

Corporate Governance Overview Statement

Introduction

The Board of Directors of SBS Nexus Berhad (“Board”) recognises the importance of good corporate governance and is fully committed to ensuring that the principles and best practices in corporate governance as set out in the Malaysian Code on Corporate Governance 2021 (“MCCG”) are observed and practiced throughout the Group so that the affairs of the Group are conducted with integrity and professionalism with the objective of safeguarding shareholders’ investment and ultimately enhancing shareholders’ value.

This statement is prepared in compliance with ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and it is meant to be read together with the Corporate Governance Statement and Corporate Governance Report. The Corporate Governance Report provides details on how the Company has applied each practice as set out in the MCCG for the financial year ended 31 December 2025 (“FYE 2025”), a copy of which is available on the Company’s website at www.sbsgroup.com.my

This statement further outlines the following principles and recommendations which the Group has comprehended and applied. The Board will continue to take measures to improve compliance with principles and recommended best practices :

- Board Leadership and Effectiveness
- Effective Audit and Risk Management
- Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

For information purposes, the Company was listed on the ACE Market of Bursa Securities on 20 January 2026 (“Listing”) and hence the Listing was a subsequent event after the FYE 2025.

PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

1. Board Responsibilities

The Board is responsible for the Company’s leadership and is collectively responsible for meeting the Company’s objectives and goals. The Board also responsible for the identification and management of key risk, the adequacy and integrity of internal control systems.

The Board is responsible for the overall corporate governance of the Group, including the following specific roles and responsibilities:

- a) Reviewing, approve and monitor the overall strategies and directions of the Group;
- b) Overseeing the conduct of the Group’s business to evaluate whether the business is being properly managed;
- c) Identifying principal risks and ensuring the implementation of appropriate systems to manage these risks;
- d) Review changes to the management and control structure including succession planning;
- e) Reviewing the adequacy and the integrity of the Group’s internal controls systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

The Board has also delegated specific responsibilities to the Board Committees, Audit and Risk Management Committee, Nominating Committee and Remuneration Committee. Board Committees are entrusted with specific responsibilities to oversee the Group’s affairs with authority to act on behalf of the Board in accordance with their respective Terms of Reference. The Chairman of the relevant Board Committees also report to the Board on key issues deliberated by the Board Committees at their respective meetings.

Corporate Governance Overview Statement

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

2. Chairman of the Board

The Board is chaired by Datuk Seri H'ng Bak Tee, an Independent Non-Executive Director ("INED"). He is responsible for the leadership and effective functioning of the Board. He sets the Board's agenda and ensures adequate time is given for discussion of all agenda items. He also ensures that all directors receive complete, adequate and timely information. He facilitates the effective contribution of non-executive directors and ensures constructive communication between the executive and non-executive directors.

Datuk Seri H'ng acts as the spokesperson for the Board during shareholders' meetings and ensures effective communication with shareholders and stakeholders. He also leads the Board in practicing good corporate governance and ensures compliance with all relevant laws and regulations.

3. Separation of roles of Chairman and Chief Executive Officer ("CEO")

There is a clear division of duties and responsibilities between the Chairman and the CEO to ensure a balance of power and authority so that no one individual has unfettered powers over decision making. The positions of the Chairman and CEO are held by two different individuals and there is a clear division of responsibilities. The Chairman is responsible for the governance, orderly conduct and effectiveness of the Board while the CEO is responsible for managing the Group's business operations and implementation of policies and strategies approved by the Board.

4. The Chairman and Board Committee

The Chairman is only the Chairman of the Board, and is not a member or Chairman of any of the Board Committees.

5. Company Secretaries

The Company is supported by two (2) suitably qualified and competent Company Secretaries. Both are qualified Chartered Secretaries as per Section 235(2)(a) of the Companies Act 2016. The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in the discharge of its functions. The Company Secretaries ensure that all Board meetings are properly convened and accurate and proper records of the proceedings and resolutions passed are recorded and maintained in the statutory register of the Company. They also ensure that the Board policies and procedures are followed and rules and regulations, codes or guidance and legislations are complied with.

6. Board meetings and access to information

All Board members have full and unrestricted access to information on the Group's business and affairs. All scheduled meetings held during the year were preceded by a formal notice issued by the Company Secretary in consultation with the Chairman. The Board papers contain all relevant information and reports on financial, operational, corporate, regulatory and minutes of meetings. These documents are comprehensive and include qualitative and quantitative information to enable the Board members to make informative decisions. Where required, management and external advisors are invited to attend these meetings to explain and clarify on matters tabled.

The Board is regularly updated and advised by the Company Secretaries on new statutory as well as regulatory requirements. The Board has full and unrestricted access to the advice and services of the Company Secretaries as well as the management. Where necessary, the Board may obtain independent professional advice at the Company's expenses on the specific issues to enable the Board to make well-informed decisions in discharging their duties on the matters tabled.

Corporate Governance Overview Statement

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

6. Board meetings and access to information (Cont'd)

The Board meets at least four (4) times a year with additional meetings being held as and when required. As the Listing was a subsequent event after the FYE 2025, the Board has thus only convened two (2) meeting in the FYE 2025 with full attendance of the Directors.

7. Demarcation of responsibilities

The Board is guided by a Board Charter which clearly sets out the respective roles and responsibilities of the Board and the functions and responsibilities delegated to the Board Committees, individual Directors as well as to the Management.

The objectives of the Board Charter are to ensure that the members of the Board are aware of their roles, duties and responsibilities and the application of principles and practices of good corporate governance in their business conduct and dealings in respect of, and on behalf of, the Company and the various laws and legislations governing them and the Company.

The Board reviews the Board Charter periodically and makes relevant amendments as and when the Board deems necessary to ensure that it continues to remain relevant and appropriate to any development in the prevailing legislation and practices.

The Board Charter is available on the Company's website at <https://www.sbsgroup.com.my>

8. Whistle Blower Policy

The Board is committed to upholding the highest standard of integrity, openness, transparency and accountability in the Group's business endeavours. The Whistle Blower Policy is established to facilitate the reporting by employees, members of the public and other stakeholders of any suspicious or improper conduct within the Group as well as protects the whistle blower from reprisal and safeguards such person's confidentiality as a consequence of making a report.

The Whistle Blower Policy is made available on the Company's website at <https://www.sbsgroup.com.my>

9. Anti-Bribery and Anti-Corruption Policy

In line with the new Section 17A of the Malaysian Anti-Corruption Commission Act 2009 on corporate liability for corruption which came into force on 1 June 2020, the Board had adopted an Anti-Bribery & Anti-Corruption Policy ("ABC Policy") in line with its zero-tolerance policy against all forms of fraud, bribery and corruption throughout the Group. The adoption of the ABC Policy signalled commitment by the Board and the Group to conduct all businesses in an honest and ethical manner requiring all Directors and employees to act professionally, fairly and with integrity in all of the Group's business dealings and relationships.

The ABC Policy is made available on the Company's website at <https://www.sbsgroup.com.my>

10. Sustainable Practice

(a) Responsibility for oversight and strategic management of sustainability matters

The Board acknowledges the importance of embedding sustainability considerations into the Group's operations when developing the business strategies in achieving its short-term and long-term objectives.

Corporate Governance Overview Statement

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

10. Sustainable Practice (Cont'd)

(a) Responsibility for oversight and strategic management of sustainability matters (Cont'd)

The Board assumes the ultimate responsibility for the integration of sustainability within the Group, which includes, amongst others, to review, approve and adopt the strategic plans or direction of the Company and the Group and to ensure that they support long term value creation after having taken into account economic, environmental, social and governance considerations underpinning sustainability.

(b) Public disclosure as well as ongoing internal and external stakeholder's engagement on the management of sustainability matters

Sustainability reporting is prepared in accordance with the Listing Requirements as a channel to communicate with stakeholders regarding the Company's performance and its impact on a wide range of sustainability topics, spanning economic, environmental, social and governance parameters.

The Sustainability Statement forms part of the Company's Annual Report for the FYE 2025 which is accessible on the Company's website at <https://www.sbsgroup.com.my>

(c) Principles of sustainability form part and parcel of professional development and board skills matrix

The Company's approach to sustainability governance is led by the Board to ensure sustainable business strategies, risk management concepts, operational guidance and direction are strongly employed within the Group. The Group identifies the sustainability issues through stakeholder's engagement and materiality assessment. The Directors will also continuously undertake professional training to keep abreast with sustainability issues relevant to the Group.

The Directors will also continuously undertake professional training to keep abreast with sustainability issues relevant to the Group.

(d) Performance Evaluation of the Board

The Board is required to conduct an annual evaluation relating to sustainability which includes the performance of the Board in managing sustainability risks and opportunities that affect the Group and its business, and the conduct of the Board in keeping up with and understanding the relevant sustainability issues. As the Listing was a subsequent event after the FYE 2025, the Group will implement a yearly performance review system for the Board (which considers, amongst others, sustainability risks) in respect of the financial year ending 31 December 2026 and onwards.

(e) Managing Sustainability Strategically

The Board has not identified a Chief ESG Officer. However, the Chief Operating Officer ("COO") leads the management of sustainability-related risks.

11. Board Composition

The Board recognises the benefits of having a diverse Board to ensure that the mix and profiles of the Board members in terms of age, ethnicity and gender to provide the necessary range of perspectives, experience and expertise required to achieve the highest standard of performance, accountability and ethical behaviour as expected by the stakeholders.

Corporate Governance Overview Statement

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

11. Board Composition (Cont'd)

The Nominating Committee responsible to recommend suitable candidates to the Board for the appointment as Directors of the Company to ensure that the composition of the Board comprise of qualified individuals with mixed skills, knowledge, expertise and experience. As the Listing was a subsequent event after the FYE 2025, the Nominating Committee will hence review the Board Composition and its performance in respect of the financial year ending 31 December 2026 and onwards.

(a) Board Balance

The Board currently comprises of seven (7) members, of which four (4) of them are INEDs and the remaining are Executive Directors. This composition complies with Rule 15.02 of the Listing Requirements to have at least one-third (1/3) of the Board members as INEDs and the recommendation in Practice 5.2 of the MCCG where at least half of the Board comprise of Independent Directors.

The Board has a balanced composition of Executive and Non-Executive Independent Directors such that no individual or group of individuals can dominate the Board's decision-making powers and processes. All Board members carry an independent judgment to bear on issues of strategy, performance, resources and standard of conducts. All the Directors have also complied with the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad on the limit of five (5) directorship in public listed companies.

(b) Tenure of Independent Directors

The Board notes the recommendations of the MCCG which provides that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. However, if the Board intends to retain the Independent Director after nine (9) years, the Board must justify its decision and seek shareholders' approval through a two-tier voting process at a general meeting.

None of the INEDs have exceeded a cumulative term of nine (9) years in the Company as all of the INEDs were appointed to the Board on 5 November 2024.

(c) Appointment of the Board and Senior Management

The Board delegates the responsibility of reviewing any new candidate as a Director, or the recruitment of key management positions to the Nominating Committee. The Nominating Committee is responsible to ensure that the procedures for appointing new candidates are transparent and appointments are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

In evaluating the suitability of candidates to fill any vacancies in the Board, the Nominating Committee shall ensure that the candidates selected possess the necessary skills, knowledge, expertise and experience and that their personal characteristics are befitting of the positions. The Nominating Committee also actively engages with the management to identify skill gaps and review succession planning and other human resource contingencies.

Corporate Governance Overview Statement

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

11. Board Composition (Cont'd)

(d) Identification of Candidates for Board Appointment

The Board has established a clear and transparent nomination process for the appointment of Directors regardless of the source of recommendation. The nomination process involves the following stages:

- (i) identifying candidates;
- (ii) evaluation of suitability of the candidates;
- (iii) meeting up with the candidates,
- (iv) final deliberation by Nominating Committee and Remuneration Committee; and
- (v) recommendation to the Board.

(e) Nominating Committee

The Nominating Committee is chaired by Datuk (Dr.) Hafsah binti Hashim, the INED of the Company. In accordance with the terms of reference of the Nominating Committee, the Nominating Committee shall comprise at least three (3) members, exclusively of non-executive Directors and a majority of whom shall be independent which are free from any business relationship that would materially interfere with their judgement as members of the Committee.

The present Nominating Committee comprises exclusively of INEDs as follows:

Datuk (Dr.) Hafsah binti Hashim	: Chairperson
Wong Maw Chuan	: Member
Jancy Oh Suan Tin	: Member

The terms of reference of the Nominating Committee can be viewed on the Company's website at <https://www.sbsgroup.com.my>

(f) Female Board Representation

The Board currently has three (3) female Directors out of a total of seven (7) Directors, representing 43% of the Board Composition. This demonstrates the Company's commitment on gender diversity as the Company had exceeded the prevailing requirements of Practice 5.9 of the MCCG to have at least 30% female Directors on the Board.

(g) Gender Diversity Policy

The Board is supportive of gender diversity in the Board and in the Senior Management team. The Board will consider gender diversity as part of its future selection and will look into increasing female representation going forward.

12. Overall Effectiveness of the Board and Individual Directors

(a) Annual Evaluation

The Nominating Committee undertakes annual assessment on the effectiveness of the Board as a whole, its committees and contributions of each individual Director. The annual assessments are carried out through a comprehensive evaluation questionnaire to appraise the performance of the Board and involves individual Directors undertaking self-evaluation.

Corporate Governance Overview Statement

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

12. Overall Effectiveness of the Board and Individual Directors (Cont'd)

(a) Annual Evaluation

The Board Committees are assessed annually on their composition, expertise, and whether their functions and responsibilities were effectively discharged in accordance with their respective terms of reference.

The results of all assessments and comments by Directors are tabled for review and discussion at the Nominating Committee meeting. Thereafter, the Chairman of the Nominating Committee would report on the results and deliberations to the Board.

There was no NC Meeting held during FYE 2025 as the Company was only listed on ACE Market of Bursa Securities on 20 January 2026. There has yet to be a full year of activity for annual and performance evaluation on the Board, Board Committees and individual Directors.

(b) Directors' Training

During the FYE 2025, the Directors had attended the following training programmes :-

Name	Title of seminar/course	Date Attended
Datuk Seri H'ng Bak Tee	• Compliances to EPF, Socso, EIS and PCB with latest updates	03.03.2025
	• Companies Act 2016 – Directors' Statutory Disclosure	30.04.2025
Wong Chun Mun	• Mandatory Accreditation Programme (MAP) Part I	08.12.2025–09.12.2025
Piah Yee Ling	• Mandatory Accreditation Programme (MAP) Part I	12.11.2025–13.11.2025
Warren Cheng	• Mandatory Accreditation Programme (MAP) Part I	08.12.2025–09.12.2025
Wong Maw Chuan	• Optimising Corporate Tax Planning Strategies	12.08.2025
	• Building Culture of Good Governance and Sustainability	23.09.2025
Datuk (Dr.) Hafsah binti Hashim	• Aston Leadership Masterclass	12.10.2025–21.10.2025
	• Mandatory Accreditation Programme (MAP) Part I	12.11.2025–13.11.2025
Jancy Oh Suan Tin	• Harness the Power of Generative AI for Accounting and Finance Professionals	23.04.2025–24.05.2025
	• Updates To the Expanded Sales Tax & Service Tax	18.12.2025

All of the Directors had attended and completed the Mandatory Accreditation Programme (MAP) Part I in FYE 2025, in compliance with Guidance Note 10 of the Listing Requirements.

