Supercomnet Technologies BERHAD

Registration No. 199001005958 (197527-H)

INNOVATING PERFECTION

ANNUAL REPORT 2025

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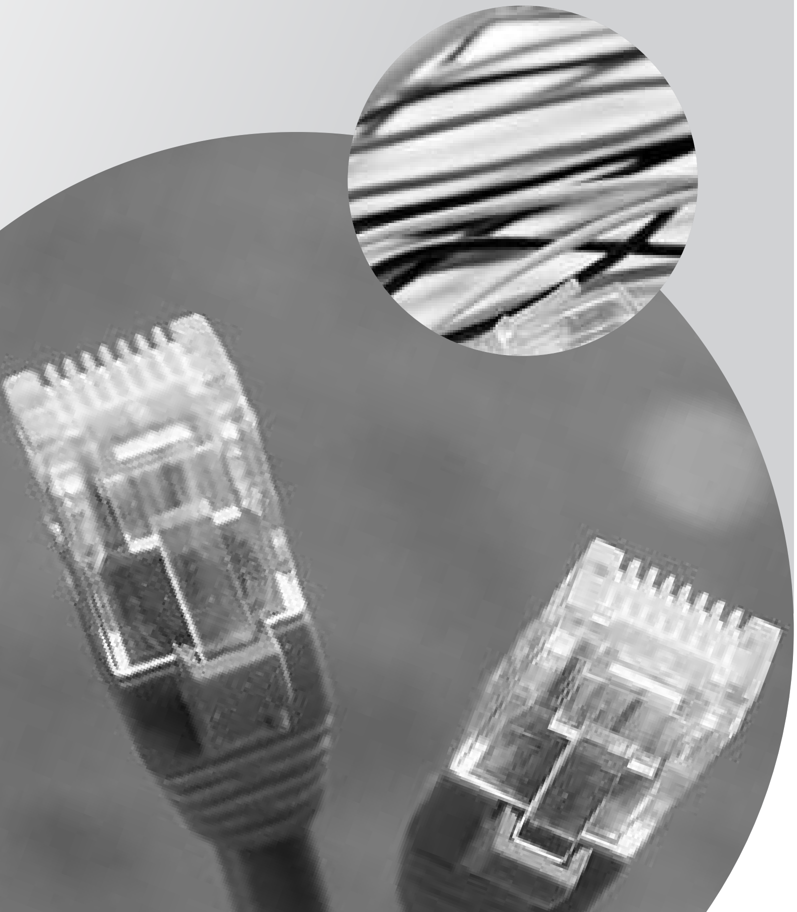


NOTICE OF THE THIRTY-SIXTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Thirty-Sixth Annual General Meeting ("36th AGM") of the Company will be held on 12 June 2026, Friday, at 10.00 a.m. on a hybrid mode at Purest Hotel, No. A-2, Jalan Indah 1, Taman Sejati Indah, Sungai Petani Central, Sungai Petani, Kedah ("Meeting Venue") and virtually by way of electronic means via online meeting platform provided by SS E Solutions Sdn. Bhd. at https://sshsb.net.my ("Online Meeting Platform") or at any adjournment thereof for the following purpose: -

A G E N D A

1.	To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the reports of the Directors and Auditors thereon.	(Please refer to Note A)
2.	To declare a Final Single-Tier Dividend of 1.0 sen per share for the financial year ended 31 December 2025.	Resolution 1
3.	To approve the payment of Directors' Fees up to RM660,000 for the period from this AGM until the next AGM of the Company.	Resolution 2
4.	To approve the payment of Directors' Benefits up to RM63,000 for the period from this AGM until the next AGM of the Company.	Resolution 3
5.	To re-elect the following Directors who retire in accordance with Paragraph 102(1) of the Company's Constitution, and being eligible, offer themselves for re-election:-	
	i) Madam Wu, Huei-Chung	Resolution 4
	ii) Mr. Hsueh, Chih-Yu	Resolution 5
	iii) Ms. Ang Hwui Tee	Resolution 6
6.	To re-appoint Messrs. Deloitte PLT as Auditors of the Company for the ensuing year and to authorise the Board of Directors to determine their remuneration.	Resolution 7

SPECIAL BUSINESS

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

7.1 *Proposed Authority to Issue and Allot Shares and Waiver of Pre-Emptive Rights*

Resolution 8

"THAT subject always to the Companies Act 2016 ("Act"), the Constitution of the Company and the approvals of the relevant governmental/regulatory authorities, if applicable, the Board of Directors be and is hereby authorised to issue and allot shares in the Company from time to time until the conclusion of the next Annual General Meeting ("AGM") and upon such terms and conditions and for such purposes as the Board of Directors may, in its absolute discretion, deem fit provided that the aggregate number of shares to be issued shall not exceed ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company for the time being AND THAT pursuant to Section 85 of the Act to be read together with Paragraph 62 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Sections 75 and 76 of the Companies Act 2016;

THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad;

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next AGM of the Company."

