHS practices in alignment with the GRI 403: Occupational Health and Safety 2018 standards and SMETA's ethical trade principles. The long-term goal is to foster a zero-harm culture, where every employee is empowered to take ownership of health and safety.

Occupational Health & Safety	Unit	FYE 2025	FYE 2024	FYE 2023
Number of work related fatalities	Number	0	0	0
Lost Time Incideny Rate ("LTIR")	Rate	0	3.17	3.3
Number of employees trained on health & safety standards	Number	450	231	237

SUSTAINABILITY STATEMENT (CONT'D)

Safety Training



CYBERSECURITY AND DATA PROTECTION

As the Group fully embrace digital transformation, it recognises that cybersecurity threats can emerge across operations. These threats include cyber-attacks, data breaches, and potential IT system failures—each capable of disrupting work and compromising sensitive information.

The Group tackles these risks head-on and built robust cybersecurity defences, conducting regular IT audits, and ensuring employees remain aware through ongoing cybersecurity training. By proactively managing these risks, the Group safeguards operations, protects customers' data, looks out for stakeholders, and fosters sustainable growth.

The Group's cybersecurity policy and procedures are subject to SCAN Security Audits to meet C-TPAT requirements. SCAN Security Audit is an audit methodology designed to identify and address discrepancies in the security system. Any findings are followed up with appropriate Corrective Actions and Preventive Actions (CAPA) to enhance system integrity and mitigate future risks.

The Group has specified in the Personal Data Protection Act (PDPA) Policy how employees' personal data will be collected and processed for official purposes. By transparently declaring the use of personal data and obtaining employee consent, the Group aims to build trust, enhance employee confidence, and mitigate the risk of substantial fines under the PDPA 2010. This implementation has been reviewed in SMETA Audit.

SUSTAINABILITY STATEMENT (CONT'D)

The Group has recommended for re-certification, with annual compliance audits conducted to ensure continuous adherence to security standards and to strengthen supply chain resilience.

No complaints regarding data leaks or losses were reported.

Cybersecurity & Data Protection	Unit	FYE 2025	FYE 2024	FYE 2023
Number of substantiated compliants concerning breaches of customer privacy or losses of customer	Number	0	0	0

Ethics and Integrity

The Group upholds a strong culture of ethics and integrity as outlined in the Code of Conduct and Ethics, embedded within the RGT Employee Handbook. All employees are expected to perform their duties with full attention, dedication, and professionalism, consistently demonstrating the Group's core values in all interactions with stakeholders.

The Group is committed to maintaining high standards of ethical behaviour, corporate governance, and sustainable business practices. These principles guide decision-making and support long-term value creation for all stakeholders.

To foster transparency and accountability, the Group has established a Whistleblowing Policy, which provides a safe and confidential channel for employees and external parties to report any suspected misconduct, unethical behaviour, or violations of laws, regulations, or internal policies. Disclosures can be made via email to whistleblowing@rgt.com.my, and all reports are handled with strict confidentiality and without retaliation.

As of the FYE 2025, the Group recorded zero grievance complaints through the whistleblowing channel or other formal reporting mechanisms. This reflects not only the effectiveness of the ethical culture but also employee confidence in the internal controls and corporate values.

The Group continues to reinforce ethical practices through regular training and awareness programs on compliance, anti-corruption, and integrity in business conduct.

This framework supports alignment with the GRI 2: Ethics and Integrity standards and enhances governance practices in accordance with the TCFD recommendations on ethical oversight and risk management.

For further information on the Group's Corporate Governance, please visit:
<https://rgtberhad.com/corporate-governance/>

ANTI-BRIBERY AND CORRUPTION ("ABC")

The Group is committed to conduct its business ethically by having procedures for the prevention, deterrence and detection of fraud, bribery and all other corrupt business practices by adopting this ABC Policy. The Group maintains a zero-tolerance policy for bribery, fraud and corruption, and will comply with the Malaysian Anti-Corruption Commission Act 2009 and the new Corporate Liability provision under Section 17A of the MACC Act 2009, introduced via the 2018 amendment, establishes that a commercial organisation can be held liable for corrupt acts committed by associated persons, unless it can demonstrate that adequate procedures were in place.

SUSTAINABILITY STATEMENT (CONT'D)

All Directors and employees attended briefing on Anti-Bribery & Corruption when they first joined the company and they will be giving a refresh ABC training annually.

The ABC Policy, along with the Whistleblowing and Conflict of Interest policies, is publicly available on the Group's website at: <https://rgtberhad.com/corporate-governance/>.

Anti-Bribery & Corruption	Unit	FYE 2025	FYE 2024	FYE 2023
Percentage of employees who have received training on anti-bribery & corruption by employees category				
Management	%	100	100	100
Executive	%	100	100	100
Non-Executive	%	100	100	100
Percentage of operations assessed for corruption related risks	%	100	100	100
Confirmed incidents of corruption and action taken	Number	0	0	0

Whistleblowing

The Group has implemented policy and procedures on whistleblowing for stakeholders of the Group to report genuine concerns or allegations about alleged unethical behaviour, actual or suspected fraud within the Group, or improper business conduct affecting the Group. These measures are designated to promote transparent, effective and clear communication across the organisation.

The whistle-blower may raise concerns by describing the misconduct and attaching relevant supporting documents and other audio and visual evidence, and submitting them to whistleblowing@rgt.com.my.

The Group is also pleased to report that for the FYE 2025, there were no legal cases involving corrupt practices or anti-competitive behaviour brought against the Group or any of its employees. This reflects the effectiveness of the Group's internal controls, ethical culture, and continued compliance with anti-corruption laws, including the corporate liability provisions under Section 17A of the MACC Act 2009.

PRODUCT QUALITY AND SAFETY

The Group provides quality products and services to customers; compliant products that meet or exceed customers' expectations. Stringent quality management practices are upheld across operations, guided by internationally recognised standards such as ISO 9001 and ISO 13485, ensuring that products and services consistently fulfil customer and regulatory requirements.

To ensure product safety and regulatory compliance, the Group adheres to key industry-specific regulations, including:

- RoHS (Restriction of Hazardous Substances)
- REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals)
- PFAS (Per- and Polyfluoroalkyl Substances) requirements, with all products remaining within permissible limits
- Relevant product safety and labelling standards

SUSTAINABILITY STATEMENT (CONT'D)

These standards are embedded into product development and manufacturing processes to uphold quality, traceability, and user safety.

Customer satisfaction is a KPI. To assess and improve performance, the Group conducts annual customer satisfaction surveys, allowing customers to evaluate various aspects such as product quality, delivery reliability, service support, and project management and engineering. Feedback gathered from these surveys forms the basis of continuous improvement initiatives.

In addition, a structured customer complaints management system is maintained. Customers may raise concerns through the Business Development department, and any unresolved complaints are escalated to management for further action. All feedback is documented by the Quality Assurance department and used to enhance product and service quality, as well as for employee training purposes.

For FYE 2025, the Group received no customer grievances related to product health and safety, reinforcing its commitment to delivering safe and high-quality products.

CONCLUSIONS

Information provided in this FYE 2025 report is extracted from sources reviewed and verified by Talent League Sdn Bhd, the company's internal auditor.

The Group's commitment to sustainability is led by ongoing efforts to reduce energy and carbon impacts. Its sustainability program prioritises environmentally focused initiatives that deliver efficiency, value, and health benefits. Socially, the Group fosters a workplace culture that supports individual growth and safety, while actively contributing to the communities where it operates. Good governance practices, aligned to relevant laws and corporate values, remain integral to preserving value for shareholders and stakeholders.

This Statement was approved by the Board of Directors on 30 September 2025.

SUSTAINABILITY STATEMENT (CONT'D)

PERFORMANCE DATA TABLE

Indicator	Unit	FY2025	FY2024	FY2023	Target
Climate Change and Energy Management					
Bursa C4(a) Total energy consumption	MWh	5,800	3,022	3,179	Reduce energy consumption by 2% annually
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ -e	70	32	33	Net zero by 2050
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ -e	3,523	1,707	1,859	
Bursa C11 (c) Scope 3 emissions in tonnes of CO ₂ e (i.e., business travel and employee commuting)	tCO ₂ -e	209	162	N/A	
Waste Management					
Bursa C10(a) Total waste generated	mt	225	170	137	
Bursa C10(a)(i) Total waste diverted from disposal	mt	172	141	114	80% / Results 73%
Bursa C10(a)(ii) Total waste directed to disposal	mt	53	29	23	20% / Results 27%
Water Management					
Bursa C9(a) Total volume of water used	ML	22	14	13	Monitor on usage
Supply Chain Management and Procurement Practices					
Bursa C7(a) Proportion of spending on local suppliers	%	64	42	50	Local 40% / Results 64% Foreign 60% / Results 36%
Community Investment					
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	15,800	12,000	12,800	RM9000 per year
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	131	113	145	
Employee Management					
Bursa C6(a) Total hours of training by employee category					
Management	Hours	1,018	403	655	
Executive	Hours	2,677	2,986	3,244	
Non-executive	Hours	8,567	7,421	6,021	
Bursa C6(c) Total number of employee turnover by employee category					
Management	Number	5	1	1	Overall 4% / Results 1.26%
Executive	Number	14	15	13	
Non-executive	Number	68	13	42	
Diversity and Equal Opportunity					
Bursa C3(a) Percentage of employees by gender and age group by employee category					
Gender group by employee category					
Management - Male	%	6	4	4	Male 55% / Female 45%
Management - Female	%	3	3	3	Results : Male 58% / Female 42%
Executive - Male	%	10	12	14	
Executive - Female	%	9	9	10	
Non-executive - Male	%	42	27	30	
Non-executive - Female	%	30	45	39	
Age group by employee category					
Management - < 30	%	0	0	0	Negligible
Management - 30 - 50	%	4	2	3	
Management - > 50	%	5	4	5	
Executive - < 30	%	5	7	9	
Executive - 30 - 50	%	10	12	12	
Executive - > 50	%	3	2	2	
Non-executive - < 30	%	44	47	43	
Non-executive - 30 - 50	%	25	22	22	
Non-executive - > 50	%	4	4	4	
Bursa C3(b) Percentage of directors by gender and age group					
Male	%	85	83	83	
Female	%	15	17	17	
< 30	%	0	0	0	
30 - 50	%	25	17	17	
> 50	%	75	83	83	
Bursa C6(b) Percentage of employees that are contractors or temporary staff	%	1	2	1	
Human Rights					
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0	Zero incident compliant annually
Occupational Health & Safety					
Bursa C5(a) Number of work-related fatalities	Number	0	0	0	Zero fatality annually
Bursa C5(b) Lost Time Incident Rate ("LTIR")	Rate	0	3.17	3.30	LTIR < 5
Bursa C5(c) Number of employees trained on health and safety standards	Number	450	231	237	
Anti-corruption					
Bursa C1(a) Percentage of employees who have received training on anti- corruption by employee category					
Management	%	100	100	100	100%
Executive	%	100	100	100	
Non-executive	%	100	100	100	
Bursa C1(b) Percentage of operations assessed for corruption-related risks	%	100	100	100	
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0	Zero incident of corruption annually
Cybersecurity & Data Protection					
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer	Number	0	0	0	Zero cybersecurity complaint annually

SUSTAINABILITY STATEMENT (CONT'D)

TALENT LEAGUE SDN BHD [201201023307 (1007799-T)]

D-61-3A, Level 3A, Jaya One,
No. 72A, Jalan Prof Diraja Ungku Aziz, Seksyen 13,
46200 Petaling Jaya, Selangor.
Tel: 03-7497 2558



INDEPENDENT LIMITED ASSURANCE STATEMENT

Independent Limited Assurance Statement

Independent Limited Assurance Statement to the Directors of RGT Berhad on Sustainability Metrics within the Sustainability Report 2025.

Our Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter as presented in RGT's Sustainability Statement 2025 have not been prepared and presented fairly, in all material respects, in accordance with the Criteria defined below.

Scope of Work

Talent League Sdn Bhd ("Talent League" or "we") was engaged by RGT Berhad ("RGT") to perform a 'limited assurance engagement,' as defined by the International Standard on Assurance Engagements ("ISAE") 3000 Revised, Assurance Engagement other than Audits or Review of Historical Financial Information, on selected subject matters ("Subject Matter") included in RGT's 2025 Sustainability Statement ("SS2025") for the financial year ended 30 June 2025.

Subject Matter

Our limited assurance engagement was performed for the Subject Matter listed in the table below, as presented in the SS2025:

No.	Material Matters	Subject Matter	Scope
1	Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category	Operations assessed: Malaysia
		Percentage of operations assessed for corruption-related risk	
		Confirmed incidents of corruption and action taken	
2	Community/ Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	
		Total number of beneficiaries of the investment in communities	
3	Diversity	Percentage of employees by gender and age group, for each employee category	
		Percentage of directors by gender and age group	
4	Energy management	Total energy consumption	
5	Health and safety	Number of work-related fatalities	
		Lost time incident rate	
		Number of employees trained on health and safety standards	

SUSTAINABILITY STATEMENT (CONT'D)

RGT BERHAD

30 September 2025

Page 2 of 5



No.	Material Matters	Subject Matter	Scope
6	Labour practices and standards	Total hours of training by employee category	Operations assessed: Malaysia
		Percentage of employees that are contractors or temporary staff	
		Total number of employee turnover by employee category	
		Number of substantiated complaints concerning human rights violations	
7	Supply chain management	Proportion of spending on local suppliers	
8	Data privacy and security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	
9	Water	Total volume of water used	
10	Waste management	Total waste generated, and a breakdown of the following: (i) total waste diverted from disposal (ii) total waste directed to disposal	
11	Climate change	Scope 1 emissions in tonnes of CO ₂ e	
		Scope 2 emissions in tonnes of CO ₂ e	
		Scope 3 emissions in tonnes of CO ₂ e	

The scope of our work was limited to the Subject Matter presented in the SS2025 and did not include coverage of data sets or information unrelated to the data and information underlying the Subject Matter and related disclosures; nor did it include information reported outside of the SS2025, comparisons against historical data, or management's forward-looking statements.

Criteria applied by RGT

In preparing the Subject Matter mentioned above, RGT applied the following criteria:

- *Bursa Main Market Listing Requirements ("MMLR")*
- *Global Reporting Initiative ("GRI")*
- *United Nations Sustainable Development Goals ("UN SDGs")*
- *Task Force on Climate-related Financial Disclosures ("TCFD")*
- *RGT's Sustainability relevant policies*

RGT's Responsibilities

RGT's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

Talent League's responsibilities

Our responsibility is to express our conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter and related disclosures as presented in the SS2025 are not prepared, in all material respects, in accordance with the Criteria.

SUSTAINABILITY STATEMENT (CONT'D)

RGT BERHAD
30 September 2025
Page 3 of 5



We have performed our limited assurance engagement in accordance with the terms of reference for this engagement agreed with RGT, including performing the engagement in accordance with the ISAE 3000, issued by the International Auditing and Assurance Standards Board. This Standard requires that we plan and perform our engagement to obtain limited assurance about whether the Subject Matter and related disclosures as presented in the SS2025 are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 involves assessing the suitability in the circumstances of RGT's use of the criteria specified as the basis of preparation used for the selected Subject Matter and related disclosures presented in the SS2025, assessing the risks of material misstatement thereof, whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter and related disclosures in the SS2025. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

This assurance has been conducted at a limited level according to International Professional Practices Framework ("IPPF"), the IIA2, at a minimum the internal audit function should provide the following assurance over ESG reporting;

- 1) Review reporting metrics for relevancy, accuracy, timeliness and consistency;
- 2) Review reporting for consistency with formal financial disclosure filings;
- 3) Conduct materiality or risk assessments on ESG reporting;

including the Principles contained within the Global Reporting Initiative.

Statement of Independence and Competence

Talent League provides a range of services, including internal audit, internal control review, risk management, and environmental, social, and ethical auditing and training. Additionally, we offer assurance services for environmental, social, sustainability, and ESG reports.

We affirm our **independence from RGT**, ensuring freedom from bias and conflicts of interest with the organisation, its subsidiaries, and stakeholders. The assurance team was carefully assembled based on their knowledge, experience, and qualifications for this assignment.

Description of Procedures Performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

SUSTAINABILITY STATEMENT (CONT'D)

RGT BERHAD

30 September 2025

Page 4 of 5



A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Gaining an understanding of RGT's business, internal processes and approach to sustainability
- Conducting interviews with key personnel and collating evidence to understand RGT's process for reporting performance indicators and disclosures, including inquiring regarding risks of misstatement and quality controls to address risks
- Conducting limited assurance procedures over the selected Subject Matter and disclosures, including:
 - a) Undertaking analytical procedures to support the reasonableness of the data
 - b) Checking that the calculation Criteria have been applied as per the methodologies for the Subject Matter within the Statement
 - c) Identifying and testing assumptions supporting calculations
 - d) Testing, on a sample basis, underlying source information to check accuracy of the data
 - e) Performing recalculations of performance indicators using input data
 - f) Checking that measurements made at the end of the reporting period are timely entered in the records and the sustainability statement
 - g) Obtaining appropriate representations from management, in the form of a management representation letter addressed to us to confirm that the management believes that it has fulfilled its responsibilities

We also performed such other procedures as we considered necessary in the circumstances.

Inherent Limitations

Inherent limitations of assurance engagements include use of judgement and selective testing of data, which means that it is possible that fraud, error or non-compliance may occur and not be detected in the course of performing the engagement. Accordingly, there is some risk that a material misstatement may remain undetected. Further, our limited assurance engagement is not designed to detect fraud or error that is immaterial.

There are additional inherent risks associated with assurance engagements performed for non-financial information given the characteristics of the subject matter and associated with the compilation of source data using definitions and methods for determining, calculating, and estimating such information that are developed internally by management. The absence of a significant body of established practice on which to draw, allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. In particular, where the information relies on factors derived by independent third parties, our assurance work has not included examination of the derivation of those factors and other third-party information.

Other Matters

Information relating to prior reporting periods has not been subject to assurance procedures. Our report does not extend to any disclosures or assertions relating to future performance plans and/or strategies disclosed in the SS2025. The maintenance and integrity of RGT's website is the responsibility of RGT's management. Our

SUSTAINABILITY STATEMENT (CONT'D)

RGT BERHAD
30 September 2025
Page 5 of 5



procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to the Subject Matter and related disclosures, the SS2025 or to our independent limited assurance report that may have occurred since the initial date of presentation on the RGT's website.

Restriction of use

Our work has been undertaken to enable us to express a limited assurance conclusion on the matters stated above in our report provided to the directors of RGT in accordance with the terms of our engagement, and for no other purpose.

Our report is intended solely for the directors of RGT and should not be used by any other parties. To the fullest extent permitted by the law, we do not accept or assume liability to any party other than the directors of RGT, for our work, for this report, or for the conclusion we have reached.

We agree to the publication of this assurance report in RGT's SS2025 for the financial year ended 30 June 2025, provided it is clearly understood by recipients of the SS2025 that they enjoy such receipt for information only and that we accept no duty of care to them whatsoever in respect of this report.

Talent League Sdn Bhd
201201023307 (1007799-T)
Malaysia
30 September 2025

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SUSTAINABILITY STATEMENT (CONT'D)

GRI Content Index

GRI Standard	Disclosure		Page	
General Disclosures				
GRI 2: General Disclosure 2021	2-1	Organisational details	28	
	2-2	Entitles included in the organisation's sustainability reporting	27	
	2-3	Reporting period, frequency and contact point	27	
	2-5	External assurance	61 - 65	
	2-6	Activities, value chain and other business relationships	29	
	2-7	Employees	45 - 49	
	2-9	Governance structure and composition	29 - 30	
	2-10	Nomination and selection of the highest governance body	72 - 73	
	2-11	Chair of the highest governance body	29	
	2-12	Role of the highest governance body in overseeing the management of impacts	70 - 71	
	2-13	Delegation of responsibility for managing impacts	30	
	2-14	Role of the highest governance body in sustainability reporting	30	
	2-15	Conflicts of interest	58, 71, 86	
	2-16	Communication of critical concerns	32	
	2-17	Collective knowledge of the highest governance body	29 - 30	
	2-18	Evaluation of the performance of the highest governance body	72	
	2-19	Remuneration policies	74	
	2-20	Process to determine remuneration	74	
	2-21	Annual total compensation ratio	75	
	2-22	Statement on sustainable development strategy	26	
	2-23	Policy commitments	46, 55, 57 - 58	
	2-24	Embedding policy commitments	26	
	2-25	Processes to remediate negative impacts	38 - 41, 45 - 47, 55	
	2-26	Mechanisms for seeking advice and raising concerns	57 - 58	
	2-27	Compliance with laws and regulations	36, 40, 55 - 57	
	2-28	Membership associations	31	
	2-29	Approach to stakeholders' engagement	32	
	Material topics			
	GRI 3: Material Topics 2021	3-1	Process to determine material topics	33
3-2		List of material topics	33	
3-3		Management of material topics	33 - 34	

SUSTAINABILITY STATEMENT (CONT'D)

GRI CONTENT INDEX (CONT'D)

GRI Standard	Disclosure		Page
Economic Performance			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	102
Anti-corruption			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 205: Anti-Corruption 2016	205-1	Operations assessed for risks related to corruption	35
	205-2	Communication and training about anti-corruption policies and procedures	50
	205-3	Confirmed incidents of corruption and action taken	57 - 58
Health & Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	55
	403-4	Worker participation, consultation, and communication on occupational health and safety	55
	403-5	Worker training on occupational health and safety	50, 56
	403-9	Work-related injuries	55
Cybersecurity & Data Protection			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	56 - 57
Climate Change			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	38 - 39
	302-4	Reduction of energy consumption	39
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	37
	305-2	Energy (Scope 2) GHG emissions	38 - 39
	305-3	Other indirect (Scope 3) emissions	40
	305-5	Reduction of GHG emissions	37 - 40
Employee Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	50
	404-2	Programs for upgrading employee skills and transition assistance programs	50
Diversity, Equity & Inclusion			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	48 - 49

SUSTAINABILITY STATEMENT (CONT'D)

GRI CONTENT INDEX (CONT'D)

GRI Standard	Disclosure		Page
Human Rights			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	42 - 43, 45 - 46
Supply Chain Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	43 - 44
GRI 308: Supplier Environmental Assess 2016	308-1	New suppliers that were screened using environmental criteria	43
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	43
Waste Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 306: Waste 2020	306-3	Waste generated	40 - 41
	306-4	Waste diverted from disposal	41
	306-5	Waste directed to disposal	41
Community Investment			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 413: Local Communities 2020	413-1	Operations with local community engagement, impact assessments and development programs	44 - 45
Water Management			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 303: Water and Effluents 2018	303-5	Water consumption	41
Materials			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 301: Materials 2016	301-1	Materials used by weight or volume	43
	301-2	Recycled input materials used	43
Product Quality and Safety			
GRI 3: Material Topics 2021	3-3	Management of material topics	33
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	58 - 59
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	58 - 59

SUSTAINABILITY STATEMENT (CONT'D)

TCFD Disclosure Index

Core Elements	Recommended Disclosure	Page
Governance The organisation's governance oversight of climate-related risks and Opportunities.	a) Describe the board's oversight of climate-related issues, risks and opportunities.	29 - 30
	b) Describe the management's role related to the assessment and management of climate-related issues, risks and opportunities.	
Strategy Disclose the climate-related risks and opportunities the organization has identified over the short, medium and long term.	a) Describe what consider the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	35
	b) Describe the specific climate-related issues potentially arising in the short, medium and long term that could have a material financial impact on the organization.	
	c) Describe the processes used to determine which risks and opportunities could have a material financial impact on the organization taking into consideration different climate-related scenarios taking into consideration a transition to a lower carbon economy consistent with a 20C or lower scenario where relevant to the organization.	
Risk Management Disclose how the organization identifies, assesses, and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks.	35
	b) Describe the organization's processes for managing climate-related risks and consider the existing and emerging regulatory requirements related to climate change (e.g limits on emission)	
	c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management.	
Metrics and Targets Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	36 - 39, 41

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of RGT Berhad ("RGTBHD" or "the Company") is committed in ensuring that good corporate governance is practised throughout RGTBHD and its subsidiaries ("the Group") by adopting the principles set out in the Malaysian Code on Corporate Governance ("MCCG" or "the Code") to safeguard the stakeholders' interest and enhancing its shareholders' value. Good corporate governance practices adopted by the Group is important for the long-term success and sustainability of the Group.

The Corporate Governance Overview Statement ("CG Statement") is prepared in compliance with Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("MMLR") and it is to be read together with the CG Report 2025 ("CG Report") of the Company. Both documents are available on the Company's website at www.rgtberhad.com.

The CG Report details how the Company has applied each Practice as set out in the MCCG during the financial year ended 30 June 2025 ("FYE 2025").

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Board sets directions through strategic planning by leading and directing the Group's business operations to enhance shareholders' value. The Board discharges its responsibilities by, among others, promoting good corporate governance, ensuring shareholders are kept informed of the Group's performance and major developments, monitors implementation plans, ensuring the systems of risk management and internal control are in place and effective. The Board has delegated specific responsibilities to the Board Committees, namely, the Audit Committee ("AC"), Remuneration Committee ("RC"), Nomination Committee ("NC") and Risk Management Committee ("RMC"). These Board Committees operate within the defined terms of references ("TOR") approved by the Board.

The Management is accountable to the Board for the execution of the Board's strategic plans and directions. The Management carries out and executes the day-to-day business and operational matters or such other matters to meet the Board's directions and eventually to achieve the Board's goals of enhancing the shareholder's value.

The Board has also direct access to Senior Management and has unrestricted and immediate access to information relating to the Group's business and affairs in the discharge of their duties. The Board will invite the Senior Management to attend meetings for reporting on major issues relating to their respective responsibilities.

The key responsibilities of the Chairman are ensuring the Board's effectiveness and conduct. He also promotes an open environment for debate and ensures effective contributions from all Directors. At general meetings, the Chairman plays a role in fostering constructive dialogue between shareholders, Board and Management. The Chief Executive Officer ("CEO"), who is also an Executive Director, is in charge of the day-to-day operations of the business and provide strategic business decision, to be implemented by the Management, for the benefit of all stakeholders. There is clear division of responsibilities between Chairman and the CEO. The Board is led by the Independent Non-Executive Chairman while the Management is led by CEO.