The Board will, on a continuous basis, evaluate and determine the other training needs of its members to assist them in the discharge of their duties as Directors. The Directors will also continue to participate in other relevant training programmes to equip themselves with the necessary knowledge and to keep abreast with the relevant changes in laws, regulations and business development.

Corporate Governance Overview Statement

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

13. Level and Composition of Remuneration

(a) Remuneration Policy

The Board has formalised a Remuneration Policy and Procedure to provide guidelines to determine the remuneration package for Directors and Senior Management with the objective to attract, motivate and retain experienced, qualified and high calibre talent in the Board and Senior Management team.

As for INEDs, the level of fee and other benefits are reflective of their experience, expertise, contribution to the Group, duty and level of responsibilities undertaken by them. The determination of Directors' fees for the INEDs including Independent Non-Executive Chairman shall be a matter for the Board as a whole.

The Remuneration Committee is established to ensure the Remuneration Policy and Procedure and decisions are made through a transparent and independent process. The Remuneration Policy and Procedure will be reviewed regularly. During the process of determining the remuneration package for Directors and Senior Management, the Committee considers the level of duties and responsibilities as well as the skills and experiences so as to ensure competitiveness within the relevant market and industry.

The Remuneration Policy and Procedure is accessible on the Company's website at <https://www.sbsgroup.com.my>

(b) Remuneration Committee

The Remuneration Committee comprises three (3) members, all of whom are INEDs.

As at the date of this report, the Remuneration Committee comprises :

Wong Maw Chuan	: Chairperson
Datuk (Dr.) Hafsah binti Hashim	: Member
Jancy Oh Suan Tin	: Member

The Remuneration Committee is empowered by the Board and its terms of reference to, among others, appraise the performance of the Executive Directors in proposing salary increment as well as annual bonus and consider the appropriate level of remuneration for the INEDs, taking into account factors such as effort and time spent, and responsibilities of the said Directors.

Corporate Governance Overview Statement

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

14. Remuneration of Directors and Key Senior Management

(a) Directors' Remuneration

The remuneration payable to each of the individual Directors for FYE 2025 are as disclosed below:

Name	Director Allowances (RM'000)	Remuneration (RM'000)	Total (RM'000)
Datuk Seri H'ng Bak Tee	2	-	2
Wong Chun Mun	-	210	210
Piah Yee Ling	-	210	210
Warren Cheng	-	158	158
Wong Maw Chuan	1	-	1
Datuk (Dr.) Hafsa binti Hashim	1	-	1
Jancy Oh Suan Tin	1	-	1

(b) Remuneration of Senior Management

The Board recognises the importance of transparency in remuneration disclosure as recommended by the MCCG. However, the Board opines that the disclosure of the Senior Management personnel's names and the various remuneration components (salaries, bonuses and other emoluments) would not be in the best interest of the Group given the competitive human resources environment as such disclosure may give rise to recruitment and talent retention issues.

PRINCIPLE B : BOARD LEADERSHIP AND EFFECTIVENESS

1. AUDIT AND RISK MANAGEMENT COMMITTEE

(a) Effective and Independent Audit and Risk Management

The composition of the Audit and Risk Management Committee ("ARMC"), its terms of reference and attendance of meetings by the individual members are in the Audit and Risk Management Committee report found in this Annual Report.

(b) Chair of Audit Committee

The Chairman of the ARMC is distinct from the Chairman of the Board, to ensure robust and open deliberations by the Board on matters referred by the ARMC.

The ARMC is chaired by Ms Jancy Oh Suan Tin, who is not the Chairman of the Board.

(c) Appointment of Former Key Audit Partner

None of the members of the Board are former key audit partners of the external audit firm of the Group.

As a measure to safeguard the independence and objectivity of the audit process, the ARMC 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 ARMC.

Corporate Governance Overview Statement

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

1. AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

(d) Suitability, Objectivity and Independence of the External Auditors

The ARMC makes recommendations on the appointment of new external auditors and/or the reappointment and/or discontinuation of the current external auditors to the Board. The ARMC shall assess the competency, independence, previous audit quality, governance and leadership structure of the audit firm and the measures undertaken by the firm to train its staff to uphold audit quality and manage risks.

The ARMC maintains an appropriate and transparent relationship with the external auditors. In the course of auditing of the Group's financial statements, the external auditors highlight to the ARMC and the Board matters that require the Board's attention. ARMC meetings are attended by the external auditors for purposes of presenting their audit plan and report, and comments on the audited financial statements and to make representations to the ARMC on any other findings revealed in the course of their audit.

The external auditors are required to carry out their audit plan diligently and in a timely manner. The external auditors are also required to declare their independence annually to the ARMC as specified by the By-Laws issued by the Malaysian Institute of Accountants.

As the Listing was a subsequent event after the FYE 2025, the ARMC had on 24 April 2026 assessed the independence of the external auditors, TGS TW PLT and was satisfied with TGS TW PLT's competency and audit independence.

The external auditors have confirmed to the ARMC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the By-Laws issued by the Malaysian Institute of Accountants ("MIA").

(e) Composition of the ARMC

In accordance to the terms of reference of the ARMC, the ARMC shall be appointed by the Board and shall comprise at least three (3) members, consisting solely of INEDs who are free from any business or other relationship that would materially interfere with their judgement as members of the ARMC.

As at the date of this report, the ARMC consists of three (3) members, who are all INEDs. The current composition of the ARMC is as follows:-

Jancy Oh Suan Tin	: Chairperson
Wong Maw Chuan	: Member
Datuk (Dr.) Hafsah binti Hashim	: Member

(f) Diversity in skills of the ARMC

The composition of the ARMC meets the requirement of Rule 15.09(1)(c) of the Listing Requirements that at least one member of the audit committee has accounting or financial acumen. Ms Jancy Oh Suan Tin, who is a member of the MIA is the Chairperson of the ARMC. The academic and professional background of the rest of the ARMC members varies. With vast knowledge, skills and experience from various industries, they are able to understand matters under the purview of the ARMC and therefore are able to effectively discharge their roles and responsibilities.

Corporate Governance Overview Statement

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

1. AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

(g) Provision of Non-Audit Services by External Auditors

The provision of non-audit services by the external auditors and their affiliates must receive the prior approval of the ARMC. In granting such approval, the ARMC shall consider the nature and the extent of such services and the appropriateness of the quantum of fees.

2. EFFECTIVE RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

(a) Risk Management and Internal Control Framework

The Group has established risk management practices to safeguard the Group's business interest from risk events that may impede the achievement of business strategies and provide assurance to the Group's various stakeholders.

The main components of the Group's risk governance and structure consist of the Board, the Senior Management and the key personnel of the Group. This structure allows for strategic risk discussions to take place between the Board and the Senior Management on a periodical basis. Regular operational-based discussions are conducted and attended by the management and key employees. These are parts of the Group's ongoing efforts to sustain risk awareness and risk management capabilities.

(b) Features of Risk Management and Internal Control Framework

The Board has disclosed the overview of the risk management framework and internal control system within the Company and the adequacy and effectiveness of the framework in the Statement on Risk Management and Internal Control ("SORMIC") contained in the Annual Report.

The Board is satisfied with the existing level of systems of risk management and internal control. The Board also received assurance from the Executive Directors that to the best of their knowledge, the Company's risk management and internal control systems are adequate and effective.

The SORMIC was reviewed by the Company's external auditors.

3. EFFECTIVE GOVERNANCE, RISK MANAGEMENT AND INTERNAL CONTROLS

(a) Internal Audit Function

In conjunction with the Company's listing on the ACE Market of Bursa Securities, the Company has appointed an independent professional consulting firm, Resolve IR Sdn. Bhd. ("Resolve") to conduct an independent assessment of the internal control environment of the Group to ensure compliance with the MCCG and the Listing Requirements.

The internal controls assessment undertaken by Resolve focused on existing operations/functional areas of the Group. The findings by the internal auditor have been presented to the Board, who has since recommended the management to undertake the relevant steps to ensure that appropriate actions are being taken to enhance and strengthen the Group's current internal control systems.

Subsequent to the Listing and in respect of the financial year ending 31 December 2026, the Group intends to continue to outsource the internal audit function to Resolve to carry out internal audit reviews on the Group and to assist the ARMC in discharging its duties and responsibilities.

Corporate Governance Overview Statement

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

3. EFFECTIVE GOVERNANCE, RISK MANAGEMENT AND INTERNAL CONTROLS (CONT'D)

(b) Objectivity and Independence of Internal Auditors

The ARMC is satisfied that Resolve has adequate resources and expertise to carry out the internal audit function in respect of financial year ending 31 December 2026, and will ensure that the internal audit personnel are free from any conflict of interest with the Company.

The ARMC has full and direct access to the internal auditors and receives reports on all internal audits performed. The internal auditors independently and objectively monitor compliance with regards to policies and procedures, and the effectiveness of the internal controls systems. Significant findings and recommendations for improvement are highlighted to the Management and the ARMC, with periodic follow-up of the implementation of action plans.

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

1. ENGAGEMENT WITH STAKEHOLDERS

(a) Communication with Stakeholders Effective, transparent and regular communication with stakeholders

The Board recognises the need for transparency and accountability to the Company's shareholders and regular communication with its shareholders, stakeholders and investors on the performance and major developments in the Company. The Board ensures that there is effective, transparent and regular communication with its stakeholders through a variety of communication channels as follows :

I. Company website (www.sbsgroup.com.my)

The Company website incorporates all announcements made by the Company, and corporate governance practice documents such as the Board Charter, Code and Terms of Reference of the Board Committees.

II. Bursa Malaysia Securities Berhad

The Company releases all announcements through Bursa Securities which are accessible by the public.

III. Analyst Briefings

The Company conducts briefings/meetings with analyst and fund managers from time to time to provide updates on the Company's strategy and performance.

(b) Integrated Reporting

Integrated reporting is not applicable to the Group as the Group does not fall within the definition of "Large Companies".

Corporate Governance Overview Statement

PRINCIPLE C : INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

2. CONDUCT OF GENERAL MEETINGS

The Annual General Meeting is the principal forum for dialogue and interaction with the Company's shareholders, providing them with the opportunity to express their views, seek clarification and engage with the Board and management on the Company's progress, performance and key developments.

As an important platform for shareholder engagement, the AGM enables transparent communication and fosters accountability. In line with this commitment, following the Company's listing in 2025, the upcoming AGM will be convened physically to facilitate direct and meaningful interaction between shareholders, the Board and management.

The shareholders who are not able to attend the AGM can appoint their proxy or appoint the Chairman as their proxy to attend and vote on his/her behalf provided that the relevant proxy form is lodged at the Company's Share Registrar's office at least forty-eight (48) hours before the AGM.

(a) Notice of Annual General Meeting ("AGM")

The Company despatches its Notice of AGM at least twenty-eight (28) days before the date of the AGM of the Company to give sufficient time to its shareholders to consider the resolutions that will be discussed and decided at the AGM, and to make the necessary arrangements to attend and participate in the AGM.

(b) Attendance of Directors

Barring any unforeseen circumstances, the Directors, Company Secretaries as well as representatives from the external auditors will be present at the forthcoming AGM of the Company.

(c) Minutes of the AGM

Minutes of the AGM will be made available on the Company's website within thirty (30) business days after the conclusion of the AGM.

STATEMENT ON COMPLIANCE WITH BEST PRACTICES OF MCCG

This Corporate Governance Overview Statement has been prepared in compliance with Rule 15.25 of the ACE LR and should be read together with the CG Report 2025, made available on the Company's website at www.sbsgroup.com.my

The Board is of the view that this Statement provides shareholders with a clear and comprehensive understanding of the Company's application of MCCG principles and best practices. The Board remains committed to maintaining the highest standards of governance, professionalism and integrity in driving sustainable long-term performance.

This Statement was reviewed and approved by the Board of Directors at its meeting held on 24 April 2026.

Statement on Risk Management and Internal Control

Introduction

Pursuant to Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) as well as Practices 10.1 and 10.2 of the Malaysian Code on Corporate Governance 2021 (“MCCG”), with the guidance of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, the Board of Directors (“Board”) of SBS Nexus Berhad (“SBS Nexus” or the “Company”) and its subsidiaries (the “Group”) is pleased to present the Statement on Risk Management and Internal Control (“Statement”), which outlines the nature and scope of risk management and internal control system of the Group for the financial year ended 31 December 2025 (“FYE 2025”).

Board Responsibilities

The Board acknowledges the importance and responsibilities of maintaining a good system of risk management and internal controls and risk management which includes determining the Group’s level of risk tolerance and in conjunction with the management of the Group, the establishment of an appropriate internal control environment and framework, reviewing the integrity, effectiveness and adequacy of these systems to safeguard shareholders’ investment and the Group’s assets.

The system of risk management and internal control covers not only financial control but also operational and compliance control. The Board believes that this is a continuing process and more importantly a concerted effort by all employees of the Group. As part of its review, the Board will continue taking necessary measures to strengthen its risk management and internal control system to address any weaknesses identified.

It should be noted, however, that such systems are designed to manage, rather than eliminate, the risks of failure to achieve corporate objectives. Inherently, it can only provide reasonable and not absolute assurance against material misstatement, loss or fraud.

System of Internal Control

SBS Nexus has appointed an independent professional firm which reports to the ARMC and assists the ARMC in reviewing the effectiveness of its internal control systems whilst ensuring that there is an appropriate balance of controls and risks throughout the Group. The internal audit function independently evaluates internal controls using global audit methods and tools, supporting corporate governance and risk management, and providing assurance to the ARMC.

The Board is committed to maintain sound systems of risk management and internal control. The Board has implemented and maintained the following structure and environment to ensure proper conduct of the Group’s business operations and activities:

- (i) A well-defined organization structure with distinct lines of accountability that sets out the authority delegated to the board and management committees;
- (ii) A process of hierarchical reporting which provides a documented and auditable trail of accountability;
- (iii) Documented policies and procedures for all significant processes;
- (iv) Regular and comprehensive information provided to management, covering financial and operational performance and key business indicators for effective monitoring and decision making;
- (v) Consistent monitoring of results against budget, with major variances being followed up and management action taken, where necessary;
- (vi) Close involvement in the daily operation by the senior management;

Statement on Risk Management and Internal Control

System of Internal Control (Cont'd)

- (vii) Review of quarterly and annual financial results by the Audit and Risk Management Committee “ARMC”); and
- (viii) An internal audit function, which reports directly to the ARMC, reviews the system of internal controls and the effectiveness of the processes of the Group.

Risk Management

The Group has established risk management practices to safeguard the Group’s business interest from risk events that may impede the achievement of business strategies and provide assurance to the Group’s various stakeholders.

The Chief Executive Officer, Chief Operating Officer and Financial Controller have provided the Board with the assurance that the Group’s risk management and internal control systems are operating adequately and effectively, in all material aspects, to ensure the achievement of corporate objectives.

The main components of the Group’s risk governance and structure consist of the Board, the ARMC and the management. This structure allows for strategic risk discussions to take place between the Board, the ARMC and the management on a periodical basis, where necessary.

a. Board of Directors

- i. Overall risk oversight responsibility;
- ii. Establishes that the principal risks are identified through the ARMC with the assistance of the management and internal auditors, and ensure comprehensive and relevant systems are put in place to manage and mitigate these risks; and
- iii. Reviews the adequacy and the integrity of the Group’s internal control systems including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

b. Management and key personnel of the Group

- i. Oversight on the effective implementation of risk policies, guidelines and promote strong risk management culture within the organisation; and
- ii. Reviews and monitors the status of the Group’s principal risks and their mitigation actions periodically and where necessary, to update the ARMC and the Board accordingly.