SPECIAL BUSINESS (CONT'D)

7. To consider and, if thought fit, to pass with or without modifications, the following ordinary resolutions:- (Cont'd)

7.2 *Proposed Renewal of Authority to Purchase the Company's Own Shares* Resolution 9

"THAT subject to the Companies Act 2016 ("Act"), provisions of the Constitution of the Company and the requirements of the Bursa Malaysia Securities Berhad ("Bursa Securities") and other relevant governmental and regulatory authorities where such authority shall be necessary, the Board of Directors be authorised to purchase its own shares through Bursa Securities, subject to the following:-

(a) the maximum number of shares which may be purchased by the Company shall not exceed ten per centum (10%) of the total number of issued shares of the Company at any point in time;

(b) the maximum fund to be allocated by the Company for the purpose of purchasing the Company's shares shall not exceed the retained profits of the Company based on the latest Audited Financial Statements and/or the latest management accounts of the Company (where applicable) available at the time of the purchase(s);

(c) the authority conferred by this resolution will be effective immediately upon the passing of this resolution; and shall continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed either unconditionally or subject to conditions or the expiration of the period within which the next AGM is required by law to be held or unless revoked or varied by ordinary resolution passed by the shareholders in a general meeting, whichever occurs first;

(d) upon completion of the purchase(s) of the shares by the Company, the shares shall be dealt with in the following manner:-

(i) to cancel the shares so purchased; or
(ii) to retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of the Bursa Securities or subsequently cancelled; or
(iii) to retain part of the shares so purchased as treasury shares and cancel the remainder; or
(iv) in such other manner as the Bursa Securities and such other relevant authorities may allow from time to time.

The Directors of the Company be and are hereby authorised to take all such steps as are necessary and entering into all other agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments, if any, as may be imposed by the relevant authorities from time to time to implement or to effect the purchase of the Company's shares in accordance with the Act, the requirements of the Bursa Securities and any other regulatory authorities, and other relevant approvals."

8. To transact any other business for which due notice shall have been given in accordance with the Act.

By Order of the Board,

ANGELINA CHEAH GAIK SUAN
[SSM PC NO. 202008002177 (MAICSA 7035272)]
LEE MEI-MEI
[SSM PC NO. 202008002962 (MAICSA 7062284)]
Secretaries
Penang

Date : 30 April 2026

NOTES :

A. This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act do not require a formal approval of the shareholders and hence, is not put forward for voting.

B. Kindly note that the date of the General Meeting Record of Depositors for the purpose of determining members' entitlement to attend, vote and speak at the 36th AGM shall be on 4 June 2026.

C. The 36th AGM will be conducted on a hybrid mode at the Meeting Venue and virtually by way of electronic means via online meeting platform provided by SS E Solutions Sdn. Bhd. at https://sshsb.net.my ("Online Meeting Platform"). Please follow the procedures provided in the Administrative Guide for the 36th AGM in order to register, participate and vote remotely via the Online Meeting Platform.

A proxy may but need not be a member of the Company and in accordance with Section 334 of the Companies Act 2016, a member of a company shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at the meeting.

A member of the Company (Except Exempt Authorised Nominee) may appoint up to two (2) proxies in relation to a general meeting, provided that he specifies the proportion of his shareholdings to be represented by each proxy.

The appointment of proxy(ies) may be made either in hardcopy form or by electronic means and shall be deposited to either one of the following avenues not less than forty-eight (48) hours before the time fixed for holding the meeting or any adjourned meeting:-

Mode of Submission

In Hardcopy Form	:	*Registered Office Suite S-21-H, 21st Floor, Menara Northam, 55 Jalan Sultan Ahmad Shah, 10050 George Town, Penang*
By Electronic Means	:	*https://www.sshsb.net.my or by email to eservices@sshsb.com.my (Kindly refer to the Administrative Guide for the 36th AGM on the procedures for electronic lodgement of Form of Proxy via https://www.sshsb.net.my)*

Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

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

The instrument appointing a proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or, if the member is a corporation, shall either be executed under its Common Seal or under the hand of two (2) authorised officers, one of whom shall be a director, or of its attorney duly authorised in writing.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, participate, speak and vote at this meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for this meeting (including any adjournment thereof), and the preparation and compilation of the attendance lists, minutes and other documents relating to this meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

EXPLANATORY NOTES ON RESOLUTION & SPECIAL BUSINESS:

1. Ordinary Resolutions 2 & 3

The estimated Directors' Fees proposed for the period from 36th AGM until the next AGM of the Company are derived based on the current Board size.

The Benefits payable to the Directors comprising of meetings allowances will only be accorded based on actual attendance of meetings by the Directors and other claimable benefits including reimbursable expenses incurred in the course of carrying out their duties as Directors.

The payment of Directors' Fees and Benefits will be made by the Company on a monthly basis and/or as and when incurred. Ordinary Resolution 2 and 3 are to facilitate payment of Directors' Fees and Benefits for the financial year 2026/2027. In the event that the proposed Directors' Fees and Benefits payable are insufficient due to the enlarged Board size, the Company will seek Shareholders' approval at the next AGM of the Company for the additional Directors' Fees and Benefits payable to meet the shortfall.

The proposed resolutions have been reviewed by the Remuneration Committee and the Board of Directors of the Company, which recognise that the Directors' Fees and Benefits is in the best interest of the Company. In determining the estimated total amount of Directors' Fees and Benefits for this period, a contingency sum to cater to unforeseen circumstances such as the appointment of additional Director(s) was included.