The Board Charter sets out the duties, responsibilities and functions of the Board in accordance with the principles of good corporate governance. The Board Charter serves as a reference for the operation of the Board and is subject to periodic review to ensure that it remains consistent with the Board's roles and responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

I. Board Responsibilities (Cont'd)

During the financial year under review, all Board Committees have held meetings on a regular basis and/or as and when required to discuss various issues that came within its TOR. Their findings and/or recommendations are then tabled to the Board for deliberations and further actions. The Board meets on a quarterly basis with additional meetings convened when there are urgent issues or matters that required attention from the Board.

The Board has formalised a Code of Conduct and Ethics for Directors and Employees in discharging their roles and responsibilities effectively. The Code of Conduct and Ethics required all Directors to observe high ethical business standards, always act in the best interest of the Group, avoid any conflict of interest situation with the Group and ensure ethical behaviour in compliance with laws and regulations.

The Group has adopted a Whistleblowing Policy to foster an environment where integrity and ethical behaviour are maintained and any illegal or improper actions and/or wrong doings in the Group can be addressed promptly while offering protection in term of confidentiality of information and safeguard the whistleblower.

The Group adopted an Anti-Bribery and Corruption Policy which complies with the provision of Malaysian Anti-Corruption Commission Act 2018. The Group is committed to conduct its business ethically by having procedures for prevention, deterrence and detection of fraud, bribery and all other corrupt business practices. The Group had conducted regular briefings and trainings to all Directors and employees to create awareness on the Anti-Bribery and Corruption Policy and the Group's zero-tolerance on the corruption practices.

The Group adopted a Conflict of Interest Policy to ensure actual, potential, and perceived conflicts of interest are identified, addressed, and managed effectively, and to provide guidance on how to deal with conflict of interest or potential conflict of interest situations as they arise.

The Group is committed towards sustainable development and believed that sustainable corporate success requires the highest standard of corporate behaviour including measuring up to public expectations on its economic, environmental, social and corporate governance responsibilities. As a socially responsible citizen, the Group has approached the process of addressing higher expectations of economic, environmental, social and corporate governance responsibilities as part of how the Group normally works and thinks. The Group's efforts in this regard including the corporate responsibility activities for the financial year under review have been set out in the Sustainability Statement in this Annual Report.

The Board members have full access to the Company Secretary, who is qualified to act as company secretary under Section 235(2) of the Companies Act 2016 ("CA 2016"). She provides advisory services to the Board, in relation to the Company's constitution, policies and procedures and compliances with the relevant regulatory requirements, codes or guidance and legislations to enhance the effective functioning of the Board and to ensure regulatory compliance.

The Board Charter, Code of Conduct and Ethics for Directors, Whistleblowing Policy, Anti-Bribery & Corruption Policy and Conflict of Interest Policy are available at the Company's website at www.rgtberhad.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

II. Board Composition

As at the date of this Annual Report, the Board comprised of seven (7) Directors: three (3) Independent Non-Executive, one (1) Non-Independent Non-Executive and three (3) Executive as follows:-

Designation	Name of Directors
Independent Non-Executive Director	Dato' Ir. Low Keng Kok, Chairman Dato' Lim Yong Jin Tan Peng Lam (Appointed on 18 Nov 2024) Dr. Ooi Hun Pin (Resigned on 25 October 2024)
Non-Independent Non-Executive Director	Henco Pezij (Appointed on 18 Nov 2024)
Executive Director	Datuk Lim Seat Hoe, CEO Lee Soo Ching Ng Choon Keat

The details of directors' background, experiences and qualifications are set out under Board of Directors' Profile in this Annual Report.

Dr. Ooi Hun Pin resigned on 25 October 2024 and the vacancy was filled on 18 November 2024 with the appointment of Mr. Tan Peng Lam. Concurrent with his resignation from the Board, Dr. Ooi also relinquished all his roles in the Board Committees. Upon his appointment, Mr. Tan assumed the chairmanship of AC and was appointed as a member of both the NC and the RC.

The Board acknowledges that an appropriate mix of knowledge, skill, industry experience, gender, ethnicity and age is fundamental to the right board composition to ensure that diverse perspectives and insights are expressed in the decision making process for the best interest of the Group.

The Board is assisted by the NC which is chaired by an Independent Non-Executive Director to review, amongst other, the size and composition of the Board and Board Committees. The NC reviews the effectiveness of the Board, performance of each individual director and assess the independence of Independent Non-Executive Directors on an annual basis to determine if the Board has the right size and sufficient diversity with independence element that meet the Group's objectives and strategic goals.

On 28 August 2025, an assessment of the effectiveness of the Board, respective Board Committee and Independence were carried out in respect of the FYE 2025. Appraisal form comprised both qualitative and quantitative performance criteria to evaluate the performance of the Board as well as each Board Committee. The NC reviewed the required mix of skill, experience and other qualities of the Board and Board Committees and agreed that it has the necessary mix of skill, experience and other necessary qualities to serve effectively.

Notwithstanding the recommendation of the Code, the Board is presently of the view that there is no necessity to fix a maximum tenure limit for Independent Non-Executive Directors as there are significant advantages to be gained from the long-serving Independent Non-Executive Directors who possess tremendous insight and knowledge of the Group's businesses and affairs. The Board is cognisant that for those Independent Non-Executive Directors that have served for more than nine (9) years, they may continue to serve on the Board subject to the Director's re-designation as Non-Independent Non-Executive Directors or the Board shall justify and seek annual shareholder's approval to retain them.

The Board is supportive of gender diversity in the boardroom. Lee Soo Ching is presently the sole female of the Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

II. Board Composition (Cont'd)

The diversity in age, ethnicity, nationality and gender of the Board as at the date of this Annual Report as follows:-

Directorate	Executive 3	Independent Non-Executive 3	Non-Independent Non-Executive 1
Gender	Male 6	Female 1	
Nationality	Malaysian 6	Foreigner 1	
Ethnicity	Bumiputera 0	Chinese 6	Dutch 1
Age	40 - 49 1	50 – 59 2	60 and above 4

The Board complies with the MMLR in maintaining to the ratio of Independent Non-Executive Directors relative to the overall Board Composition.

Attendance in Board Meetings

During the FYE 2025, the Board held five (5) meetings to deliberate and decide on various issues. The major deliberation, in terms of issue discussed and the conclusion arrived by the Board during the meetings, are recorded by the Company Secretary with the minutes signed by the Chairman of the meetings. Meetings are also organised for the Board Committees.

Details of attendance of each Director at the meetings of the Board and respective Board Committees held during the financial year under review are as follows. Attendance is counted up to date of resignation or from the date of appointment, as applicable.

Name of Directors	Board	AC	NC	RC	RMC
Dato' Ir. Low Keng Kok	5 / 5	4 / 4	2 / 2	2 / 2	–
Datuk Lim Seat Hoe	5 / 5	–	–	–	–
Lee Soo Ching	5 / 5	–	–	–	1 / 1
Dr. Ooi Hun Pin (Resigned on 25 Oct 2024)	2 / 2	1 / 1	1 / 1	1 / 1	–
Ng Choon Keat	5 / 5	–	–	–	–
Dato' Lim Yong Jin	5 / 5	4 / 4	2 / 2	2 / 2	1 / 1
Henco Pezij (Appointed on 18 Nov 2024)	3 / 3	–	–	–	–
Tan Peng Lam (Appointed on 18 Nov 2024)	3 / 3	3 / 3	–	–	–

The Board is satisfied with the time commitment given by the Directors as demonstrated by their full attendance at the meetings of the Board and Board Committees.

In additional, all Directors do not hold more than five (5) directorships in public listed companies as required under paragraph 15.06 of the MMLR to enable the Directors to discharge their duties effectively by ensuring that their commitment, resources and time are more focused. A Director shall notify the Chairman and indicate time commitment on the new appoint before he/she accepts any new directorships in other public listed companies.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

II. Board Composition (Cont'd)

Directors' Training

The training programmes or seminars attended by the Directors during FYE 2025 are as follows:-

Name of Director	Training Programmes / Seminars Attended
Dato' Ir. Low Keng Kok	(i) Sustainable Construction: The Next Level (ii) Emerging Strategic Risks Mitigation Strategies for 2025
Datuk Lim Seat Hoe	(i) Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Lee Soo Ching	(i) Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Ng Choon Keat	(i) Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Dato' Lim Yong Jin	(i) Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Henco Pezij (Appointed on 18 Nov 2024)	(i) Bursa Malaysia Mandatory Accreditation Programme (MAP)
Tan Peng Lam (Appointed on 18 Nov 2024)	(i) Audit Committee Conference 2024 - Embracing Strategic Oversight : The future of Audit Committees (ii) Looking Ahead in 2025: Latest Trends on AI, Amendments to PDPA and Tax Issues (iii) National Sustainability Reporting Framework & Latest Bursa Listing Requirement

III. Remuneration

It is the Company's policy to remunerate Directors adequately to attract and retain the Directors of the necessary calibre to manage its business in promoting business stability and growth. The determination of the remuneration of each Non-Executive Director is decided by the Board as a whole. The Board reimburses any reasonable expenses incurred by Directors in the course of their duties as Directors.

The RC is responsible to recommend to the Board on the remuneration framework as well as the remuneration package of Executive Directors to ensure that rewards commensurate with their contributions to the Group's growth and profitability in order to align the interest of the Directors with those of the shareholders. The RC also ensures the level of remuneration for Directors are linked to their level of responsibilities undertaken and contribution to the effective functioning of the Board and Board Committees, as the case may apply.

The current remuneration (comprising fees and benefit payable) was approved by the shareholders at the 43rd Annual General Meeting ("AGM") of the Company held on 18 November 2024.

On 27 August 2024, the RC undertake a review of the Board Remuneration with the view to determine its competitiveness and sufficiency to attract, retain and motivate individuals with strong credentials, high calibre and astute insights to serve on the Board. The Board approved the recommendation by RC in respect to the revisions to the Board Remuneration which will be put forth to the shareholders for approval at the 44th AGM, in accordance with Sections 230 and 340 (1)(c) of the CA 2016.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

III. Remuneration (Cont'd)

A summary of the Directors' remuneration paid or payable to all Directors of the Company and the Group is set out below:-

	Fees (RM)	Salaries (RM)	Bonuses, Allowances and Other Emoluments (RM)	Statutory Contributions (RM)	Total (RM)
The Company					
Dato' Ir. Low Keng Kok	60,000	—	2,500	—	62,500
Datuk Lim Seat Hoe	—	—	—	—	—
Lee Soo Ching	—	—	—	—	—
Ng Choon Keat	—	—	—	—	—
Dato' Lim Yong Jin	36,000	—	2,500	—	38,500
Henco Pezij (Appointed on 18 Nov 2024)	20,000	—	1,500	—	21,500
Tan Peng Lam (Appointed on 18 Nov 2024)	28,000	—	1,500	—	29,500
Dr. Ooi Hun Pin (Resigned on 25 Oct 2024)	14,000	—	1,000	—	15,000
TOTAL	158,000	—	9,000	—	167,000
The Group					
Dato' Ir. Low Keng Kok	60,000	—	2,500	—	62,500
Datuk Lim Seat Hoe	—	504,000	58,731	22,680	585,411
Lee Soo Ching	—	336,000	53,622	43,680	433,302
Ng Choon Keat	—	384,000	49,210	49,920	483,130
Dato' Lim Yong Jin	36,000	—	2,500	—	38,500
Henco Pezij (Appointed on 18 Nov 2024)	20,000	—	1,500	—	21,500
Tan Peng Lam (Appointed on 18 Nov 2024)	28,000	—	1,500	—	29,500
Dr. Ooi Hun Pin (Resigned on 25 Oct 2024)	14,000	—	1,000	—	15,000
TOTAL	158,000	1,224,000	170,563	116,280	1,668,843

The Board is of the view that disclosure of Top 5 Key Senior Management personnel's remuneration on a named basis and in bands of RM50,000.00 each may not be in the best interest of the Group due to confidentiality and sensitivity of the information. Thus, the Board has opted not to disclose it.

The Terms of Reference of RC are available at the Company's website at www.rgtberhad.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The AC comprised solely of Independent Non-Executive Directors. The Chairman of the AC is not the Chairman of the Board and this is to ensure the effectiveness and independence of the Committee. The number of AC member remained unchanged following the resignation of Dr. Ooi Hun Pin on 25 October 2024 and appointment of Tan Peng Lam as Chairman of the AC on 18 November 2024.

He is a Fellow member of the Association of Chartered Certified Accountants and a member of Malaysia Institute of Accountants. Accordingly, the Company complies with paragraph 15.09(1)(c)(i) of the MMLR. The AC members have the overall competence required to fulfil their duties based on the organisation and operations of the Group, at least one (1) member of the AC is competent in respect of finance and audit.

The Term of Reference of the AC has incorporated the recommendation of Practice 9.2 of the MCCG i.e. 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. Nonetheless, there was no former key audit partner being appointed as an Independent Director nor member of AC.

The Company has established a policy to assess the suitability, objectivity and independence of the External Auditor. In the annual assessment on the suitability, objectivity and independence of the External Auditors, the AC is also guided by, amongst others, External Auditors Evaluation Form recommended by MCCG Guide 2021 and Paragraph 15.21 of the MMLR.

II. Risk Management and Internal Control Framework

The Board acknowledges its responsibilities vis-a-vis the risk governance and oversight functions in order to manage the overall risk exposure of the Group. The Board has formed a RMC which is chaired by Dato' Lim Yong Jin, an Independent Non-Executive Director.

The Company has outsourced to Talent League Sdn. Bhd., an independent professional consulting firm ("Internal Auditor") to carry internal audit function and provide independent assurance on the adequacy and effectiveness of the risk management and internal control of the Group. The AC reviewed and deliberated on the findings together with the recommendations from the Internal Auditors and management action plans.

On 30 September 2025, the Board received assurance from the CEO and Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively to safeguard the Group's assets, as well as shareholders' investments, and the interests of other stakeholders. The details of the Risk Management and Internal Control Framework are set out in the Statement on Risk Management and Internal Control of this Annual Report.

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

I. Communication with Stakeholders

RGTBHD recognised the importance of timely and thorough dissemination to shareholders and stakeholders. The Company provides relevant and timely information regarding the release of quarterly financial results, annual report and circular to shareholders and various announcements on the Company's website and through Bursa Securities' website. The Company's website also serves as a communication channel between the Company with its shareholders and stakeholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE C : INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (Cont'd)

II. Conduct of General Meetings

The Board acknowledges that Annual General Meeting ("AGM") is an important means of communicating with its shareholders. Therefore, RGTBHD dispatched its notice of the 43rd AGM to shareholders more than 28 days before the AGM, which is in line with Practice 13.1 of the Code. Shareholders are given sufficient time to make arrangement to attend the general meeting either in person or by corporate representatives, proxies or attorneys. In accordance with the Company's Constitution, any shareholder may appoint up to a maximum of 2 proxies to attend and vote on his/her behalf in any general meeting with specific the proportions of his holdings to be represented by each proxy. The proxy need not be a member of the Company.

All the resolutions set out in the notice of general meeting will be put to vote by poll. During the meeting, the Independent Non-Executive Chairman will invite shareholders to raise questions pertaining to the proposed resolutions before putting the motions to vote by poll.

Before the commencement of poll voting, the Share Registrar will brief shareholders on the poll voting procedures. An independent scrutineer is appointed to undertake the polling and vote counting verification whilst the Company's Share Registrar will be the polling administrator.

The Company Secretary will announce the results of the poll and the outcome of the general meeting to Bursa Securities via the Bursa LINK and the said announcement can also be accessed via the Company's website at www.rgtberhad.com.

The 43rd AGM and an Extraordinary General Meeting ("EGM") were held in-person on 18 November 2024 and 15 May 2025 respectively. All members of the Board together with representatives of the Management attended the general meetings to respond to the questions raised by shareholders or proxies.

Minutes of the general meetings were uploaded to the Company's website within 30 business days from the date of the meetings.

The Company continues to explore the leveraging of technology, to enhance the quality of engagement with its shareholders and facilitate further participation by shareholders at general meetings of the Company. Announcement of the detailed results of the poll voting had been made to the public accordingly.

STATEMENT ON COMPLIANCE

The Board will continue to strive for high standard of corporate governance throughout the Group. Presently, the Board is of the view that the Company and the Group has, in all material aspects, satisfactorily complied with the principles and practices set out in the MCCG, except for the departures set out in the CG Report.

This CG Statement is made in accordance with a Board resolution dated 30 September 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Paragraph 15.26 (b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR"), the Board of Directors ("Board") of RGT Berhad ("RGTBHD" or "the Company") is pleased to present the Statement on Risk Management and Internal Control ("this Statement") for the financial year ended 30 June 2025 ("FYE 2025") which was prepared in accordance with the Malaysian Code on Corporate Governance ("MCCG" or the "Code") and Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("the Guidelines").

BOARD AND MANAGEMENT RESPONSIBILITIES IN RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises the importance of maintaining a sound risk management framework and internal control system to cover controls relating to risk management, financial, operational and compliance to achieve the following objectives:-

1. Safeguard the shareholders' interest and assets of the Group;
2. Identify and manage risk affecting the Group;
3. Ensure compliance with regulatory requirements;
4. Ensure compliance with Code of Conduct and Ethics for Directors, Employee Handbook and other internal memorandum;
5. Ensure the effectiveness and efficiency of operations to achieve objectives of the Group; and
6. Ensure the integrity and reliability of financial information.

Functionally, risk management is the responsibility of all Executive Directors and Management staff members. The Executive Directors and Senior Management organise informal meetings and discussions to discuss and manage business risks of the Group to ensure that businesses are under control.

The Board has empowered the Audit Committee ("AC") to review the adequacy and effectiveness of internal controls through the internal audits conducted by the Internal Auditors, Talent League Sdn. Bhd, an independent professional consulting firm. The audit findings/weaknesses, audit recommendations and Management responses are tabled by the Internal Auditors during the AC meetings and thereafter escalated to the Board. In addition, the AC obtained feedback from the External Auditors on the audit risk and control issues highlighted by them in the course of their annual statutory audit.

The Risk Management Committee ("RMC"), which is headed by Dato' Lim Yong Jin, assists the Board in fulfilling its corporate governance oversight responsibilities with regard to the identification, evaluation and mitigation of strategic and operational risks. The RMC has an overall responsibility for monitoring and approving the Enterprise Risk Management ("ERM") framework and ensure that risk management is embedded in all key processes implemented by the Group, evaluating the potential impact and likelihood of the risks identified and mitigating controls. At its scheduled meetings in FYE 2025, the RMC had reviewed and assessed the efficacy of the controls and progress of action plans taken to mitigate, monitor and manage the overall risk exposure of the Group.

RISK MANAGEMENT

The Board has established an ERM framework to continuously identify and evaluate all key risks faced by the Group and RMC is tasked to report to the Board. The Group is adopting the COSO Enterprise Risk Management framework which is the internationally recognised risk management framework.

The Group's system of risk management presently focuses on operational risks, particularly pertaining to quality of manufacturing and credit risks which are the regular subject matters of meetings of Management and the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

RISK MANAGEMENT FRAMEWORK

Key aspects of the risk management process during the year under review were:

Risk Identification	Identifying the sources of risks, both internal and external, the causes and consequences of the risks and the existence of controls currently in place
Risk Assessment and Evaluation	- Assessment of the likelihood and impact of the risks identified - Evaluating the control strategies in relation to the risks
Risk Profiling and Treatment of Risk	Senior Management facilitated discussion with Head of Department to assess the reasonableness of the risks identified and the appropriateness of the proposed mitigating actions.
Monitoring and Reporting	- Baseline risk profile for all risks identified and shortlisted principal risks will be presented to Board - Reporting and tracking the outcome of ERM through risk register dashboard to Board and RMC

The ERM framework is reviewed and revised as and when necessary to ensure it remains relevant and adequate to manage the Group's risks, which continue to evolve along with the changing business environment.

KEY ELEMENTS OF INTERNAL CONTROL

The Group has put in place the following key elements of internal controls processes to manage the risk to achieve the established goals and provide reasonable assurance to safeguard the Group's assets against losses: -

1. Group Organisation Structure

The Board has established a clear organisation structure with defined lines of responsibilities and accountability aligned to the Group's business and operations requirements.

2. Oversight by Respective Board Committee

The Board has delegated specific duties, roles and responsibilities to respective Board Committees, namely Audit Committee, Nomination Committee, Remuneration Committee and Risk Management Committee. These Committees have the authority to examine all matters within the scope defined in their respective terms of references and report their recommendations to the Board.

3. Limit of Authorities

Limit of authorities is imposed on Executive Directors and Management within the Group in respect of the day-to-day operations, investments, acquisitions and disposal of assets.

4. Standard Operating Policies and Procedures

Policies and procedures are set out in operations manuals, guidelines and directives issued by the Group that govern the key business processes such as production, business development, procurement, finance, and information technology are updated from time to time to ensure compliance with internal controls and the relevant laws and regulations.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

KEY ELEMENTS OF INTERNAL CONTROL (Cont'd)

5. Human Resource Guidelines

There are guidelines within the Group for human capital recruitment, retention and termination training as well as professional development programmes for staff and annual performance appraisals to ensure that the staff are kept up to date with the necessary competencies in carrying out their duties and responsibilities.

6. Code of Conduct and Ethics and Employee Handbook

Code of Conduct and Ethics is established and adopted for the Directors while the Employee Handbook where employment concerns (including ethics) are dealt with fairly and consistently to ensure standards of good practice and ethical values are embedded in all business practices to be observed by all employees of the Group.

7. Whistleblowing Policy

Whistleblowing Policy provides an avenue for employees to report any suspected fraud, unethical behaviour and improper conduct in the workplace in a safe and confidential manner.

8. Anti-Bribery and Corruption Policy

Anti-Bribery and Corruption Policy outlines procedures for the prevention, deterrence and detection of fraud, bribery and all other corrupt business practices which can lead to serious reputational damage to the Group. The Policy is applicable to the Board, management, and all employees of the Group as well as the Group's suppliers, contractors, subcontractors, agents or intermediary, and any other person associated with or acting on behalf of the Group. The Group is committed to conduct its business ethically with zero-tolerance on the corruption practices.

9. Periodical Meetings

Executive Directors together with Senior Management hold monthly management meetings to discuss and monitor each business unit's financial performance, business overview, direction and development and resolve any major issues arising from operations, change of business environment and plan for corrective actions.

The Board conducts regular visits to the business units.

10. Audits

- (a) The Board has outsourced the internal audit function to Talent League Sdn Bhd. Internal Audit is responsible for the evaluation of the adequacy and effectiveness of risk management and internal control system.

During the year under review, the internal auditors have conducted a total of four (4) core auditable areas, covering the following business processes:-

- Revenue and Credit Risk Management;
- Inventory Management;
- Procurement Management; and
- Fixed Asset Management.

In addition, the Internal Auditors conducted a review of the Group's Enterprise Risk Management Framework and performed a limited assurance review on the Group's Environmental, Social and Governance (ESG) indicators.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

KEY ELEMENTS OF INTERNAL CONTROL (Cont'd)

10. Audits (Cont'd)

The Internal Auditors adopts a risk-based approach in developing its audit plan which addresses all the core auditable areas of the Group based on the risk profile which has been updated from time to time. The audit focuses on high risk areas to assess if adequate action plans have been put in place to address the risks associated with audit findings. The audit ascertains that the risks are effectively mitigated by the existing controls or the Internal Auditors will recommend further controls to mitigate the risks. The Internal Auditors conduct their reviews and the findings, recommendations for improvements and management responses are reported with periodic follow-up on the implementation of action plans.

All recommendations for improvement over the internal control procedures are tabled on a regular basis to the AC. The Internal Auditors will also perform necessary follow up and review on the corrective actions plans as agreed by the respective management teams.

- (b) The External Auditors team are required to conduct assessments of the internal control system pertaining to the processes of the relevant business/functional units which have a bearing on the financial information of the Group, to ensure the reliability and integrity of such information.
- (c) The External Auditors' annual audit plan and audit review memorandum are tabled to the AC for deliberation and approval.

11. Insurance

Sufficient insurance coverage and physical safeguards on major assets are in place to ensure the Group's assets are adequately covered against any mishap that could result in material loss. A yearly policy renewal exercise is undertaken by Management to review the coverage of the assets as recorded in the current fixed asset register and their respective carrying amount and "replacement values", that is the prevailing market price for the same or similar item, where applicable. The Group also undertakes fire consequential loss insurance coverage to ensure it is sufficiently insured against any losses arising from various perils faced in the Group's operations.

12. Compliance Management

The compliance management covers compliance to all legal obligations imposed on the Group, in particular laws, regulations, rules and major identified guidelines or legal requirements. It also covers risk-based compliance to internal policies and procedures, code of ethics and business conduct.

In FYE 2025, there were no major non-compliance issues encountered.

BOARD ASSURANCE AND LIMITATION

The Board has received assurance from the Chief Executive Officer and Chief Financial Officer that the Group's risk management and internal control system are operating adequately and effectively in all material aspect, based on the risk management and internal control system of the Group.

The Board is satisfied that the existing level of risk management and internal control system is effective to enable the Group to achieve its business objectives and there were no material losses resulted from significant control weaknesses that would require separate disclosure in the Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

BOARD ASSURANCE AND LIMITATION (Cont'd)

The Board is committed to continuously strengthen the Group's risk management and internal control system with the evolving business development. Nonetheless, it should be noted that all risk management and internal control system could only manage rather than eliminate risks of failure to achieve business objectives. Therefore, the system of risk management and internal control of the Group can only provide reasonable but not absolute assurance material misstatements, frauds and losses.

In summary, the system of risk management and internal control which has been put in place could only provide reasonable but would not be an absolute assurance against any material misstatement, fraud and/or financial loss.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of the MMLR, the External Auditors have reviewed this Statement for the inclusion in the Annual Report 2025. As set out in their terms of engagement, the procedures were performed in accordance with Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements 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.