Internal Audit Function

The Group has outsourced its internal audit function to an independent professional firm, Resolve IR Sdn. Bhd. (“Resolve”) to review the adequacy and integrity of the internal control systems of the Group. Resolve is free from any relationships or conflicts of interest which could potentially impair the objectivity and independence for assuming the internal audit function and does not have any direct operational responsibility or authority over the activities and operations of the Group.

Statement on Risk Management and Internal Control

Internal Audit Function (Cont'd)

The functions of the internal audit are as follows :-

1. Perform audit work in accordance with the pre-approved internal audit plan based on a risk-based approach.
2. Carry out review on the system of internal controls of the Group.
3. Review and comment on the effectiveness and adequacy of the existing control policies and procedures.
4. Provide recommendations, if any, for the improvement of the control policies and procedures.
5. Review and comment on the implementation status of the recommendation by the internal audit function.

The Resolve directly to the ARMC and is independent of the management. The internal audit reports are submitted to the ARMC who would review and deliberate on the findings before making the necessary recommendations to the Board to strengthen its system internal control and policies.

Review of the Statement by the External Auditors

Pursuant to Paragraph 15.23 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the external auditors have reviewed this Statement on Risk Management and Internal Control ("Statement") pursuant to the scope set out in the Audit and Assurance Practise Guide 3 ("AAPG3"). The external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not consistent with their understanding of the processes adopted by the Board in reviewing the adequacy and integrity of the risk management and internal control system. The external auditors report was made solely for and directed solely to the Board of Directors in connection with their compliance with the listing requirements of Bursa Malaysia Securities Berhad and for no other purpose or parties. As stated in their report, the external auditors do not assume responsibility to any person other than the Board in respect of any aspect of this report.

AAPG3 does not require the external auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and management thereon.

Conclusion

The Board has received assurance from the Executive Directors that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects throughout the financial year, based on the risk management and internal control adopted by the Group.

The Board remains committed towards operating a sound system of internal control and effective risk management practices throughout the Group. In the Board's view, the systems in place are adequate to safeguard shareholders' investments and the Group's assets. There was no material losses incurred during the financial year as a result of weaknesses in internal control that would require a separate disclosure in the annual report. The Board will, when necessary, take the necessary steps to further enhance the Company's system of risk management and internal control to adapt to the ever changing and challenging business environment.

This Statement was made in accordance with a resolution of the Board dated 24 April 2026.

Audit and Risk Management Committee's Report

The Board of Directors (“Board”) of SBS Nexus Berhad (“SBS Nexus” or the “Company”) is pleased to present the Audit and Risk Management Committee (“ARMC”) report and its summary of work for the financial year ended 31 December 2025.

The ARMC was established on 5 November 2024 to support the Board in discharging its statutory duties and responsibilities, among others, by providing independent and additional assurance to the Board by giving an objective oversight. In doing so, the ARMC enhances the Board’s assurance on the integrity and effectiveness of the Company’s financial reporting, operational and administrative processes, risk management practices, as well as the establishment and maintenance of a sound system of internal controls in accordance with the applicable governance framework and its Terms of Reference, which is available on the Company’s website at www.sbsgroup.com.my

For information purposes, the Company was listed on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 20 January 2026 (“Listing”). The Listing was a subsequent event after the FYE 2025.

COMPOSITION OF THE ARMC

The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors. The members of the ARMC as at the date of this report are as follows:

Jancy Oh Suan Tin	: Chairperson
Wong Maw Chuan	: Member
Datuk (Dr.) Hafsah binti Hashim	: Member

The Chairperson of the ARMC, Ms. Jancy Oh Suan Tin is a member of the Malaysian Institute of Accountants (“MIA”) and a member of the Chartered Institute of Management Accountants.

The above composition of the ARMC complies with the requirements of Rule 15.09 of the ACE Market Listing Requirements of Bursa Securities (“Listing Requirements”) and Paragraph 9.4 of the Malaysian Code on Corporate Governance 2021 issued by the Securities Commission Malaysia (“MCCG”).

The Company Secretaries will attend the meetings to be convened. The Executive Directors and Chief Financial Officer were present by invitation at all the meetings. The Internal and External Auditors were present by invitation at certain meetings. In addition, the ARMC had a private session with the External Auditors to discuss any matters which the External Auditors may wish to discuss.

Attendance of Meetings

As stipulated in the terms of reference of the ARMC, the ARMC is scheduled to meet at least four (4) times in a financial year. However, the ARMC was only formed on 5 November 2024 and held their first meeting on 15 January 2026.

SUMMARY OF ACTIVITIES

The ARMC was formed on 5 November 2024 and did not hold any meeting during the FYE 2025. Subsequent to FYE 2025, the ARMC held their first meeting on 15 January 2026.

Following the Company’ listing on 20 January 2026, the ARMC has carried out the following activities :

Financial Reporting

- a) Reviewed the unaudited fourth quarterly financial results of the Group for the financial periods ended 31 December 2025

Audit and Risk Management Committee's Report

SUMMARY OF ACTIVITIES (CONT'D)

Financial Reporting (Cont'd)

- b) Reviewed the audited financial statements of the Group and the Company for FYE 2025 prior to recommending it to the Board for approval and subsequent announcement to the Bursa Malaysia.
- c) Ensured compliance with the Malaysian Financial Reporting Standards and the Companies Act 2016.
- d) Discussed significant accounting policies, judgments, and estimates with the management and External Auditors, TGS TW PLT (“External Auditors”).

External Audit

- a) Met with the External Auditors to review and resolve matters relating to the audit and financial statements.
- b) Evaluated the performance, independence and suitability of the External Auditors.
- c) Reviewed the External Audit Plan for FYE 2025, including audit scope, approach, key focus areas, audit findings and Management’s responses to address identified issues.
- d) Recommended the re-appointment of TGS TW PLT as the Company’s external auditors for the ensuing year.

Internal Audit

In overseeing the Group’s internal audit function, the ARMC carried out the following activities:

- a) Reviewed the appointment of Internal Auditors and assessed the internal audit function.
- b) Assessed the adequacy and effectiveness of the Company’s internal control systems and risk management framework.
- c) Monitored Management’s implementation of corrective actions to address internal audit findings, if any.

Related Party Transactions (“RPT”)

ARMC reviewed and approved all RPT situations that arise within the Group. The management shall report to the ARMC on a quarterly basis all RPTs, and the ARMC has to ensure that these transactions will be conducted at arm’s length on normal commercial terms, not more favourable to the related party than those generally available to the public, and are not detrimental to the minority shareholders.

Conflict of Interests (“COI”)

ARMC will review and approved any conflict of interest and/or potential conflict of interest situations that may arise within the Group on a quarterly basis, including any transactions, procedure or course of conduct that may give rise to questions on management integrity.

Audit and Risk Management Committee's Report

INTERNAL AUDIT FUNCTION

Following the listing on 20 January 2026, the Company has outsourced the internal audit function to Resolve IR Sdn. Bhd. ("Resolve"). Resolve supports the ARMC in discharging its oversight responsibilities by conducting independent reviews on the adequacy and effectiveness of the Group's internal control system, risk management framework and governance practices.

The Internal Auditors reports functionally to the ARMC. The Internal Audit function has adopted a risk-based approach, with its annual audit plan tabled to the ARMC for review and approval.

Internal Audit Reports prepared by Resolve are deliberated with management's responses, before presenting to the ARMC for review on a periodically basis. Follow-up reports on Management's remedial actions are reviewed by the ARMC to ensure that audit recommendations are implemented in a timely and appropriate manner.

The ARMC has assessed the performance, competency and adequacy of resources of the Internal Auditors and is satisfied that Resolve possesses the necessary expertise, independence and experience to perform its functions effectively.

This ARMC report was approved by the Board on 24 April 2026.

Additional Compliance Information

(a) Utilisation of Proceeds

SBS Nexus Berhad (the “Company”) was listed on the ACE Market of Bursa Malaysia Securities Berhad on 20 January 2026 (“Listing”). The Listing was a subsequent event after the financial year ended 31 December 2025 (“FYE 2025”).

For information purposes, the Company undertook a public issue of 122,500,000 new ordinary shares at an issue price of RM0.25 per share in conjunction with the Listing, raising gross proceeds of approximately RM30.6 million (“IPO Proceeds”).

Further details of the Listing and utilisation of the IPO Proceeds are disclosed in the Company’s prospectus dated 23 December 2025 in relation to the Listing.

(b) Audit and Non-Audit Fees

The amount of audit and non-audit fees paid to the external auditors and their affiliates by the Group and the Company respectively for the FYE 2025 are as follows :-

	Company (RM)	Group (RM)
Audit services rendered	15,000	125,000
Non-audit services rendered	10,000	10,000
Total	25,000	135,000

(c) Material Contracts Involving Directors and Major Shareholders

There was no material contract entered into by the Group, involving the interests of Directors, chief executive officer and major shareholders subsisting at the end of the FYE 2025 or entered into since the end of the previous financial year.

(d) Recurrent Related Party Transactions of Revenue Nature (“RRPT”)

There were no recurrent related party transactions entered into by the Group during the FYE 2025.

Statement of Directors' Responsibility

The Directors are responsible for ensuring that the annual Audited Financial Statements for the financial year ended 31 December 2025 of the Company and of the Group so as to give a true and fair view in accordance with applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016.

In preparing the annual Audited Financial Statements for the financial year ended 31 December 2025, the Directors have adopted and applied the appropriate and relevant accounting policies on a consistent basis; made judgements and estimates that are reasonable and prudent; ensure applied to all applicable accounting standards, and prepared the audited financial statements on a going concern basis; general responsibility to take reasonable steps to safeguard the assets operation of the Company and of the Group to prevent and detect fraud and other irregularities; and to ensure there are adequate resources to continue its operation.

The Directors are responsible to ensure that the Company and the Group keep accounting records which disclose the financial position of the Company and the Group that give a reasonable accuracy, enabling them to ensure that the financial statements complied with the Companies Act 2016.

Disclosure of Financial Data for Shariah Screening

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

SBS Nexus Berhad (the "Company") was listed on the ACE Market of Bursa Malaysia Securities Berhad on 20 January 2026 ("Listing"). The Listing was a subsequent event after the financial year ended 31 December 2025 ("FYE 2025").

For information purposes, the Company undertook a public issue of 122,500,000 new ordinary shares at an issue price of RM0.25 per share in conjunction with the Listing, raising gross proceeds of approximately RM30.6 million ("IPO Proceeds").

(a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		FYE 2025 RM'000	FYE 2024 RM'000
Revenue		48,694	29,924
Other income		30	546
Finance income		-	2
Total		48,724	30,472
Total Assets		32,149	20,011

(b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		FYE 2025 RM'000	FYE 2024 RM'000
Shariah Non-Compliant Activities		N/A	N/A
Total		N/A	N/A

(c) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		FYE 2025 RM'000	FYE 2024 RM'000
Cash at bank (exclude cash in hand)		948	709
Cash in hand		8	6
Total		956	715
Conventional Account/Instruments			
Cash at bank (exclude cash in hand)		5,669	4,416
Deposit with licensed bank		1	1
Total		5,670	4,417

Disclosure of Financial Data for Shariah Screening

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

(ii) Debt Component

Islamic Financing	Remarks	Group	
		FYE 2025 RM'000	FYE 2024 RM'000
Current			
Bank borrowings		70	70
Non-Current			
Bank borrowings		284	323
Total		354	393

Conventional Borrowing	Remarks	Group	
		FYE 2025 RM'000	FYE 2024 RM'000
Current			
Bank borrowings		2,490	1,256
Hire purchases		-	24
Non-Current			
Bank borrowings		3,584	3,631
Hire purchases		-	48
Total		6,074	4,959

Financial Statements

- 80** Directors' Report
- 86** Statement By Directors
- 87** Statutory Declaration
- 88** Independent Auditors' Report
To The Members
- 96** Statements of Financial
Position
- 98** Statements of Profit or Loss
and Other Comprehensive
Income
- 99** Statements of Changes in
Equity
- 101** Statements of Cash Flows
- 104** Notes to The Financial
Statements

Directors' Report

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

Principal activities

The principal activity of the Company is an investment holding company. The principal activities of its subsidiaries are disclosed in Note 6 to the financial statements.

Changes of status

The Company is a public limited liability company and is listed on the ACE Market of Bursa Malaysia Securities Berhad subsequently on 20 January 2026.

Financial results

	Group RM	Company RM
Profit for the financial year	<u>9,509,171</u>	<u>3,114,365</u>
Attributable to: Owners of the Company	<u>9,509,171</u>	<u>3,114,365</u>

Reserves and provisions

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

Dividends

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year. The Board of Directors does not recommend any final dividend in respect of the current financial year.

Directors' Report

Issue of shares and debentures

On 12 November 2025, the Company increased its issued and paid-up share capital from RM1 to RM8,673,000 by way of issuance of 367,499,999 new ordinary shares at RM0.0236 each for a total consideration of RM8,672,999 for the acquisition of its subsidiary, SBS Digital Holdings Sdn. Bhd..

The new ordinary shares issued during the financial year shall rank pari passu in all respects with the existing ordinary shares of the Company.

There was no issuance of debentures during the financial year.

Options granted over unissued shares

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

Directors

The Directors in office during the financial year until the date of this report are:

Datuk Seri H'ng Bak Tee (Independent Non-Executive Chairman)
Wong Chun Mun* (Managing Director/Chief Executive Director)
Piah Yee Ling* (Executive Director)
Warren Cheng* (Executive Director/Chief Operating Officer)
Wong Maw Chuan (Independent Non-Executive Director)
Datuk (Dr.) Hafsah Binti Hashim (Independent Non-Executive Director)
Jancy Oh Suan Tin (Independent Non-Executive Director)

The Directors who held office in the subsidiaries (excluding Directors who are also Directors of the Company) during the financial year up to the date of this report are:

Cheah Siew Ling
Lai Kian Chuan

** Director of the Company and its certain subsidiaries*

The information required to be disclosed pursuant to Section 253 of the Companies Act 2016 in Malaysia is deemed incorporated herein by such reference to the financial statements of the respective subsidiaries and made a part hereof.

Directors' Report

Directors' interests in shares

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiary companies) of those who were Directors at financial year end (including their spouses) according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2025	Bought	Sold	At 31.12.2025
Interests in the Company				
Direct interests				
Wong Chun Mun	1	146,999,999	-	147,000,000
Piah Yee Ling	-	58,800,000	-	58,800,000
Warren Cheng	-	36,750,000	-	36,750,000

By virtue of their interests in the shares of the Company, Wong Chun Mun, Piah Yee Ling and Warren Cheng are also deemed interested in the shares of all the subsidiaries during the financial year to the extent that the Company has an interest under Section 8 of the Companies Act 2016 in Malaysia.

Other than as disclosed above, none of the other Directors in office at the end of the financial year have any interest in shares in the Company or its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than Directors who have significant financial interest in a company which traded with certain companies in the Group in the ordinary course of business as disclosed in Note 27(b) to the financial statements.

The Directors' remuneration for the Group and for the Company as set out in Note 27(c) to the financial statements are RM577,750 and RMNil respectively.

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object was 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' Report

Indemnity and insurance costs

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

Other statutory information

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no bad debts to be written off and that adequate allowance had been made for doubtful debts; and
 - (ii) 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 of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
 - (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading; or
 - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (c) At the date of this report, there does not exist:
 - (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

Directors' Report

Other statutory information (Cont'd)

(d) In the opinion of the Directors:

- (i) no contingent liability 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 will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
- (ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (iii) 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 to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Subsidiaries

The details of the subsidiaries are disclosed in Note 6 to the financial statements.