2. Ordinary Resolution 4 to 6

The proposed resolutions are on the re-election of Madam Wu, Huei-Chung, Mr. Hsueh, Chih-Yu, and Ms. Ang Hwui Tee who will retire at the 36th AGM in accordance with Paragraph 102(1) of the Company's Constitution.

The profile of the retiring Directors is set out in the Annual Report 2025.

The Nominating Committee has taken into account the Board Performance Evaluation including the results of assessment for the retiring Directors and concurred that they have met the Board's expectation in terms of experience, expertise, integrity, competency, commitment and individual contribution by continuously performing their duties diligently as Directors of the Company. The Board recommended them to be re-elected as Directors of the Company.

3. Ordinary Resolution 8

The proposed resolution, if passed, will renew the authority to empower the Directors of the Company to issue and allot shares up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares (excluding treasury shares) of the Company from time to time and for such purposes as the Directors consider would be in the interest of the Company. The renewed mandate will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding future investment, working capital and/or acquisitions. In order to avoid any delay and costs involved in convening a general meeting, it is thus appropriate to seek shareholders' approval. This authority will, unless revoked or varied by the Company in general meeting, expire at the next AGM of the Company.

As at the date of this notice, no new shares in the Company have been issued pursuant to the mandate granted to the Directors at the 35th AGM held on 12 June 2025 which will lapse at the conclusion of the 36th AGM.

By voting in favour of the proposed resolution, the shareholders of the Company are deemed to have waived their pre-emptive rights pursuant to Section 85(1) of the Companies Act 2016 and Paragraph 62 of the Company's Constitution to be first offered any new shares ranking equally to the existing issued shares of the Company which will result in a dilution of their shareholding percentage in the Company.

4. Ordinary Resolution 9

The proposed resolution, if passed, will empower the Directors of the Company to purchase the Company's own shares up to ten per cent (10%) of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the total retained profits of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company. Further information on the proposed Resolution is set out in the Share Buy-Back Statement in pages 8 of this Annual Report 2025.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

DETAILS OF INDIVIDUALS WHO ARE STANDING FOR ELECTION AS DIRECTORS (EXCLUDING DIRECTORS STANDING FOR A RE-ELECTION)

Pursuant to Paragraph 8.27(2) of the Bursa Securities Main Market Listing Requirements, no individual is seeking election as a Director at the 36th AGM of the Company.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN that a Final Single-Tier Dividend of 1.0 Sen per share for the financial year ended 31 December 2025, if approved by the shareholders at the 36th AGM, will be payable on 20 July 2026 to shareholders whose names registered in the Record of Depositors on 30 June 2026:-

A Depositor shall qualify for entitlement to the Dividends in respect of: -

a) shares transferred into the Depositor's Securities Account before 4.30 p.m. on 30 June 2026 in respect of transfers;

b) shares deposited into the Depositor's Securities Account before 12.30 p.m. in respect of securities exempted from mandatory deposit; and

c) shares bought on the Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the Rules of the Bursa Securities.

By Order of the Board,

ANGELINA CHEAH GAIK SUAN
[SSM PC NO. 202008002177 (MAICSA 7035272)]
LEE MEI-MEI
[SSM PC NO. 202008002962 (MAICSA 7062284)]
Secretaries
Penang

Date: 30 April 2026

SHARE BUY-BACK STATEMENT

1. **Disclaimer Statement**

This Share Buy-Back Statement ("Statement") is important and if you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisor immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") has not perused this Statement prior to its issuance, and hence, takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement.

2. **Rationale for the Proposed Purchase by Supercomnet Technologies Berhad ("STB" or "the Company") of its own ordinary shares ("Shares") up to a maximum of ten per centum (10%) of the existing total number of Shares capital of the Company ("Proposed Share Buy-Back")**

The potential advantages of the Proposed Share Buy-Back to the Company and its shareholders are as follows: -

(a) allows the Company to take preventive measures against speculation particularly when its Shares are undervalued which would in turn stabilise the market price of the Shares and hence enhance investors' confidence;
(b) if the Shares bought back by the Company are cancelled, shareholders of the Company are likely to enjoy an increase in the value of their investment in the Company as the net Earnings Per Share ("EPS") of the Company will increase; and
(c) reduces the liquidity level and stabilise the supply, demand and price of its Shares in the open market, thereby supporting the fundamental value of the Shares.

3. **Retained Profits**

Based on the unaudited financial statements for the financial year ended 31 December 2025, the retained profits of the Company stood at RM31,261,557 (audited as at 31 December 2025: RM20,716,751).

4. **Source of Funds**

The Proposed Share Buy-Back will be financed from both internally generated funds of the Group and/or external borrowings, provided that the purchase is backed by an equivalent amount of retained profits of the Company. The portion of which to be utilised will depend on the actual number of Shares bought, the price of Shares and the availability of funds at the time of the purchase(s). If borrowings are used for the Proposed Share Buy-Back, the Company will experience a decline in its net cash flow to the extent of the interest costs associated with such borrowings but the Board does not foresee any difficulty in repaying the borrowings, if any, is used for the Proposed Share Buy-Back. Based on the audited consolidated financial statements as at 31 December 2025, the Group has cash and cash equivalent balance of approximately RM15,561,249.