Based on the review, the External Auditors have reported to the Board that nothing has come to their attention which causes them to believe that this Statement, which is intended to be included in the Annual Report is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the Guidelines and Practice 10.1 and Practice 10.2 of the Malaysian Code on Corporate Governance 2021, nor is it factually inaccurate.

CONCLUSION

The Board is of the view that the system of risk management and internal control is in place for FYE 2025, and up to the date of approval of this Statement, accords with the guidelines and that it is adequate to achieve the Group's objectives stated above is sound and sufficient to safeguard the Group's assets, as well as the shareholders investments, and the interests of customers, regulators, employees and other stakeholders.

This Statement was made in accordance with a Board resolution dated 30 September 2025.

AUDIT COMMITTEE REPORT

The Board of Directors ("Board") of RGT Berhad ("RGTBHD" or "the Company") is pleased to present the Audit Committee ("AC" or "Committee") Report for the financial year ended 30 June 2025 ("FYE 2025").

The AC was established with the primary objective of assisting the Board in discharging its statutory duties and responsibilities relating to accounting and reporting practices and internal control system of the Group.

COMPOSITION

The AC comprises of three (3) members; all Independent Non-Executive Directors. The composition of AC meets the requirement of Paragraph 15.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") ("MMLR").

Chairman : **Tan Peng Lam**
(Independent Non-Executive Director)
(Appointed on 18 November 2024)

Dr. Ooi Hun Pin
(Independent Non-Executive Director)
(Resigned on 25 October 2024)

Members : **Dato' Ir. Low Keng Kok**
(Independent Non-Executive Director)

Dato' Lim Yong Jin
(Independent Non-Executive Director)

Dr. Ooi Hun Pin resigned as Chairman of the AC concurrent with his resignation as Independent Non-Executive Director on 25 October 2024. The vacancy was filled by Mr. Tan Peng Lam, who was appointed on 18 November 2024.

The AC Chairman, Tan Peng Lam is a Fellow member of the Association of Chartered Certified Accountants and a member of Malaysian Institute of Accountants. No alternate Director is appointed as a member of AC. All members of the AC are financially literate and are able to understand matters under the purview of the AC.

TERMS OF REFERENCE

The Terms of Reference of the AC is published on the Company's website at www.rgtberhad.com.

MEETINGS

The AC held four (4) meetings during the FYE 2025. The meetings were convened in a structured manner by formal notice of meeting with meeting agenda and reports being sent to AC members at least seven (7) days before the meeting date. Minutes of each AC meetings were recorded and tabled for confirmation at the following AC meeting and subsequently presented to the Board for information. As and when necessary, the Senior Management, Internal Auditors and External Auditors or relevant personnel are invited to attend its meetings, to brief the AC on specific issues, provide insights and advice on report(s) discussed. Details of the attendance of each member are as follows:-

Name of Committee Members	Number of Meetings Attended/ Total Number of Meetings Held	Percentage of Attendance
Tan Peng Lam (Appointed on 18 Nov 2024)	3/3	100%
Dato' Ir. Low Keng Kok	4/4	100%
Dato' Lim Yong Jin	4/4	100%
Dr. Ooi Hun Pin (Resigned on 25 Oct 2024)	1/1	100%

The meetings were held on 27 August 2024, 18 November 2024, 13 February 2025 and 15 May 2025.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF ACTIVITIES UNDERTAKEN DURING THE FINANCIAL YEAR

In line with the Terms of Reference of AC, the activities carried out by the AC during the FYE 2025 in the discharge of its duties and responsibilities are as follows:-

1. Financial Reporting

The AC reviewed the quarterly financial statements and audited financial statements (as the case may be), prior to making recommendations to the Board for approval and release of the Group's financial results to Bursa Securities, as follows:-

Date of AC Meeting	Main items of the agenda of meeting(s)
27 August 2024	- Audit Review Memorandum ("ARM") for the FYE 2024; - Audited Financial Statements for the FYE 2024; - Audited 4th quarter results of the Group for the FYE 2024; - Audit Committee Report and Statement on Risk Management and Internal Control
18 November 2024	Unaudited 1 st quarter results for the period ended 30 September 2024
13 February 2025	Unaudited 2 nd quarter results for the period ended 31 December 2024
15 May 2025	- Audit Planning Memorandum for the FYE 2025 - Unaudited 3rd quarter results for the period ended 31 March 2025

The quarterly financial statements for the 1st, 2nd and 3rd quarters of FYE 2025, which were prepared in accordance with the requirements as set out in Appendix 9B of the MMLR and in compliance with Malaysian Financial Reporting Standards ("MFRSs") 134, Interim Financial Reporting issued by Malaysian Accounting Standards Board, were reviewed at the AC at its meetings.

On 28 August 2025, the AC had also reviewed the unaudited 4th quarter financial results of FYE 2025. The AC's recommendations were presented to the subsequent Board's meeting for approval.

2. External Audit ("EA")

On 27 August 2024 and 15 May 2025, the Committee met with the External Auditors, Crowe Malaysia PLT ("CM") without the presence of the Management.

On 27 August 2024:-

- the AC received and reviewed the ARM for FYE 2024 and CM briefed the AC on the status of audit completion of the Group and outstanding audit areas as summarised in the ARM;
- the AC reviewed and discussed with CM on the audited financial statements for the FYE 2024 and recommended for the Board's approval before presentation and receipt by shareholders of the Company at the 43rd AGM.

On 15 May 2025, CM tabled the Audit Plan prior to the commencement of audit of financial statements for FYE 2025, particularly, outlined the audit approach, Areas of Audit Emphasis and Accounting Standards Update to the Committee.

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF ACTIVITIES UNDERTAKEN DURING THE FINANCIAL YEAR (Cont'd)

2. External Audit ("EA") (Cont'd)

During the meeting held on 28 August 2025, CM tabled its ARM FYE 2025 and briefed the Committee on their findings, amongst others, 6 accounting and audit issues identified and 3 key audit matters. At the same meeting, copies of the EA Evaluation Form (as recommended by the Corporate Governance Guide 2021) in respect for the FYE 2025 were being distributed at the Meeting for review ("the Assessment"). The Committee concluded that based on the Assessment, amongst others as set out below, the EA Performance for FYE 2025 was found adequate and thereby recommended the re-appointment of CM as the EA of the Group to the Board for approval by its shareholders at the forthcoming 44th AGM:-

- after having satisfied with its audit independence and the performance of CM throughout its course of audit FYE 2025;
- satisfied that the calibre, quality processes/performance of EA;
- able to give adequate technical support when audit issue arises; and
- adequate experiences and resources of CM and audit engagements.

3. IA Function

The Group outsources its Internal Audit function to an independent professional consulting firm, Talent League Sdn. Bhd ("TL"). By providing independent assessments of the Group's internal control systems and risk management practices, TL supports the Board in fulfilling its oversight responsibilities and TL provides reasonable assurance to the AC and the Board on whether the internal control processes have been adequately established and are operating effectively.

The cost incurred for the IA function of the Group in respect of FYE 2025 was RM85,000.00 (4 Audit areas/cycles and review of Risk Management and performed a limited assurance review on the Group's Environmental, Social and Governance ("ESG") indicators as shown in the table below). The AC is of the opinion that the amount spent in FYE2025 is adequate to provide an effective IA function.

No	Audit areas/cycles
1	Revenue and Credit Risk Management
2	Inventory Management
3	Procurement Management
4	Fixed Asset Management
5	Review of Risk Management
6	Performed a limited assurance review on the Group's ESG indicators

AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF ACTIVITIES UNDERTAKEN DURING THE FINANCIAL YEAR (Cont'd)

3. IA Function (Cont'd)

The Internal Auditors presented its findings together with recommendation(s) and management action plan to the Committee for review on 18 November 2024, 15 May 2025 and 28 August 2025 respectively. On 28 August 2025, the Committee reviewed and approved the IA Plan for FYE 2026. TL followed up from time to time the updates and corrective actions by the Management on audited areas reported in the prior quarters.

During FYE 2025, the Committee had on 27 August 2024 and 15 May 2025 met with the Internal Auditors without the presence of the Management and Executive Director. Internal Auditors has concluded that the staff and the Management have provided full co-operation throughout their engagement thus far and no major internal control issue that the IA would require the Committee's attention.

The AC had assessed the adequacy and effectiveness of IA Function for FYE 2025 at its meeting held on 28 August 2025 ("IA Assessment"). The AC concluded that based on the IA Assessment, the IA Function was found to be adequate.

4. Related Party Transactions

- Reviewed the related party transactions entered into by the Company and its subsidiaries in conformity to the established procedures in adherence to the MMLR.
- Reviewed recurrent related party transactions on quarterly basis to ascertain if the transactions were at arm's length basis and on normal commercial terms.

5. Conflict of Interest

- Reviewed any conflict of interest or potential conflict of interest situation involving Directors or Senior Management and recommend measures to be taken to resolve, eliminate or mitigate such conflicts for Board's deliberation and approval.
- The AC reviewed and noted that no conflict of interest situation arose, persist or may arise within the Group.

The AC reviewed the Statement on Risk Management and Internal Control in respect of FYE 2025 on 28 August 2025 for publication in the Annual Report 2025. Further information on the IA Function and its activities are set out in the Statement on Risk Management and Internal Control in the Annual Report 2025.

This AC Report is issued in accordance with a Board resolution dated 30 September 2025.

ADDITIONAL COMPLIANCE INFORMATION

In compliance with the MMLR of Bursa Securities, the following information is provided:

UTILISATION OF PROCEEDS

Bonus Issue of Warrants

The Company has undertaken the following proposals:-

- 1) Proposed consolidation of every 3 existing RGTBHD Shares into 1 Consolidated Share, which was completed on 11 June 2024 following the listing of and quotation for 352,495,716 Consolidated Shares on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") ("Main Market of Bursa Securities").
- 2) Proposed bonus issue of up to 70,499,331 Warrants on the basis of 1 Warrant for every 5 existing Consolidated Shares, which was completed on 3 July 2024 following the listing of and quotation of 69,229,718 Warrants on the Main Market of Bursa Securities.

There were no warrants exercised during the financial year ended 30 June 2025 ("FYE 2025").

Special Issue

On 13 February 2025, the Company announced a proposal to undertake a special issue of up to 59,110,000 new ordinary shares in RGT ("RGT Share(s)" or "Share(s)") ("Special Issue Shares") to Bumiputera investors to be identified and/ or approved by the Ministry of Investment, Trade and Industry at an issue price to be determined later ("Special Issue").

On 27 March 2025, Bursa Securities had approved the listing and quotation of up to 59,110,000 Special Issue Shares to be issued pursuant to the Special Issue.

On 25 August 2025, the Board resolved to fix the issue price for the Special Issue at RM0.258 per Special Issue Share.

On 17 September 2025, the Company announced that 319,500 Special Issue Shares, issued and allotted pursuant to the Special Issue, had been listed and quoted on the Main Market of Bursa Securities with effect from 9.00 a.m. on Wednesday, 17 September 2025.

As at 30 September 2025, the Company had raised gross proceeds of RM82,431, which have been fully utilised to defray expenses for the Special Issue.

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred for services rendered to the Company and its subsidiaries for FYE 2025 by the Company's Auditors, or a firm or company affiliated to the Auditors are as follows:-

Category	Audit Fees	Non-Audit Fees [^]
	RM	RM
Company	70,000	13,000
Subsidiaries	130,000	47,000
Total	200,000	60,000

[^] Non-audit fees consist of fees for the review of the Statement on Risk Management and Internal Control and taxation consulting services.

EMPLOYEES SHARE OPTION SCHEME

No Employees Share Option Scheme was implemented by the Company during the financial year.

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving the interests of Directors or major shareholders, either still subsisting at the end of the FYE 2025 or entered into since the end of the previous financial year.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

IN RESPECT OF THE ANNUAL AUDITED FINANCIAL STATEMENTS

Pursuant to Paragraph 15.26(a) of Main Market Listing Requirements of the Bursa Malaysia Securities Berhad, the Board of Directors ("Board") of RGT Berhad ("RGTBHD" or "the Company") is required to issue a statement explaining their responsibilities for preparing the annual audited financial statements.

The Board has prepared the audited financial statements which gave a true and fair view of the state of affairs, its results and cash flows, of the Company and its subsidiaries ("the Group"). In preparing the financial statements, the Board has considered the following:-

- That the Group and the Company have used appropriate accounting policies, and these are applied consistently;
- That reasonable and prudent judgements and estimates were made;
- That the approved accounting standards in Malaysia have been adopted; and
- That the financial statements have been prepared on a going concern basis.

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

The Board has general responsibility for taking such steps that are reasonably available to them to safeguard the assets of the Group and the Company, and to prevent and detect fraud and other irregularities.

This Statement was made in accordance with a Board resolution dated 30 September 2025.

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and the Company for the financial year ended 30 June 2025.

Principal activities

The principal activity of the Company is that of investment holding.

The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding 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 principal activities during the financial year.

Results

	Group RM	Company RM
Loss for the financial year attributable to:		
- Owners of the Company	(1,618,260)	(125,657)
- Non-controlling interests	(755,637)	0
	<u>(2,373,897)</u>	<u>(125,657)</u>

Dividends

No dividends were recommended, declared or paid by the Company since the end of the previous financial year.

Reserves and provisions

All material transfers to or from reserves or provisions during the financial year have been disclosed in the financial statements.

Issue of shares or debentures

The Company did not issue any shares or debentures during the financial year.

Share options

The Company did not grant any share options during the financial year.

Warrants

There was no movement in the warrants during the financial year. The number of outstanding warrants as at 30 June 2025 was 69,229,718, with an exercise price of RM0.88, expiring on 27 June 2029.

DIRECTORS' REPORT (CONT'D)

Bad and doubtful debts

Before the financial statements of the Group and 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 there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts or the additional allowance for impairment losses on receivables inadequate to any substantial extent.

Current assets

Before the financial statements were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records have been written down to an amount which the current assets might be expected so to realise.

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

Contingent and other liabilities

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

- (i) any charge on the assets of the Group or the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability which has arisen since the end of the financial year.

No contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which, in the opinion of the directors, will or may affect the ability of the Group or 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 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 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.

DIRECTORS' REPORT (CONT'D)

Items of an unusual nature (cont'd)

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 or the Company for the financial year in which this report is made.

Directors

The directors in office since the beginning of the financial year are:

Directors of the Company

Dato' Ir. Low Keng Kok
 Datuk Lim Seat Hoe
 Lee Soo Ching
 Ng Choon Keat
 Dato' Lim Yong Jin
 Henco Pezij (appointed on 18.11.2024)
 Tan Peng Lam (appointed on 18.11.2024)
 Dr. Ooi Hun Pin (resigned on 25.10.2024)

Directors of subsidiaries (other than directors of the Company)

Hor Lim Chee
 Tan Song Chai
 Lam Kim Goon
 See Han Liong
 Yew Chong Hooi
 Ong Liang Kheng
 Ooi Swang Kieat
 Lye Chai Foong
 Kau Yoon Thiam (resigned on 10.5.2025)

Directors' interests

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

Name of director	Number of ordinary shares					
	Balance at 1.7.2024/*	Direct interest		Balance at 30.6.2025	Deemed interest	
		Bought	Sold		Balance at 1.7.2024	Balance at 30.6.2025
Dato' Ir. Low Keng Kok	666,666	0	0	666,666	0	0
Datuk Lim Seat Hoe	6,000,000	120,000	0	6,120,000	89,200,000	89,200,000
Lee Soo Ching	1,216,666	0	0	1,216,666	0	0
Ng Choon Keat	14,233,333	0	0	14,233,333	92,575,000	92,575,000
Dato' Lim Yong Jin	766,666	0	0	766,666	0	0
Henco Pezij	0	10,000	0	10,000	0	0

* Date of appointment

DIRECTORS' REPORT (CONT'D)

Directors' interests (cont'd)

Name of director	Balance at 1.7.2024	Number of warrants		Balance at 30.6.2025
		Bought	Sold	
Dato' Ir. Low Keng Kok	133,333	0	0	133,333
Datuk Lim Seat Hoe	1,200,000	0	0	1,200,000
Lee Soo Ching	243,333	0	0	243,333
Ng Choon Keat	2,846,666	0	0	2,846,666
Dato' Lim Yong Jin	153,333	0	0	153,333

By virtue of their interests in shares in the Company, Datuk Lim Seat Hoe and Ng Choon Keat are deemed to have interests in shares in the subsidiaries to the extent of the Company's interests, pursuant to Section 8 of the Companies Act 2016.

Directors' benefits

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than the 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.

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:

	Group RM	Company RM
Fees	158,000	158,000
Short-term employee benefits	1,308,863	24,340
Defined contribution plan	111,090	0
Estimated money value of benefits-in-kind	56,040	0
	<u>1,633,993</u>	<u>182,340</u>

Indemnity and insurance for directors and officers

There was no indemnity given to any director or officer of the Group or the Company during the financial year. The Group maintains a liability insurance for its directors and officers and the amount of insurance effected by the Group for 2025/2026 amounted to RM1,000,000.

DIRECTORS' REPORT (CONT'D)

Subsidiaries

The details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Effective ownership interest	Principal activities
<i>Subsidiary of the Company</i>			
T-Venture Industries (M) Sdn. Bhd.	Malaysia	100%	Manufacture of moulded plastic products
Rapid Growth Technology Sdn. Bhd. ("RGTSB")	Malaysia	100%	Manufacture and sale of air freshener dispensers, hygiene care products and plastic parts
RGT Industries Sdn. Bhd.	Malaysia	100%	Design, manufacture and sale of moulded plastic products to various industries together with secondary processes
Top Degree (M) Sdn. Bhd.	Malaysia	70%	Design, manufacture and sale of machinery, high precision parts and related accessories
Keenness Precision Engineering Sdn. Bhd.	Malaysia	70%	Precision machining and tooling for moulds and machine parts
<i>Subsidiary of RGTSB</i>			
Rapid Growth Industries Sdn. Bhd.	Malaysia	100%	Inactive

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

DIRECTORS' REPORT (CONT'D)

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:

	Group RM	Company RM
Audit fee	200,000	70,000
Non-audit fee	7,000	7,000
	207,000	77,000

Signed in accordance with a resolution of the directors dated 9 September 2025

Datuk Lim Seat Hoe

Lee Soo Ching

STATEMENT BY DIRECTORS

In the opinion of the directors, the financial statements set out on pages 101 to 156 give a true and fair view of the financial position of the Group and the Company as at 30 June 2025 and of their financial performance and 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.

Signed in accordance with a resolution of the directors dated 9 September 2025

Datuk Lim Seat Hoe

Lee Soo Ching

STATUTORY DECLARATION

I, Lee Soo Ching, being the director primarily responsible for the financial management of RGT Berhad, do solemnly and sincerely declare that the financial statements set out on pages 101 to 156 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 abovenamed
Lee Soo Ching at George Town in the State of Penang on
this 9 September 2025

Lee Soo Ching

Before me

Shamini A/P M Shanmugam
No. P157
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF RGT BERHAD

198101004909 (71024-T) (INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements

Opinion

We have audited the financial statements of RGT Berhad, which comprise the statements of financial position as at 30 June 2025 of the Group and the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 101 to 156.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and the Company as at 30 June 2025, and of their financial performance and 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 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"), 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 the Company of the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<u>Impairment of goodwill (Refer to Notes 3 and 7 to the financial statements)</u> The Group carries significant goodwill. Irrespective of whether there is any indication of impairment, goodwill is tested for impairment annually. The impairment test involves significant judgements and estimation uncertainty in making key assumptions about future market and economic conditions, growth rates, profit margins, discount rate, etc.	Our audit procedures included, among others: • Evaluated whether the method used by the Group in measuring the recoverable amount is appropriate in the circumstances. • Made enquiries of and challenging management on the key assumptions and inputs used in the measurement method. • Evaluated whether the key assumptions and inputs used are reasonable and consistent by taking into consideration the past performance, future growth, market development, etc. • Performed stress tests and sensitivity analyses to assess the impacts of those key assumptions and inputs on the measurement of recoverable amount.

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF RGT BERHAD

198101004909 (71024-T) (INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements (Cont'd)

Key audit matters (Cont'd)

Key audit matter	How our audit addressed the key audit matter
<u>Valuation of inventories (Refer to Notes 3 and 11 to the financial statements)</u> The Group carries significant inventories. The assessment of inventory write-downs due to excess quantities, obsolescence and decline in net realisable value below cost involves judgements and estimation uncertainty in forming expectations about future sales and demands.	Our audit procedures included, among others: • Obtained an understanding of: • the Group's inventory management process; • how the Group identifies and assesses inventory write-downs; and • how the Group makes the accounting estimates for inventory write-downs. • Reviewed the ageing analysis of inventories and testing the reliability thereof. • Examined the perpetual records for inventory movements and to identify slow moving aged items. • Made inquiries of management regarding the action plans to clear slow moving aged and obsolete inventories. • Reviewed the net realisable value of major inventories. • Evaluated the reasonableness and adequacy of the allowance for inventories recognised for identified exposures.
<u>Impairment of trade receivables (Refer to Notes 3 and 12 to the financial statements)</u> The Group carries significant trade receivables and is subject to major credit risk exposure. The Group recognises loss allowance for expected credit losses on trade receivables based on an assessment of credit risk. Such assessment involves judgements and estimation uncertainty in analysing information about past events, current conditions and forecasts of future economic conditions.	Our audit procedures included, among others: • Obtained an understanding of: • the Group's control over the trade receivable 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 and past due status of trade receivables and testing the reliability thereof. • Reviewed the subsequent cash collections for major trade receivables and overdue amounts. • Made inquiries of management regarding the action plans to recover overdue amounts. • Compared and challenging management's view on the recoverability of overdue amounts to historical patterns of collections. • Reviewed the computation of historical observed default rates and adjustment for forward-looking estimates used to develop the provision matrix. • Evaluated the reasonableness and adequacy of the resulting loss allowance recognised.

We have determined that there are no key audit matters to communicate in our report in respect of the audit of the financial statements of 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 directors' report (but does not include the financial statements of the Group and the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the annual report, which is expected to be made available to us after that date.

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF RGT BERHAD

198101004909 (71024-T) (INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements (Cont'd)

Information other than the financial statements and auditors' report thereon (Cont'd)

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

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and request that a correction be made. If the directors refuse to make the correction, we shall take appropriate action considering our legal rights and obligations, to seek to have the uncorrected material misstatement appropriately brought to the attention of users for whom our auditors' report is prepared.

Responsibilities of the directors for the financial statements

The directors of the Company are responsible for the preparation of financial statements of the Group and 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 the Company that are free from material misstatement, whether due to fraud or error.

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and 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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

TO THE MEMBERS OF RGT BERHAD

198101004909 (71024-T) (INCORPORATED IN MALAYSIA)

Report on the audit of the financial statements (Cont'd)

Auditors' responsibilities for the audit of the financial statements (Cont'd)

- 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 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 the Company, including the disclosures, and whether the financial statements of the Group and the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. 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.

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 the Company of the current period 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.