Significant events during the financial year

The significant events during the financial year are disclosed in Note 31 to the financial statements.

Significant event after the financial year

The significant event after the financial year is disclosed in Note 32 to the financial statements.

Directors' Report

Auditors

The Auditors, Messrs. TGS TW PLT (202106000004 (LLP0026851-LCA) & AF002345), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company as set out in Note 21 to the financial statements are RM135,000 and RM25,000 respectively.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 24 April 2026.

WONG CHUN MUN

WARREN CHENG

KUALA LUMPUR

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 96 to 143 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 24 April 2026.

WONG CHUN MUN

WARREN CHENG

KUALA LUMPUR

Statutory Declaration

Pursuant to Section 251(1) of the Companies Act 2016

I, Tay Mun Kit (MIA No.: 45121), being the Officer primarily responsible for the financial management of SBS Nexus Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 96 to 143 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the)
abovenamed at Kuala Lumpur in the Federal)
Territory on 24 April 2026)

TAY MUN KIT

Before me,

Commissioner for Oaths
Shi'Aratul Akmar Binti Sahari
No. W788

Independent Auditors' Report

To The members of SBS Nexus Berhad

Report on the audit of the financial statements

Opinion

We have audited the financial statements of SBS Nexus Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 96 to 143.

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

Basis for opinion

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

Independence and other ethical responsibilities

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

Independent Auditors' Report

To The members of SBS Nexus Berhad

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

Key audit matters

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

Key audit matters	How we addresses the key audit matters
Revenue recognition We have identified revenue recognition to be a key audit matter as we consider the significant volume of sales transactions to be the possible causes for higher risk of material misstatements from the perspective of timing of recognition and the amount of revenue recognised. The Group's disclosure regarding revenue recognition is in Note 19 to the financial statements. We focused our audit efforts to determine the possibility of overstatement of revenue.	Our audit procedures included inspecting the terms of material sales contracts, quotations, purchase orders and proof of job completion to determine the point of transfer of significant risk and rewards on a sample basis. We focused on testing the recording of sales transactions for the financial year, including revenue cut-off test and review of credit notes issued after the financial year end to establish whether the sales transactions were recorded in the correct financial year.

Independent Auditors' Report

To The members of SBS Nexus Berhad

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

Key audit matters (Cont'd)

Key audit matters	How we addresses the key audit matters
Recoverability of trade receivables As disclosed in Note 10 to the financial statements, the Group's trade receivables amounted to RM12.4 million, representing approximately 48% of the Group's total current assets as at 31 December 2025. The assessment of recoverability of receivables involved judgements and estimation uncertainty in analysing historical bad debts, customer concentration, customer creditworthiness and customer payment terms.	We obtained the understanding of the Group's credit risk policy, and tested the processes used by management to assess credit exposures. We assessed the reasonableness of the methods and assumptions used by management in estimating the recoverable amount and impairment loss, which include consideration of the existing market condition and forward looking estimates. We tested the accuracy and completeness of the data used by the management. We reviewed the adequacy of the amount of impairment loss and inquired the management regarding the recoverability of a sample of trade receivables that are pass due but not impaired accounts and review of customers' correspondence. We evaluated the appropriateness and adequacy of the disclosures of expected credit loss in accordance with MFRS 9 <i>Financial Instruments</i>.

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

Independent Auditors' Report

To The members of SBS Nexus Berhad

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

Information other than the financial statements and auditors' report thereon

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

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

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

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

Responsibilities of the Directors for the financial statements

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

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

Independent Auditors' Report

To The members of SBS Nexus Berhad

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

Auditors' responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

Independent Auditors' Report

To The members of SBS Nexus Berhad

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

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

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

- 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 and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purpose of the group audit. We remain solely responsible for our audit opinion.

Independent Auditors' Report

To The members of SBS Nexus Berhad

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

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

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

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

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

Independent Auditors' Report

To The members of SBS Nexus Berhad

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.

TGS TW PLT
202106000004 (LLP0026851-LCA) & AF002345
Chartered Accountants

TEOH CHEY YEAT
03447/08/2027 J
Chartered Accountant

KUALA LUMPUR
24 April 2026

Statements of Financial Position

As at 31 December 2025

		Group		Company	
	Note	31.12.2025 RM	31.12.2024 RM	31.12.2025 RM	31.12.2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	2,761,821	2,284,924	994	-
Investment properties	4	-	-	-	-
Intangible assets	5	900,583	999,583	-	-
Investment in subsidiaries	6	-	-	11,944,710	-
Goodwill	7	2,396,619	2,396,619	-	-
Deferred tax assets	8	151,114	196,272	-	-
Other receivables	9	333,642	-	-	-
		<u>6,543,779</u>	<u>5,877,398</u>	<u>11,945,704</u>	<u>-</u>
Current assets					
Trade receivables	10	12,361,196	7,165,604	-	-
Other receivables	9	6,552,856	1,716,221	162,650	-
Tax recoverable		65,488	118,891	-	-
Fixed deposit with a licensed bank	11	1,000	1,000	1,000	1,000
Cash and bank balances		<u>6,624,838</u>	<u>5,131,543</u>	<u>1,543</u>	<u>8,968</u>
		<u>25,605,378</u>	<u>14,133,259</u>	<u>165,193</u>	<u>9,968</u>
Total assets		<u><u>32,149,157</u></u>	<u><u>20,010,657</u></u>	<u><u>12,110,897</u></u>	<u><u>9,968</u></u>
EQUITY					
Share capital	12	8,673,000	1	8,673,000	1
Invested equities	12(a)	-	2,921,700	-	-
Merger (deficit)/reserve	12(b)	(5,616,196)	135,103	-	-
Retained earnings/ (Accumulated losses)		<u>15,094,558</u>	<u>5,585,387</u>	<u>3,085,397</u>	<u>(28,968)</u>
Total equity		<u><u>18,151,362</u></u>	<u><u>8,642,191</u></u>	<u><u>11,758,397</u></u>	<u><u>(28,967)</u></u>

Statements of Financial Position

As at 31 December 2025

	Note	Group		Company	
		31.12.2025 RM	31.12.2024 RM	31.12.2025 RM	31.12.2024 RM
LIABILITIES					
Non-current liabilities					
Borrowings	13	3,867,891	3,953,620	-	-
Hire purchase liabilities	14	-	48,017	-	-
Deferred tax liabilities	8	40,052	-	-	-
		<u>3,907,943</u>	<u>4,001,637</u>	<u>-</u>	<u>-</u>
Current liabilities					
Borrowings	13	2,560,452	1,325,822	-	-
Hire purchase liabilities	14	-	24,527	-	-
Trade payables	15	442,422	305,411	-	-
Other payables	16	2,118,072	1,868,188	183,000	38,935
Contract liabilities	17	71,200	846,810	-	-
Amount due to subsidiaries	18	-	-	169,500	-
Tax payable		4,897,706	2,996,071	-	-
		<u>10,089,852</u>	<u>7,366,829</u>	<u>352,500</u>	<u>38,935</u>
Total liabilities		<u>13,997,795</u>	<u>11,368,466</u>	<u>352,500</u>	<u>38,935</u>
Total equity and liabilities		<u>32,149,157</u>	<u>20,010,657</u>	<u>12,110,897</u>	<u>9,968</u>

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

Statements of Profit or Loss and Other Comprehensive Income

For The Financial Year Ended 31 December 2025

	Note	Group		Company	
		1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	10.9.2024 to 31.12.2024 RM
Revenue	19	48,693,853	29,924,094	3,271,711	-
Cost of sales		(31,727,437)	(14,969,365)	-	-
Gross profit		16,966,416	14,954,729	3,271,711	-
Other income		41,347	548,274	-	-
Administrative expenses		(3,902,042)	(4,424,009)	(44,196)	(28,968)
Net reversal/(loss) on impairment of financial assets		625,356	(491,232)	-	-
Other expenses		(289,944)	-	(113,150)	-
Profit/(Loss) from operations		13,441,133	10,587,762	3,114,365	(28,968)
Finance costs	20	(452,265)	(510,356)	-	-
Profit/(Loss) before tax	21	12,988,868	10,077,406	3,114,365	(28,968)
Taxation	22	(3,479,697)	(2,478,909)	-	-
Profit/(Loss) for the financial year/period, representing total comprehensive income/(loss) for the financial year/period		<u>9,509,171</u>	<u>7,598,497</u>	<u>3,114,365</u>	<u>(28,968)</u>
Profit/(Loss) for the financial year/period, representing total comprehensive income/(loss) for the financial year/period attributable to:					
Owners of the Company		<u>9,509,171</u>	<u>7,598,497</u>	<u>3,114,365</u>	<u>(28,968)</u>
Earnings per share:					
Basic and diluted (sen)	23	<u>2.59</u>	<u>2.07</u>		

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

Statements of Changes in Equity

For The Financial Year Ended 31 December 2025

	Note	Attributable to owners of the Company				
		Non-distributable		Merger	Distributable	
		Share capital RM	Invested equities RM	reserve/ (deficit) RM	Retained earnings RM	Total RM
Group						
At 1 January 2024		-	2,921,700	135,103	2,986,890	6,043,693
Profit for the financial year, representing total comprehensive income for the financial year		-	-	-	7,598,497	7,598,497
Transactions with owners:						
Issuance of shares	12	1	-	-	-	1
Dividends	24	-	-	-	(5,000,000)	(5,000,000)
At 31 December 2024		1	2,921,700	135,103	5,585,387	8,642,191
Profit for the financial year, representing total comprehensive income for the financial year		-	-	-	9,509,171	9,509,171
Transactions with owners:						
Issuance of shares	12	8,672,999	-	-	-	8,672,999
Acquisition of a subsidiary under common control	12(b)	-	(2,921,700)	(5,751,299)	-	(8,672,999)
At 31 December 2025		8,673,000	-	(5,616,196)	15,094,558	18,151,362

Statements of Changes in Equity

For The Financial Year Ended 31 December 2025

	Note	Share capital RM	(Accumulated losses)/ Retained earnings RM	Total equity RM
Company				
At 10 September 2024 (date of incorporation)		1	-	1
Loss for the financial period, representing total comprehensive loss for the financial period		-	(28,968)	(28,968)
At 31 December 2024		1	(28,968)	(28,967)
Profit for the financial year, representing total comprehensive income for the financial year		-	3,114,365	3,114,365
Transaction with owners:				
Issuance of shares	12	8,672,999	-	8,672,999
At 31 December 2025		<u>8,673,000</u>	<u>3,085,397</u>	<u>11,758,397</u>

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

Statements of Cash Flows

For The Financial Year Ended 31 December 2025

Note	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	10.9.2024 to 31.12.2024 RM
Cash flows from operating activities				
Profit/(Loss) before tax	12,988,868	10,077,406	3,114,365	(28,968)
Adjustments for:				
Amortisation of intangible assets	99,000	99,000	-	-
Allowance for expected credit losses on trade receivables	196,059	1,049,978	-	-
Depreciation of property, plant and equipment	118,872	252,121	248	-
Depreciation of investment properties	-	15,551	-	-
Discount on non-current financial asset	106,266	-	-	-
Dividend income	-	-	(3,271,711)	-
Gain on disposal of property, plant and equipment	-	(233,473)	-	-
Gain on early settlement of term loan	(16,414)	-	-	-
Interest income	(578)	(1,672)	-	-
Interest expenses	452,265	510,356	-	-
Gain on disposal of an investment property	-	(214,658)	-	-
Reversal of expected credit lossess on trade receivables	(821,415)	(558,746)	-	-
Unwinding of discount on non-current financial assets	(11,512)	-	-	-
Operating profit/(loss) before working capital changes	13,111,411	10,995,863	(157,098)	(28,968)
Changes in working capital:				
Contract liabilities	(775,610)	553,988	-	-
Receivables	(9,835,267)	(5,119,889)	(162,650)	-
Payables	386,895	(47,266)	144,065	38,935
Cash generated from/(used in) operations	2,887,429	6,382,696	(175,683)	9,967
Tax paid	(1,467,513)	(1,358,936)	-	-
Tax refunded	28,064	53,215	-	-
Net cash from/(used in) operating activities	1,447,980	5,076,975	(175,683)	9,967

Statements of Cash Flows

For The Financial Year Ended 31 December 2025

	Note	Group		Company	
		1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	10.9.2024 to 31.12.2024 RM
Cash flows from investing activities					
Interest received		578	1,672	-	-
Proceeds from disposal of an investment property		-	1,809,824	-	-
Proceeds from disposal of property, plant and equipment		-	511,406	-	-
Purchase of property, plant and equipment		(595,769)	(159,300)	(1,242)	-
Net cash (used in)/from investing activities		(595,191)	2,163,602	(1,242)	-
Cash flows from financing activities					
Advances from subsidiaries		-	-	169,500	-
Dividends paid		-	(5,000,000)	-	-
Interest paid		(452,265)	(510,356)	-	-
Proceeds from issuance of share		-	1	-	-
Net repayment of term loans		(316,575)	(1,026,477)	-	-
Repayment to Directors		-	(15,141)	-	-
Repayment of hire purchase liabilities	A	(72,544)	(624,194)	-	-
Net cash (used in)/from financing activities		(841,384)	(7,176,167)	169,500	-
Net increase/(decrease) in cash and cash equivalents		11,405	64,410	(7,425)	9,967
Cash and cash equivalents at the beginning of the financial year		5,132,543	5,068,133	9,968	1
Cash and cash equivalents at the end of the financial year		5,143,948	5,132,543	2,543	9,968
Cash and cash equivalents at the end of the financial year comprises:					
Fixed deposit with a licensed bank	11	1,000	1,000	1,000	1,000
Cash and bank balances		6,624,838	5,131,543	1,543	8,968
Less: Bank overdraft	13	(1,481,890)	-	-	-
		5,143,948	5,132,543	2,543	9,968

Statements of Cash Flows

For The Financial Year Ended 31 December 2025

NOTE TO THE STATEMENTS OF CASH FLOWS

A. Cash outflows for leases as a lessee

		Group		Company	
		1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	10.9.2024 to 31.12.2024 RM
Note					
<u>Included in net cash from</u>					
<u>operating activities:</u>					
Payment relating to short-term	21	2,880	2,880	-	-
<u>Included in net cash (used in)/</u>					
<u>from financing activities:</u>					
Payment of hire purchase liabilities		72,544	624,194	-	-
Payment of interest on hire purchase liabilities	20	6,146	28,069	-	-
		78,690	652,263	-	-
		81,570	655,143	-	-

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

Notes to the Financial Statements

As at 31 December 2025

1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the ACE Market of Bursa Malaysia Securities Berhad subsequently on 20 January 2026.

The registered office of the Company is located at 29-2, Level 29, Oval Damansara, 685, Jalan Damansara, Taman Tun Dr. Ismail, 60000 Kuala Lumpur.

The principal place of business of the Company is located at C-7, Jalan Dataran SD 1, PJU 9, Bandar Sri Damansara, 52200 Kuala Lumpur.

The principal activities of the Company is an investment holding company. The principal activities of its subsidiaries are disclosed in Note 6 to the financial statements.

2. Basis of preparation

(a) Statement of compliance

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

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

The Group and the Company have consistently applied the accounting policies throughout all periods presented in the financial statements unless otherwise stated.