5. Direct and Indirect Interests of Directors and Major Shareholders and/or Persons Connected to Them

Save for the inadvertent increase in the percentage shareholdings and/or voting rights of the shareholders in the Company as a consequence of the Proposed Share Buy-Back, none of the Directors and major shareholders of STB nor persons connected to them has any interest, direct or indirect, in the Proposed Share Buy-Back and, if any, the resale of the treasury shares.

The Direct and Indirect Interests of Directors and Substantial Shareholders of STB as at 26 March 2026 are as follows: -

	Before proposed buy-back *				After proposed buy-back **			
	Direct		Indirect		Direct		Indirect	
Name	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Directors								
Shiue, Jong-Zone A.K.A James Shiue	117,403,666	13.79	344,190,133	40.42	117,403,666	15.16	344,190,133(a)	44.44
Wu, Huei-Chung	80,094,933	9.41	381,498,866	44.81	80,094,933	10.34	381,498,866(b)	49.25
Wu, Chung-Jung	51,648,300	6.07	409,945,499	48.15	51,648,300	6.67	409,945,499(c)	52.93
Hsueh, Chih-Yu	109,556,300	12.87	352,037,499	41.35	109,556,300	14.14	352,037,499(d)	45.45
Lim Eng Chuan	54,652,500	6.42	-	-	54,652,500	7.06	-	-
Ang Hwui Tee	-	-	-	-	-	-	-	-
Khor Meow Ling	-	-	-	-	-	-	-	-
Ng Swee Khee	-	-	-	-	-	-	-	-
Lim Chun Thang	-	-	-	-	-	-	-	-
Cheah Ho Wee Hock	-	-	-	-	-	-	-	-
Substantial Shareholders								
Shiue, Jong-Zone A.K.A James Shiue	117,403,666	13.79	344,190,133	40.42	117,403,666	15.16	344,190,133(a)	44.44
Wu, Huei-Chung	80,094,933	9.41	381,498,866	44.81	80,094,933	10.34	381,498,866(b)	49.25
Wu, Chung-Jung	51,648,300	6.07	409,945,499	48.15	51,648,300	6.67	409,945,499(c)	52.93
Hsueh, Chih-Yu	109,556,300	12.87	352,037,499	41.35	109,556,300	14.14	352,037,499(d)	45.45
Shiue, Jyh-Jeh @ Jerry	102,890,600	12.08	360,870,199	42.38	102,890,600	13.28	360,870,199(e)	46.59
Lim Eng Chuan	54,652,500	6.42	-	-	54,652,500	7.06	-	-

Notes:

(a) Deemed interested by virtue of Wu, Huei-Chung, Wu, Chung-Jung, Hsueh, Chih-Yu and Shiue, Jyh-Jeh @ Jerry's shareholdings in STB.
(b) Deemed interested by virtue of Shiue, Jong-Zone A.K.A. James Shiue, Wu, Chung-Jung, Hsueh, Chih-Yu and Shiue, Jyh-Jeh @ Jerry's shareholdings in STB.
(c) Deemed interested by virtue of Shiue, Jong-Zone A.K.A. James Shiue, Wu, Huei-Chung, Hsueh, Chih-Yu and Shiue, Jyh-Jeh @ Jerry's shareholdings in STB.
(d) Deemed interested by virtue of Shiue, Jong-Zone A.K.A. James Shiue, Wu, Huei-Chung, Wu, Chung-Jung and Shiue, Jyh-Jeh @ Jerry's shareholdings in STB.
(e) Deemed interested by virtue of Shiue, Jong-Zone A.K.A. James Shiue, Wu, Huei-Chung, Wu, Chung-Jung, Hsueh, Chih-Yu and Pacific Rotary Sdn. Bhd.
* Based on the existing issued share capital of 860,601,538 Ordinary Shares excluding 9,150,000 treasury shares.
** Assuming that the maximum number of Shares up to ten per centum (10%) of the total authorised under the Proposed Share Buy-Back are purchased and cancelled.

6. Potential Advantages and Disadvantages of the Proposed Share Buy-Back

The potential advantages of the Proposed Share Buy-Back to the Company and its shareholders are disclosed in Section 2 of this Statement.

The potential disadvantages of the Proposed Share Buy-Back to the Company and its shareholders are as follows: -

(a) The Proposed Share Buy-Back will reduce the financial resources of the Group and may result in the Group foregoing interest income and/or better investment opportunities that may emerge in future; and

(b) As the Proposed Share Buy-Back can only be made out of retained profits of the Company, it may result in reduction of financial resources available for distribution to shareholders in the immediate future.

In any event, the Board will be mindful of the interest of STB and its shareholders in undertaking the Proposed Share Buy-Back and in the subsequent cancellation of the Shares purchased, if any.