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

Penang

Date: 9 September 2025

Leong Pooi Kuan

03732/04/2027 J

Chartered Accountant

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	2025 RM	2024 RM
Non-current assets			
Property, plant and equipment	4	97,582,015	106,487,973
Investment properties	5	2,022,000	0
Right-of-use assets	6	18,886,411	20,356,881
Goodwill	7	32,969,957	33,431,957
Investment in an associate	9	1,901,882	0
Deferred tax assets	10	2,622,200	2,155,025
		155,984,465	162,431,836
Current assets			
Inventories	11	16,666,811	19,144,591
Receivables	12	32,335,284	31,346,865
Derivatives	13	530,048	0
Prepayments	14	18,887,183	1,052,093
Current tax assets		3,231,483	2,762,615
Cash and cash equivalents	15	18,206,589	20,571,059
		89,857,398	74,877,223
Current liabilities			
Payables	16	15,762,113	15,231,310
Loans and borrowings	17	27,236,470	20,223,365
Lease liabilities	18	703,784	1,084,223
Derivatives	13	0	12,498
Contract liabilities	19	1,192,794	90,735
Current tax liabilities		14,300	0
		44,909,461	36,642,131
Net current assets		44,947,937	38,235,092
Non-current liabilities			
Loans and borrowings	17	43,067,655	37,740,820
Lease liabilities	18	83,404	749,740
Deferred tax liabilities	10	7,974,991	7,809,943
Deferred income on government grants	20	613,809	702,552
		51,739,859	47,003,055
Net assets		149,192,543	153,663,873
Equity			
Share capital	21	248,608,465	248,608,465
Treasury shares	21	(6,518,231)	(4,720,798)
Consolidation reserve	22	(121,609,700)	(121,609,700)
Retained profits		22,343,535	23,961,795
Equity attributable to owners of the Company		142,824,069	146,239,762
Non-controlling interests	23	6,368,474	7,424,111
Total equity		149,192,543	153,663,873

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	2025 RM	2024 RM
Revenue	24	140,285,835	110,396,030
Cost of revenue		(115,590,960)	(89,030,170)
Gross profit		24,694,875	21,365,860
Other income		1,163,785	7,590,944
Administrative and general expenses		(25,554,710)	(22,882,569)
Finance costs		(2,637,597)	(2,898,769)
Impairment losses on financial assets	25	(37,409)	(28,000)
Share of associate's loss	9	(65,218)	0
(Loss)/Profit before tax	26	(2,436,274)	3,147,466
Tax income	28	62,377	1,524,311
(Loss)/Profit for the financial year		(2,373,897)	4,671,777
Other comprehensive income for the financial year		0	0
Comprehensive income for the financial year		(2,373,897)	4,671,777
(Loss)/Profit for the financial year attributable to:			
- Owners of the Company		(1,618,260)	5,276,943
- Non-controlling interests	23	(755,637)	(605,166)
		(2,373,897)	4,671,777
Comprehensive income for the financial year attributable to:			
- Owners of the Company		(1,618,260)	5,276,943
- Non-controlling interests		(755,637)	(605,166)
		(2,373,897)	4,671,777
(Loss)/Earnings per share:	29		
- Basic (sen)		(0.47)	1.51
- Diluted (sen)		(0.47)	1.51

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Non-distributable			Distributable			Equity attributable to owners of the Company		Non-controlling interests	Total equity
	Share capital	Treasury shares	Consolidation reserve	Retained profits	Equity attributable to owners of the Company	Non-controlling interests	Total equity			
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Balance at 1 July 2023	248,608,465	0	(121,609,700)	25,029,792	152,028,557	8,029,277	160,057,834			
Purchase of own shares	0	(4,720,798)	0	0	(4,720,798)	0	(4,720,798)			
Interim single tier dividend of 0.6 sen per share	0	0	0	(6,344,940)	(6,344,940)	0	(6,344,940)			
Total transactions with owners	0	(4,720,798)	0	(6,344,940)	(11,065,738)	0	(11,065,738)			
Profit/(Loss) (representing comprehensive income) for the financial year	0	0	0	5,276,943	5,276,943	(605,166)	4,671,777			
Balance at 30 June 2024 / 1 July 2024	248,608,465	(4,720,798)	(121,609,700)	23,961,795	146,239,762	7,424,111	153,663,873			
Purchase of own shares	0	(1,797,433)	0	0	(1,797,433)	0	(1,797,433)			
Dividends to non-controlling interests	0	0	0	0	0	(300,000)	(300,000)			
Total transactions with owners	0	(1,797,433)	0	0	(1,797,433)	(300,000)	(2,097,433)			
Loss (representing comprehensive income) for the financial year	0	0	0	(1,618,260)	(1,618,260)	(755,637)	(2,373,897)			
Balance at 30 June 2025	248,608,465	(6,518,231)	(121,609,700)	22,343,535	142,824,069	6,368,474	149,192,543			

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

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	2025 RM	2024 RM
Cash flows from operating activities			
(Loss)/Profit before tax		(2,436,274)	3,147,466
Adjustments for:			
Amortisation of deferred income		(88,743)	(88,744)
Depreciation of property, plant and equipment		8,947,065	9,037,019
Depreciation of investment properties		6,920	0
Depreciation of right-of-use assets		1,529,277	1,461,434
Fair value gains on financial instruments		(738,100)	(6,641,098)
Gain on derecognition of right-of-use assets		(145)	(358)
Gain on disposal of property, plant and equipment		(107,040)	(196,413)
Impairment losses on financial assets		37,409	28,000
Impairment loss on goodwill		462,000	946,000
Interest expense		2,637,597	2,898,769
Interest income		(127,937)	(109,312)
Inventories written down		40,999	438,343
Inventories written off		3,054	0
Property, plant and equipment written off		12,406	49,281
Reversal of inventories previously written down		(314,803)	0
Shares of associate's loss		65,218	0
Unrealised loss/(gain) on foreign exchange		622,597	(7,579)
Operating profit before working capital changes		10,551,500	10,962,808
Changes in:			
Inventories		2,748,530	183,779
Receivables		(3,213,955)	(4,859,315)
Prepayments		(899,271)	1,449,984
Payables		701,210	(853,490)
Contract liabilities		1,102,059	(2,749,080)
Derivatives		(12,498)	(363,612)
Cash generated from operations		10,977,575	3,771,074
Interest and fund distributions received		335,989	641,357
Tax paid		(807,672)	(1,125,118)
Tax refunded		113,354	262,067
Net cash from operating activities		10,619,246	3,549,380
Cash flows used in investing activities			
Acquisition of property, plant and equipment	30	(4,407,744)	(4,613,085)
Acquisition of right-of-use assets	30	(14,616,183)	(1,000)
Contingent consideration received		1,430,000	2,673,514
Contingent consideration paid		0	(1,060,080)
Proceeds from disposal of property, plant and equipment		112,715	242,000
Subscription for shares in associate		(1,967,100)	0
Net cash used in investing activities		(19,448,312)	(2,758,651)

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

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	2025 RM	2024 RM
Cash flows from/(used in) financing activities			
Dividend paid		0	(6,344,940)
Dividend paid to non-controlling interests		(300,000)	0
Drawdown of term loans	30	13,753,000	2,608,000
Increase in short-term loans and borrowings (net)	30	6,957,939	6,758,061
Interest paid		(2,637,597)	(2,898,769)
Payment of lease liabilities	30	(1,105,437)	(998,457)
(Placement)/Withdrawal of term deposits pledged as security (net)		(26,618)	2,565,636
Purchase of own shares		(1,797,433)	(4,720,798)
Repayment of hire purchase obligations	30	(595,000)	(648,117)
Repayment of term loans	30	(7,775,999)	(9,845,703)
Net cash from/(used in) financing activities		<u>6,472,855</u>	<u>(13,525,087)</u>
Currency translation differences		(34,877)	20,505
Net decrease in cash and cash equivalents		(2,391,088)	(12,713,853)
Cash and cash equivalents brought forward		19,567,236	32,281,089
Cash and cash equivalents carried forward	15	<u>17,176,148</u>	<u>19,567,236</u>

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	2025 RM	2024 RM
Non-current assets			
Investments in subsidiaries	8	236,076,025	239,239,686
Investment in an associate	9	1,967,100	0
		238,043,125	239,239,686
Current assets			
Receivables	12	4,251,791	4,380,000
Prepayments	14	122,058	5,204
Current tax assets		0	17,965
Cash and cash equivalents	15	923,510	1,477,718
		5,297,359	5,880,887
Current liabilities			
Payables	16	370,005	241,304
Current tax liabilities		14,300	0
		384,305	241,304
Net current assets		4,913,054	5,639,583
Net assets		242,956,179	244,879,269
Equity			
Share capital	21	248,608,465	248,608,465
Treasury shares	21	(6,518,231)	(4,720,798)
Retained profits		865,945	991,602
Total equity		242,956,179	244,879,269

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

STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	2025 RM	2024 RM
Revenue	24	3,700,000	5,000,000
Other income		1,125,294	6,632,732
Administrative and general expenses		(4,852,778)	(10,802,031)
(Loss)/Profit before tax	26	(27,484)	830,701
Tax (expense)/income	28	(98,173)	6,664
(Loss)/Profit for the financial year		(125,657)	837,365
Other comprehensive income for the financial year		0	0
Comprehensive income for the financial year		(125,657)	837,365

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

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Shares capital RM	Treasury shares RM	Retained profits RM	Total equity RM
Balance at 1 July 2023	248,608,465	0	6,499,177	255,107,642
Purchase of own shares	0	(4,720,798)	0	(4,720,798)
Interim single tier dividend of 0.6 sen per share	0	0	(6,344,940)	(6,344,940)
Total transactions with owners	0	(4,720,798)	(6,344,940)	(11,065,738)
Profit (representing comprehensive income) for the financial year	0	0	837,365	837,365
Balance at 30 June 2024 / 1 July 2024	248,608,465	(4,720,798)	991,602	244,879,269
Purchase of own shares (representing total transactions with owners)	0	(1,797,433)	0	(1,797,433)
Loss (representing comprehensive income) for the financial year	0	0	(125,657)	(125,657)
Balance at 30 June 2025	248,608,465	(6,518,231)	865,945	242,956,179

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

STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	2025 RM	2024 RM
Cash flows used in operating activities			
(Loss)/Profit before tax		(27,484)	830,701
Adjustments for:			
Dividend income		(3,700,000)	(5,000,000)
Fair value gains on financial instruments		(61,554)	(6,186,773)
Impairment loss on investment in subsidiaries		4,044,000	10,000,000
Interest income		(183,401)	(181,340)
Reversal of impairment loss on investment in subsidiaries		(880,339)	(210,877)
Operating loss before working capital changes		(808,778)	(748,289)
Changes in:			
Receivables		(1,791)	0
Prepayments		(116,854)	2,953
Payables		128,701	129,457
Cash absorbed by operations		(798,722)	(615,879)
Interest and fund distributions received		244,955	246,562
Tax paid		(71,703)	(5,551)
Tax refunded		5,795	0
Net cash used in operating activities		(619,675)	(374,868)
Cash flows from investing activities			
Contingent consideration received		1,430,000	2,673,514
Contingent consideration paid		0	(1,060,080)
Dividends received		3,700,000	5,000,000
Net (advance to)/repayment from subsidiaries		(1,300,000)	3,500,000
Subscription of shares in an associate		(1,967,100)	0
Subscription of shares in subsidiaries		0	(4,000,000)
Net cash from investing activities		1,862,900	6,113,434
Cash flows used in financing activities			
Dividend paid		0	(6,344,940)
Purchase of own shares		(1,797,433)	(4,720,798)
Net cash used in financing activities		(1,797,433)	(11,065,738)
Net decrease in cash and cash equivalents		(554,208)	(5,327,172)
Cash and cash equivalents brought forward		1,477,718	6,804,890
Cash and cash equivalents carried forward	15	923,510	1,477,718

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

1. General information

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

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are disclosed in Note 8.

The registered office of the Company is located at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Penang, Malaysia and its principal place of business is located at No. 1032, Jalan Perindustrian Bukit Minyak, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, Penang, Malaysia.

The consolidated financial statements set out on pages 101 to 105 together with the notes thereto cover the Company and its subsidiaries ("Group"). The separate financial statements of the Company set out on pages 106 to 109 together with the notes thereto cover the Company solely.

The functional and presentation currency of the financial statements is Ringgit Malaysia ("RM").

The financial statements were authorised for issue in accordance with a resolution of the directors dated 9 September 2025.

2. Material accounting policy information

2.1 Basis of preparation of financial statements

The financial statements of the Group and the Company are prepared under the historical cost convention, modified to include other bases of measurement as disclosed in other sections of the material accounting policy information, and in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The following MFRSs became effective for the financial year under review:

MFRS	Effective for annual periods beginning on or after
Amendments to MFRS 16 <i>Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2024
Amendments to MFRS 101 <i>Non-current Liabilities with Covenants</i>	1 January 2024
Amendments to MFRS 107 and MFRS 7 <i>Supplier Finance Arrangements</i>	1 January 2024

Except for the Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*, the initial application of the above MFRSs did not have any significant impacts on the financial statements. The Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current* allow the Group to classify its revolving credit obligation as non-current when it has the right at the end of the reporting period to roll over the obligation for at least twelve months after the reporting period, even if it would otherwise be due within a shorter period. The classification is applied retrospectively.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2. Material accounting policy information (Cont'd)

2.1 Basis of preparation of financial statements (Cont'd)

The Group and the Company have not applied the following MFRSs which have been issued as at the end of the reporting period but are not yet effective for the current financial year:

MFRS (issued as at the end of the reporting period)	Effective for annual periods beginning on or after
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026

Except for the adoption of MFRS 18, management foresees that the initial application of the above MFRSs will not have any significant impacts on the financial statements.

MFRS 18 *Presentation and Disclosure in Financial Statements*

MFRS 18, which will replace MFRS 101 *Presentation of Financial Statements* upon its adoption, aims to provide better information about entities' financial performance and enhance financial reporting quality. The key changes introduced by MFRS 18 are:

- classification of income and expenses into five categories (i.e. operating, investing, financing, income taxes and discontinued operations);
- presentation of two defined subtotals (i.e. operating profit or loss and profit or loss before financing and income taxes) in the statement of profit or loss;
- disclosures about management-defined performance measures; and
- new principles for aggregation and disaggregation of information.

The Group and the Company will initially apply the new requirements of MFRS 18 in the financial year ending 30 June 2028.

2.2 Business combinations

A business combination is a transaction or other event in which an acquirer obtains control of one or more businesses. A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing goods or services to customers, generating investment income (such as dividends or interest) or generating other income from ordinary activities. If the assets acquired are not a business, the transaction or other event is accounted for as an asset acquisition.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2. Material accounting policy information (Cont'd)

2.2 Business combinations (Cont'd)

Business combinations are accounted for using the acquisition method. Under the acquisition method, the consideration transferred, the identifiable assets acquired and the liabilities assumed are measured at their acquisition-date fair values. The components of non-controlling interests that are present ownership interests are measured at the present ownership instruments' proportionate share in the recognised amounts of the identifiable net assets acquired. All other components of non-controlling interests are measured at their acquisition-date fair values. In a business combination achieved in stages, the previously held equity interest in the acquiree is remeasured at its acquisition-date fair value and any resulting gain or loss is recognised in profit or loss. All acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss as incurred.

Goodwill at the acquisition date is measured as the excess of (a) over (b) below:

- (a) the aggregate of:
 - (i) the acquisition-date fair value of the consideration transferred;
 - (ii) the amount of any non-controlling interests; and
 - (iii) in a business combination achieved in stages, the acquisition-date fair value of the previously held equity interest in the acquiree.
- (b) the net of the acquisition-date fair values of the identifiable assets acquired and the liabilities assumed.

Goodwill is recognised as an asset at the aforementioned amount less accumulated impairment losses, if any. The impairment policy is disclosed in Note 2.9. When the above (b) exceeds (a), the excess represents a bargain purchase gain and, after reassessment, is recognised in profit or loss.

2.3 Basis of consolidation

A subsidiary is an entity that is controlled by another entity. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

A subsidiary is consolidated from the acquisition date, being the date on which control is obtained, and continues to be consolidated until the date when control is lost. Intragroup balances, transactions, income and expenses are eliminated in full on consolidation. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions, and any resulting increase or decrease in equity attributable to owners of the Company is included in consolidation reserve.

Upon loss of control of a subsidiary, the assets (including any goodwill) and liabilities of, and any non-controlling interests in the subsidiary are derecognised. All amounts recognised in other comprehensive income in relation to the subsidiary are accounted for on the same basis as would be required if the related assets or liabilities had been directly disposed of. Any consideration received and any investment retained in the former subsidiary are recognised at their fair values. The resulting difference is then recognised as a gain or loss in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2. Material accounting policy information (Cont'd)

2.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. The impairment policy is disclosed in Note 2.9.

Freehold land and capital work-in-progress are not depreciated. Other property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets using the following annual rates:

Buildings	2% - 10%
Cleanroom facility and equipment	10% - 20%
Computers	40%
Machinery	10% - 25%
Motor vehicles	20%
Office equipment, furniture, fittings and renovation	10% - 33%
Solar equipment	4%
Tools and equipment	10% - 20%

The residual value, useful life and depreciation method of an asset are reviewed at least at the end of each reporting period and any changes in expectations from previous estimates are accounted for prospectively as changes in accounting estimates.

2.5 Investment properties

Investment property is property held (by the owner or the lessee as a right-of-use asset) to earn rentals or for capital appreciation or both. Investment property is stated at cost less accumulated depreciation and accumulated impairment losses, if any. The impairment policy is disclosed in Note 2.9.

Freehold land is not depreciated. Buildings are depreciated on a straight-line basis over their estimated useful lives of 50 years.

2.6 Leases

A lease is a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration.

Lessor accounting

When the Group acts as a lessor, it classifies each lease as either an operating lease or a finance lease. A finance lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, whereas an operating lease does not.

Lease payments from operating leases are recognised as income on a straight-line basis over the lease term. The Group has not entered into any finance lease.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2. Material accounting policy information (Cont'd)

2.6 Leases (Cont'd)

Lessee accounting

Initial recognition and measurement

When the Group acts as a lessee, it recognises a right-of-use asset (representing its right to use the underlying leased asset) and a lease liability (representing its obligation to make lease payments) at the commencement date. The Group has elected not to apply such recognition principle to short-term leases (which have a lease term of 12 months or less) and leases of low-value assets. The lease payments associated with those leases are recognised as an expense on a straight-line basis over the lease term.

A right-of-use asset is initially recognised at cost, which comprises the initial amount of lease liability, any lease payments made at or before the commencement date (less any lease incentives), any initial direct costs and any estimated dismantling, removing and restoring costs.

A lease liability is initially recognised at the present value of the unpaid lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate. The unpaid lease payments included in the measurement of lease liability comprise fixed payments (less any lease incentives), variable lease payments linked to an index or a rate, expected amounts payable under residual value guarantees, the exercise price of a purchase option reasonably certain to be exercised and the penalties of a termination option reasonably certain to be exercised.

Subsequent measurement

A right-of-use asset is subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any, and adjusted for any remeasurement of lease liability. The impairment policy is disclosed in Note 2.9.

If the lease transfers ownership of the underlying asset to the lessee by the end of the lease term or if the cost of the right-of-use asset reflects that a purchase option will be exercised, the right-of-use asset is depreciated on a straight-line basis from the commencement date to the end of its useful life. Otherwise, the right-of-use asset is depreciated from the commencement date to the earlier of the end of its useful life or the end of the lease term.

A lease liability is subsequently measured at amortised cost, and remeasured to reflect any reassessment (arising from changes to the lease payments) or lease modifications.

2.7 Investments in subsidiaries

As required by the Companies Act 2016, the Company prepares separate financial statements in addition to the consolidated financial statements. In the separate financial statements of the Company, investments in subsidiaries are stated at cost less impairment losses, if any. The impairment policy is disclosed in Note 2.9.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2. Material accounting policy information (Cont'd)

2.8 Investment in associate

An associate is an entity over which an investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

In the consolidated financial statements, investment in associate is accounted for using the equity method. Under the equity method, the investment is initially recognised at cost and adjusted thereafter for the post-acquisition changes in the investor's share of the investee's net assets. After application of the equity method, the investment is assessed for any objective evidence of impairment. If any such evidence exists, the carrying amount of the investment is tested for impairment in accordance with Note 2.9.

In the separate financial statements of the Company, investment in associate is stated at cost less impairment losses, if any. The impairment policy is disclosed in Note 2.9.

2.9 Impairment of non-financial assets

At the end of each reporting period, the Group and the Company assess whether there is any indication that a non-financial asset, other than deferred tax assets and inventories, may be impaired. If any such indication exists, the recoverable amount of the asset, being the higher of its fair value less costs of disposal and its value in use, is estimated. Irrespective of whether there is any indication of impairment, goodwill is tested for impairment annually. Any excess of the carrying amount of the asset over its recoverable amount represents an impairment loss and is recognised in profit or loss.

An impairment loss on an asset, other than goodwill, is reversed if there has been a change in the estimates used to determine the recoverable amount and it is reversed only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised. The reversal is recognised in profit or loss. An impairment loss on goodwill is not reversed.

2.10 Inventories

Inventories are valued at the lower of cost (determined principally on the weighted average basis) and net realisable value. Cost consists of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and costs necessary to make the sale.

2.11 Contract assets and contract liabilities

A contract is presented in the statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment. A contract asset is an entity's right to consideration in exchange for goods or services transferred to a customer when that right is conditioned on something other than the passage of time. The asset is subject to impairment assessment on the same basis as trade receivables as disclosed in Note 2.12. A contract liability is an entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2. Material accounting policy information (Cont'd)

2.12 Financial assets

Financial assets of the Group and the Company consist of receivables, derivatives and cash and cash equivalents.

Initial recognition and measurement

A financial asset is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument. Trade receivables that do not contain a significant financing component are initially recognised at their transaction price (as defined in Note 2.17). Other financial assets are initially recognised at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Subsequent measurement

Financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss in accordance with their classification on the basis of both the business model within which they are held and their contractual cash flow characteristics.

(i) Amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold financial assets to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. All receivables (other than contingent consideration assets), cash and bank balances and term deposits are classified under this category. Any gain or loss is recognised in profit or loss when the financial asset is derecognised, reclassified, through the amortisation process or in order to recognise impairment gains or losses.

(ii) Fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is to both collect contractual cash flows and sell financial assets and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group and the Company do not have any financial assets classified under this category.

(iii) Fair value through profit or loss

A financial asset is measured at fair value through profit or loss if it does not meet the criteria to be measured at amortised cost or fair value through other comprehensive income. All contingent consideration assets, derivatives and short-term funds are classified under this category. Any gain or loss is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2. Material accounting policy information (Cont'd)

2.12 Financial assets (Cont'd)

Impairment

At each reporting date, the Group and the Company recognise a loss allowance for expected credit losses on a financial asset measured at amortised cost. The loss allowance is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the loss allowance is measured at an amount equal to 12-month expected credit losses. Any adjustment to the loss allowance is recognised in profit or loss as an impairment gain or loss.

Irrespective of whether there is any significant increase in credit risk since initial recognition, the loss allowance for trade receivables is always measured at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9 Financial Instruments. Such lifetime expected credit losses are calculated using a provision matrix based on historical credit loss experience and adjusted for reasonable and supportable forward-looking information that is available without undue cost or effort.

The expected credit losses for a credit-impaired financial asset are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The gross carrying amount of a credit-impaired financial asset is directly written off when there is no reasonable expectation of recovery.

Derecognition

A financial asset is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expire or all the risks and rewards of ownership are substantially transferred. A direct write-off of gross carrying amount when there is no reasonable expectation of recovering a financial asset constitutes a derecognition event.

2.13 Financial liabilities

Financial liabilities of the Group and the Company consist of payables, loans and borrowings, derivatives and financial guarantee contracts.

Initial recognition and measurement

A financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is initially recognised at fair value minus, in the case of a financial liability not at fair value through profit or loss, transaction costs.

Subsequent measurement

All payables and loans and borrowings are subsequently measured at amortised cost. Any gain or loss is recognised in profit or loss when the financial liability is derecognised and through the amortisation process.

Derivatives are subsequently measured at fair value through profit or loss. Any gain or loss is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2. Material accounting policy information (Cont'd)

2.13 Financial liabilities (Cont'd)

Subsequent measurement (Cont'd)

Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance and the amount initially recognised less any cumulative income recognised.

Derecognition

A financial liability is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires.

2.14 Foreign currency transactions and translation

The consolidated financial statements and separate financial statements of the Company are presented in Ringgit Malaysia, which is also the Company's functional currency, being the currency of the primary economic environment in which the entity operates. Items included in the financial statements of each individual entity within the Group are measured using the individual entity's own functional currency.

A foreign currency transaction is recorded in the functional currency using the exchange rate at transaction date. At the end of the reporting period, foreign currency monetary items are translated into the functional currency using the closing rate. Foreign currency non-monetary items measured at cost are translated using the exchange rate at transaction date, whereas those measured at fair value are translated using the exchange rate at valuation date. Exchange differences arising from the settlement or translation of monetary items are recognised in profit or loss. Any exchange component of the gain or loss on a non-monetary item is recognised on the same basis as that of the gain or loss, i.e. in profit or loss or in other comprehensive income.

In translating the financial position and results of a foreign operation whose functional currency is not the presentation currency, i.e. Ringgit Malaysia, assets and liabilities are translated into the presentation currency using the closing rate, whereas income and expenses are translated using the exchange rates at transaction dates. All resulting exchange differences are recognised in other comprehensive income and accumulated in equity as currency translation reserve until the foreign operation is disposed of, at which time the cumulative exchange differences previously recognised in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment.

Any goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation to be expressed in its functional currency and translated into the presentation currency using the closing rate.

2.15 Share capital

Ordinary shares are classified as equity. Transaction costs that relate to the issue of new shares are accounted for as a deduction from equity.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2. Material accounting policy information (Cont'd)

2.15 Share capital (Cont'd)

Own shares purchased are held as treasury shares in accordance with the requirements of Section 127 of the Companies Act 2016. The total amount of consideration paid, including directly attributable costs, is recognised directly in equity. When treasury shares are distributed as share dividends or cancelled, the cost of the shares distributed or cancelled is applied in the reduction of distributable reserves. When treasury shares are resold in the open market, any excess of sale consideration over the cost of the shares resold is adjusted to share capital, whereas any deficit is applied in the reduction of distributable reserves.

Dividends on shares declared and unpaid at the end of the reporting period are recognised as a liability, whereas dividends proposed or declared after the reporting period are disclosed in the notes to the financial statements.

2.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. The valuation techniques used include the following or a combination thereof:

- (i) Market approach - which uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities.
- (ii) Cost approach - which reflects the amount that would be required currently to replace the service capacity of an asset.
- (iii) Income approach - which converts future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted) amount.

The inputs to valuation techniques used to measure fair value are categorised into the following levels of fair value hierarchy:

- (i) Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- (ii) Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- (iii) Level 3 - unobservable inputs for the asset or liability.

Any transfers between the levels of fair value hierarchy are deemed to have occurred at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2. Material accounting policy information (Cont'd)

2.16 Fair value measurement (Cont'd)

The carrying amounts of financial assets and financial liabilities measured at amortised cost which are short-term in nature or repayable on demand are reasonable approximations of fair values.

The fair values of long-term loans and borrowings are measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2).

The fair values of derivatives and short-term funds are directly measured using their unadjusted market values quoted by financial institutions (i.e. Level 1).

The fair values of contingent consideration assets are measured using probability-weighted present value technique by discounting the expected future cash flows using the Bank Negara's weighted average lending rate (i.e. Level 2).

2.17 Revenue from contracts with customers

The Group recognises revenue (by applying the following steps) to depict the transfer of promised goods or services to customers at the transaction price.

- (i) Step 1: Identify contract - A contract is an agreement between two or more parties that creates enforceable rights and obligations.
- (ii) Step 2: Identify performance obligations - Each promise to transfer distinct goods or services is identified as a performance obligation and accounted for separately.
- (iii) Step 3: Determine transaction price - The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. It is adjusted for the effects of variable consideration (e.g. discounts, rebates, incentives or penalties), significant financing component, non-cash consideration and consideration payable to customer.
- (iv) Step 4: Allocate transaction price to performance obligations - The transaction price is allocated to each performance obligation on the basis of the relative (estimated) stand-alone selling prices of each distinct good or service promised in the contract.
- (v) Step 5: Recognise revenue - Revenue is recognised when (or as) the entity satisfies a performance obligation by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service). Revenue is recognised either over time or at a point in time depending on the timing of transfer of control.

Sale of goods

The Group determines that the transfer of control of promised goods generally coincides with the transfer of risks and rewards of ownership. Accordingly, revenue from the sale of goods is recognised at a point in time when the significant risks and rewards of ownership have been transferred to the customer upon delivery.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2. Material accounting policy information (Cont'd)

2.17 Revenue from contracts with customers (Cont'd)

Rendering of services

The Group determines that the transfer of control of promised services generally coincides with the Group's performance as the customer simultaneously receives and consumes the benefits of the performance as the Group performs. Accordingly, revenue from the rendering of services is recognised over time when the services are performed. The Group measures the progress towards complete satisfaction of the performance obligation using an output method, i.e. units delivered.