(i) Adoption of new and amended standards

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

Amendments to MFRS 121

Lack of Exchangeability

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

Notes to the Financial Statements

As at 31 December 2025

2. Basis of preparation (Cont'd)

(a) Statement of compliance (Cont'd)

(ii) Standards issued but not yet effective

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

		Effective dates for financial periods <u>beginning on or after</u>
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements - Volume 11	Amendments to MFRS 1 Amendments to MFRS 7 Amendments to MFRS 9 Amendments to MFRS 10 Amendments to MFRS 107	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature- dependent Electricity	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above new and amendments to MFRSs when they become effective.

The initial applications of the above-mentioned new and amendments to MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company.

Notes to the Financial Statements

As at 31 December 2025

2. Basis of preparation (Cont'd)

(b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (“RM”), which is the Company’s functional currency. All financial information is presented in RM and has been rounded to nearest RM except when otherwise stated.

(c) Significant accounting judgements, estimates and assumptions

The preparation of the Group’s and the Company’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

Judgements

The following are the judgements made by management in applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

Useful lives of property, plant and equipment, investment properties and intangible assets

The Group and the Company regularly review the estimated useful lives of property, plant and equipment, investment properties and intangible assets based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment, investment properties and intangible assets would increase the recorded depreciation and decrease the value of property, plant and equipment, investment properties and intangible assets. The carrying amounts at the reporting date for property, plant and equipment, investment properties and intangible assets are disclosed in Notes 3, 4 and 5 to the financial statements respectively.

Notes to the Financial Statements

As at 31 December 2025

2. Basis of preparation (Cont'd)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Recoverability of intangible assets

During the financial year, the Directors considered the recoverability of the Group's intangible assets arising from its software.

The software continue to progress in a satisfactory manner, and customer reaction has reconfirmed the Directors' previous estimates of anticipated revenues from the software. However, increased competitor activity has caused the Directors to reconsider their assumptions regarding future market share and anticipated margins of this product. Detail sensitivity analysis has been carried out and the Directors are confident that the carrying amount of the asset will be recovered in full, even if returns are reduced. This situation will be closely monitored, and adjustments made in future periods, if market activity indicates that such adjustments are appropriate. The carrying amount at the reporting date for intangible assets is disclosed in Note 5 to the financial statements.

Recoverability of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value-in-use of the cash-generating units to which the goodwill is allocated. Estimating the value-in-use amount requires the Group to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The key assumptions used to determine the value-in-use is disclosed in Note 7 to the financial statements.

Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the unused tax losses, unabsorbed capital allowances and other deductible temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of recognised and unrecognised deferred tax assets are disclosed in Note 8 and 22 to the financial statements respectively.

Notes to the Financial Statements

As at 31 December 2025

2. Basis of preparation (Cont'd)

(c) Significant accounting judgements, estimates and assumptions (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Determination of transaction prices

The Group and the Company are required to determine the transaction price in respect of each of its contracts with customers. In making such judgement the Group and the Company assess the impact of any variable consideration in the contract due to discounts or penalties in the contract.

There is no estimation required in determining the transaction price, as revenue from sale of goods or rendering of services are based on invoiced values. Discounts are not considered as they are only given in rare circumstances.

Provision for expected credit loss of financial assets at amortised cost

The Group reviews the recoverability of its receivables at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history and existing market conditions as well as forward looking estimates.

The Group uses a provision matrix to calculate expected credit loss for receivables. The provision rates are based on number of days past due.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and expected credit loss is a significant estimate. The carrying amounts at the reporting date for receivables are disclosed in Notes 9 and 10 to the financial statements.

Notes to the Financial Statements

As at 31 December 2025

3. Property, plant and equipment

Group	Computer and software	Furniture and fittings	Leasehold shoplot	Machinery and tools	Motor vehicles	Office equipment	Renovation	Total
Cost	RM	RM	RM	RM	RM	RM	RM	RM
At 1 January 2024	428,117	302,415	2,380,000	145,000	1,265,578	321,231	244,036	5,086,377
Additions	159,300	-	-	-	-	-	-	159,300
Disposal	-	-	-	-	(984,523)	-	-	(984,523)
At 31 December 2024	587,417	302,415	2,380,000	145,000	281,055	321,231	244,036	4,261,154
Additions	574,870	-	-	-	-	20,899	-	595,769
At 31 December 2025	1,162,287	302,415	2,380,000	145,000	281,055	342,130	244,036	4,856,923
Accumulated depreciation								
At 1 January 2024	342,234	290,508	294,156	144,998	873,642	303,269	181,892	2,430,699
Charge for the financial year	85,752	4,105	26,743	-	114,000	6,381	15,140	252,121
Disposal	-	-	-	-	(706,590)	-	-	(706,590)
At 31 December 2024	427,986	294,613	320,899	144,998	281,052	309,650	197,032	1,976,230
Charge for the financial year	70,129	3,446	26,741	-	-	6,556	12,000	118,872
At 31 December 2025	498,115	298,059	347,640	144,998	281,052	316,206	209,032	2,095,102
Carrying amount								
At 31 December 2025	664,172	4,356	2,032,360	2	3	25,924	35,004	2,761,821
At 31 December 2024	159,431	7,802	2,059,101	2	3	11,581	47,004	2,284,924

Notes to the Financial Statements

As at 31 December 2025

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

	Computer and software RM
Company	
Cost	
At 10 September 2024 (date of incorporation)/31 December 2024	-
Additions	1,242
At 31 December 2025	<u>1,242</u>
Accumulated depreciation	
At 10 September 2024 (date of incorporation)/31 December 2024	-
Charge for the financial year	248
At 31 December 2025	<u>248</u>
Carrying amount	
At 31 December 2025	<u>994</u>
At 31 December 2024	<u>-</u>

(a) Material accounting policy information

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

Depreciation of property, plant and equipment is recognised in the profit or loss on a straight-line basis to write off the cost of each asset to its residual value over its estimated useful life.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Computer and software	10% - 20%
Furniture and fittings	10% - 20%
Leasehold shoplot	89 years
Machinery and tools	10%
Motor vehicles	20%
Office equipment	10% - 20%
Renovation	20%

Notes to the Financial Statements

As at 31 December 2025

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

- (b) Including in net carrying amount of property, plant and equipment are right-of-use assets as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Leasehold shoplot	2,032,360	2,059,101
Motor vehicles	-	3
	<u>2,032,360</u>	<u>2,059,104</u>

- (c) Depreciation charge of right-of-use assets is as follows:

	Group	
	1.1.2025	1.1.2024
	to	to
	31.12.2025	31.12.2024
	RM	RM
Leasehold shoplot	26,741	26,743
Motor vehicles	-	114,000
	<u>26,741</u>	<u>140,743</u>

- (d) The Group has pledged the following property, plant and equipment to a licensed bank as securities for banking facilities granted to the Group as disclosed in Note 13 to the financial statements:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Leasehold shoplot	<u>2,032,360</u>	<u>2,059,101</u>

Notes to the Financial Statements

As at 31 December 2025

4. Investment properties

	Leasehold shoplot RM
Group	
Cost	
At 1 January 2024	1,826,790
Disposal	<u>(1,826,790)</u>
At 31 December 2024/31 December 2025	<u>-</u>
Accumulated depreciation	
At 1 January 2024	216,073
Charge for the financial year	15,551
Disposal	<u>(231,624)</u>
At 31 December 2024/31 December 2025	<u>-</u>
Carrying amount	
At 31 December 2024/31 December 2025	<u><u>-</u></u>

(a) Material accounting policy information

Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and accumulated impairment losses.

Investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The principal annual depreciation rate is:

Leasehold shoplot	Over the remaining lease period
-------------------	---------------------------------

(b) Income and expenses recognised in profit or loss

The following are recognised in profit or loss in respect of investment properties:

	Group	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM
Rental income	-	96,800
Direct operating expenses	<u>-</u>	<u>6,617</u>

Notes to the Financial Statements

As at 31 December 2025

5. Intangible assets

	Customer contracts RM	Software RM	Trademark RM	Total RM
Group Cost				
At 1 January 2024	529,024	990,000	150,000	1,669,024
Written off	(529,024)	-	-	(529,024)
At 31 December 2024/ 31 December 2025	-	990,000	150,000	1,140,000
Accumulated amortisation				
At 1 January 2024	529,024	41,417	-	570,441
Charge for the financial year	-	99,000	-	99,000
Written off	(529,024)	-	-	(529,024)
At 31 December 2024	-	140,417	-	140,417
Charge for the financial year	-	99,000	-	99,000
At 31 December 2025	-	239,417	-	239,417
Carrying amount				
At 31 December 2025	-	750,583	150,000	900,583
At 31 December 2024	-	849,583	150,000	999,583

Customer contracts represent agreements made with customers acquired through the acquisition of a subsidiary. Customer contracts are fully amortised and written off during the previous financial year corresponding to their expiration.

Software represents computer programmes in the form of source code and object code that have been acquired for use in developing and selling of digital products. The software was fully operational and is assessed to have a useful life of 10 years.

Trademark is associated with the business product named Shanghai Business Media and is assessed to have indefinite useful life.

(a) Material accounting policy information

Intangible assets with finite useful lives that are acquired separately are carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over its estimated useful lives.

Intangible assets are amortised based on the useful lives of the assets as follow:

Customer contracts	Over the contract period
Software	10%

Notes to the Financial Statements

As at 31 December 2025

5. Intangible assets (Cont'd)

(a) Material accounting policy information (Cont'd)

Intangible assets with indefinite useful lives that are acquired separately are carried at cost and not amortised, but are tested for impairment annually.

(b) Impairment testing for cash-generating units ("CGU")

Management has carried out a review of the recoverable amounts of the intangible assets based on value-in-use calculations. The key assumptions for the value-in-use calculations are regarding the discount rates and using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU to which the asset belongs. The growth rates are based on past results and budgets done by management.

The Group prepares cash flows forecasts derived from the most recent financial forecasts approved by management for the next 5 years. The rate used to discount the forecast cash flows ranges from 5% (31.12.2024: 4% to 5%), which reflects current market assessments of the time value of money and the risks specific to the assets.

As at 31 December 2025, any reasonably possible change to the key assumptions applied not likely to cause the recoverable amounts to be below the carrying amounts of the intangible assets.

Having considered the above, management is of the view that there is no impairment of the intangible assets as at 31 December 2025.

6. Investment in subsidiaries

	Company	
	31.12.2025	31.12.2024
	RM	RM
Unquoted shares, at cost		
In Malaysia	11,944,710	-

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

Notes to the Financial Statements

As at 31 December 2025

6. Investment in subsidiaries (Cont'd)

The details of the subsidiaries are as follows:

Name of company	Place of business /Country of incorporation	Effective interest		Principal activities
		31.12.2025 %	31.12.2024 %	
SBS Digital Holdings Sdn. Bhd. ("SDH")	Malaysia	100	100#	Provision of out-of-home media services.
SBS Digital Media Sdn. Bhd. ("SBSM")	Malaysia	100	100#	Provision of digital broadcast, offline publication, online marketing services as well as digital out-of-home media and online media.
SBS Social Sdn. Bhd. ("SBSS")	Malaysia	100	100#	Provision of online marketing services and video production.
SBS Events Sdn. Bhd. ("SBSE")	Malaysia	100	100#	Provision of public relations and event management.
Shanghai Media Sdn. Bhd. ("SHM")	Malaysia	100	100#	Organising business awards and recognition events, and networking events.
SBS Media Tech Sdn. Bhd. ("SMT")	Malaysia	100	100#	Provision of digital out-of-home media as well as mobile and web-based applications, and website development.

Fully held by way of common control by the shareholders of the Company.

Notes to the Financial Statements

As at 31 December 2025

6. Investment in subsidiaries (Cont'd)

6.1 Acquisition of subsidiaries

The Group has been formed pursuant to the completion of the acquisition and distribution of SDH and its subsidiaries by the Company prior to the listing and quotation on the ACE Market of Bursa Malaysia Securities Berhad.

The Company entered into a conditional Share Sale Agreement on 28 May 2025 to acquire the entire equity interest in SDH for a purchase consideration of RM8,672,999 to be satisfied by the issuance of 367,499,999 new ordinary shares in the Company at an issue price of RM0.0236 per share. ("Acquisition")

Concurrent with the acquisition, and immediately after its completion, SDH has declared the dividend-in-specie to the Company comprising the entire equity interest it holds in SBSM, SBSS, SBSE, SHM and SMT which collectively amounts to RM3,271,711. ("Distribution")

The Acquisition and Distribution were completed on 11 November 2025 and 12 November 2025 respectively and consolidated using merger method of accounting.

6.2 Merger (deficit)/reserve

The consolidated financial statements have been prepared using the merger method to account for the acquisition of SDH, SBSM, SBSS, SBSE, SHM and SMT. Merger reserve is determined as the difference between the cost of merger and the nominal value of the share capital of the subsidiaries acquired and is recognised in statements of financial position.

The merger (deficit)/reserve is derived as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Nominal value of the subsidiaries' share capital	3,056,810	135,110
Less: Total consideration paid	(8,673,006)	(7)
Merger (deficit)/reserve	<u>(5,616,196)</u>	<u>135,103</u>

7. Goodwill

	Group
	RM
Cost	
At 1 January 2024/31 December 2024/31 December 2025	<u>2,396,619</u>

Notes to the Financial Statements

As at 31 December 2025

7. Goodwill (Cont'd)

Goodwill is measured at cost less any accumulated impairment losses. Goodwill is not amortised but instead, it is reviewed for impairment annually or more frequent when there is objective evidence that the carrying amount may be impaired.

The recoverable amount of the goodwill is determined from value-in-use calculations. The key assumptions for the value-in-use calculations are those regarding the discount rates and growth rates during the reporting period. Management estimates discount rates using pre-tax rates that reflect the current market assessments of the time value of money and the risks specific to the goodwill. The growth rates are based on past results and budgets done by management.

The Group prepares cash flows forecasts derived from the most recent financial forecasts approved by management for the next 5 years. The rate used to discount the forecast cash flows ranges from 5% (31.12.2024: 4% to 5%), which reflects current market assessments of the time value of money and the risks specific to the assets.

As at 31 December 2025, any reasonably possible change to the key assumptions applied is not likely to cause the recoverable amount to be below the carrying amount of the goodwill.

Having considered the above, the management is of the view that there is no impairment of goodwill as at 31 December 2025.

8. Deferred tax assets/(liabilities)

	Group	
	31.12.2025	31.12.2024
	RM	RM
At beginning of the financial year	196,272	(46,921)
Recognised in profit or loss	(85,210)	243,193
At end of the financial year	<u>111,062</u>	<u>196,272</u>

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

	Group	
	31.12.2025	31.12.2024
	RM	RM
Deferred tax assets	151,114	196,272
Deferred tax liabilities	(40,052)	-
	<u>111,062</u>	<u>196,272</u>

Notes to the Financial Statements

As at 31 December 2025

8. Deferred tax assets/(liabilities) (Cont'd)

The components of deferred tax assets/(liabilities) are as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Property, plant and equipment	(63,997)	2,363
Provisions	98,636	126,276
Unutilised business lossess	76,231	67,537
Unutilised capital allowances	192	96
	<u>111,062</u>	<u>196,272</u>

9. Other receivables

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Non-current				
Non-trade receivable (i)	205,246	-	-	-
Deposits	128,396	-	-	-
	<u>333,642</u>	<u>-</u>	<u>-</u>	<u>-</u>
Current				
Non-trade receivables	3,552	2,052	-	-
Less: Allowance for ECLs	(210)	(210)	-	-
	<u>3,342</u>	<u>1,842</u>	<u>-</u>	<u>-</u>
Deposits	6,240	6,943	-	-
Advances to suppliers (ii)	4,063,386	-	-	-
Prepayments (iii)	2,473,481	1,703,723	162,650	-
Withholding tax refundable	6,407	3,713	-	-
	<u>6,552,856</u>	<u>1,716,221</u>	<u>162,650</u>	<u>-</u>
	<u>6,886,498</u>	<u>1,716,221</u>	<u>162,650</u>	<u>-</u>

- (i) Included in the non-current non-trade receivable represent insurance premium paid for insurance which shall be refundable when the Group surrenders the insurance policy upon its maturity in 10 years' time. These amounts have been discounted to its present value.