7. Financial Effects of the Proposed Share Buy-Back

The financial effects of the Proposed Share Buy-Back on the Company and the Group are set out below: -

(a) Share Capital

The effects of the Proposed Share Buy-Back on the issued shares of the Company assuming that the maximum number of Shares up to ten per centum (10%) of the total number of issued shares authorised under the Proposed Share Buy-Back are purchased and cancelled, is as set out below: -

	No. of Shares
Existing share capital of STB as at 26 March 2026	860,601,538
Assuming Shares purchased are cancelled	(86,060,153)
	774,541,385

On the other hand, if the Shares purchased are retained as treasury shares, the Proposed Share Buy-Back will not affect the issued shares of STB but the rights attached to them in relation to the voting, dividends and participation in any other distributions or otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including calculation of substantial shareholdings, take-overs, notices, the requisitioning of meetings, calculation of quorum for meetings and the result of vote on a resolution at a meeting.

(b) Earnings and EPS

The effects of the Proposed Share Buy-Back on the EPS of the Company will depend on the purchase prices of the Shares and the effective funding cost to the Company to finance the purchase of Shares or any loss in interest income to the Company. Assuming the Shares purchased are retained as treasury shares and resold, the effects on the earnings of the STB will depend on the actual selling price, the number of treasury shares resold and the effective gain or interest savings arising from the exercise.

If the Shares so purchased are cancelled, the Proposed Share Buy-Back will increase the EPS of the Company. However, the increase in EPS will be affected to the extent of the quantum of the reduction in the interest income and/or increase in the interest expense incurred in relation to the Proposed Share Buy-Back.

(c) Net Assets ("NA")

The effects of the Proposed Share Buy-Back on the NA of STB will depend on the purchase price for such STB Shares and whether the Purchased Shares are cancelled or retained as Treasury Shares as follows:

(i) <u>Purchased Shares are subsequently retained as Treasury Shares</u>

The NA of STB would decrease if the Purchased Shares are retained as Treasury Shares due to the requirement for treasury shares to be carried at cost and be offset against equity, resulting in a decrease in the NA of the Company by the cost of the treasury shares. If the Purchased Shares are resold on Bursa Securities, the NA of STB would increase if STB realises a gain from the resale, and vice-versa. If the Purchased Shares were distributed as share dividends, the NA of STB will decrease by the cost of the treasury shares.

7. Financial Effects of the Proposed Share Buy-Back (Cont'd)

The financial effects of the Proposed Share Buy-Back on the Company and the Group are set out below: - (Cont'd)

(c) Net Assets ("NA") (Cont'd)

The effects of the Proposed Share Buy-Back on the NA of STB will depend on the purchase price for such STB Shares and whether the Purchased Shares are cancelled or retained as Treasury Shares as follows: (Cont'd)

(ii) Purchased Shares are subsequently cancelled

If the Purchased Shares are cancelled, the Proposed Share Buy-Back will reduce the NA per STB Share if the purchase price per STB Share exceeds the NA per STB Share at the relevant point in time, and vice-versa.

(d) Dividends

The Board of Directors recommends a Final Single-Tier Dividend of 1.0 sen per Share subject to shareholders' approval at the forthcoming Annual General Meeting ("AGM").

The Proposed Share Buy-Back is not expected to have any material effect on the dividends to be declared by the Company, if any, for the financial year ending 31 December 2026. The level of dividends to be declared in the future will be determined by the Board after taking into consideration the performance of the Group and the prevailing economic conditions. However, as stated herein above, the Board may distribute future dividends in the form of the treasury shares purchased pursuant to the Proposed Share Buy-Back Authority.

8. Implication of the Proposed Share Buy-Back relating to the Malaysian Code on Take-overs and Mergers, 2016

The Proposed Share Buy-Back will not have any implication on the Company and its substantial shareholders in relation to the Malaysian Code on Take-overs and Mergers, 2016.

9. Purchases made in Last Financial Year

In preceding twelve (12) months, the Company had bought back 8,460,000 units of Ordinary Shares from 16 April 2025 to 26 March 2026 from open market at total consideration of RM 5,397,729.53. These shares are presently held as treasury shares and the details are as follow:

Date of Purchase	Number of shares	Purchase price per share Highest Price (RM)	Lowest Price (RM)	Average Price (RM)	Total Consideration (RM)
16.04.2025	150,000	0.860	0.835	0.848	128,334.96
17.04.2025	40,000	0.840	0.840	0.840	33,785.20
22.04.2025	100,000	0.840	0.830	0.835	84,060.20
23.04.2025	170,000	0.820	0.810	0.815	139,121.77
01.10.2025	90,000	0.805	0.800	0.803	72,698.34
07.10.2025	140,000	0.805	0.805	0.805	113,083.48
13.10.2025	180,000	0.800	0.780	0.790	142,468.26
14.10.2025	140,000	0.800	0.785	0.793	111,200.98
24.10.2025	110,000	0.800	0.785	0.793	87,495.08
30.10.2025	140,000	0.795	0.780	0.788	110,073.28
31.10.2025	180,000	0.775	0.760	0.768	138,871.16
03.11.2025	90,000	0.765	0.755	0.760	68,530.70
04.11.2025	140,000	0.745	0.735	0.740	103,952.64
05.11.2025	130,000	0.750	0.725	0.738	96,101.10
06.11.2025	90,000	0.740	0.730	0.735	66,363.00
07.11.2025	70,000	0.740	0.730	0.735	51,783.75
10.11.2025	150,000	0.725	0.720	0.723	108,618.81
12.11.2025	200,000	0.730	0.715	0.723	144,615.90
13.11.2025	80,000	0.740	0.730	0.735	59,136.16
14.11.2025	80,000	0.735	0.715	0.725	58,911.15
19.11.2025	60,000	0.745	0.730	0.738	44,467.51
20.11.2025	40,000	0.745	0.730	0.738	29,514.59
28.11.2025	90,000	0.740	0.730	0.735	66,564.90
01.12.2025	200,000	0.720	0.705	0.713	143,285.72
02.12.2025	140,000	0.720	0.705	0.713	100,348.53
03.12.2025	50,000	0.725	0.710	0.718	36,196.49
04.12.2025	160,000	0.720	0.715	0.718	115,445.63
08.12.2025	25,000	0.715	0.715	0.715	17,973.45
09.12.2025	92,000	0.715	0.710	0.713	65,730.17
15.12.2025	87,500	0.720	0.715	0.718	63,004.47
06.01.2026	40,000	0.710	0.700	0.705	28,255.45
28.01.2026	65,500	0.715	0.710	0.713	46,680.54