2.18 Other income

Dividend income is recognised in profit or loss only when the entity's right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably.

Interest income for financial assets measured at amortised cost is recognised in profit or loss using the effective interest method. Interest or fund distribution income for financial assets measured at fair value through profit or loss is included in their net fair value gains or losses.

Operating lease income is recognised in profit or loss on a straight-line basis over the lease term.

2.19 Government grants

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to the grants and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Grants related to assets are presented in the statement of financial position as deferred income which is amortised on a straight-line basis over the estimated useful lives of the assets. Grants related to income are deducted in reporting the related expense in the statement of comprehensive income.

2.20 Employee benefits

Short-term employee benefits

Short-term employee benefits such as wages, salaries, bonuses and social security contributions are recognised in profit or loss or included in the cost of an asset, where appropriate, in the period in which the associated services are rendered by the employee.

Defined contribution plans

As required by law, employers in Malaysia make contributions to the statutory pension scheme, Employees Provident Fund ("EPF"). Contributions to defined contribution plans are recognised in profit or loss or included in the cost of an asset, where appropriate, in the period in which the associated services are rendered by the employee.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D) FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

2. Material accounting policy information (Cont'd)

2.21 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, which is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of the asset, until such time as the asset is substantially ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.22 Income taxes

Income taxes for the year comprise current tax and deferred tax.

Current tax represents the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is provided for under the liability method in respect of all temporary differences between the carrying amount of an asset or liability and its tax base except for those temporary differences associated with goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and, at the time of the transaction, affects neither accounting nor taxable results and does not give rise to equal taxable and deductible temporary differences.

A deferred tax liability is recognised for all taxable temporary differences, whereas a deferred tax asset is recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the end of the reporting period.

2.23 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, term deposits that are withdrawable on demand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of 3 months or less. For the purpose of statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

3. Judgements and estimation uncertainty

Judgements made in applying accounting policies

In the process of applying the accounting policies of the Group and the Company, management is not aware of any judgements, apart from those involving estimations, that can significantly affect the amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

3. Judgements and estimation uncertainty (Cont'd)

Sources of estimation uncertainty

The key assumptions about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment of goodwill

Irrespective of whether there is any indication of impairment, goodwill is tested for impairment annually. The impairment test involves significant judgements and estimation uncertainty in making key assumptions about future market and economic conditions, growth rates, profit margins, discount rate, etc. The carrying amount of goodwill is disclosed in Note 7.

Impairment of non-financial assets

When the recoverable amount of a non-financial asset is determined based on its value in use, the impairment test involves significant judgements and estimation uncertainty in making key assumptions about future market and economic conditions, growth rates, profit margins, discount rate, etc. The carrying amounts of non-financial assets subject to impairment assessment are disclosed in Note 4 and Note 8.

Valuation of inventories

Reviews are made periodically by management on inventories for excess inventories, obsolescence and decline in net realisable value below cost. These reviews involve judgements and estimation uncertainty in forming expectations about future sales and demands. Any changes in these accounting estimates will result in revisions to the valuation of inventories (Note 11).

Impairment of trade receivables

The Group and the Company recognise loss allowance for expected credit losses on trade receivables based on an assessment of credit risk. Such assessment involves judgements and estimation uncertainty in analysing information about past events, current conditions and forecasts of future economic conditions. Any changes in these accounting estimates will affect the carrying amounts of trade receivables (Note 12).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

4. Property, plant and equipment

Group

	Freehold land RM	Buildings RM	Cleanroom facility and equipment RM	Computers RM	Machinery RM	Motor vehicles RM	Office equipment, furniture, fittings and renovation RM	Solar equipment RM	Tools and equipment RM	Capital work-in-progress RM	Total RM
Cost											
Balance at 1 July 2023	1,650,000	61,260,384	4,167,165	3,799,352	46,119,074	3,885,707	14,164,970	1,012,174	6,764,156	5,150,800	147,973,782
Additions	0	124,116	82,200	886,570	3,363,911	718,524	760,127	0	140,177	886,911	6,962,536
Transfer from right-of-use assets	0	0	0	0	545,000	0	0	0	0	0	545,000
Disposals/Write-offs	0	0	0	(1,127)	(907,396)	(227,188)	(105,831)	0	(6,890)	0	(1,248,432)
Transfers	3,425,000	2,496,356	0	0	48,600	0	7,755	0	0	(5,977,711)	0
Balance at 30 June 2024	5,075,000	63,880,856	4,249,365	4,684,795	49,169,189	4,377,043	14,827,021	1,012,174	6,897,443	60,000	154,232,886
Additions	0	13,550	106,500	191,203	129,445	0	389,904	1,162,000	95,506	0	2,088,108
Transfer to investment properties	(1,650,000)	(400,000)	0	0	0	0	0	0	0	0	(2,050,000)
Disposals/Write-offs	0	0	0	(139,690)	(54,360)	(407,000)	(49,583)	0	(4,296)	0	(654,929)
Transfers	0	0	0	0	0	0	60,000	0	0	(60,000)	0
Balance at 30 June 2025	3,425,000	63,494,406	4,355,865	4,736,308	49,244,274	3,970,043	15,227,342	2,174,174	6,988,653	0	153,616,065

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

4. Property, plant and equipment (Cont'd)

	Freehold land	Buildings	Cleanroom facility and equipment	Computers	Machinery	Motor vehicles	Office equipment, furniture, fittings and renovation	Solar equipment	Tools and equipment	Capital work-in-progress	Total
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Accumulated depreciation											
Balance at 1 July 2023	0	4,249,111	931,618	2,956,273	19,826,274	3,048,791	3,685,388	37,113	4,931,724	0	39,666,292
Depreciation	0	1,596,512	558,782	749,763	3,892,029	323,875	1,503,604	40,487	371,967	0	9,037,019
Transfer from right-of-use assets	0	0	0	0	195,166	0	0	0	0	0	195,166
Disposals/Write-offs	0	0	0	(1,126)	(841,440)	(227,187)	(77,331)	0	(6,480)	0	(1,153,564)
Balance at 30 June 2024	0	5,845,623	1,490,400	3,704,910	23,072,029	3,145,479	5,111,661	77,600	5,297,211	0	47,744,913
Depreciation	0	1,617,334	566,400	682,352	3,777,705	412,072	1,485,351	55,980	349,871	0	8,947,065
Transfer to investment properties	0	(21,080)	0	0	0	0	0	0	0	0	(21,080)
Disposals/Write-offs	0	0	0	(134,015)	(45,945)	(406,999)	(45,780)	0	(4,109)	0	(636,848)
Balance at 30 June 2025	0	7,441,877	2,056,800	4,253,247	26,803,789	3,150,552	6,551,232	133,580	5,642,9723	0	56,034,050
Carrying amount											
Balance at 30 June 2024	5,075,000	58,035,233	2,758,965	979,885	26,097,160	1,231,564	9,715,360	934,574	1,600,232	60,000	106,487,973
Balance at 30 June 2025	3,425,000	56,052,529	2,299,065	483,061	22,440,485	819,491	8,676,110	2,040,594	1,345,6810	0	97,582,015

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

4. Property, plant and equipment (Cont'd)

The carrying amounts of property, plant and equipment pledged as security for credit facilities granted to the Group are as follows:

	2025 RM	2024 RM
Freehold land	3,425,000	5,075,000
Buildings	52,649,959	54,343,948
Cleanroom facility and equipment	1,442,329	1,649,078
Machinery	13,987,827	15,949,135
Office equipment, furniture, fittings and renovation	159,873	180,759
Solar equipment	2,040,594	934,574
	73,705,582	78,132,494

The carrying amounts of property, plant and equipment acquired under hire purchase financing which remained outstanding as at the end of the reporting period are as follows:

	2025 RM	2024 RM
Cleanroom facility and equipment	111,446	378,909
Machinery	52,610	61,378
Motor vehicles	694,067	1,038,807
Tools and equipment	41,652	65,450
	899,775	1,544,544

5. Investment properties

Group

	Freehold land RM	Buildings RM	Total RM
Cost			
Balance at 1 July 2023 / 30 June 2024	0	0	0
Transfer from property, plant and equipment	1,650,000	400,000	2,050,000
Balance at 30 June 2025	1,650,000	400,000	2,050,000
Accumulated depreciation			
Balance at 1 July 2023 / 30 June 2024	0	0	0
Transfer from property, plant and equipment	0	21,080	21,080
Depreciation	0	6,920	6,920
Balance at 30 June 2025	0	28,000	28,000
Carrying amount			
Balance at 30 June 2024	0	0	0
Balance at 30 June 2025	1,650,000	372,000	2,022,000

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

5. Investment properties (Cont'd)

	Freehold land RM	Buildings RM	Total RM
Fair value			
Estimated fair value at 30 June 2024	0	0	0
Estimated fair value at 30 June 2025	1,764,382	1,009,618	2,774,000

The fair values of investment properties were determined based on management's estimates by reference to relevant market information (i.e. Level 2).

The investment properties have been pledged as security for credit facilities granted to the Group.

The Group leases the investment properties under operating leases for 2 years. The undiscounted lease payments to be received are as follows:

	2025 RM	2024 RM
Within 1 year	63,000	0

6. Right-of-use assets

Group

	Leasehold land RM	Buildings RM	Machinery RM	Total RM
Balance at 1 July 2023	19,021,116	1,543,999	376,959	20,942,074
Additions	0	225,963	0	225,963
Remeasurement of lease liabilities	0	1,008,337	0	1,008,337
Depreciation	(445,820)	(988,489)	(27,125)	(1,461,434)
Transfer to property, plant and equipment	0	0	(349,834)	(349,834)
Derecognition	0	(8,225)	0	(8,225)
Balance at 30 June 2024	18,575,296	1,781,585	0	20,356,881
Additions	0	14,676	0	14,676
Modification of lease liabilities	0	48,483	0	48,483
Derecognition due to lease modification	0	(4,352)	0	(4,352)
Depreciation	(445,820)	(1,083,457)	0	(1,529,277)
Balance at 30 June 2025	18,129,476	756,935	0	18,886,411

The Group acquired the rights to use the leasehold land as its principal places of business for 42 to 60 years. It also leases the buildings as factories and staff hostels for 2 to 5 years.

The leasehold land has been pledged as security for credit facilities granted to the Group.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

7. Goodwill

Group

	2025 RM	2024 RM
Cost		
Balance at 1 July / 30 June	<u>34,377,957</u>	<u>34,377,957</u>
Accumulated impairment losses		
Balance at 1 July	(946,000)	0
Impairment loss	<u>(462,000)</u>	<u>(946,000)</u>
Balance at 30 June	<u>(1,408,000)</u>	<u>(946,000)</u>
Carrying amount	<u>32,969,957</u>	<u>33,431,957</u>

Goodwill is attributable to the following subsidiaries, each representing a separate cash-generating unit ("CGU"):

	2025 RM	2024 RM
Rapid Growth Technology Sdn. Bhd.	17,147,367	17,147,367
Keenness Precision Engineering Sdn. Bhd.	5,925,512	5,925,512
Top Degree (M) Sdn. Bhd.	<u>9,897,078</u>	<u>10,359,078</u>
	<u>32,969,957</u>	<u>33,431,957</u>

The impairment tests for cash-generating units containing goodwill are summarised below:

Rapid Growth Technology Sdn. Bhd.

The Group has assessed the recoverable amount of goodwill allocated using the value in use approach. The goodwill is attributed to the "Engineered polymer products" segment. The recoverable amount of **RM204,383,000** (2024 : RM111,813,000) was derived from cash flows projections based on 5 years of financial budgets approved by management. The key assumptions used in the determination of the recoverable amount are as follows:

- Projected revenue growth rates - The projected revenue growth rates used ranged from **5% to 19%** (2024 : 10% to 18%), taking into consideration past business performance and management's expectations of current and future market conditions.
- Projected gross profit margins - The projected gross profit margins used ranged from **25% to 27%** (2024 : 25%), based on historical margins achieved or predetermined profit margins for relevant products and services.
- Pre-tax discount rate - The discount rate reflected specific risks relating to the cash-generating unit. The rate used was **10.66%** (2024 : 12.63%).
- Terminal value - Cash flows beyond the 5-year period were extrapolated using a terminal growth rate of **0%** (2024 : 0%).

Based on the assessment, no impairment on goodwill was required as the recoverable amount of the goodwill exceeded its carrying amount.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

7. Goodwill (Cont'd)

Keenness Precision Engineering Sdn. Bhd.

The Group has assessed the recoverable amount of goodwill allocated using the value in use approach. The goodwill is attributed to the "Factory automation and precision engineering" segment. The recoverable amount of **RM23,549,000** (2024 : RM32,947,000) was derived from cash flows projections based on 5 years of financial budgets approved by management. The key assumptions used in the determination of the recoverable amount are as follows:

- (i) Projected revenue growth rates - The projected revenue growth rates used ranged from **15% to 16%** (2024 : 8%), taking into consideration past business performance and management's expectations of current and future market conditions.
- (ii) Projected gross profit margins - The projected gross profit margin used was **45%** (2024 : 60%), based on historical margins achieved or predetermined profit margins for relevant products and services.
- (iii) Pre-tax discount rate - The discount rate reflected specific risks relating to the cash-generating unit. The rate used was **10.66%** (2024 : 12.63%).
- (iv) Terminal value - Cash flows beyond the 5-year period were extrapolated using a terminal growth rate of **0%** (2024 : 0%).

Based on the assessment, no impairment on goodwill was required as the recoverable amount of the goodwill exceeded its carrying amount.

Top Degree (M) Sdn. Bhd.

The Group has assessed the recoverable amount of goodwill allocated using the value in use approach. The goodwill is attributed to the "Factory automation and precision engineering" segment. The recoverable amount of **RM32,216,000** (2024 : RM30,328,000) was derived from cash flows projections based on 5 years of financial budgets approved by management. The key assumptions used in the determination of the recoverable amount are as follows:

- (i) Projected revenue growth rates - The projected revenue growth rates used ranged from **8% to 32%** (2024 : 8% to 62%), taking into consideration past business performance and management's expectations of current and future market conditions.
- (ii) Projected gross profit margins - The projected gross profit margins used ranged from **15% to 17%** (2024 : 19%), based on historical margins achieved or predetermined profit margins for relevant products and services.
- (iii) Pre-tax discount rate - The discount rate reflected specific risks relating to the cash-generating unit. The rate used was **10.66%** (2024 : 12.63%).
- (iv) Terminal value - Cash flows beyond the 5-year period were extrapolated using a terminal growth rate of **0%** (2024 : 0%).

Based on the assessment, an impairment loss on goodwill of RM462,000 was recognised as administrative and general expenses in profit or loss.

Management believes that any reasonably possible change in any of these key assumptions would not cause the carrying amount of the cash-generating unit to exceed its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

8. Investments in subsidiaries

	Company	
	2025	2024
	RM	RM
Unquoted shares - at cost	250,120,025	250,120,025
Accumulated impairment losses	(14,044,000)	(10,880,339)
	236,076,025	239,239,686

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest		Principal activity
		2025	2024	
Subsidiary of the Company				
T-Venture Industries (M) Sdn. Bhd.	Malaysia	100%	100%	Manufacture of moulded plastic products
Rapid Growth Technology Sdn. Bhd. ("RGTSB")	Malaysia	100%	100%	Manufacture and sale of air freshener dispensers, hygiene care products and plastic parts
RGT Industries Sdn. Bhd.	Malaysia	100%	100%	Design, manufacture and sale of moulded plastic products to various industries together with secondary processes
Top Degree (M) Sdn. Bhd.	Malaysia	70%	70%	Design, manufacture and sale of machinery, high precision parts and related accessories
Keenness Precision Engineering Sdn. Bhd.	Malaysia	70%	70%	Precision machining and tooling for moulds and machine parts
Subsidiary of RGTSB				
Rapid Growth Industries Sdn. Bhd.	Malaysia	100%	100%	Inactive

During the financial year, the Company has carried out a review of the recoverable amounts of its investments in subsidiaries. An impairment loss of **RM4,044,000** (2024 : RM10,000,000) was recognised in respect of a subsidiary whose financial performance had deteriorated due to keen competition, representing the write-down of the investment to its recoverable amount and recognised as administrative and general expenses in profit or loss. In contrast, a reversal of impairment loss amounting to **RM880,339** (2024 : RM210,877) was recognised in respect of another subsidiary following an improvement in its recoverable amount, which was recognised as other income in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

8. Investments in subsidiaries (Cont'd)

The recoverable amount of the subsidiaries was determined using the value in use approach by discounting the future cash flows projected to be generated by the subsidiaries, assuming they will continue operations indefinitely, and applying the post-tax discount rates ranging of **8.10%** (2024 : 9.60%). The key assumptions underlying the cash flow projections include forecast revenue growth rates, gross profit margins and the terminal growth rate applied to extrapolate future cash flows beyond the forecast periods.

The total recoverable amount of the subsidiaries are as follows:

	2025 RM	2024 RM
T-Venture Industries (M) Sdn. Bhd.	8,132,000	3,920,000
Rapid Growth Technology Sdn. Bhd.	193,096,000	454,391,000
RGT Industries Sdn. Bhd.	14,345,000	65,105,000
Top Degree (M) Sdn. Bhd.	16,792,000	20,831,000
Keenness Precision Engineering Sdn. Bhd.	16,337,000	23,063,000
	248,702,000	567,310,000

9. Investment in an associate

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Unquoted shares - at cost	1,967,100	0	1,967,100	0
Share of post-acquisition reserves	(65,218)	0	0	0
	1,901,882	0	1,967,100	0

The details of the associate are as follows:

Name of associate	Principal place of business/ Country of incorporation	Effective ownership interest		Principal activity
		2025	2024	
We Are Perspective Pte. Ltd.	Singapore	20%	N/A	Providing industrial design activities and research and experimental development on engineering

	Group	
	2025	2024
	RM	RM
<u>Reconciliation of net assets to carrying amount</u>		
Group's share of net assets	90,709	0
Goodwill	1,811,173	0
Carrying amount of the Group's interests in this associate	1,901,882	0

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

9. Investment in an associate (Cont'd)

Summarised financial information has not been presented as the associate is not individually material to the Group.

10. Deferred tax assets/(liabilities)

	2025 RM	Group 2024 RM
Balance at 1 July	(5,654,918)	(7,579,068)
Deferred tax income relating to origination and reversal of temporary differences	353,571	1,932,866
Underprovision of deferred tax liabilities in prior year	(51,444)	(8,716)
Balance at 30 June	<u>(5,352,791)</u>	<u>(5,654,918)</u>
Disclosed as:		
- Deferred tax assets	2,622,200	2,155,025
- Deferred tax liabilities	<u>(7,974,991)</u>	<u>(7,809,943)</u>
	<u>(5,352,791)</u>	<u>(5,654,918)</u>
In respect of:		
- (Taxable)/Deductible temporary differences of:		
- Property, plant and equipment	(7,747,791)	(7,119,918)
- Investment properties	(23,000)	0
- Right-of-use assets	(2,484,000)	(2,460,000)
- Inventories	13,000	79,000
- Financial instruments	106,000	164,000
- Lease liabilities	550,000	446,000
- Unused capital allowances	2,341,000	1,660,000
- Unused tax losses	1,892,000	1,576,000
	<u>(5,352,791)</u>	<u>(5,654,918)</u>

As at 30 June 2025, the Group and the Company have unused tax losses amounting to **RM14,618,000** (2024 : RM14,618,000), which will expire in year of assessment 2028, for which no deferred tax assets have been recognised. Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028.

11. Inventories

	2025 RM	Group 2024 RM
Raw materials	11,889,079	12,492,538
Work-in-progress	1,256,941	1,539,990
Finished goods	2,921,744	3,496,124
Goods-in-transit	470,037	1,545,181
Consumables	129,010	70,758
	<u>16,666,811</u>	<u>19,144,591</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

11. Inventories (Cont'd)

	2025 RM	Group 2024 RM
Recognised in profit or loss:		
- Inventories recognised as cost of sales	102,180,510	54,046,486
- Amount written down to net realisable value	40,999	438,343
- Amount written off	3,054	0
- Reversal of inventories previously written down	(314,803)	0

12. Receivables

	2025 RM	Group 2024 RM	Company 2025 RM	Company 2024 RM
Trade receivables	31,749,248	29,277,450	0	0
Loss allowance	(65,409)	(28,000)	0	0
	31,683,839	29,249,450	0	0
Other receivables	22,346	17,688	0	0
Deposits	629,099	649,727	0	0
Amounts due from subsidiaries	0	0	4,251,791	2,950,000
Contingent consideration asset - at fair value	0	1,430,000	0	1,430,000
	32,335,284	31,346,865	4,251,791	4,380,000

Trade receivables

The Group determines credit risk concentrations in terms of counterparties and geographical areas. As at 30 June 2025, there was 1 (2024 : 1) major group of customer that individually accounted for 10% or more of the Group's trade receivables and the total outstanding balance due from this major group amounted to **RM15,904,317** (2024 : RM18,259,665). The credit risk concentration profile by geographical areas of trade receivables is as follows:

	2025 RM	Group 2024 RM
Malaysia	9,147,576	6,650,520
Other Asian countries	4,239,013	1,923,619
North America	8,631,873	10,700,655
Europe	9,730,786	9,979,185
Others	0	23,471
	31,749,248	29,277,450

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

12. Receivables (Cont'd)

Trade receivables (Cont'd)

The credit terms of trade receivables range from **30 to 130** (2024 : 30 to 130) days. The Group uses past due information to assess the credit risk of trade receivables. The analysis by past due status is as follows:

	2025 RM	Group 2024 RM
Not past due	26,183,637	25,737,213
1 to 30 days past due	2,985,976	2,338,834
31 to 60 days past due	240,132	671,368
61 to 90 days past due	221,389	138,865
More than 90 days past due	2,118,114	391,170
	31,749,248	29,277,450

The Group determines that a trade receivable is credit-impaired when the customer is experiencing significant financial difficulty and has defaulted in payments. Unless otherwise demonstrated, the Group generally considers a default to have occurred when the trade receivable is more than 90 days past due. The gross carrying amount of a credit-impaired trade receivable is directly written off when there is no reasonable expectation of recovery. This normally occurs when there is reasonable proof of customer insolvency.

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9. The changes in the loss allowance are as follows:

	2025 RM	Group 2024 RM
Balance at 1 July	28,000	0
Impairment losses	37,409	28,000
Balance at 30 June	65,409	28,000

The above loss allowance is in respect of individually assessed credit-impaired trade receivables. Based on the low historical observed default rates (adjusted for forward-looking estimates), the expected credit losses on trade receivables that are not credit-impaired are not considered to be material and hence, have not been recognised.

Amounts due from subsidiaries

The amounts due from subsidiaries are non-trade in nature, unsecured, bearing interest at **5.03%** (2024 : 5.13%) per annum and repayable on demand except for an amount of **RM1,791** (2024 : nil) which is interest free.

Contingent consideration asset

This represents the right to the return of previously transferred consideration for the acquisition of a subsidiary when specified conditions are met. The amount was received in June 2025.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

13. Derivatives

	2025 RM	Group 2024 RM
Forward exchange contracts - at fair value:		
- Current assets	530,048	0
- Current liabilities	0	(12,498)
	530,048	(12,498)

Forward exchange contracts are used to hedge the exposure to currency risk. The Group does not apply hedge accounting. As at 30 June 2025, the Group had contracts with financial institutions due within 1 year to buy **RM14,402,000** (2024 : RM9,482,000) and sell **USD3,300,000** (2024 : USD2,020,000) at contractual forward rates.

The fair values of forward exchange contracts were directly measured using their unadjusted market values quoted by the financial institutions (i.e. Level 1).

14. Prepayments

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Prepayments for acquisition of:				
- Property, plant and equipment	2,319,636	0	0	0
- Right-of-use assets	14,616,183	0	0	0
- Operating expenses	1,951,364	1,052,093	122,058	5,204
	18,887,183	1,052,093	122,058	5,204

On 1 November 2024, the Group entered into a Sale and Purchase Agreement with Permai Gas Sdn. Bhd. for the acquisition of two parcels of leasehold land located at Simpang Ampat, Penang, one of which includes an existing building. The total purchase consideration is RM16,800,000. As at 30 June 2025, the Group has paid RM15,228,000 to the vendor. The acquisition has been completed in August 2025.

15. Cash and cash equivalents

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	12,145,505	7,843,832	521,660	737,422
Term deposits	1,030,441	1,003,823	0	0
Short-term funds - at fair value	5,030,643	11,723,404	401,850	740,296
	18,206,589	20,571,059	923,510	1,477,718

Cash and bank balances and term deposits are placed with reputable financial institutions with low credit risk. Accordingly, their expected credit losses are not considered to be material and hence, have not been recognised.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

15. Cash and cash equivalents (cont'd)

The term deposits have been pledged as security for credit facilities granted to the Group and are not freely available for use.

The effective interest rates of term deposits as at 30 June 2025 ranged from **2.25% to 2.70%** (2024 : 2.25% to 2.70%) per annum.

Short-term funds represent highly liquid investments in money market funds managed by financial institutions that invest in low-risk instruments, and are readily redeemable with insignificant risk of changes in value. Their fair values were directly measured using the unadjusted market values quoted by the financial institutions (i.e. Level 1).