Notes to the Financial Statements

As at 31 December 2025

9. Other receivables (Cont'd)

- (ii) Included in advance to suppliers represents deposits paid to suppliers to secure advertising slots. These amounts are refundable and are non-interest bearing.
- (iii) Included in prepayments for the Group and for the Company is an amount of RM2,316,955 and RM162,650 (31.12.2024: RM1,226,970 and RMNil) respectively in relation to the listing expenses.

Movements in the allowance for ECLs of other receivables are as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
At beginning/end of the financial year	210	210

10. Trade receivables

	Group	
	31.12.2025	31.12.2024
	RM	RM
Trade receivables	12,908,472	8,338,236
Less: Allowance for expected credit losses ("ECLs")	(547,276)	(1,172,632)
	<u>12,361,196</u>	<u>7,165,604</u>

Trade receivables are non-interest bearing and are generally on credit terms of 90 (31.12.2024: cash term to 90) days. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Movements in the allowance for ECLs of trade receivables are as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
At beginning of the financial year	1,172,632	699,621
Charge for the financial year	196,059	1,049,978
Reversal for the financial year	(821,415)	(558,746)
Written off for the financial year	-	(18,221)
At end of the financial year	<u>547,276</u>	<u>1,172,632</u>

Notes to the Financial Statements

As at 31 December 2025

10. Trade receivables (Cont'd)

The following table provides information about the exposure to credit risk and allowance for ECLs for trade receivables:

	Gross amount RM	ECLs RM	Net amount RM
Group			
31.12.2025			
Not past due	11,518,201	(277,803)	11,240,398
Past due:			
Less than 30 days	970,645	(25,395)	945,250
31 to 60 days	78,580	(13,724)	64,856
61 to 90 days	2,860	(261)	2,599
More than 90 days	338,186	(230,093)	108,093
	<u>12,908,472</u>	<u>(547,276)</u>	<u>12,361,196</u>
31.12.2024			
Not past due	3,289,160	(46,417)	3,242,743
Past due:			
Less than 30 days	552,254	(26,334)	525,920
31 to 60 days	2,192,729	(107,309)	2,085,420
61 to 90 days	1,412,226	(149,999)	1,262,227
More than 90 days	891,867	(842,573)	49,294
	<u>8,338,236</u>	<u>(1,172,632)</u>	<u>7,165,604</u>

11. Fixed deposit with a licensed bank

The interest rate of fixed deposit with a licensed bank of the Group and of the Company is 2.65% (31.12.2024: 2.75%) and 2.65% (31.12.2024: 2.75%) respectively. The maturity of fixed deposit of the Group and of the Company is 12 months (31.12.2024: 6 months) and 12 months (31.12.2024: 6 months) respectively.

Notes to the Financial Statements

As at 31 December 2025

12. Share capital, invested equities and merger (deficit)/reserve

	Group and Company	
	Number of ordinary shares Units	Amount RM
Issued and fully paid		
At 1 January 2024/10 September 2024 (date of incorporation)/31 December 2024	1	1
Issuance of shares	367,499,999	8,672,999
At 31 December 2025	<u>367,500,000</u>	<u>8,673,000</u>

On 12 November 2025, the Company increased its issued and paid-up share capital from RM1 to RM8,673,000 by way of issuance of 367,499,999 new ordinary shares at RM0.0236 each for a total consideration of RM8,672,999 for the acquisition of its subsidiary, SBS Digital Holdings Sdn. Bhd..

The new ordinary shares issued during the financial year shall rank pari passu in all respects with the existing ordinary shares of the Company.

In the previous financial period, the Company was incorporated with paid-up share capital of RM1 comprising 1 ordinary share that was subscribed as subscriber's share on the date of incorporation.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

(a) Invested equities

	Group	
	31.12.2025 RM	31.12.2024 RM
At beginning of the financial year	2,921,700	2,921,700
Acquisition of a subsidiary	(2,921,700)	-
At end of the financial year	<u>-</u>	<u>2,921,700</u>

Invested equity solely comprised the share capital of SBS Digital Holdings Sdn. Bhd.. The amount has been reversed against the merger reserve as disclosed in Note 6.2 to the financial statements.

Notes to the Financial Statements

As at 31 December 2025

12. Share capital, invested equities and merger (deficit)/reserve (Cont'd)

(b) Merger (deficit)/reserve

The merger (deficit)/reserve arises as and when the combination takes place, it comprises the difference between the cost of merger and the nominal value of shares acquired in subsidiaries as disclosed in Note 6.2 to the financial statements.

13. Borrowings

	Group	
	31.12.2025	31.12.2024
	RM	RM
Secured		
Non-current		
Term loans	<u>3,867,891</u>	<u>3,953,620</u>
Current		
Bank overdraft	1,481,890	-
Term loans	<u>1,078,562</u>	<u>1,325,822</u>
	<u>2,560,452</u>	<u>1,325,822</u>
	<u>6,428,343</u>	<u>5,279,442</u>

The borrowings are secured by the following:

- (i) Legal charge over the properties of the Group and of the Company as disclosed in Note 3 to the financial statements respectively;
- (ii) Corporate guarantee by a subsidiary;
- (iii) Joint and several guarantee by certain Directors of the Company; and
- (iv) Corporate guarantee by Syarikat Jaminan Pembiayaan Perniagaan Berhad.

The repayment terms of the borrowings are as follows:

- (i) Bank overdrafts are repayable on demand.
- (ii) Term loans are repayable by 60 to 240 (31.12.2024: 60 to 240) months.

The interest rates for the borrowings are as follows:

	Group	
	31.12.2025	31.12.2024
	%	%
Bank overdraft	7.24	-
Term loans	<u>3.50 - 10.35</u>	<u>3.50 - 10.35</u>

Notes to the Financial Statements

As at 31 December 2025

14. Hire purchase liabilities

	Group	
	31.12.2025	31.12.2024
	RM	RM
Non-current	-	48,017
Current	-	24,527
	<u>-</u>	<u>72,544</u>

The maturity analysis of hire purchase liabilities at the end of the reporting period is as follow:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Within 1 year	-	27,360
Between 2 - 5 years	-	50,271
	<u>-</u>	<u>77,631</u>
Less: Future finance charges	-	(5,087)
Present value of hire purchase liabilities	<u>-</u>	<u>72,544</u>

The Group leases motor vehicles. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The hire purchase liabilities of the Group attract interest at rates ranging from 4.80% to 4.93% (31.12.2024: 4.71% to 5.21%) per annum.

15. Trade payables

The normal trade credit terms granted to the Group range from cash term to 90 days (31.12.2024: cash term to 30 days).

16. Other payables

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Non-trade payables	545,132	816,496	158,000	33,935
Accruals	420,565	285,620	25,000	5,000
Deposits received	630	630	-	-
Sales and Services Tax payables	1,151,745	765,442	-	-
	<u>2,118,072</u>	<u>1,868,188</u>	<u>183,000</u>	<u>38,935</u>

Notes to the Financial Statements

As at 31 December 2025

16. Other payables (Cont'd)

Included in non-trade payables of the Group is RMNil (31.12.2024: RM540) due to a Company in which a Director of a subsidiary has interest.

17. Contract liabilities

	Group	
	31.12.2025	31.12.2024
	RM	RM
Current		
Advance received from customers	71,200	846,810

The contract liabilities primarily relate to advance consideration received from customers for services of which the Group has not satisfied the performance obligation and are expected to be recognised as revenue within one year.

The revenue recognised in the current financial year that was included in the contract liabilities balance at the beginning of the financial year of the Group is RM846,810 (31.12.2024: RM292,822).

18. Amount due to subsidiaries

The amount due to subsidiaries is unsecured, non-trade in nature, non-interest bearing and repayable on demand.

19. Revenue

	Group		Company	
	1.1.2025	1.1.2024	1.1.2025	10.9.2024
	to	to	to	to
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Revenue from contracts with customers:				
Offline branding solutions	16,786,438	11,163,521	-	-
Digital branding solutions	30,328,087	17,162,416	-	-
Business leads generation initiatives	1,579,328	1,598,157	-	-
	<u>48,693,853</u>	<u>29,924,094</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements

As at 31 December 2025

19. Revenue (Cont'd)

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	10.9.2024 to 31.12.2024 RM
Revenue from other sources:				
Dividend income	-	-	3,271,711	-
	<u>48,693,853</u>	<u>29,924,094</u>	<u>3,271,711</u>	<u>-</u>
Timing of revenue recognition:				
- At a point in time	<u>48,693,853</u>	<u>29,924,094</u>	<u>-</u>	<u>-</u>

The Group and the Company recognise revenue from the following major sources:

Offline branding solutions

Revenue from offline branding solutions primarily arises from traditional advertising mediums, including flyer distribution, newspaper inserts, banner installations, pocket tissue distribution, offset printing and table stickers. Revenue is recognised at a point in time when the goods or services are transferred to the customers, which coincides with the delivery and acceptance of the goods or services by the customers.

The Group also offers corporate branding event management services for events such as press releases, product launching and corporate activities. Revenue is recognised at a point in time based on the occurrence of the events.

Digital branding solutions

Revenue from digital branding solutions includes advertisements on social media and digital platforms. Revenue is recognised at a point in time when the advertisements are displayed on the respective platforms.

The Group also provides mobile and web-based applications, and website development as part of its digital growth solutions. Revenue is recognised at a point in time when the products or services are delivered and accepted by the customers.

Business leads generation initiatives

Revenue from business leads generation initiatives consists of hosting networking events, including investor relations events, campaigns and business awards and recognition ceremonies. Revenue is recognised at a point in time based on the occurrence of the events.

Notes to the Financial Statements

As at 31 December 2025

19. Revenue (Cont'd)

Dividend income

Dividend income from subsidiaries is recognised when the right to receive dividend payment is established.

20. Finance costs

	Group	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM
Interest expenses on:		
- Bank overdraft	93,758	-
- Hire purchase liabilities	6,146	28,069
- Term loans	352,361	482,287
	<u>452,265</u>	<u>510,356</u>

21. Profit/(Loss) before tax

Profit/(Loss) before tax is determined after charging/(crediting), amongst others, the following items:

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	10.9.2024 to 31.12.2024 RM
Auditors' remuneration				
- Audit fee	125,000	110,000	15,000	5,000
- Non-audit fee	10,000	-	10,000	-
- Under provision in financial year/period	-	182,000	-	-
Amortisation of intangible assets	99,000	99,000	-	-
Allowance for ECLs on trade receivables	196,059	1,049,978	-	-
Depreciation of property, plant and equipment	118,872	252,121	248	-
Depreciation of investment properties	-	15,551	-	-

Notes to the Financial Statements

As at 31 December 2025

21. Profit/(Loss) before tax (Cont'd)

Profit/(Loss) before tax is determined after charging/(crediting), amongst others, the following items: (Cont'd)

	Group		Company	
	1.1.2025	1.1.2024	1.1.2025	10.9.2024
	to	to	to	to
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Discount on non-current financial asset	106,266	-	-	-
Gain on disposal of property, plant and equipment	-	(233,473)	-	-
Gain on early settlement of term loan	(16,414)	-	-	-
Interest income	(578)	(1,672)	-	-
Lease expenses related to short-term lease (a)	2,880	2,880	-	-
Gain on disposal of an investment property	-	(214,658)	-	-
Reversal of ECLs on trade receivables	(821,415)	(558,746)	-	-
Rental income	-	(96,800)	-	-
Unwinding of discount on non-current financial assets	(11,512)	-	-	-
Wages subsidies	(10,800)	(1,200)	-	-

- (a) The Group leases equipment with contract terms of not more than one year. These leases are short-term. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Notes to the Financial Statements

As at 31 December 2025

22. Taxation

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	10.9.2024 to 31.12.2024 RM
Tax expenses				
recognised in profit or loss				
Current tax				
Current financial year/ period provision	3,201,338	2,625,123	-	-
Under provision in prior financial year/period	193,149	96,979	-	-
	<u>3,394,487</u>	<u>2,722,102</u>	<u>-</u>	<u>-</u>
Deferred tax				
Origination and reversal of temporary differences	10,175	(178,853)	-	-
Under/(Over) provision in prior financial year/ period	75,035	(64,340)	-	-
	<u>85,210</u>	<u>(243,193)</u>	<u>-</u>	<u>-</u>
	<u>3,479,697</u>	<u>2,478,909</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements

As at 31 December 2025

22. Taxation (Cont'd)

A reconciliation of income tax expenses applicable to profit/(loss) before tax at the statutory tax rate to income tax expenses at the effective income tax of the Group and of the Company are as follows:

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	10.9.2024 to 31.12.2024 RM
Profit/(Loss) before tax	<u>12,988,868</u>	<u>10,077,406</u>	<u>3,114,365</u>	<u>(28,968)</u>
At Malaysian statutory tax rate 24% (31.12.2024: 24%)	3,117,328	2,418,577	747,448	(6,952)
Tax savings from first tranche of chargeable income	-	(225,000)	-	-
Expenses not deductible for tax purposes	259,511	527,945	4,693	6,952
Income not subject to tax	(162,059)	(212,856)	(785,451)	-
Movement of deferred tax assets not recognised	(3,267)	(62,396)	33,310	-
Under provision of current tax in prior financial year/period	193,149	96,979	-	-
Under/(Over) provision of deferred tax in prior financial year/period	75,035	(64,340)	-	-
	<u>3,479,697</u>	<u>2,478,909</u>	<u>-</u>	<u>-</u>

The Group and the Company have estimated unutilised business losses and unutilised capital allowances available for carried forward to offset against future taxable profits as follows:

	Group		Company	
	31.12.2025 RM	31.12.2024 RM	31.12.2025 RM	31.12.2024 RM
Unutilised business losses	318,124	281,404	496	-
Unutilised capital allowances	140,091	400	139,291	-
	<u>458,215</u>	<u>281,804</u>	<u>139,787</u>	<u>-</u>

Notes to the Financial Statements

As at 31 December 2025

22. Taxation (Cont'd)

Based on the current legislation, any unutilised business losses shall be carried forward for a maximum period of ten consecutive years of assessment immediately following that year of assessment, whereas the unutilised capital allowances are allowed to be carried forward indefinitely.

The unutilised business losses for which no deferred tax asset was recognised expire as follows:

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Expiring in 2035	496	-	496	-

Deferred tax assets (stated at gross) have not been recognised in respect of the following items:

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Property, plant and equipment	(994)	(61,780)	(994)	-
Provisions	-	214,187	-	-
Unutilised business losses	496	-	496	-
Unutilised capital allowances	139,291	-	139,291	-
	<u>138,793</u>	<u>152,407</u>	<u>138,793</u>	<u>-</u>

Deferred tax assets have not been recognised in respect of these items as they may not have sufficient taxable profits to be used to offset or they have arisen in subsidiaries that have a recent history of losses.