9. Purchases made in Last Financial Year (Cont'd)

In preceding twelve (12) months, the Company had bought back 8,460,000 units of Ordinary Shares from 16 April 2025 to 26 March 2026 from open market at total consideration of RM 5,397,729.53. These shares are presently held as treasury shares and the details are as follow: (Cont'd)

		Purchase price per share			
Date of Purchase	**Number of shares**	**Highest Price (RM)**	**Lowest Price (RM)**	**Average Price (RM)**	**Total Consideration (RM)**
29.01.2026	130,000	0.715	0.700	0.708	92,175.99
05.02.2026	80,000	0.665	0.650	0.658	52,810.97
06.02.2026	170,000	0.655	0.635	0.645	109,831.27
13.02.2026	40,000	0.645	0.645	0.645	25,861.74
24.02.2026	230,000	0.610	0.600	0.605	138,990.77
25.02.2026	330,000	0.600	0.570	0.585	194,358.25
26.02.2026	250,000	0.570	0.560	0.565	142,389.30
27.02.2026	260,000	0.560	0.545	0.553	145,354.36
02.03.2026	180,000	0.535	0.530	0.533	96,402.02
03.03.2026	280,000	0.520	0.515	0.518	144,540.07
04.03.2026	290,000	0.520	0.500	0.510	147,850.70
05.03.2026	220,000	0.510	0.505	0.508	112,385.77
06.03.2026	110,000	0.525	0.510	0.518	57,067.75
09.03.2026	290,000	0.505	0.490	0.498	144,552.58
10.03.2026	160,000	0.520	0.515	0.518	83,221.76
11.03.2026	290,000	0.510	0.500	0.505	146,856.81
12.03.2026	280,000	0.525	0.500	0.513	144,408.32
13.03.2026	180,000	0.550	0.530	0.540	98,476.31
16.03.2026	180,000	0.555	0.535	0.545	98,447.47
17.03.2026	270,000	0.560	0.540	0.550	148,490.70
18.03.2026	120,000	0.575	0.545	0.560	66,700.62
19.03.2026	130,000	0.560	0.550	0.555	72,716.22
24.03.2026	250,000	0.575	0.535	0.555	136,769.64

There was no transfer or cancellation of Treasury Shares in the preceding 12 months.

10. Historical Share Prices

The monthly highest and lowest market prices of STB Share traded on Bursa Securities in the preceding twelve (12) months were as follows:-

	Highest (RM)	Lowest (RM)
2025		
April	1.08	0.80
May	1.12	0.88
June	1.06	0.88
July	1.07	0.92
August	0.96	0.83
September	0.86	0.80
October	0.86	0.76
November	0.79	0.72
December	0.75	0.70
2026		
January	0.76	0.70
February	0.71	0.55
March	0.59	0.49

Last transacted market price as at 26 March 2026 (being the last practical date prior to the printing of this Statement) was RM 0.55.

11. Proposed Intention of the Directors to deal with the Shares so Purchased

In accordance with Section 127(4) of the Companies Act 2016 (“the Act”), our Directors may deal with the Purchased Shares, at their discretion, in the following manner: -

(i) cancel the Purchased Shares; or
(ii) retain the Purchased Shares as Treasury Shares; or
(iii) retain part of the Purchased Shares as Treasury Shares and cancel the remainder.

Accordingly, pursuant on Section 127(7) of the Act, where such Purchased Shares are held as Treasury Shares, our Directors may, at their discretion: -

a) distribute the Purchased Shares as dividends to shareholders, such dividends to be known as “shares dividends”; or
b) resell the Purchased Shares or any of the Purchased Shares in accordance with the relevant rules of Bursa Securities; or
c) transfer the Purchased Shares or any of the Purchased Shares for the purpose of or under an employees’ share scheme; or
d) transfer the Purchased Shares or any of the Purchased Shares as purchase consideration; or
e) cancel the Purchased Shares or any of the Purchased Shares; or
f) sell, transfer or otherwise use the Purchase Shares for such other purposes as the Minister may by order prescribe; and/or
g) in any other manner as may be prescribed by the Act, rules, regulations and order made pursuant to the Act and the requirements of Bursa Securities, and/or any other relevant authority for the time being in force.