For the purpose of statements of cash flows, cash and cash equivalents are presented net of pledged deposits as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and cash equivalents	18,206,589	20,571,059	923,510	1,477,718
Term deposits pledged as security	(1,030,441)	(1,003,823)	0	0
	17,176,148	19,567,236	923,510	1,477,718

16. Payables

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Trade payables	11,518,932	10,774,312	0	0
Other payables	1,621,620	1,638,539	14,318	61,789
Accruals	2,621,561	2,818,459	355,687	179,515
	15,762,113	15,231,310	370,005	241,304

Payables are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

The credit terms of trade and other payables range from **7 to 120** (2024 : 7 to 120) days.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

17. Loans and borrowings

	2025 RM	Group 2024 RM
Secured		
Hire purchase payables	803,926	1,398,926
Bankers' acceptances	1,291,000	1,816,321
Revolving credits	13,500,000	6,950,000
Short term loan	2,395,000	0
Term loans	51,656,199	45,679,198
Unsecured		
Bankers' acceptances	658,000	220,000
Revolving credits	0	1,899,740
	70,304,125	57,964,185
Disclosed as:		
- Current liabilities	27,236,470	20,223,365
- Non-current liabilities	43,067,655	37,740,820
	70,304,125	57,964,185

Hire purchase payables are secured against the assets acquired under (Note 4). Other loans and borrowings are secured against certain property, plant and equipment (Note 4), investment properties (Note 5), right-of-use assets (Note 6) and term deposits (Note 15).

The effective interest rates of loans and borrowings as at 30 June 2025 ranged from **4.28% to 5.82%** (2024 : 4.36% to 6.78%) per annum.

Except for hire purchase payables and term loans, loans and borrowings are generally short-term in nature or repayable on demand and their carrying amounts will approximate to the remaining contractual undiscounted cash flows.

Hire purchase payables

Hire purchase payables are repayable over 5 years. The repayment analysis is as follows:

	2025 RM	Group 2024 RM
Minimum hire purchase payments:		
- Within 1 year	405,083	649,323
- 1 to 5 years	454,706	859,789
Total contractual undiscounted cash flows	859,789	1,509,112
Future finance charges	(55,863)	(110,186)
Present value of hire purchase payables:		
- Within 1 year	372,500	592,537
- 1 to 5 years	431,426	806,389
	803,926	1,398,926

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

17. Loans and borrowings (Cont'd)

The fair values of hire purchase payables were measured using present value technique by discounting the expected future cash flows using observable current market interest rates for similar liabilities (i.e. Level 2). The fair values measured were considered to be reasonably close to the carrying amounts reported as the observable current market interest rates also approximated to the effective interest rates of hire purchase payables.

Term loans

Term loans are repayable over 4 to 25 years. The repayment analysis is as follows:

	2025 RM	Group 2024 RM
Gross loan instalments:		
- Within 1 year	11,145,597	10,633,407
- 1 to 5 years	41,600,338	35,126,870
- After 5 years	6,457,081	7,755,569
Total contractual undiscounted cash flows	59,203,016	53,515,846
Future finance charges	(7,546,817)	(7,836,648)
Present value of term loans:		
- Within 1 year	9,019,970	8,744,767
- 1 to 5 years	37,070,583	30,397,236
- After 5 years	5,565,646	6,537,195
	<u>51,656,199</u>	<u>45,679,198</u>

The fair values of term loans approximate their carrying amounts as the interest rates were repriced to market interest rates on or near the reporting date.

18. Lease liabilities

	2025 RM	Group 2024 RM
Gross lease liabilities:		
- Within 1 year	719,250	1,142,250
- 1 to 5 years	84,200	764,800
Total contractual undiscounted cash flows	803,450	1,907,050
Future finance charges	(16,262)	(73,087)
Present value of lease liabilities	<u>787,188</u>	<u>1,833,963</u>
Disclosed as:		
- Current liabilities	703,784	1,084,223
- Non-current liabilities	83,404	749,740
	<u>787,188</u>	<u>1,833,963</u>

The incremental borrowing rates applied to lease liabilities as at 30 June 2025 range from 3.73% to 5.01% (2024 : 3.73% to 5.64%) per annum.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

19. Contract liabilities

	2025 RM	Group 2024 RM
Balance at 1 July	90,735	2,839,815
Revenue recognised from opening contract liabilities	(73,181)	(2,794,815)
Excess of consideration over revenue recognised	1,175,240	45,735
Balance at 30 June	1,192,794	90,735

As disclosed in Note 2.17, the Group generally satisfies its performance obligations at a point in time upon delivery of goods. Any consideration received or due in advance before a performance obligation is satisfied is presented as contract liability.

As a practical expedient, information about remaining performance obligations for contracts with original duration of one year or less has not been disclosed.

20. Deferred income on government grants

	2025 RM	Group 2024 RM
Balance at 1 July	702,552	791,296
Amortisation	(88,743)	(88,744)
Balance at 30 June	613,809	702,552

The Group received grants from the local government for purchase of certain machinery. The grants covered 50% of the machinery costs subject to the limits approved by the local government.

21. Share capital

	Number of ordinary shares with no par value	RM
Issued and fully-paid		
Balance at 1 July 2023	1,057,489,978	248,608,465
Share consolidation	(704,994,262)	0
Balance at 30 June 2024 / 30 June 2025	352,495,716	248,608,465

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

21. Share capital (Cont'd)

Treasury shares

The shareholders of the Company, by a resolution passed at the annual general meeting held on 18 November 2024, approved to renew the authority for the Company to purchase its own shares. The details of the shares purchased from the open market using internally generated funds and held as treasury shares during the financial year are as follows:

		2025		2024
	Number of ordinary shares	Cost RM	Number of ordinary shares	Cost RM
Balance at 1 July	6,669,033	4,720,798	0	0
Shares purchased	3,436,400	1,797,433	19,355,700	4,720,798
Shares consolidated	0	0	(12,686,667)	0
Balance at 30 June	<u>10,105,433</u>	<u>6,518,231</u>	<u>6,669,033</u>	<u>4,720,798</u>
Average unit cost for the year (RM)		<u>0.645</u>		<u>0.708</u>

The number of outstanding shares in issue after excluding the treasury shares is as follows:

	2025	2024
	Number of ordinary shares	Number of ordinary shares
Balance at 1 July	345,826,683	1,057,489,978
Shares purchased	(3,436,400)	(19,355,700)
Shares consolidated	0	(692,307,595)
Balance at 30 June	<u>342,390,283</u>	<u>345,826,683</u>

Warrants

On 28 June 2024, the Company issued 69,229,718 free warrants to its shareholders on the basis of 1 warrant for every 5 ordinary shares in issue. The warrants were listed on Bursa Malaysia Securities Berhad on 3 July 2024.

The salient terms of the warrants are as follows:

- (i) Each warrant entitles the holder to subscribe for 1 new ordinary share in the Company at an exercise price of RM0.88.
- (ii) The warrants are exercisable over a period of 5 years until 27 June 2029.

22. Consolidation reserve

Group

This represents the decrease in equity arising from the changes in ownership interests in subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

23. Non-controlling interests ("NCI")

Group

	Accumulated NCI		(Loss)/Profit allocated to NCI	
	2025	2024	2025	2024
	RM	RM	RM	RM
Top Degree (M) Sdn. Bhd.	2,201,820	2,847,244	(645,424)	(1,165,428)
Keenness Precision Engineering Sdn. Bhd.	4,166,654	4,576,867	(110,213)	560,262
	6,368,474	7,424,111	(755,637)	(605,166)

The details of the subsidiaries that have NCI are as follows:

Name of subsidiary	Principal place of business/ Country of incorporation	Effective ownership interest held by NCI		Principal activity
		2025	2024	
Top Degree (M) Sdn. Bhd. ("TDSB")	Malaysia	30%	30%	Design, manufacture and sale of machinery, high precision parts and related accessories
Keenness Precision Engineering Sdn. Bhd. ("KPSB")	Malaysia	30%	30%	Precision machining and tooling for moulds and machine parts

The summarised financial information of the above subsidiaries, before inter-company eliminations, is as follows:

	TDSB RM	KPSB RM
2025		
Non-current assets	17,101,740	13,102,510
Current assets	11,340,309	6,114,261
Current liabilities	(15,105,907)	(1,049,578)
Non-current liabilities	(5,996,740)	(4,301,040)
Net assets	7,339,402	13,866,153
Revenue	31,191,147	4,348,381
Loss (representing comprehensive income)	(2,151,414)	(374,943)
Dividend paid to NCI	0	300,000
Net cash (used in)/from operating activities	(3,149,329)	1,272,879
Net cash from/(used in) investing activities	7,564	(104,325)
Net cash from/(used in) financing activities	2,444,223	(2,067,875)
Net cash outflow	(697,542)	(899,321)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

23. Non-controlling interests ("NCI") (Cont'd)

	TDSB RM	KPSB RM
2024		
Non-current assets	17,564,755	14,067,130
Current assets	6,823,727	7,625,890
Current liabilities	(7,769,474)	(1,163,257)
Non-current liabilities	(7,128,192)	(5,273,533)
Net assets	9,490,816	15,256,230
Revenue	21,494,761	7,592,345
(Loss)/Profit (representing comprehensive income)	(3,884,761)	1,867,545
Net cash (used in)/from operating activities	(1,005,541)	1,619,037
Net cash used in investing activities	(671,084)	(2,455,548)
Net cash from/(used in) financing activities	1,803,799	(3,102,415)
Net cash inflow/(outflow)	127,174	(3,938,926)

24. Revenue

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customers:				
- Sale of goods	139,439,738	106,814,719	0	0
- Rendering of services	846,097	3,581,311	0	0
	140,285,835	110,396,030	0	0
Other source of revenue:				
- Dividend income	0	0	3,700,000	5,000,000
	140,285,835	110,396,030	3,700,000	5,000,000

Disaggregation of revenue from contracts with customers

	Group	
	2025 RM	2024 RM
Major products/services:		
- Engineered polymer products	104,816,450	81,345,264
- Automated machinery	20,744,535	13,632,170
- Precision engineering	14,724,850	15,418,596
	140,285,835	110,396,030

The information on the disaggregation of revenue by geographical market is disclosed in Note 32 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

25. Impairment losses on financial assets

	Group 2025 RM	2024 RM
Trade receivables from contracts with customers	37,409	28,000

26. (Loss)/Profit before tax

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
(Loss)/Profit before tax is arrived at after charging:				
Auditors' remuneration:				
- Audit fees				
- Statutory:				
- Current year	200,000	183,000	70,000	60,000
- Underprovision of prior year	17,000	800	10,000	0
- Non-statutory	0	26,000	0	26,000
- Non-audit fees	7,000	7,000	7,000	7,000
Depreciation of property, plant and equipment	8,947,065	9,037,019	0	0
Depreciation of investment properties	6,920	0	0	0
Depreciation of right-of-use assets	1,529,277	1,461,434	0	0
Direct operating expenditure for investment properties generating rental income	2,323	0	0	0
Employee benefits expense (Note 27)	34,630,270	29,883,887	182,340	148,200
Impairment loss on goodwill*	462,000	946,000	0	0
Impairment loss on investment in subsidiary*	0	0	4,044,000	10,000,000
Interest expense for financial liabilities not measured at fair value through profit or loss	2,578,185	2,837,924	0	0
Interest expense for lease liabilities	59,412	60,845	0	0
Inventories written down	40,999	438,343	0	0
Inventories written off	3,054	0	0	0

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

26. (Loss)/Profit before tax (cont'd)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Lease expense relating to (Note 30):				
- Short-term leases	404,160	119,960	0	0
- Leases of low-value assets (other than short-term leases)	16,999	17,533	0	0
Loss on foreign exchange:				
- Realised	1,359,024	228,775	0	0
- Unrealised	622,597	0	0	0
Property, plant and equipment written off	12,406	49,281	0	0
and crediting:				
Amortisation of deferred income	88,743	88,744	0	0
Fair value gains on financial instruments mandatorily measured at fair value through profit or loss:				
- Derivatives	542,546	351,114	0	0
- Short-term funds	208,052	532,045	61,554	65,222
- Contingent consideration assets	0	6,175,293	0	6,175,293
Gain on derecognition of right-of-use assets	145	358	0	0
Gain on disposal of property, plant and equipment	107,040	196,413	0	0
Interest income for financial assets measured at amortised cost	127,937	109,312	183,401	181,340
Operating lease income from investment properties	70,000	0	0	0
Reversal of impairment loss on investment in subsidiary**	0	0	880,339	210,877
Reversal of inventory previously written down	314,803	0	0	0
Unrealised gain on foreign exchange	0	7,579	0	0

* Included in administrative and general expenses

** Included in other income

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

27. Employee benefits expense (including directors' remuneration)

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM

(a) Key management personnel

Directors of the Company:

- Fees	158,000	138,000	158,000	138,000
- Other short-term employee benefits	1,308,863	1,348,260	24,340	10,200
- Defined contribution plans	111,090	143,820	0	0
	1,577,953	1,630,080	182,340	148,200

Directors of the subsidiaries:

- Fees	48,000	48,000	0	0
- Other short-term employee benefits	1,570,922	1,677,600	0	0
- Defined contribution plans	180,359	204,022	0	0
	1,799,281	1,929,622	0	0
	3,377,234	3,559,702	182,340	148,200

(b) Other employees

Other employees:

- Short-term employee benefits	28,868,578	24,247,013	0	0
- Defined contribution plans	2,384,458	2,157,765	0	0
- Government grants	0	(80,593)	0	0
	31,253,036	26,324,185	0	0
	34,630,270	29,883,887	182,340	148,200

The estimated money value of benefits received or receivable by directors otherwise than in cash is as follows:

	Group	
	2025	2024
	RM	RM
Directors of the Company	56,040	52,510
Other key management personnel	60,384	54,342
	116,424	106,852

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

28. Tax expense/(income)

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Tax based on results for the year:				
- Current tax	234,367	530,748	57,000	0
- Deferred tax	(353,571)	(1,932,866)	0	0
	(119,204)	(1,402,118)	57,000	0
Tax under/(over) provided in prior year:				
- Current tax	5,383	(130,909)	41,173	(6,664)
- Deferred tax	51,444	8,716	0	0
	(62,377)	(1,524,311)	98,173	(6,664)

The numerical reconciliation between the applicable tax rate, which is the statutory income tax rate, and the average effective tax rate on results for the year is as follows:

	Group		Company	
	2025	2024	2025	2024
	%	%	%	%
Applicable tax rate	(24.00)	24.00	(24.00)	24.00
Non-deductible expenses	34.59	9.34	4,284.85	312.94
Non-taxable income	(3.66)	(28.84)	(4,053.46)	(336.94)
Tax incentives claimed	(11.82)	(49.93)	0.00	0.00
Increase in unrecognised deferred tax assets	0.00	0.88	0.00	0.00
Average effective tax rate	(4.89)	(44.55)	207.39	0.00

29. (Loss)/Earnings per share

The basic (loss)/earnings per share is calculated by dividing the Group's (loss)/profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year as follows:

	Group	
	2025	2024
(Loss)/Profit for the financial year attributable to owners of the Company (RM)	(1,618,260)	5,276,943
Number of shares in issue as at 1 July	345,826,683	1,057,489,978
Effect of shares purchased	(1,787,226)	(10,294,230)
Effect of shares consolidated	0	(698,048,702)
Weighted average number of shares	344,039,457	349,147,046
Basic (loss)/earnings per share (sen)	(0.47)	1.51

The diluted (loss)/earnings per share equals the basic (loss)/earnings per share due to the anti-dilutive effect of the warrants which has been ignored in calculating the diluted (loss)/earnings per share.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

30. Notes to consolidated statement of cash flows

Group

Acquisition of property, plant and equipment

	2025 RM	2024 RM
Cost of property, plant and equipment acquired (Note 4)	2,088,108	6,962,536
Cost prepaid in current year (Note 14)	2,319,636	0
Cost prepaid in prior year	0	(1,899,451)
Acquisition by means of hire purchase	0	(450,000)
Net cash disbursed	4,407,744	4,613,085

Acquisition of right-of-use assets

	2025 RM	2024 RM
Cost of right-of-use assets acquired (Note 6)	14,676	225,963
Acquisition by means of leases	(14,676)	(224,963)
Cost prepaid in current year (Note 14)	14,616,183	0
Net cash disbursed	14,616,183	1,000

Term loans

	2025 RM	2024 RM
Balance at 1 July	45,679,198	52,916,901
Drawdowns	13,753,000	2,608,000
Repayments	(7,775,999)	(9,845,703)
Balance at 30 June (Note 17)	51,656,199	45,679,198

Short-term loans and borrowings

	2025 RM	2024 RM
Balance at 1 July	10,886,061	4,128,000
Drawdowns	37,172,129	15,137,442
Repayments	(30,214,190)	(8,379,381)
Net cash flow changes	6,957,939	6,758,061
Balance at 30 June:		
- Bankers' acceptances (Note 17)	1,949,000	2,036,321
- Revolving credits (Note 17)	13,500,000	8,849,740
- Short term loan (Note 17)	2,395,000	0
	17,844,000	10,886,061

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

30. Notes to consolidated statement of cash flows (Cont'd)

Lease liabilities

	2025 RM	2024 RM
Balance at 1 July	1,833,963	1,607,703
Acquisition of right-of-use assets	14,676	224,963
Remeasurement from reassessment or lease modifications	48,483	1,008,337
Payments	(1,105,437)	(998,457)
Derecognition due to lease modification	(4,497)	(8,583)
Balance at 30 June (Note 18)	787,188	1,833,963

The total cash outflow for leases is as follows:

	2025 RM	2024 RM
Operating activities		
Lease expense recognised in profit or loss (Note 26)	421,159	137,493
Investing activities		
Acquisition of right-of-use assets	14,616,183	1,000
Financing activities		
Interest portion of lease liabilities (Note 26)	59,412	60,845
Principal portion of lease liabilities	1,105,437	998,457
	16,202,191	1,197,795

Hire purchase payables

	2025 RM	2024 RM
Balance at 1 July	1,398,926	1,597,043
Additions	0	450,000
Payments	(595,000)	(648,117)
Balance at 30 June (Note 17)	803,926	1,398,926

31. Related party disclosures

Transactions with related parties during the financial year are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Acquisition of property, plant and equipment from director	0	160,000	0	0
Dividends declared from subsidiaries	0	0	3,700,000	5,000,000
Interest charged to subsidiary	0	0	182,399	178,704

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

32. Segment reporting

Group

Operating segments

For management purposes, the Group is organised into business units based on their products and services and has the following reportable operating segments:

- (i) Engineered polymer products - Design, manufacture and sale of high precision engineered polymer products including full assembly and related accessories
- (ii) Factory automation and precision engineering - Design, manufacture and sale of automated machinery, high precision metal parts, components and related accessories

The accounting policies and measurement bases of the segment items reported are the same as those disclosed in Note 2. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with external parties.

	Engineered polymer products RM	Factory automation and precision engineering RM	Unallocated non-operating segments RM	Total RM
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2025

Statement of financial position

Segment assets	180,892,365	61,868,487	3,081,011	245,841,863
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Included in the measure of segment assets are:

- Additions to non-current assets	1,927,681	223,586	0	2,151,267
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Segment liabilities	72,692,839	23,568,176	388,305	96,649,320
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Statement of comprehensive income

Segment profit/(loss)	1,004,205	(2,468,489)	(909,613)	(2,373,897)
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Included in the measure of segment profit/(loss) are:

- External revenue	104,816,450	35,469,385	0	140,285,835
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- Interest and fund distribution income	178,291	95,142	62,556	335,989
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- Non-cash income	531,328	88,888	0	620,216
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- Interest expense	1,819,124	818,473	0	2,637,597
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- Depreciation	7,184,904	3,298,358	0	10,483,262
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- Other non-cash expenses	667,785	511,960	0	1,179,745
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- Tax (expense)/income	(577,912)	738,462	(98,173)	62,377
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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

32. Segment reporting (Cont'd)

Operating segments (Cont'd)

	Engineered polymer products RM	Factory automation and precision engineering RM	Unallocated non-operating segments RM	Total RM
2024				
Statement of financial position				
Segment assets	172,494,389	61,745,073	3,069,597	237,309,059
Included in the measure of segment assets are:				
- Additions to non-current assets	2,148,712	6,048,124	0	8,196,836
Segment liabilities	62,653,781	20,746,901	244,504	83,645,186
Statement of comprehensive income				
Segment profit/(loss)	1,612,727	(1,442,734)	4,501,784	4,671,777
Included in the measure of segment profit/(loss) are:				
- External revenue	81,345,264	29,050,766	0	110,396,030
- Interest and fund distribution income	335,982	237,517	67,858	641,357
- Non-cash income	9,274	92,055	6,176,258	6,277,587
- Interest expense	2,054,020	844,749	0	2,898,769
- Depreciation	7,328,908	3,169,545	0	10,498,453
- Other non-cash expenses	358,616	1,120,154	54,707	1,533,477
- Tax income	334,259	1,183,388	6,664	1,524,311

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

32. Segment reporting (Cont'd)

Geographical information

The Group operates principally in Malaysia and generates revenue from the following geographical locations of customers:

	At a point in time RM	External Revenue	
		Over time RM	Total RM
2025			
Malaysia	41,190,172	846,097	42,036,269
Other Asian countries	12,338,838	0	12,338,838
North America	51,921,630	0	51,921,630
Europe	33,989,098	0	33,989,098
Others	0	0	0
	139,439,738	846,097	140,285,835

	At a point in time RM	External Revenue	
		Over time RM	Total RM
2024			
Malaysia	26,257,367	3,581,311	29,838,678
Other Asian countries	15,161,563	0	15,161,563
North America	36,569,978	0	36,569,978
Europe	28,554,697	0	28,554,697
Others	271,114	0	271,114
	106,814,719	3,581,311	110,396,030

Major customers

The major groups of customers that contributed 10% or more of the Group's total revenue are as follows:

	External revenue		Segment
	2025 RM	2024 RM	
Group of customers I	60,975,974	47,484,693	Engineered polymer products
Group of customers II	27,464,593	n/a	Engineered polymer products

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

33. Contractual commitments

	2025 RM	Group 2024 RM
Acquisition of:		
- Property, plant and equipment	996,000	1,273,000
- Right-of-use assets	1,432,000	0
	2,428,000	1,273,000

34. Financial guarantee contracts

Company

The Company has entered into financial guarantee contracts to provide financial guarantees to financial institutions for credit facilities granted to certain subsidiaries up to a total limit of **RM87,144,000** (2024 : RM97,744,000). The total utilisation of these credit facilities as at 30 June 2025 amounted to **RM67,531,000** (2024 : RM57,256,000). No maturity analysis is presented for the financial guarantee contracts as the entire amount could be called at any time in the event of default by the subsidiaries.

The aforementioned financial guarantee contracts should have been recognised in the statement of financial position in accordance with the recognition and measurement policies as stated in Note 2.12. After considering that the probability of the subsidiaries defaulting on the credit lines is remote, the financial guarantee contracts have not been recognised as the fair values on initial recognition are not expected to be material.

35. Financial risk management

The activities of the Group expose it to certain financial risks, including credit risk, liquidity risk, currency risk and interest rate risk. The overall financial risk management objective of the Group is to ensure that adequate financial resources are available for business development whilst minimising the potential adverse impacts of financial risks on its financial position, performance and cash flows.

The aforementioned financial risk management objective and its related policies and processes explained below have remained unchanged from the previous financial year.

Credit risk

The Group's exposure to credit risk arises mainly from receivables, derivative contracts and deposits placed with financial institutions. The maximum credit risk exposure of these financial assets is best represented by their respective carrying amounts in the statement of financial position. The Company is also exposed to credit risk in respect of its financial guarantees provided for credit facilities granted to certain subsidiaries. The maximum credit risk exposure of these financial guarantees is the total utilisation of the credit facilities granted as disclosed in Note 34.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

35. Financial risk management (Cont'd)

Credit risk (Cont'd)

Assessment of impairment losses

(i) Trade receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

(ii) Fixed deposits with licensed banks, cash and bank balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

(iii) Other receivables and amount owing by subsidiaries (non-trade)

The Group and the Company apply the 3-stage general approach to measuring expected credit losses for its other receivables and amount owing by subsidiaries. Under this approach, the Group and the Company assess whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Company measures the expected credit losses on an individual basis, which is aligned with its credit risk management practices on the inter-company balances.

Liquidity risk

The Group's exposure to liquidity risk relates to its ability to meet obligations associated with financial liabilities as and when they fall due. The remaining contractual maturities of financial liabilities are disclosed in their respective notes.

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities whilst maintaining sufficient cash and the availability of funding through standby credit facilities.

Currency risk

The Group's exposure to currency risk arises mainly from transactions entered into in currencies other than its functional currency, i.e. Ringgit Malaysia ("RM"). The major foreign currency transacted is US Dollar ("USD"), and the gross carrying amounts of foreign currency denominated monetary items at the end of the reporting period are as follows:

	Group Denominated in USD	
	2025 RM	2024 RM
Receivables	23,315,686	22,378,136
Cash and cash equivalents	3,311,363	3,080,642
Payables	(3,794,889)	(4,936,211)
Loans and borrowings	0	(1,899,740)
	<u>22,832,160</u>	<u>18,622,827</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

35. Financial risk management (Cont'd)

Currency risk (Cont'd)

The Group observes the movements in exchange rates and acts accordingly to minimise its exposure to currency risk. Where necessary, the Group enters into derivative contracts to hedge the exposure. Such exposure is also partly mitigated in the following ways:

- (i) The Group's foreign currency sales and purchases provide a natural hedge against fluctuations in foreign currencies.
- (ii) The Group maintains part of its cash and cash equivalents in foreign currency accounts to meet future obligations in foreign currencies.

Based on a symmetric basis which uses the foreign currency as a stable denominator, the following table demonstrates the sensitivity of profit or loss and equity to changes in exchange rates that were reasonably possible at the end of the reporting period, with all other variables held constant:

	Group Profit/(Loss) and equity	
	2025	2024
	RM	RM
Appreciation of USD against RM by 3% (2024 : 2%)	520,573	283,067
Depreciation of USD against RM by 3% (2024 : 2%)	(520,573)	(283,067)

Interest rate risk

The Group's exposure to interest rate risk arises mainly from interest-bearing financial instruments, namely term deposits, loans and borrowings and lease liabilities.