Notes to the Financial Statements

As at 31 December 2025

23. Earnings per share

(a) Basic earnings per share

The basic earnings per share is calculated based on the combined profit for the financial year attributable to the owners of the Company and the number of ordinary shares before public issue as follows:

	Group	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM
Profit attributable to owners of the Group	<u>9,509,171</u>	<u>7,598,497</u>
Number of ordinary shares (unit)	<u>367,500,000</u>	<u>367,500,000</u>
Basic earnings per share (sen)	<u>2.59</u>	<u>2.07</u>

(b) Diluted earnings per share

The Group has no dilution in its earnings per ordinary share as there are no dilutive potential ordinary shares. There have been no other transactions involving ordinary shares or potential ordinary shares outstanding as at the end of the reporting period.

24. Dividends

	Group	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM
<u>In respect of the financial year ended 31 December 2024</u>		
Interim single-tier dividend of RM4.00 per ordinary share, declared and payable on 18 June 2024 ^	-	2,000,000
Interim single-tier dividend of RM6.00 per ordinary share, declared and payable on 31 December 2024 ^	-	3,000,000
	<u>-</u>	<u>5,000,000</u>

^ Paid by SDH to common control shareholders

The Board of Directors does not recommend any final dividend for the current financial year.

Notes to the Financial Statements

As at 31 December 2025

25. Staff costs

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	10.9.2024 to 31.12.2024 RM
Salaries, wages and other emoluments	3,147,401	3,157,832	5,000	-
Defined contribution plans	360,567	349,968	-	-
Social security contributions	42,156	38,437	-	-
	<u>3,550,124</u>	<u>3,546,237</u>	<u>5,000</u>	<u>-</u>

26. Reconciliation of liabilities arising from financing activities

The table below shows the detailed changes in the liabilities of the Group and of the Company arising from financing activities:

	At 1.1.2025 RM	Financing cash flows (i) RM	Other changes (ii) RM	At 31.12.2025 RM
Group				
Hire purchase liabilities	72,544	(72,544)	-	-
Term loans	5,279,442	(316,575)	(16,414)	4,946,453
	<u>5,351,986</u>	<u>(389,119)</u>	<u>(16,414)</u>	<u>4,946,453</u>

Company				
Amount due to subsidiaries	-	169,500	-	169,500
	<u>-</u>	<u>169,500</u>	<u>-</u>	<u>169,500</u>

	At 1.1.2024 RM	Financing cash flows (i) RM	At 31.12.2024 RM
Group			
Hire purchase liabilities	696,738	(624,194)	72,544
Term loans	6,305,919	(1,026,477)	5,279,442
Amount due to Directors	15,141	(15,141)	-
	<u>7,017,798</u>	<u>(1,665,812)</u>	<u>5,351,986</u>

Notes to the Financial Statements

As at 31 December 2025

26. Reconciliation of liabilities arising from financing activities (Cont'd)

- (i) The cash flows from term loans make up the net amount of proceeds from or repayments of borrowings in the statements of cash flows.
- (ii) Other changes include gain on early settlement.

27. Related party disclosures

(a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group and of the Company, having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company directly or indirectly.

(b) Significant related party transactions

Related party transactions have been entered into in the normal course of business on arm's length terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	Group		Company	
	1.1.2025	1.1.2024	1.1.2025	10.9.2024
	to	to	to	to
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Transaction with a subsidiary				
- Dividend income	-	-	3,271,711	-
Transactions with Directors				
- Dividends paid	-	2,190,000	-	-
- Advances to	-	4,515,652	-	-
- Advances from	-	716,486	-	-
- Repayments to	-	725,193	-	-
- Repayments from	-	4,560,921	-	-
- Expenses paid on behalf of	-	52,226	-	-
- Expenses paid on behalf by	-	5,474	-	-

Notes to the Financial Statements

As at 31 December 2025

27. Related party disclosures (Cont'd)

(b) Significant related party transactions (Cont'd)

Related party transactions have been entered into in the normal course of business on arm's length terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows: (Cont'd)

	Group		Company	
	1.1.2025	1.1.2024	1.1.2025	10.9.2024
	to	to	to	to
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
Transactions with companies in which a person connected to a Director has interest				
- Purchases	6,690	7,604	-	-
- Sales	5,890	12,383	-	-
Transaction with a company in which a Director of a subsidiary has interest				
- Sales	5,940	11,966	-	-
Transaction with companies in which Directors have interests				
- Sales	-	3,000	-	-
Transactions with a company in which a shareholder has interest				
- Purchases	-	201,000	-	-
- Sales	-	20,000	-	-

Notes to the Financial Statements

As at 31 December 2025

27. Related party disclosures (Cont'd)

(c) Compensation of key management personnel

The fees and remuneration of Directors and other members of key management personnel are as follows:

	Group	
	1.1.2025	1.1.2024
	to	to
	31.12.2025	31.12.2024
	RM	RM
<u>Directors of the Company</u>		
Fees	-	18,000
Salaries and other emoluments	515,408	532,008
Defined contribution plans	58,164	60,120
Social security contributions	4,178	3,651
	<u>577,750</u>	<u>613,779</u>
<u>Other key management personnel</u>		
Fees	24,000	24,000
Salaries and other emoluments	406,548	419,148
Defined contribution plans	47,880	49,428
Social security contributions	4,178	3,651
	<u>482,606</u>	<u>496,227</u>
	<u>1,060,356</u>	<u>1,110,006</u>

28. Segment information

Segmental reporting is not presented as the Group is principally engaged in advertising, marketing and media solutions, which is substantially within a single business segment and operates predominantly in Malaysia.

Notes to the Financial Statements

As at 31 December 2025

28. Segment information (Cont'd)

Geographical information

Revenue information based on the geographical location of customers is as follows:

	Group	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM
Malaysia	48,488,253	29,539,318
Hong Kong	201,000	302,000
Others*	4,600	82,776
	<u>48,693,853</u>	<u>29,924,094</u>

The non-current assets are entirely located in Malaysia.

* Others for this purpose consists of Singapore and Taiwan.

Major customers

The following is the revenue derived from major customers with revenue 10% or more of the Group's total revenue:

	Group	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM
Customer A	<u>5,386,684</u>	<u>2,164,000</u>

29. Financial instruments

(a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost.

Notes to the Financial Statements

As at 31 December 2025

29. Financial instruments (Cont'd)

(a) Classification of financial instruments (Cont'd)

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Group		Company	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	RM	RM	RM	RM
At amortised cost				
Financial assets				
Trade receivables	12,361,196	7,165,604	-	-
Other receivables	343,224	8,785	-	-
Fixed deposit with a licensed bank	1,000	1,000	1,000	1,000
Cash and bank balances	6,624,838	5,131,543	1,543	8,968
	<u>19,330,258</u>	<u>12,306,932</u>	<u>2,543</u>	<u>9,968</u>
At amortised cost				
Financial liabilities				
Borrowings	6,428,343	5,279,442	-	-
Trade payables	442,422	305,411	-	-
Other payables	966,327	1,102,746	183,000	38,935
Amount due to subsidiaries	-	-	169,500	-
	<u>7,837,092</u>	<u>6,687,599</u>	<u>352,500</u>	<u>38,935</u>

(b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operations whilst managing its credit, liquidity and market risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy are not to engage in speculative transactions.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

Notes to the Financial Statements

As at 31 December 2025

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(i) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from trade receivables, other receivables and cash and bank balances. The Company's exposure to credit risk arises principally from cash and bank balances. There are no significant changes as compared to the previous financial year.

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

At each reporting date, the Group and the Company assess whether any of the receivables are credit impaired.

The carrying amounts of credit impaired receivables are written off (either partial or full) when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, receivables that are written off could still be subject to enforcement activities.

The carrying amounts of the financial assets recorded on the statements of financial position as at the reporting date represent the Group's and the Company's maximum exposure to credit risk.

There are no significant changes as compared to the previous financial year.

Credit risk concentration

As at the end of the financial year, the Group had 2 (31.12.2024: 1) major customers and accounted for approximately 32% (31.12.2024: 17%) of the trade receivables outstanding.

Notes to the Financial Statements

As at 31 December 2025

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group or the Company will encounter difficulty in meeting its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group's and the Company finance their liquidity through internally generated cash flows and minimise liquidity risk by keeping committed credit lines available.

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

	On demand or within 1 year RM	2 to 5 years RM	More than 5 years RM	Total contractual cash flows RM	Total carrying amounts RM
Group					
31.12.2025					
<u>Non-derivative</u>					
<u>financial liabilities</u>					
Borrowings	2,847,257	2,581,927	2,433,566	7,862,750	6,428,343
Trade payables	442,422	-	-	442,422	442,422
Other payables	966,327	-	-	966,327	966,327
	<u>4,256,006</u>	<u>2,581,927</u>	<u>2,433,566</u>	<u>9,271,499</u>	<u>7,837,092</u>
31.12.2024					
<u>Non-derivative</u>					
<u>financial liabilities</u>					
Borrowings	1,651,375	3,172,652	1,605,296	6,429,323	5,279,442
Hire purchase liabilities	27,360	50,271	-	77,631	72,544
Trade payables	305,411	-	-	305,411	305,411
Other payables	1,102,746	-	-	1,102,746	1,102,746
	<u>3,086,892</u>	<u>3,222,923</u>	<u>1,605,296</u>	<u>7,915,111</u>	<u>6,760,143</u>

Notes to the Financial Statements

As at 31 December 2025

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. (Cont'd)

	On demand or within 1 year RM	2 to 5 years RM	More than 5 years RM	Total contractual cash flows RM	Total carrying amounts RM
Company					
31.12.2025					
<u>Non-derivative</u>					
<u>financial liabilities</u>					
Other payables	183,000	-	-	183,000	183,000
Amount due to subsidiaries	169,500	-	-	169,500	169,500
	<u>352,500</u>	<u>-</u>	<u>-</u>	<u>352,500</u>	<u>352,500</u>
31.12.2024					
<u>Non-derivative</u>					
<u>financial liability</u>					
Other payables	38,935	-	-	38,935	38,935

(iii) Market risk

Interest rate risk

The Group's and the Company's fixed rate deposit and hire purchase liabilities are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group and the Company manage their interest rate risk exposure from interest-bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group and the Company constantly monitor their interest rate risk by reviewing its debts portfolio to ensure favourable rates are obtained. The Group and the Company do not utilise interest swap contracts or other derivative instruments for trading or speculative purposes.

Notes to the Financial Statements

As at 31 December 2025

29. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

Interest rate risk (Cont'd)

The interest rate profile of the Group and of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	31.12.2025 RM	31.12.2024 RM
Group		
Fixed rate instruments		
Fixed deposit with a licensed bank	1,000	1,000
Hire purchase liabilities	-	(72,544)
	<u>1,000</u>	<u>(71,544)</u>
Floating rate instrument		
Borrowings	<u>(6,428,343)</u>	<u>(5,279,442)</u>
Company		
Fixed rate instrument		
Fixed deposit with a licensed bank	<u>1,000</u>	<u>1,000</u>

Interest rate risk sensitivity analysis

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have increased/(decreased) the Group's profit/(loss) before tax by RM64,283 (31.12.2024: RM52,794), arising mainly as a result of lower/higher interest expense on floating rate borrowings. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

Notes to the Financial Statements

As at 31 December 2025

29. Financial instruments (Cont'd)

(c) Fair value of financial instruments

The carrying amounts of short-term receivables, payables, cash and cash equivalents and short-term borrowings approximately their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

30. Capital management

The Group's and the Company's objective when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital using a net gearing ratio. The Group's policy is to maintain a prudent level of net gearing ratio that complies with debt covenants and regulatory requirements. The net gearing ratios at end of the reporting period are as follows:

	Group	
	31.12.2025	31.12.2024
	RM	RM
Borrowings	6,428,343	5,279,442
Hire purchase liabilities	-	72,544
Less: Fixed deposit with a licensed bank	(1,000)	(1,000)
Less: Cash and bank balances	(6,624,838)	(5,131,543)
Net (cash)/debts	<u>(197,495)</u>	<u>219,443</u>
Total equity	<u>18,151,362</u>	<u>8,642,191</u>
Net gearing ratio (times)	<u>*</u>	<u>0.03</u>

* The net gearing ratio is not applicable as the Group has net positive cash and bank balances.

There were no changes in the Group's and the Company's approach to capital management during the financial year/period.

Notes to the Financial Statements

As at 31 December 2025

31. Significant events during the financial year

On 28 May 2025, the Company entered into a conditional Share Sale Agreement with the existing shareholders of SDH for the acquisition of the entire equity interest in SDH comprising 500,000 ordinary shares for a purchase consideration of RM8,672,999 to be satisfied by way of the issuance of 367,499,999 new ordinary shares in the Company at an issue price of RM0.0236 per share. The acquisition was completed on 11 November 2025.

Concurrent with the acquisition, and immediately after its completion, SDH has declared the dividend-in-specie to the Company comprising the entire equity interest it holds in SBSM, SBSS, SBSE, SHM and SMT which collectively amounts to RM3,271,711.

For the purpose of accounting for the restructuring exercise, the Group has applied merger method accounting on the basis that the restructuring exercise does not constitute a business combination to which acquisition accounting can be applied. Under merger method accounting, the difference between cost of investment recorded by the Company and the share capital of subsidiaries is accounted for as merger deficit.

On 23 December 2025, the Company launched its Prospectus and undertook initial public offering of 171,500,000 shares at RM0.25 per share, comprising:

- (i) Public issue of 122,500,000 new ordinary shares in the following manner:
 - (a) 24,500,000 shares to the Malaysian Public;
 - (b) 17,150,000 shares to the eligible Directors and employees as well as persons who have contributed to the success of the Group;
 - (c) 61,250,000 shares by way of private placement to bumiputera investors; and
 - (d) 19,600,000 shares by way of private placement to selected investors.
- (ii) Offer for sale of 49,000,000 existing ordinary shares by way of private placement to selected investors.

32. Significant event after the financial year

On 20 January 2026, the listing of and quotation for the Company's entire enlarged issued and paid-up share capital of RM39,298,000 comprising 490,000,000 ordinary shares in the Company has been completed and the Company has been successfully listed on the ACE Market of Bursa Malaysia Securities Berhad.

33. Date of authorisation for issue

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 24 April 2026.