In the event the Purchased Shares are held as Treasury Shares, the rights attaching to them as to voting, dividends and participation in other distributions or otherwise, will be suspended and the Treasury Shares will not be taken into account in calculating the number of percentage of Shares, or of a class of shares in the Company for any purpose including substantial shareholdings, take-overs, notices, requisitioning of meetings, quorum for a meeting and result of a vote on resolution(s) at a meeting.

12. Public Shareholding Spread

According to the Record of Depositors maintained by Bursa Malaysia Depository Sdn. Bhd. as at 26 March 2026, the public shareholding spread of the Company was approximately 34.99%. In this regard, the Board undertakes to purchase shares only to the extent that the public shareholding spread of STB shall not fall below 25% of the issued shares of the Company at all times pursuant to the Proposed Share Buy-Back, in accordance with Paragraph 12.14 of the Main Market Listing Requirements.

13. Directors' Statement

After taking into consideration all relevant factors, the Board is of the opinion that the Proposed Share Buy-Back described above is in the best interest of the Company.

14. Directors' Recommendation

The Board recommends that you vote in favour of the ordinary resolution to be tabled at the forthcoming Thirty-Sixth AGM to give effect to the Proposed Share Buy-Back.

15. Responsibility Statement

This Statement has been seen and approved by the Board and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after making all reasonable enquiries and to the best of their knowledge and belief, there are no facts, the omission of which would make any statement herein misleading.

16. Documents Available For Inspection

Copies of the following documents will be available for the registered office of the Company during normal office hours from Monday to Friday (except Public Holidays) from the date of this Statement up to and including the date of the forthcoming AGM:

(i) Constitution of the Company; and
(ii) The audited consolidated financial statements for the past two (2) financial years ended 31 December 2024 and 2025 respectively.

17. Other Information

There is no other information concerning the Proposed Share Buy-Back as shareholders and other professional advisers would reasonably require and expect to find in the Statement for the purpose of making informed assessment as to the merits of approving the Proposed Share Buy-Back and the extent of the risks involved in doing so.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Lim Chun Thang
Independent Non-Executive Chairman

Hsueh, Chih-Yu
Group Managing Director

Shiue, Jong-Zone A.K.A James Shiue
Senior Executive Director

Wu, Huei-Chung
Executive Director

Lim Eng Chuan
Executive Director

Wu, Chung-Jung
Non-Independent Non-Executive Director

Ang Hwui Tee
Independent Non-Executive Director

Khor Meow Ling
Independent Non-Executive Director

Ng Swee Khee
Independent Non-Executive Director

Cheah Ho Wee Hock
Independent Non-Executive Director

COMPANY SECRETARIES

Teo Mee Hui
[SSM PC NO. 202008001081
(MAICSA 7050642)]
(Resigned w.e.f. 23 February 2026)

Lee Mei-Mei
[SSM PC NO. 202008002962
(MAICSA 7062284)]

Angelina Cheah Gaik Suan
[SSM PC NO. 202008002177
(MAICSA 7035272)]
(Appointed w.e.f. 23 February 2026)

AUDIT AND RISK MANAGEMENT COMMITTEE

Ang Hwui Tee
Chairperson

Wu, Chung-Jung
Member

Ng Swee Khee
Member

Cheah Ho Wee Hock
(Appointed w.e.f 9 May 2025)
Member

NOMINATING COMMITTEE

Khor Meow Ling
Chairperson

Ang Hwui Tee
Member

Wu, Chung-Jung
Member

REMUNERATION COMMITTEE

Ng Swee Khee
Chairman

Wu Chung-Jung
Member

Ang Hwui Tee
Member

AUDITORS

Messrs. Deloitte PLT
Chartered Accountants
Level 12A Hunza Tower
163E Jalan Kelawei
10250 Penang
Tel : 604-281 9541
Fax : 604-218 9278

REGISTERED OFFICE

Suite S-21-H, 21st Floor,
Menara Northam
55 Jalan Sultan Ahmad Shah
10050 George Town
Pulau Pinang
Tel : 604-210 7118
Fax : 604-210 7111
Email: TMFPg_cosec@tmf-group.com

SOLICITORS

Syarikat Ng & Anuar
No. 65-A, 2nd Floor,
Jalan Pengkalan
Taman Pekan Baru
08000 Sungai Petani
Kedah
Tel :604-421 1880
Fax :604-421 6535

PRINCIPAL BANKER

Malayan Banking Berhad
United Overseas Bank (Malaysia) Berhad

REGISTRAR

Securities Services (Holdings) Sdn. Bhd.
Level 7, Menara Milenium
Jalan Damanlela,
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur
Tel : 603-2084 9000
Fax: 603-2094 9940

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock Name : SCOMNET
Stock Code : 0001

CORPORATE STRUCTURE

as at December 2025

INFORMATION OF SUBSIDIARIES

Supercomnet Technologies BERHAD

Registration No. 199001005958 (197527-H)

100%

SUPERCOMAL ADVANCED CABLES SDN. BHD.

Date of Incorporation
10.10.1996

Principal Activities
The company is principally involved in the manufacture and assembly of fuel tanks, wires and cables

100%

SUPERCOMAL MEDICAL PRODUCTS SDN. BHD.