The Group observes the movements in interest rates and always strives to obtain the most favourable rates available for new financing or during repricing. It is also the Group's policy to maintain a mix of fixed and floating rate financial instruments as follows:

	2025	Group 2024
	RM	RM
Fixed rate instruments		
Financial assets	1,030,441	1,003,823
Financial liabilities	17,040,114	14,118,950
Floating rate instruments		
Financial liabilities	54,051,199	45,679,198

As the Group does not account for its fixed rate financial instruments at fair value through profit or loss, any change in interest rates at the end of the reporting period would not affect its profit or loss and equity. Any reasonably possible change in the interest rates of floating rate financial instruments measured at amortised cost at the end of the reporting period does not have a material impact on the profit after taxation and equity of the Group and hence, no sensitivity analysis is presented.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

36. Capital management

The overall capital management objective of the Group is to safeguard its ability to continue as a going concern so as to provide fair returns to owners and benefits to other stakeholders. In order to meet this objective, the Group always strives to maintain an optimal capital structure to reduce the cost of capital and sustain its business development.

The Group considers its total equity and total interest-bearing debts to be the key components of its capital structure and may, from time to time, adjust the dividend payouts, purchase own shares, issue new shares, sell assets, raise or redeem debts, where necessary, to maintain an optimal capital structure. The Group monitors capital using a debt-to-equity ratio, which is calculated as total interest-bearing debts divided by total equity as follows:

	2025 RM	Group 2024 RM
Loans and borrowings	70,304,125	57,964,185
Lease liabilities	787,188	1,833,963
Total interest-bearing debts	71,091,313	59,798,148
Total equity	149,192,543	153,663,873
Total capital	220,283,856	213,462,021
Debt-to-equity ratio (times)	0.48	0.39

The aforementioned capital management objective, policies and processes have remained unchanged from the previous financial year.

37. Significant event during the financial year

On 13 February 2025, the Company announced a proposed special issue of up to 59,110,000 new ordinary shares to Bumiputera investors. On 25 August 2025, the Board resolved to fix the issue price at RM0.258 per share, representing a discount of approximately 2.27% to the 5-day VWAP. As this is a non-adjusting event, no adjustment has been made to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

38. Comparative figures

The following figures have been reclassified to conform with the presentation of the current financial year:

	As previously reported RM	Group As restated RM	As previously reported RM	Company As restated RM
Statement of financial position (extract):				
Non-current assets:				
- Property, plant and equipment	104,943,429	106,487,973	n/a	n/a
- Right-of-use assets	21,901,425	20,356,881	n/a	n/a
Current liabilities:				
- Loans and borrowings	19,630,828	20,223,365	n/a	n/a
- Lease liabilities	1,676,760	1,084,223	n/a	n/a
Non-current liabilities:				
- Loans and borrowings	36,934,431	37,740,820	n/a	n/a
- Lease liabilities	1,556,129	749,740	n/a	n/a
Statement of cash flows (extract):				
Net cash from/(used in) operating activities	2,908,023	3,549,380	(621,430)	(374,868)
Net cash (used in)/from investing activities	(2,117,295)	(2,758,651)	6,359,996	6,113,434
Net cash used in financing activities	(13,525,086)	(13,525,087)	(11,065,738)	(11,065,738)

LIST OF PROPERTIES AS AT 30 JUNE 2025

Address	Description of property/ Existing Use	Type of land/ tenure (Year of expiry for leasehold)	Approximate land area (square meter)	Built-up area (square meter)	Age of building (years) as at 30 June 2025	Carrying amount as at 30 June 2025 (RM '000)	Date of acquisition
Registered Owner:- Rapid Growth Technology Sdn. Bhd.							
No. 1032, Jalan Perindustrian Bukit Minyak, Taman Perindustrian Bukit Minyak, 14100 Simpang Ampat, S.P.T Penang	Factory building and land/ Head office, manufacturing facility, and cleanroom	Leasehold (2067 & 2068)	17,837	17,450	16	43,672	25.05.2007
No. 1024, Lgk Perindustrian Bukit Minyak 2, Taman Bukit Minyak, 14100 Simpang Ampat, Penang	Warehouse	Leasehold (2070)	5,296	3,816	16	9,765	31.01.2020
11A, Lorong Juru 11, Pusat Perniagaan Juru Jaya, 14000 Bukit Mertajam	Double-storey terraced house/ Employee hostel	Freehold	130	214	18	226	28.05.2007
15, Lorong Juru 11, Pusat Perniagaan Juru Jaya, 14000 Bukit Mertajam	Double-storey terraced house/ Employee hostel	Freehold	130	214	18	226	28.05.2007
16, Lorong Juru 11, Pusat Perniagaan Juru Jaya, 14000 Bukit Mertajam	Double-storey terraced house/ Employee hostel	Freehold	130	234	18	352	18.08.2020
17, Lorong Juru 11, Pusat Perniagaan Juru Jaya, 14000 Bukit Mertajam	Double-storey terraced house/ Employee hostel	Freehold	130	214	18	226	28.05.2007
19, Lorong Juru 11, Pusat Perniagaan Juru Jaya, 14000 Bukit Mertajam	Double-storey terraced house/ Employee hostel	Freehold	130	214	18	226	28.05.2007

LIST OF PROPERTIES (CONT'D)

AS AT 30 JUNE 2025

Address	Description of property/ Existing Use	Type of land/ tenure (Year of expiry for leasehold)	Approximate land area (square meter)	Built-up area (square meter)	Age of building (years) as at 30 June 2025	Carrying amount as at 30 June 2025 (RM '000)	Date of acquisition
20, Lorong Juru 11, Pusat Perniagaan Juru Jaya, 14000 Bukit Mertajam	Double-storey terraced house/ Employee hostel	Freehold	130	234	18	354	05.10.2020
21, Lorong Juru 11, Pusat Perniagaan Juru Jaya, 14000 Bukit Mertajam	Double-storey terraced house/ Employee hostel	Freehold	130	214	18	226	28.05.2007
39, Lorong Juru 11, Pusat Perniagaan Juru Jaya, 14000 Bukit Mertajam	Double-storey terraced house/ Employee hostel	Freehold	130	214	18	226	11.05.2011
41, Lorong Juru 11, Pusat Perniagaan Juru Jaya, 14000 Bukit Mertajam	Double-storey terraced house/ Employee hostel	Freehold	130	214	18	226	11.05.2011
Registered Owner:- RGT Industries Sdn. Bhd.							
No.887 (Plot 214-A), Jalan Perindustrian Bukit Minyak, Kawasan Perindustrian Bukit Minyak, 14100 Bukit Minyak, Penang.	Factory building and land, manufacturing facility, warehouse and clean room	Leasehold (2064)	8,123	7,239	21	16,056	26.01.2021
Registered Owner:- Keenness Precision Engineering Sdn. Bhd.							
No. 9, Lintang Beringin 6, Diamond Valley Industrial Park, 11960 Bayan Lepas, Penang.	An intermediate 1½ Storey terraced light industrial factory	Freehold	175	250	15	2,022	25.10.2018
No 5, Jalan Damar, 11960 Batu Maung, Penang.	Factory building and land	Freehold	636	658	2	5,842	08.11.2021

ANALYSIS OF SHAREHOLDINGS AS AT 30 SEPTEMBER 2025

Total number of issued shares : 352,815,216 (inclusive 10,455,433 treasury shares)
 Class of Share : Ordinary Shares
 Voting Rights : One (1) vote for per ordinary share

DISTRIBUTION OF SHAREHOLDERS

Size of shareholdings	No. of shareholders	% of shareholders	No. of shares held	% of issued shares
1 – 99	339	11.11	13,614	0.00
100 – 1,000	623	20.42	360,551	0.11
1,001 – 10,000	1,202	39.40	5,541,897	1.62
10,001 – 100,000	680	22.29	23,410,056	6.84
100,001 – 17,117,989	205	6.72	199,355,299	58.23
17,117,990 and above	2	0.06	113,678,366	33.20
Total	3,051	100.00	342,359,783	100.00

DIRECTORS' SHAREHOLDINGS

The Directors' interests in the Company based on the Register of Directors' Shareholdings of the Company are as follows:

Name	Direct Interest		Indirect Interest		Notes for Indirect Interest
	No. of shares	% [^]	No. of shares	% [^]	
Dato' Ir. Low Keng Kok	666,666	0.19	–	–	–
Datuk Lim Seat Hoe	8,601,500	2.51	91,011,700	26.58	2
Lee Soo Ching	1,216,666	0.36	–	–	–
Ng Choon Keat	14,233,333	4.16	94,386,700	27.57	1 & 2
Dato' Lim Yong Jin	766,666	0.22	–	–	–
Henco Pezij	10,000	0.00	–	–	–
Tan Peng Lam	–	–	–	–	–

Notes for Indirect interest held through:-

Note	Name	No. of Shares
1	Vertical Portal Sdn Bhd*	3,375,000
2	RGT Equity Holdings Sdn Bhd*	91,011,700

Notes:

[^] Exclusive 10,455,433 treasury shares

* Deemed interest pursuant to Section 8(4) of the Company Act 2016 by virtue of controlling not less than 20% of equity interest in these companies

ANALYSIS OF SHAREHOLDINGS (CONT'D)

AS AT 30 SEPTEMBER 2025

SUBSTANTIAL SHAREHOLDERS

Name	Direct		Indirect		Notes for Indirect Interest
	No. of shares	% [^]	No. of shares	% [^]	
See Teck Wah	6,163,070	1.80	33,485,190	9.78	3,4,5,6,7,8,9 & 11
See Han Liong	1,855,310	0.54	37,792,950	11.04	3,4,5,6,7,8,9 & 10
See Seng Hong	1,167,666	0.34	18,650,264	5.45	3,6,7,8 & 9
RGT Equity Holdings Sdn Bhd	91,011,700	26.58	-	-	-
Datuk Lim Seat Hoe	8,601,500	2.51	91,011,700	26.58	2
Hor Lim Chee	22,666,666	6.63	99,638,366	29.10	1,2,12,13,14 & 15
Tan Song Chai	11,384,933	3.33	97,220,033	28.40	1,2 & 16
Ng Choon Keat	14,233,333	4.16	94,386,700	27.57	1 & 2

Notes for Indirect interest held through: -

Note	Name	No. of shares
1	Vertical Portal Sdn Bhd*	3,375,000
2	RGT Equity Holdings Sdn Bhd*	91,011,700
3	Pahangply Holdings Berhad*	14,756,476
4	See Seng Lai & Sons Realty Sdn Bhd*	12,254,436
5	Prime Forest Products (M) Sdn Bhd*	725,180
6	NGE Leasing & Credit Sdn Berhad*	1,649,356
7	Nanyang General Enterprises Sdn Bhd*	927,766
8	Nanyang Timber Industry Sdn Berhad*	816,666
9	Far East Navigation (Malaysia) Sdn Berhad*	500,000
10	See Teck Wah [#]	6,163,070
11	See Han Liong [#]	1,855,310
12	Lee Soo Ching [#]	1,216,666
13	Lee Boon Tiong [#]	2,035,000
14	Lee Chun Yee [#]	1,000,000
15	Lee Pei Ching [#]	1,000,000
16	Tan Ann Chee [#]	2,833,333

Notes:

[^] Exclusive 10,455,433 treasury shares

^{*} Deemed interest pursuant to Section 8(4) of the Companies Act 2016 ("the Act") by virtue of controlling not less than 20% of equity interest in these companies.

[#] Deemed interest via interest held through spouse and children pursuant to Section 59(11)(c) of the Act.

ANALYSIS OF SHAREHOLDINGS (CONT'D)

AS AT 30 SEPTEMBER 2025

THIRTY LARGEST SHAREHOLDERS (as at 30 September 2025)

	Name	No. of shares held	% of issued shares [^]
1.	RGT Equity Holdings Sdn Bhd	91,011,700	26.58
2.	Hor Lim Chee	22,666,666	6.62
3.	Pahangply Holdings Berhad	14,756,476	4.31
4.	Ng Choon Keat	14,233,333	4.16
5.	Goodwill Hexagon Sdn Bhd	12,811,200	3.74
6.	See Seng Lai & Sons Realty Sdn Bhd	12,254,436	3.58
7.	Tan Song Chai	11,384,933	3.33
8.	Citigroup Nominees (Asing) Sdn Bhd Qualifier: Exempt An For Citibank New York (Norges Bank 22)	9,457,300	2.76
9.	Datuk Lim Seat Hoe	8,601,500	2.51
10.	Provincial Equity Sdn Bhd	5,687,326	1.66
11.	CIMB Group Nominees (Tempatan) Sdn Bhd Qualifier: CIMB Commerce Trustee Berhad For Kenanga Shariah Growth Opportunities Fund (50156 TR01)	4,937,200	1.44
12.	Public Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account For Lim Boon Tiang (BMM/UOB)	4,000,000	1.17
13.	See Teck Wah	3,634,333	1.06
14.	Universal Trustee (Malaysia) Berhad Qualifier: ETSW SBS (Clients' Acc)	3,580,200	1.05
15.	Vertical Portal Sdn Bhd	3,375,000	0.99
16.	Teh Swee See	3,038,400	0.89
17.	Tan Ann Chee	2,833,333	0.83
18.	Alliancegroup Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account For Loh Seok Bin (3027839)	2,715,700	0.79
19.	Tham Kin Yee	2,686,500	0.79
20.	Affin Hwang Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account For See Teck Wah	2,528,737	0.74
21.	Affin Hwang Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account For Chun Sau Chin (M02)	2,304,166	0.67
22.	Lee Boon Tiong	2,035,000	0.59
23.	Low Chee Min	1,833,900	0.54
24.	Lim Boon Tiang	1,730,700	0.51
25.	CIMB Group Nominees (Tempatan) Sdn Bhd Qualifier: CIMB Commerce Trustee Berhad For Maybank Malaysia SmallCap Fund	1,727,400	0.51
26.	NGE Leasing & Credit Sdn Berhad	1,649,356	0.48
27.	Public Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account For Kau Yan Tuck (E-BBB)	1,330,533	0.39
28.	RHB Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account For See Han Liong	1,323,590	0.39
29.	Maybank Nominees (Tempatan) Sdn Bhd Qualifier: Exempt An For Areca Capital Sdn Bhd (Clients' Account)	1,320,633	0.39
30.	Lee Soo Ching	1,216,666	0.36

Note:

[^] Exclusive 10,455,433 treasury shares

ANALYSIS OF WARRANT HOLDINGS AS AT 30 SEPTEMBER 2025

No. of Warrants 2024/2029 Issued	:	69,229,718
Exercise price	:	RM0.880
Exercise ratio	:	One (1) Warrant for One (1) Ordinary Share
Exercise period	:	5 years
Maturity date	:	27 June 2029

DISTRIBUTION OF WARRANTS HOLDINGS

Size of shareholdings	No. of shareholders	% of shareholders	No. of shares held	% of issued shares
1 - 99	559	19.68	19,541	0.03
100 - 1,000	1,207	42.50	495,038	0.71
1,001 - 10,000	754	26.55	2,572,613	3.72
10,001 - 100,000	256	9.02	8,781,523	12.68
100,001 - 3,461,485	62	2.18	34,987,670	50.54
3,461,485 and above	2	0.07	22,373,333	32.32
Total	2,840	100.00	69,229,718	100.00

DIRECTORS' WARRANT HOLDINGS

The Directors' interests in the Company based on the Register of Directors' Warrant Holdings of the Company are as follows:

Name	Direct No. of shares held	%	Indirect No. of shares held	%	Notes Indirect Interest
Dato' Ir. Low Keng Kok	133,333	0.19	—	—	—
Datuk Lim Seat Hoe	1,200,000	1.73	17,840,000	25.77	2
Lee Soo Ching	243,333	0.35	—	—	—
Ng Choon Keat	2,846,666	4.11	18,515,000	26.74	1 & 2
Dato' Lim Yong Jin	153,333	0.22	—	—	—
Henco Pezij	—	—	—	—	—
Tan Peng Lam	—	—	—	—	—

Notes for Indirect interest held through:-

Note	Name	No. of Shares
1	Vertical Portal Sdn Bhd*	675,000
2	RGT Equity Holdings Sdn Bhd*	17,840,000

Notes:

- * Deemed interest pursuant to Section 8(4) of the Act by virtue of controlling not less than 20% of equity interest in these companies.

ANALYSIS OF WARRANT HOLDINGS (CONT'D)

AS AT 30 SEPTEMBER 2025

THIRTY LARGEST WARRANT HOLDERS (as at 30 September 2025)

	Name	No. of shares held	% of issued shares
1.	RGT Equity Holdings Sdn Bhd	17,840,000	25.77
2.	Hor Lim Chee	4,533,333	6.55
3.	Goodwill Hexagon Sdn Bhd	3,200,000	4.62
4.	Pahangply Holdings Berhad	2,951,295	4.26
5.	Ng Choon Keat	2,846,666	4.11
6.	See Seng Lai & Sons Realty Sdn Bhd	2,450,887	3.54
7.	Leong Soo Moi	2,438,700	3.52
8.	Tan Song Chai	2,276,986	3.29
9.	Citigroup Nominees (Asing) Sdn Bhd Qualifier: Exempt An For Citibank New York (Norges Bank 22)	1,964,000	2.84
10.	Provincial Equity Sdn Bhd	1,598,005	2.31
11.	Datuk Lim Seat Hoe	1,200,000	1.73
12.	Liaw Teck Song	740,400	1.07
13.	See Teck Wah	726,866	1.05
14.	Vertical Portal Sdn Bhd	675,000	0.98
15.	Universal Trustee (Malaysia) Berhad Qualifier: ETSW SBS (Clients' Acc)	663,638	0.96
16.	Teh Swee See	607,680	0.88
17.	Tan Ann Chee	566,666	0.82
18.	Affin Hwang Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account For See Teck Wah	505,747	0.73
19.	Affin Hwang Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account For Chun Sau Chin (M02)	460,833	0.67
20.	Chew Wai Yin	452,800	0.65
21.	Kok Mey Lin	427,400	0.62
22.	Lee Boon Tiong	407,000	0.59
23.	Lim Boon Tiang	386,600	0.56
24.	NGE Leasing & Credit Sdn Berhad	329,871	0.48
25.	Low Chee Min	320,000	0.46
26.	Yap Hon Hung	311,300	0.45
27.	RHB Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account For See Han Liong	264,718	0.38
28.	Maybank Nominees (Tempatan) Sdn Bhd Qualifier: Exempt An For Areca Capital Sdn Bhd (Clients' Account)	264,126	0.38
29.	Apex Nominees (Tempatan) Sdn Bhd Qualifier: Pledged Securities Account For Khor Chong Wah (STA 1)	250,000	0.36
30.	Lee Soo Ching	243,333	0.35

STATEMENT ON PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES

1. Introduction

At the Forty-Third (43rd) Annual General Meeting ("AGM") of RGT Berhad ("RGTBHD" or "the Company") held on 18 November 2024, the Board of Directors ("Board") had obtained shareholders' approval to undertake the proposed share buy-back exercise to purchase up to ten percent (10%) of the total number of issued ordinary shares ("RGTBHD Shares" or "Shares") in the share capital of the Company at any point of time through Bursa Malaysia Securities Berhad ("Bursa Securities"). In accordance with the Main Market Listing Requirements of Bursa Securities ("Listing Requirements") governing the purchase of a listed issuer's own shares by the listed issuer itself, the aforesaid approval will continue to be in force until the conclusion of the forthcoming 44th AGM of the Company which will be held on 19 November 2025.

On 1 October 2025, the Company had announced to Bursa Securities that the Board proposed to seek authorisation from shareholders for a renewal of the authority to undertake the purchase of Company's own Shares of up to ten percent (10%) of the total number of issued Shares ("Proposed Renewal of Share Buy-Back Authority").

The purpose of this Statement is to provide shareholders with the details of the Proposed Renewal of Share Buy-Back Authority and to seek shareholders' approval for the ordinary resolution to be tabled at the forthcoming 44th AGM of the Company.

SHAREHOLDERS ARE ADVISED TO READ AND CONSIDER CAREFULLY THE CONTENTS OF THIS STATEMENT BEFORE VOTING ON THE ORDINARY RESOLUTION PERTAINING TO THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY AT THE FORTHCOMING 44TH AGM.

2. Details of the Proposed Renewal of Share Buy-Back Authority

2.1 Proposed Renewal of Share Buy-Back Authority

The Board is proposing to seek and obtain the renewal of authority for the Company to purchase its own Shares of up to ten percent (10%) of the total number of issued Shares of the Company which are listed on Bursa Securities through its appointed stockbroker(s) at any point of time subject to compliance with Section 127 of the Companies Act 2016 (as may be amended, modified or re-enacted from time to time) ("CA 2016"), the Listing Requirements and any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities at the time of purchase.

As at 30 September 2025, the total number of issued share capital of the Company before adjusting for Treasury Shares is 352,815,216 RGTBHD Shares. A total of up to 35,281,521 RGTBHD Shares may be purchased by the Company. As such, the balance that can be purchase as at to-date is 24,826,088 Shares. None of the RGTBHD Shares bought back have been cancelled.

The Proposed Renewal of Share Buy-Back Authority, if approved, will be effective upon the passing of the ordinary resolution at the 44th AGM and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the general meeting at which such resolution was passed at which time the authority will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM is required by law to be held; or
- (iii) revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting, whichever occurs first.

STATEMENT ON PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES (CONT'D)

2.2 Purchase, Resale or Transfer Price

Pursuant to the Listing Requirements, the Company may only purchase the Shares on the Bursa Securities at a price not more than fifteen per centum (15%) above the weighted average market price for the Shares for the past five (5) market days immediately preceding the date of the purchase(s).

The Company may only resell / transfer the Treasury Shares on the Bursa Securities pursuant to Section 127(7) of CA 2016 at:

- (a) a price which is not less than the weighted average market price for the Shares for the past five (5) market days immediately prior to the resale or transfer; or
- (b) a discount price of not more than 5% to the weighted average market price for the Shares for the five (5) market days immediately prior to the resale or transfer provided that:
 - (i) the resale takes place no earlier than thirty (30) days from the date of purchase; and
 - (ii) the resale or transfer price is not less than the cost of purchase of the shares being resold.

The Board may decide to cancel the Shares so purchased ("Purchased Shares"), if the cancellation of the said Shares is expected to enhance the earnings per share of the Group and thereby in the long term, have a positive impact on the market price of the RGTBHD Shares. The Board may also decide to retain them as Treasury Shares for resale if higher values can be realised or to be distributed as share dividends.

2.3 Treatment of Purchased Shares

Pursuant to the provisions of Section 127 of CA 2016, the Company may deal with the Purchased Shares in the following manner:

- (a) To cancel the Purchased Shares; or
- (b) To retain the Purchased Shares as Treasury Shares for distribution as dividend to the shareholders and/or resell on the market of the Bursa Securities; or
- (c) To retain part of the Purchased Shares so purchased as Treasury Shares and cancel the remainder; or
- (d) To deal with the Purchased Shares in any such other manner as Bursa Securities and such other relevant authorities may allow from time to time.

In considering how the Purchased Shares will be dealt with, the Directors will take into consideration, amongst others, factors such as prevailing market price of the Shares, the intrinsic value of the Shares and effects on the earnings and net assets of the Group.

An immediate announcement will be made to Bursa Securities upon each purchase, cancellation and/or resale of Shares pursuant to the Proposed Renewal of Share Buy-Back Authority.

STATEMENT ON PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES (CONT'D)

3. Sources of Funds for the Proposed Renewal of Share Buy-Back Authority

Pursuant to the Listing Requirements, the Proposed Renewal of Share Buy-Back Authority must be made wholly out of retained profits of the Company.

As such, the maximum amount of funds to be utilised for the Proposed Share Buy-Back shall not exceed the aggregate of the retained profits of the Company, otherwise available for dividend for the time being. Based on the audited financial statements as at 30 June 2025, the Company's retained profits is RM865,945.

The Proposed Renewal of Share Buy-Back Authority will allow the Company to purchase its own Shares at any time within the above-mentioned time period using internally generated funds of the Company.

The Proposed Renewal of Share Buy-Back Authority is not expected to have a material impact on the cash flow position of the Company.

The actual number of Shares to be purchased, the total amount of funds to be utilised for each purchase and the timing of any purchase will depend on the market conditions and sentiments of the share market, the financial resources available to the Company as well as the availability of the retained earnings of the Company.

4. Rationale/Potential Advantages and Disadvantages of the Proposed Renewal of Share Buy-Back Authority

The Proposed Renewal of Share Buy-Back Authority, if implemented, will enable the Company to utilise any of its surplus financial resources, which is not immediately required for other uses, to purchase its own Shares from the market.

The Proposed Renewal of Share Buy-Back Authority, if exercised, is expected to potentially benefit RGTBHD and its shareholders as follows:

- (a) To allow the Company to take preventive measures against speculation particularly when its Shares are undervalued which would in turn stabilise the supply and demand of its Shares in the open market and thereby supporting its fundamental values;
- (b) The Purchased Shares, whether to be held as Treasury Shares or subsequently cancelled, will effectively reduce the number of Shares carrying voting rights. Therefore, long term shareholders are likely to enjoy an increase in the value of their investment in the Company due to the increase in the Company's earnings per Share; or
- (c) The Purchased Shares may be held as Treasury Shares and distributed to shareholders as share dividends and/or resell or partially resell in the open market with the intention of realising a potential capital gain if the Purchased Shares are resold at price(s) higher than their purchase price(s).

The potential disadvantages of the Proposed Renewal of Share Buy-Back Authority to the Company and its shareholders are as follows:

- (a) The Proposed Renewal of Share Buy-Back Authority, if exercised, is expected to temporarily reduce the financial resources of the Group and may represent an opportunity cost to the Group in respect of its ability to undertake other investment opportunities and/or to earn any income that may be derived from other alternative use of such funds such as deposits in interest bearing instruments; and
- (b) As the Proposed Renewal of Share Buy-Back Authority must be made wholly out of the retained earnings of the Company, it may result in the reduction of financial resources available for distribution to the shareholders in the form of cash dividends as the funds are utilised to purchase the Company's own Shares.