List of Properties

No.	Registered Owner	Title / Location	Description / Existing Use	Tenure	Age of Building (Years)	Land Area / Built-Up Area (sq feet)	Year of Acquisition	Net Book Value as at 31.12.2025 (RM'000)
1	SBS Digital Holdings Sdn. Bhd.	Address C-7, Jalan Dataran SD 1, PJU 9, Bandar Sri Damansara 52200 Kuala Lumpur Title Pajakan Negeri 18574, Lot 62519 Bandar Sri Damansara Daerah Petaling Negeri Selangor	5-Storey terrace shop office/ Headquarters	Leasehold of 99 years expiring on 27 August 2102	17	2,045/ 10,210	2014	2,032

Analysis of Shareholdings as at 31 March 2026

Class of Shares	:	Ordinary Shares
Voting Rights	:	One (1) Vote Per Ordinary Share
Total Number of Issued Shares	:	490,000,000

Distribution of Shareholdings

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Less than 100	-	-	-	-
100 - 1,000	492	19.76	149,399	0.03
1,001 - 10,000	977	39.24	5,658,401	1.15
10,001 - 100,000	814	32.69	27,728,800	5.66
100,001 - 24,499,999 (*)	203	8.15	168,388,400	34.36
24,500,000 and above (**)	4	0.16	288,075,000	58.79
Total	2,490	100.00	490,000,000	100.00

Notes:

- (*) Less than 5% of the total number of issued shares
 (**) 5% and above of the total number of issued shares

List of Substantial Shareholders

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Wong Chun Mun	147,200,000	30.00	-	-
Piah Yee Ling	58,800,000	12.00	-	-
Lai Kian Chuan	49,000,000	10.00	-	-
Alphabets Assets Sdn. Bhd.	33,075,000	6.75	-	-

Directors' Shareholdings

Name	Direct Interest		Indirect Interest	
	No. of Shares	%	No. of Shares	%
Datuk (Dr.) Hafsah Binti Hashim	225,000	0.05	-	-
Datuk Seri H'ng Bak Tee	1,900,000	0.39	-	-
Jancy Oh Suan Tin	-	-	-	-
Piah Yee Ling	58,800,000	12.00	-	-
Warren Cheng	22,050,000	4.50	-	-
Wong Chun Mun	147,200,000	30.04	-	-
Wong Maw Chuan	300,000	0.06	-	-

Analysis of Shareholdings as at 31 March 2026

List of Top Thirty (30) Largest Shareholders (Based on Record of Depositors)

No.	Name of Shareholders	Total No. of Shares Held	%
1	Wong Chun Mun	147,200,000	30.04
2	Piah Yee Ling	58,800,000	12.00
3	Lai Kian Chuan	49,000,000	10.00
4	Alphabets Assets Sdn. Bhd.	33,075,000	6.75
5	Warren Cheng	22,050,000	4.50
6	Maybank Nominees (Tempatan) Sdn. Bhd. – Pledged Securities Account for Chin Leong Choy	11,150,000	2.28
7	Phillip Nominees (Tempatan) Sdn. Bhd. – Exempt AN for Phillip Capital Management Sdn. Bhd.	10,952,700	2.24
8	Lim Cheng Yong	8,575,000	1.75
9	M & A Nominee (Tempatan) Sdn. Bhd. – M & A Digital Sdn. Bhd. for Kang Hua Keong	7,559,000	1.54
10	Ho Whye Chong	5,999,800	1.22
11	Kenanga Nominees (Tempatan) Sdn. Bhd. – Pledged Securities Account for Lo Ling	5,792,200	1.18
12	Choo Tye Lee	3,700,000	0.76
13	Cremorne Capital Fund Management Limited	3,340,000	0.68
14	Pelaburan MARA Berhad	3,000,000	0.61
15	PM Nominees (Tempatan) Sdn. Bhd. – Pledged Securities Account for Eco Asia Ventures Sdn. Bhd. – Yayasan Itmam (A)	3,000,000	0.61
16	Ooi Heng Chiang	2,700,000	0.55
17	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. – Pledged Securities Account for Bu Yaw Seng	2,375,500	0.48
18	H'ng Bok San @ H'ng Ah Ba	1,942,000	0.40
19	H'ng Bak Tee	1,900,000	0.39
20	Maybank Nominees (Tempatan) Sdn. Bhd. – Pledged Securities Account for Low Choon Lan	1,750,000	0.36
21	Yayasan Cendekiawan Melayu Baru	1,550,000	0.31
22	Izrul Bin Zainal Abidin	1,400,000	0.29
23	Wong Ching Yi	1,325,000	0.27
24	Liew Fook Meng	1,308,900	0.27
25	Zolkeflee Bin Abd Hamid	1,209,100	0.25
26	Gan Thiam Seng	1,170,000	0.24
27	Ngoi Kah Wai	1,100,000	0.22
28	Lembaga Tabung Amanah Warisan Negeri Terengganu	1,055,000	0.22
29	Affin Hwang Nominees (Tempatan) Sdn. Bhd. – Pledged Securities Account for Lim Gaik Eng	1,000,000	0.20
30	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. – Pledged Securities Account for Teoh Wang Jiew	1,000,000	0.20

Notice of 2nd Annual General Meeting

NOTICE IS HEREBY GIVEN that the Second (2nd) Annual General Meeting (“AGM”) (“2nd AGM”) of SBS NEXUS BERHAD (the “Company”) will be held at Patio 3, Level 2, Concorde Hotel Kuala Lumpur, 2, Jalan Sultan Ismail, 50250 Kuala Lumpur (“Meeting Venue”) on Friday, 19 June 2026 at 10:30 a.m. for the following purposes:

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon. (Please refer Explanatory Note A)
2. To re-elect the following Directors, each of whom retires in accordance with Clause 21.7 of the Company’s Constitution and being eligible, offers himself for re-election: -
 - (i) Datuk Seri H’ng Bak Tee (Ordinary Resolution 1)
 - (ii) Warren Cheng (Ordinary Resolution 2)
3. To approve the payment of Directors’ Fees and Benefits payable to the Non-Executive Directors amounting to RM 5,000 for the financial year ended 31 December 2025. (Ordinary Resolution 3)
4. To review the proposed Directors’ Fees and Benefits payable to the Non-Executive Directors of up to RM 400,000 for the period from 1 January 2026 until the next Annual General Meeting of the Company in 2027 (Ordinary Resolution 4)
5. To re-appoint TGS TW PLT as Auditors of the Company for the financial year ending 31 December 2026 and to authorise the Directors to fix their remuneration. (Ordinary Resolution 5)

AS SPECIAL BUSINESS:

To consider and if thought fit, to pass the following Resolution as Ordinary Resolution: -

6. **ORDINARY RESOLUTION** (Ordinary Resolution 6)
AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 (ACT)

“THAT pursuant to Sections 75 and 76 of the Act, ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“Proposed General Mandate”).

Notice of 2nd Annual General Meeting

6. ORDINARY RESOLUTION

(Ordinary Resolution 6)

AUTHORITY TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 (ACT) (CONT'D)

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

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

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

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

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

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

BY ORDER OF THE BOARD

TAN KAH KOON (MAICSA 7066666) (SSM PC No.: 201908001500)

NG SUE SHEN (MAICSA 7072288) (SSM PC No.: 202008001941)

Company Secretaries

30 April 2026

Notes:

- (1) *In respect of deposited securities, only members whose names appear in the Record of Depositors on 10 June 2026 (General Meeting Record of Depositors) shall be eligible to attend and vote at this Annual General Meeting ("AGM" or "Meeting").*
- (2) *A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy may but need not be a Member of the Company and a Member may appoint any person to be his proxy. There shall be no restriction as to the qualification of the proxy and a proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the Member to participate and speak at the meeting.*

Notice of 2nd Annual General Meeting

- (3) A member who is an authorised nominee may appoint not more than two (2) proxies in respect of each securities account he holds with ordinary shares of the Company standing to the credit of the said securities account. A member other than an authorised nominee shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting. For a member who is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account the member holds.
- (4) Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the member specifies the proportions of the member's shareholding to be represented by each proxy.
- (5) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation either under Common Seal or under the hand of an officer or attorney duly authorised.
- (6) The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:
- (i) In hard copy form
The proxy form shall be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia or alternatively, deposit the proxy form in the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia.
 - (ii) By electronic form
The proxy form can be electronically lodged with the Company's Share Registrar via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com> or any adjournment thereof.
All resolutions set out in this notice of meeting are to be voted by poll.
- (7) Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia or alternatively, to be deposited in the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- (8) For a corporate member who has appointed an authorised representative, please deposit the ORIGINAL/ CERTIFIED TRUE certificate of appointment of authorised representative with the Share Registrar of the Company at the above address. The certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member. If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by at least two (2) authorised officers, of whom one shall be a director; or any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- (9) Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.
- (10) Last date and time for lodging the Proxy Form is Wednesday, 17 June 2026 at 10.30 a.m.
- (11) Please bring an ORIGINAL of the following identification papers (where applicable) and present it to the registration staff for verification:
- a. Identity card (NRIC) (Malaysian), or
 - b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
 - c. Passport (Foreigner).
- (12) Shareholders are advised to check the Company's website and announcements from time to time for any changes to the administration of the 2nd AGM.

Notice of 2nd Annual General Meeting

The Administrative Guide for the Conduct of a General Meeting is available for download at <https://sbsgroup.com.my/>

EXPLANATORY NOTES: -

Note A - Audited Financial Statements

The Audited Financial Statements laid at this Meeting pursuant to Section 340(1)(a) of the Companies Act 2016 are meant for discussion only. It does not require shareholders' approval, and therefore, shall not be put for voting.

Ordinary Resolution 1 and 2 – Re-election of Directors

In accordance with Clause 21.7 of the Constitution of the Company, an election of Directors shall take place each year at the annual general meeting of the Company where one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors shall retire from office once at least in each three (3) years and shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

At the 2nd AGM, the following Directors are standing for re-election as Directors of the Company, and being eligible, have offered themselves for re-election:-

- (i) Datuk Seri H'ng Bak Tee
 - (ii) Warren Cheng
- (items (i) & (ii) collectively refers as "Retiring Directors")

The Board has endorsed the recommendation from the Nomination Committee ("NC") to re-elect the Retiring Directors as they possess the required skill set to facilitate and contribute to the Board's effectiveness and value.

The profiles of the Retiring Directors are disclosed in the Annual Report 2025.

Ordinary Resolution 3 and 4 – Directors' Fees and Benefits Payable

Pursuant to Section 230(1) of the Companies Act 2016, fees and benefits payable ("**Remuneration**") to the Directors of the Company shall be approved by the shareholders at a general meeting.

The Proposed Resolution 3 is to facilitate payment of the Directors' fees and benefits for the financial year ended 31 December 2025.

The Proposed Resolution 4 is to facilitate the payment of Directors' fees and benefits calculated based on the current Board size for the period from 1 January 2026 until the next AGM of the Company. In the event the proposed amount is insufficient due to more meetings or enlarged Board size, approval will be sought at the next AGM for the shortfall.

Ordinary Resolution 6 – Authority for Directors to issue shares

The Ordinary Resolution proposed under Resolution 6, if passed, would provide flexibility to the Directors to undertake fund raising activities, including but not limited to further placement of shares for the purpose of funding the Company's current and/or future investment project(s), working capital, repayment of borrowings and/or acquisition(s), by the issuance of shares in the Company to such persons at any time as the Directors may deem fit provided that the aggregate number of shares issued pursuant to the mandate does not exceed 10% of the total number of issued shares of the Company for the time being, without having to convene a general meeting. This authority, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next AGM of the Company ("**Proposed General Mandate**").



**SBS NEXUS
BERHAD**

(Registration No. 202401038150
(1583997-D)) (Incorporated in Malaysia)

Number of Shares Held

CDS Account No.

PROXY FOAM

*I/We

(NRIC No./Passport No./ Company No.)

Address:

Contact number:

being a member/members of **SBS NEXUS BERHAD**, hereby appoint

Full Name (in Block) [Proxy 1]	NRIC/Passport No.	Proportion of shareholding	
Address:		No. of shares	%
Email Address:	Mobile Phone No.:		

*and/*or failing him/her (*delete as appropriate)

Full Name (in Block) [Proxy 2]	NRIC/Passport No.	Proportion of shareholding	
Address:		No. of shares	%
Email Address:	Mobile Phone No.:		

or failing him/her/them, the Chairman of the Meeting as *my/our proxy to vote for *me/us on *my/our behalf at the Second ("2nd") Annual General Meeting of the Company to be held at Patio 3, Level 2, Concorde Hotel Kuala Lumpur, 2, Jalan Sultan Ismail, 50250 Kuala Lumpur ("**Meeting Venue**") on Friday, 19 June 2026 at 10:30 a.m. or any adjournment thereof and *my/ our proxy is to vote as indicated below: -

ORDINARY RESOLUTIONS		FOR	AGAINST
A) ORDINARY RESOLUTIONS			
1.	Re-election of Datuk Seri H'ng Bak Tee as Director		
2.	Re-election of Warren Cheng as Director		
3.	Approval of Directors' Fees and Benefits payable to the Non-Executive Directors amounting to RM 5,000 for the financial year ended 31 December 2025.		
4.	Approval of Directors' fees and benefits payable to the Non-Executive Directors of up to RM 400,000 for the period from 1 January 2026 until the next Annual General Meeting of the Company in 2027		
5.	Re-appoint TGS TW PLT as Auditors of the Company for the financial year ending 31 December 2026 and to authorise the Directors to fix their remuneration.		
B) SPECIAL BUSINESS			
6.	Authority for Directors to issue shares		

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

Dated this _____ day of _____ 2026

Signature of Member/Common Seal

**Strike out whichever is not desired*

Notes:

- (1) In respect of deposited securities, only members whose names appear in the Record of Depositors on 10 June 2026 (General Meeting Record of Depositors) shall be eligible to attend and vote at this Annual General Meeting ("AGM" or "Meeting").
- (2) A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of him. A proxy may but need not be a Member of the Company and a Member may appoint any person to be his proxy. There shall be no restriction as to the qualification of the proxy and a proxy appointed to attend and vote at a meeting of the Company shall have the same rights as the Member to participate and speak at the meeting.
- (3) A member who is an authorised nominee may appoint not more than two (2) proxies in respect of each securities account he holds with ordinary shares of the Company standing to the credit of the said securities account. A member other than an authorised nominee shall be entitled to appoint not more than two (2) proxies to attend and vote at the same meeting. For a member who is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account the member holds.
- (4) Where a member appoints more than one (1) proxy, the appointment shall be invalid unless the member specifies the proportions of the member's shareholding to be represented by each proxy.
- (5) The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing or if the appointor is a corporation either under Common Seal or under the hand of an officer or attorney duly authorised.
- (6) The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form
The proxy form shall be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia or alternatively, deposit the proxy form in the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia.
 - (ii) By electronic form
The proxy form can be electronically lodged with the Company's Share

Registrar via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srm.vistra.com> or any adjournment thereof. All resolutions set out in this notice of meeting are to be voted by poll.

- (7) Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia or alternatively, to be deposited in the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
- (8) For a corporate member who has appointed an authorised representative, please deposit the ORIGINAL/CERTIFIED TRUE certificate of appointment of authorised representative with the Share Registrar of the Company at the above address. The certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by at least two (2) authorised officers, of whom one shall be a director; or any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- (9) Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.
- (10) Last date and time for lodging the Proxy Form is Wednesday, 17 June 2026 at 10.30 a.m.
- (11) Please bring an ORIGINAL of the following identification papers (where applicable) and present it to the registration staff for verification:
 - a. Identity card (NRIC) (Malaysian), or
 - b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
 - c. Passport (Foreigner).
- (12) Shareholders are advised to check the Company's website and announcements from time to time for any changes to the administration of the 2nd AGM.

The Administrative Guide for the Conduct of a General Meeting is available for download at <https://sbsgroup.com.my/>

Please fold here

**AFFIX
STAMP**

(Company's Share Registrar)
Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi, 59200 Kuala Lumpur,
Wilayah Persekutuan Kuala Lumpur, Malaysia

Please fold here

Please fold here



SBS NEXUS BERHAD

2 0 2 5

ANNUAL REPORT



 +60 12-537 7810
 +603 - 6270 1810
1800 88 1810 (TOLL-FREE)
 ask@sbsgroup.com.my

Headquarters
C-7, Jalan Dataran SD 1,
PJU 9, Bandar Sri Damansara,
52200 Kuala Lumpur