STATEMENT ON PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES (CONT'D)

Nevertheless, the Board is of the view that the Proposed Renewal of Share Buy-Back Authority is not expected to have any potential material disadvantage to Company and its shareholders as it will be implemented only after in-depth consideration of the financial resources of the Company and the resultant impact on the shareholders. The Board will be mindful of the interest of RGTBHD and its shareholders in undertaking the Proposed Renewal of Share Buy-Back Authority and in the subsequent cancellation of the Purchased Shares.

5. Financial Effects of the Proposed Share Buy-Back Authority

Assuming that the Proposed Renewal of Share Buy-Back Authority is implemented in full, by the Company, the effects on the number of issued shares, net assets, gearing per share, earnings per share, working capital and dividend are as set out follows:

5.1 Share Capital

The effects of the Proposed Renewal of Share Buy-Back Authority on the share capital of the Company will depend on the intention of the Board as to the treatment of the Shares purchased.

The Proposed Share Buy-Back Authority, if carried out in full and assuming the Purchased Shares are cancelled, the proforma effect on the issued share capital of the Company will be as follows:

	Number of Shares
Existing as at 30 September 2025	352,815,216
Less: Proposed Renewal of Share Buy-Back Authority*	35,281,521
Total number of issued shares after the Proposed Renewal of Share Buy-Back Authority	<u>317,533,695</u>

Note:

* Inclusive 10,455,433 Treasury Shares currently held by the Company

However, there will be no effect on the total number of issued shares of RGTBHD if the Shares so purchased are retained as Treasury Shares.

The effects of the Proposed Renewal of Share Buy-Back Authority on the net assets ("NA") per Share of the Group are dependent on the purchase prices of the Shares and the effective funding cost to the Company.

If all the Shares so purchased are to be cancelled, the Proposed Renewal of Share Buy-Back Authority will reduce the NA per Share when the purchase price exceeds the NA per Share at the relevant point in time. Conversely, the NA per Share will be increased when the purchase price is less than the NA per Share at the relevant point in time. If the Purchased Shares are resold, the consolidated NA per Share will increase if the Company realised a gain from the resale, and vice versa.

The NA per Share is RM0.42 based on the audited consolidated financial statements as at 30 June 2025.

The NA per Share will decrease if the Purchased Shares are retained as Treasury Shares due to the requirement for Treasury Shares to be carried at cost and offset against equity, resulting in a decrease in the NA by the cost of the Treasury Shares. If the Treasury Shares are subsequently distributed as Share dividends, the NA of the Group would decrease by the cost of the Treasury Shares.

STATEMENT ON PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES (CONT'D)

5.2 Earning per share

The effects of the Proposed Renewal of Share Buy-Back Authority on the earnings per share of the Group are dependent on the actual number of Shares bought back, the purchase prices of Shares and the effective funding cost to the Company or any loss in interest income to the Company and the proposed treatment of the Purchased Shares.

5.3 Working capital

The Proposed Renewal of Share Buy-Back Authority, if exercised, will reduce the working capital and cash flow of the Group, the quantum of which will depend on the purchase prices of the Shares and the number of Purchased Shares.

However, if the Purchased Shares kept as Treasury Shares are sold on Bursa Securities, the working capital and cash flow of the Group will increase upon the receipt of the proceeds of the resale. The quantum of such increase will depend on the actual selling price(s) of the Treasury Shares and the number of Treasury Shares resold.

5.4 Dividend

Assuming the Proposed Renewal of Share Buy-Back Authority is exercised in full and the dividend quantum is maintained at historical levels, it will have the effect of increasing the dividend rate of RGTBHD as a result of the reduction in the total number of issued Shares of RGTBHD.

6. Implication on the Malaysian Code on Take-Overs and Mergers 2016 ("the Code")

Pursuant to the Code, a person and any person acting in concert with him, will be obliged under Part II of the Code to make a mandatory offer for the remaining Shares of the Company not already owned by him/them if he and/or persons acting in concert with him hold more than 33% but less than 50% of the voting shares of the Company and has inadvertently increased his/their shareholdings by 2% or more in any six (6) months period.

However, an exemption from a mandatory general offer may be granted by the Securities Commission ("SC") under Practice Note 9 of the Code, subject to the substantial shareholder(s) and/or the person(s) acting in concert complying with conditions stipulated in the said practice note, if the obligation is triggered as a result of any action that is outside their direct participation.

Should such circumstances arise and if required, the substantial shareholder(s) and/or the person(s) acting in concert are expected to make an application to the SC for the waiver from implementing a mandatory general offer under the Code, before implementing the Proposed Renewal of Share Buy-Back Authority.

In the event the proposed waiver is not granted by the SC, the Company will only proceed with Proposed Renewal of Share Buy-Back Authority to the extent that it will not contravene the limit as provided under the Code.

There is no implication relating to the Code on the Company's shareholders arising from the Proposed Renewal of Share Buy-Back Authority, in the event the Share Buy-Back is implemented in full.

STATEMENT ON PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES (CONT'D)

7. Purchase, Resale and Cancellation of RGTBHD Shares made in the preceding Twelve (12) Months

RGTBHD has made the following purchase of Shares in the preceding twelve (12) months:-

Year	Month	Number of Purchased Shares	Highest Price (RM)	Lowest Price (RM)	Average Price (RM)	Total Consideration (RM)
2024	October	—	—	—	—	—
	November	390,000	0.585	0.535	0.559	218,250
	December	—	—	—	—	—
2025	January	—	—	—	—	—
	February	116,600	0.560	0.540	0.226	64,664
	March	264,000	0.555	0.495	0.523	137,793
	April	200,000	0.450	0.440	0.445	89,000
	May	695,000	0.420	0.360	0.392	273,566
	June	482,800	0.300	0.285	0.295	143,865
	July	270,000	0.280	0.273	0.277	74,960
	August	80,000	0.280	0.275	0.278	22,250
	September	—	—	—	—	—

As of 30 September 2025, 10,455,433 Shares were purchased from the open market and held as Treasury Shares. There was no cancellation of shares held as Treasury Shares in the preceding twelve (12) months.

8. Public Shareholding Spread

The Proposed Share Buy-Back will be made in compliance with the 25% shareholding spread as required by the Listing Requirements of Bursa Securities. As at 30 September 2025, the public shareholding spread of the Company is approximately 40.06% of its issued share capital.

Assuming that the Proposed Renewal of Share Buy-Back Authority is carried out in full and the Purchased Shares were all cancelled, the public shareholding spread of the Company would be reduced to 35.37% on the basis that the Shares held by the Directors, Substantial Shareholders of the Company and persons connected with them remained unchanged.

9. Interest of Directors, Substantial Shareholders and Persons Connected

The Directors, Substantial Shareholders and Persons Connected with the Directors and/or Substantial Shareholders of the RGTBHD Group have no direct or indirect interest in the Proposed Renewal of Share Buy-Back Authority and/or resale of Treasury Shares.

The proforma table below shows the interests held directly and indirectly in RGTBHD by the Directors and Substantial Shareholders of RGTBHD as at 30 September 2025 before and after the Proposed Renewal of Share Buy-Back Authority:

STATEMENT ON PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES (CONT'D)

9. Interest of Directors, Substantial Shareholders and Persons Connected (Cont'd)

Directors	No. of RGTBHD Shares held							
	Before Proposed Renewal of Share Buy-Back Authority				After Proposed Renewal of Share Buy-Back Authority			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Dato Ir. Low Keng Kok	666,666	0.20	—	—	666,666	0.21	—	—
Datuk Lim Seat Hoe	8,601,500	2.51	¹ 91,011,700	26.58	8,601,500	2.71	² 91,011,700	28.66
Lee Soo Ching	1,216,666	0.36	—	—	1,216,666	0.38	—	—
Ng Choon Keat	14,233,333	4.16	³ 94,386,700	27.57	14,233,333	4.48	⁴ 94,386,700	29.73
Dato' Lim Yong Jin	766,666	0.22	—	—	766,666	0.24	—	—
Henco Peziz	10,000	0.00	—	—	10,000	0.00	—	—
Tan Peng Lam	—	—	—	—	—	—	—	—

Substantial Shareholders	No. of RGTBHD Shares held							
	Before Proposed Renewal of Share Buy-Back Authority				After Proposed Renewal of Share Buy-Back Authority			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Datuk Lim Seat Hoe	8,601,500	2.51	⁵ 91,011,700	26.58	8,601,500	2.71	³ 91,011,700	28.66
Ng Choon Keat	14,233,333	4.16	⁶ 94,386,700	27.57	14,233,333	4.48	⁴ 94,386,700	29.73
See Teck Wah	6,164,070	1.80	⁷ 33,485,190	9.78	6,164,070	1.94	⁵ 33,485,190	10.55
See Han Liong	1,855,310	0.54	⁸ 37,792,950	11.04	1,855,310	0.58	⁶ 37,792,950	11.90
See Seng Hong	1,167,666	0.34	⁹ 18,650,264	5.45	1,167,666	0.37	⁷ 18,650,264	5.87
RGT Equity Holdings Sdn. Bhd.	91,011,700	26.58	—	—	91,011,700	28.66	—	—
Hor Lim Chee	22,666,666	6.63	¹⁰ 99,638,366	29.10	22,666,666	7.14	⁸ 99,638,366	31.38
Tan Song Chai	11,384,933	3.33	¹¹ 97,220,033	28.40	11,384,933	3.59	⁹ 97,222,033	30.62

1 Deemed interested through RGT Equity Holding Sdn. Bhd..

2 Deemed interested through RGT Equity Holding Sdn. Bhd..

3 Deemed interested through RGT Equity Holding Sdn. Bhd. and Vertical Portal Sdn. Bhd..

4 Deemed interested through RGT Equity Holding Sdn. Bhd. and Vertical Portal Sdn. Bhd..

5 Deemed interested through RGT Equity Holding Sdn. Bhd..

6 Deemed interested through RGT Equity Holding Sdn. Bhd. and Vertical Portal Sdn. Bhd..

7 Deemed interested through Pahangply Holdings Berhad, See Seng Lai & Sons Realty Sdn. Bhd., Prime Forest Products (M) Sdn. Bhd., NGE Leasing Products (M) Sdn. Bhd., Nanyang General Enterprises Sdn. Bhd., Nanyang Timber Industry Sdn. Berhad, Far East Navigation (Malaysia) Sdn. Berhad and See Han Liong.

8 Deemed interested through Pahangply Holdings Berhad, See Seng Lai & Sons Realty Sdn. Bhd., Prime Forest Products (M) Sdn. Bhd., NGE Leasing Products (M) Sdn. Bhd., Nanyang General Enterprises Sdn. Bhd., Nanyang Timber Industry Sdn. Berhad, Far East Navigation (Malaysia) Sdn. Berhad and See Teck Wah.

9 Deemed interested through Pahangply Holdings Berhad, NGE Leasing Products (M) Sdn. Bhd., Nanyang General Enterprises Sdn. Bhd., Nanyang Timber Industry Sdn. Berhad and Far East Navigation (Malaysia) Sdn. Berhad.

10 Deemed interested through RGT Equity Holdings Sdn. Bhd., Vertical Portal Sdn. Bhd., Lee Soo Ching, Lee Boon Tiong, Lee Chun Yee and Lee Pei Ching.

11 Deemed interested through Vertical Portal Sdn. Bhd., RGT Equity Holdings Sdn. Bhd. and Tan Ann Chee.

Save for the consequential increase in the percentage of shareholdings and/or voting rights of the Directors and substantial shareholders of the Company as a result of the decrease in the total number of issued share of the Company after the Proposed Renewal of Share Buy-Back Authority, none of the Directors and/or Substantial Shareholders and/or persons connected to them have any interest, either direct or indirect in the Proposed Renewal of Share Buy-Back Authority and the subsequent resale of treasury shares, if any, in the future.

STATEMENT ON PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES (CONT'D)

10. Historical Share Prices

The monthly highest and lowest prices of the Shares as traded on the Bursa Securities for the last twelve (12) months from October 2024 to September 2025 are as follows:

Year	Month	Highest price (RM)	Lowest price (RM)
2024	October	0.600	0.520
	November	0.585	0.500
	December	0.620	0.485
2025	January	0.595	0.540
	February	0.595	0.530
	March	0.555	0.455
	April	0.500	0.375
	May	0.470	0.330
	June	0.330	0.270
	July	0.290	0.210
	August	0.330	0.200
	September	0.290	0.240

Source: www.thestar.com.my | Bursa Securities

The last transacted price of RGTBHD Shares on 30 September 2025 was RM0.250.

11. Directors' Recommendation

Having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, the Board is of the opinion that the Proposed Renewal of Share Buy-Back Authority is in the best interest of the Company. Accordingly, the Board recommends that the shareholders vote in favour of the ordinary resolution pertaining to the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming 44th AGM.

12. Directors' Responsibility Statement

This Statement has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries to the best of their knowledge and belief, there are no other facts the omission of which would make any statement misleading.

13. Bursa Securities

Bursa Securities takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or reliance upon the whole or any part of the contents of this Statement. Bursa has not reviewed this Statement prior to its issuance.

14. Document Available for Inspection

Copies of the following documents are available for inspection at the Registered Office of the Company at 170-09-01, Livingston Tower, Jalan Argyll, 10050 George Town, Pulau Pinang, Malaysia during normal office hours on Mondays to Fridays (except public holidays) from the date of this Statement up to and including the date of the AGM:

- (a) the Constitution of the Company;
- (b) the Audited Financial Statements of the Group for the past two (2) financial years ended 30 June 2024 and 2025.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Forty-Fourth Annual General Meeting ("**44th AGM**") of RGT BERHAD ("**the Company**") will be held at Pangkor Room, Hotel Jen Penang, Jalan Magazine, 10300 George Town, Pulau Pinang, Malaysia on Wednesday, 19 November 2025 at 10.00 am for the following purposes:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2025 together with the Reports of Directors and Auditors thereon.
2. To re-elect the following Directors who are retiring in accordance with Clause 102 of the Company's Constitution:

(a) Datuk Lim Seat Hoe	Ordinary Resolution 1
(b) Ms. Lee Soo Ching	Ordinary Resolution 2
3. To re-elect the following Directors who are retiring in accordance with Clause 107 of the Company's Constitution:

(a) Mr. Henco Pezij	Ordinary Resolution 3
(b) Mr. Tan Peng Lam	Ordinary Resolution 4
4. To approve the payment of Directors' Fees and benefits payable to the Non-Executive Directors of the Company up to an aggregate amount of approximately RM250,000.00 from one day after the 44th AGM until the conclusion of the next AGM of the Company. Ordinary Resolution 5
5. To re-appoint Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. Ordinary Resolution 6

AS SPECIAL BUSINESS

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

6. **AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** Ordinary Resolution 7

"THAT, subject always to the Companies Act 2016 ("**Act**"), the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the approvals of the relevant government or regulatory authorities, where such approvals are required, the Directors be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act to issue and allot shares in the Company at any time, at such price, upon such terms and conditions, for such purposes and to such person or persons, as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being.

AND THAT the Directors are also empowered to obtain the approval from the Bursa Securities for the listing and quotation for the additional shares to be issued and THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company.

AND THAT pursuant to Section 85 of the Act, read together with Clause 62 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued of the Company arising from issuance of new shares pursuant to this mandate.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

AND THAT the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares"

7. **PROPOSED RENEWAL AUTHORITY FOR THE COMPANY TO BUY-BACK ITS OWN SHARES ("PROPOSED RENEWAL OF SHARE BUY-BACK")** Ordinary Resolution 8

"THAT subject to the Act, provisions of the Company's Constitution, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the approvals of all relevant regulatory authorities and parties, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company on the Main Market of Bursa Securities and/or hold from upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that:

- (a) the aggregate number of ordinary shares purchased ("**Purchased Share(s)**") and/or held as treasury shares pursuant to this ordinary resolution shall not exceed 10% of the total number of issued shares of the Company at any point in time;
- (b) the maximum funds to be allocated by the Company for the Proposed Renewal of Share Buy-Back shall not exceed the total retained earnings of the Company at the time of the purchase;
- (c) the authority to facilitate the Proposed Renewal of Share Buy-Back will commence immediately upon passing of this ordinary resolution and will continue to be in force until:
 - (i) the conclusion of the next Annual General Meeting ("**AGM**") of the Company following the general meeting at which such resolution was passed at which time the authority will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
 - (ii) the expiration of the period within which the next AGM is required by law to be held; or
 - (iii) revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting,

whichever occurs first, but not so as to prejudice the completion of the purchase(s) by the Company before the aforesaid expiry date and in any event, in accordance with the provisions of the guidelines issued by Bursa Securities and/or any other relevant governmental and/or regulatory authorities (if any).

THAT upon completion of the purchase by the Company of its own ordinary shares, the Directors of the Company be hereby authorised to deal with the ordinary shares purchased in their absolute discretion in the following manner:

- (a) to cancel the ordinary shares so purchased; or
- (b) to retain the ordinary shares so purchased as treasury shares; and/or
- (c) to retain part thereof as treasury shares and cancel the remainder.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

AND THAT the Board be and is hereby authorised to take all such steps as are necessary or expedient to implement, finalise, complete or to give effect to the Proposed Renewal of Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to deal with all matters relating thereto and to take all such steps and do all acts and things in any manner as they may deem necessary or expedient to implement, finalise and give full effect to the Proposed Renewal of Share Buy-Back."

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

By Order of the Board

Ong Tze-En (MAICSA 7026537 SSM PC No. 202008003397)

Company Secretary

Penang, 17 October 2025

Notes on Appointment of Proxy:

1. A proxy may but need not be a member.
2. The instrument appointing a proxy shall be deposited/submitted via the following ways not less than forty-eight (48) hours before the time set for holding the AGM or any adjournment thereof:
 - (a) **By hardcopy form**
The Proxy Form must be deposited at Share Registrars' office at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
 - (b) **By electronic form**
The Proxy Form can be electronically submitted through facsimile at +603-7890 4670 or emailed to bsr.helpdesk@boardroomlimited.com.
3. A member entitled to attend, participate, speak and vote is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote instead of him. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. If the appointor is a corporation this form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
6. In respect of deposited securities, only members whose names appear on the Record of Depositors on 12 November 2025 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

Explanatory Notes on Ordinary Business:

1. **Ordinary Resolutions 1, 2, 3 and 4** deal with the re-election of Datuk Lim Seat Hoe, Ms. Lee Soo Ching, Mr. Henco Pezij and Mr. Tan Peng Lam (collectively "**retiring Directors**"). All of them are standing for re-election and being eligible, have offered themselves for re-election at this 44th AGM. The Board of Directors ("**Board**") had, through its Nominating Committee ("**NC**"), had assessed the retiring Directors for the purpose of determining their eligibility to stand for re-election at the 44th AGM. They were assessed on, among others, their performance and understanding of the business of the Company and its subsidiaries ("**Group**"). They meet the fit and proper criteria as laid out in the Fit & Proper Policy. Their participation at the meetings of the Board and Board Committees (collectively, the NC, Audit Committee, Risk Management Committee and Remuneration Committee ("**RC**") (as applicable) demonstrated that they were prepared and were effective in the discharge of their responsibilities. No circumstances have arisen in the past year to impair the independent judgement of Mr. Tan Peng Lam on matters brought for Board discussion and he has always acted in the best interest of the Company as a whole. All of them met the criteria as prescribed by Paragraph 2.20A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("**Bursa Securities**") on character, experience, integrity, competence and time to effectively discharge their roles as Directors. Based on the wealth of experience of the retiring Directors and the skills that they can bring to the Group, the Board views that their re-election would bring benefits to the Group. Based on the above, the Board supports the re-election of the retiring Directors. The retiring Directors had recused themselves from deliberations and decision-making on their re-election at the meetings of the Board and NC, as applicable.

Datuk Lim Seat Hoe is the Executive Director & Chief Executive Officer of the Group. He is responsible for overseeing the Group's day-to-day operations and driving key executive decisions across all business units. In his leadership role, Datuk Lim provides strategic direction, ensures operational efficiency, and steers the Group's growth initiatives in alignment with its long-term objectives. His oversight spans across corporate governance, financial performance, stakeholder engagement, and organisational development, positioning the Group for sustainable success in a dynamic business environment.

Ms. Lee Soo Ching is an Executive Director of the Group. She is responsible for championing sustainability initiatives across the Group. In her role, she directs the formulation and drives the Group's sustainability strategy, oversee the implementation of ESG (Environmental, Social, and Governance) initiatives while ensuring alignment with regulatory requirements and stakeholder expectations.

Mr. Henco Pezij is a Non-Independent Non-Executive Director ("**Non-INED**") and **Mr. Tan Peng Lam** is the Independent Non-Executive Director ("**INED**") of the Company. Both were appointed to the Board on 18 November 2024. Given notice of their tenure, the Board approved the recommendation from the NC on their re-election that both should be give opportunity to contribute to the Group and supports their re-election.

2. **Ordinary Resolution 5** is to seek shareholders' approval on Directors' fees and benefits payable to the Non-Executive Directors ("**NEDs**") (comprising Non-INED and INEDs) which have been reviewed by the RC and approved by the Board. The directors' fees and benefits payable are in the best interest of the Company and is in accordance with the remuneration framework. The directors' fees comprised fees payable to NEDs as members of Board and Board Committees, as applicable. The amount also includes a contingency sum to cater to unforeseen circumstances such as the appointment of any additional NEDs and/or for the formation of additional Board Committees and/or increase in directors' fees. The benefits payable comprised of meeting day allowance.

Upon approval, this will facilitate payment of directors' fees and benefits payable on current financial year basis, based on the current board size and assuming that all NEDs shall hold office until the end of the financial year. In the event the proposed directors' fees and benefits payable is insufficient (due to the enlarged board size), approval will be sought at the next AGM for additional fees to meet the shortfall. It will also authorised payment to be made by the Company on a monthly basis and/or as and when incurred. The Board is of the view that it is fair and equitable for the NEDs to be paid in such manner particularly after they have discharged their responsibilities and rendered their services to the Company throughout the relevant period.

Details of directors' fees and benefits payable for the financial year ended 30 June 2025 are enumerated under the Corporate Governance Overview Statement in the Annual Report 2025.

3. **Ordinary Resolution 7** is for the purpose of granting a renewed general mandate ("**General Mandate**") and if passed, will give authority to the Board of Directors to issue shares and allot up to a maximum of ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company at any time in their absolute discretion and that such authority shall continue in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.

As at the date of this Notice, no new shares in the Company were issued pursuant to the General Mandate granted to the Directors at the last AGM held on 18 November 2024 and which will lapse at the conclusion of the 44th AGM.

The waiver of pre-emptive rights pursuant to Section 85(1) of the Act and Clause 62 of the Company's Constitution will allow the Board to issue new shares of the Company which rank equally to existing issued shares of the Company, to any person without having to offer the new shares to all existing shareholders of the Company prior to issuance of new shares in the Company under the General Mandate.

The renewal of this General Mandate will provide flexibility to the Company for any possible fundraising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital and/or acquisitions.

At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make announcement in respect thereof.

4. **Ordinary Resolution 8**, if passed, will allow empower the Directors of the Company to exercise the power of the Company to purchase its own shares. The total number of shares purchased shall not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being. This authority will, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required to be held, whichever occurs first.

Please refer to the Statement on Proposed Renewal of Share Buy-Back as set out in the Annual Report 2025 for further information.

Statement Accompanying Notice of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Securities) No individual is standing for election as Director at the forthcoming 44th AGM of the Company.

PROXY FORM



No. of Shares held	CDS Account No.

I/We _____
(Full Name in Block Letters and NRIC No./Passport No./Company No.)

of _____ and _____
(Address) (Tel. No./Email Address)

being a member/member(s) of **RGT Berhad** ("the Company"), hereby appoint

Full Name and Address (in Block Letters)	NRIC No. /Passport No.	No. of Shares	% of shareholding

* and/or (*delete if not applicable)

Full Name and Address (in Block Letters)	NRIC No. /Passport No.	No. of Shares	% of shareholding

as *my/our *proxy/proxies to vote for *me/us on *my/our behalf at the Forty-Fourth Annual General Meeting of the Company, to be held at Pangkor Room, Hotel Jen Penang, Jalan Magazine, 10300 George Town, Pulau Pinang, Malaysia on Wednesday, 19 November 2025 at 10.00 am or at any adjournment thereof.

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

ORDINARY RESOLUTION ("OR")	OR1	OR2	OR3	OR4	OR5	OR6	OR7	OR8
FOR								
AGAINST								

Signed this _____ day of _____, 2025.

.....
Signature of Member/Common Seal

* Strike out whichever is not desired.

Notes on Appointment of Proxy:

1. A proxy may but need not be a member.
2. The instrument appointing a proxy must be deposited/submitted via the following manner not less than forty-eight (48) hours before the time set for holding the AGM or any adjournment thereof:
 - (a) **By hardcopy form**
The Proxy Form must be deposited at the Share Registrars' office at Boardroom Share Registrars Sdn. Bhd., 11th Floor, Menara Symphony, No. 5, Jalan Professor Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.
 - (b) **By electronic form**
The Proxy Form can be electronically submitted through facsimile at +603 7890 4670 or emailed to bsr.helpdesk@boardroomlimited.com.
3. A member entitled to attend, participate, speak and vote is entitled to appoint not more than two (2) proxies to attend, participate, speak and vote instead of him. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
4. Where a member is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.
5. If the appointor is a corporation this form must be executed under the corporation's common seal or under the hand of an officer or attorney duly authorised.
6. In respect of deposited securities, only members whose names appear on the Record of Depositors on 12 November 2025 (General Meeting Record of Depositors) shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

Personal Data Privacy

By submitting the duly executed proxy form, the member and his/her proxy consent to the Company and/or its agents/service providers to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the 44th AGM of the Company or any adjournment thereof.



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AFFIX
STAMP

The Share Registrars
RGT BERHAD
Registration No. 198101004909 (71024-T)
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia

Then fold here

Fold this flap for sealing

RGT BERHAD

Registration No. 198101004909 (71024-T)

No. 1032, Jalan Perindustrian Bukit Minyak,
Taman Perindustrian Bukit Minyak,
14100 Simpang Ampat, Pulau Pinang.

Tel : 604 501 3990

Fax : 604 501 3999

Email : info@rgt.com.my

www.rgtberhad.com