Date of Incorporation
23.09.2004

Principal Activities
The company is principally involved in manufacture of medical cables and devices

49%

SUPERCOMNET ASSETS SDN. BHD.

Date of Incorporation
15.08.2025

Principal Activities
The company is principally involved in investment holding and general trading.

PROFILE OF DIRECTORS

LIM CHUN THANG

Independent Non-Executive Chairman

Nationality	/	Malaysian
Gender	/	Male
Age	/	61

Mr. Lim Chun Thang was appointed to the Board as Chairman of the Company on 12 June 2024. He holds a Bachelor's Degree in Accounting and Finance (Honours) from the Middlesex University, London. Upon returning from London, he joined Arab-Malaysian Merchant Bank in 1995 and left in 1997 as a Corporate Finance Officer. Subsequently, he joined a few companies with his main scope of work in planning the success of their listings on Kuala Lumpur Stock Exchange (now known as Bursa Malaysia Securities Berhad).

Thenceforth, from 2002 to 2018, he was attached to a public listed company in Malaysia, as the Personal Assistant to the Group Chairman and Managing Director in assisting the Group Chairman and Managing Director mainly overseeing the Group's corporate planning related matters; investor relations by dealing with fund managers, institutional shareholders, the press and analyst; the Group's compliance with corporate governance and Listing Requirements. He had also participated in Board meetings and involved in various corporate exercises of the Group.

He also serves as the Non-Executive Chairman/Independent Non-Executive Director of JHM Consolidation Berhad, a company operating in a related industry. However, the nature of its products differs from those of the Group, and therefore, no conflict of interest arises.

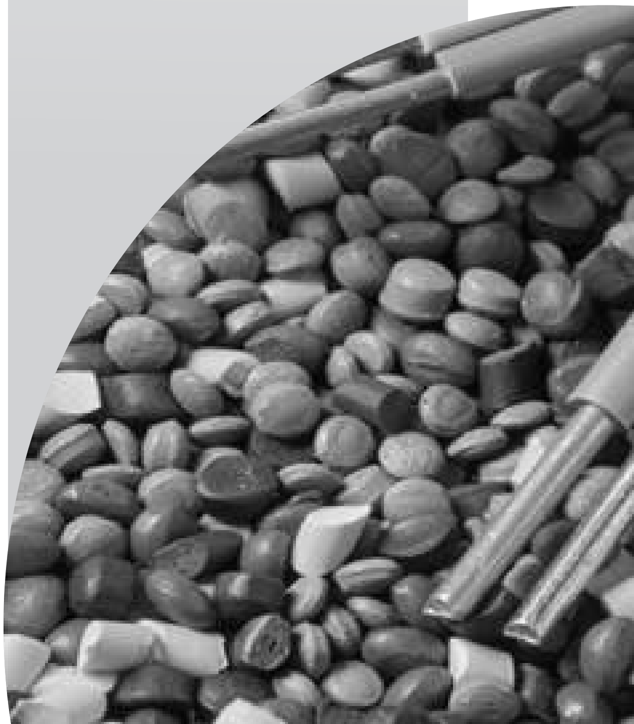
SHIUE, JONG-ZONE A.K.A JAMES SHIUE

Senior Executive Director

Nationality	/	Taiwanese
Gender	/	Male
Age	/	80

Mr. Shiue, Jong-Zone A.K.A James Shiue was appointed to the Board of Directors on 25 September 1991. He holds a Certificate in Industrial Engineering from Taipei Institute of Industry, which he received in 1969. He started his career as Marketing Planner at Matsushita Co. Ltd from 1969 to 1970. He then joined Sanyo Electrical Co. Ltd. from 1970 to 1983, his last post there being the Manufacturing Technical Chief. In 1983, he started his own company, King Royal Electrical Inc., a company involved in the wire harnessing, cable moulding assembly, manufacturing of SCSI control modules, and other electrical/electronic products. He joined Supercomal Wire & Cable Sdn. Bhd. in 1993 as the General Manager and served until 1995. Subsequently being the Managing Director and re-designated as Senior Executive Director of the Company on 23 December 2024.

He is the husband of Mdm. Wu, Huei-Chung, an Executive Director of the Company, and also the brother-in-law of Mr. Wu, Chung-Jung, a Non-Independent Non-Executive Director of the Company. He is also the father of Mr. Hsueh, Chih-Yu, the Group Managing Director, and Mr. Shiue, Jyh-Jeh @ Jerry, a Major Shareholder of the Company.



HSUEH, CHIH-YU

Group Managing Director

Mr. Hsueh, Chih-Yu was appointed as an Executive Director of the Company on 26 November 2013 and being appointed as the Group Managing Director of the Company on 23 December 2024. He joined King Royal Electrical Incorporation ("KREI") as Engineer in 1993. He participated in the whole design process of General Purpose Interfaces Bus Cable, IEEE-488 and also the SCSI Hard Disk Extension Box. After working 7 years with KREI, Mr. Hsueh continued his career advancement to Supercomal Advanced Cables Sdn. Bhd. ("SAC") as senior manager in 2001 where he led a team to design, test and produce internet wires like CAT-5, CAT -5E, CAT-6 and HDMI. He served SAC for 6 years and in 2008, he was given the golden opportunity to head the production department in Supercomal Medical Products Sdn. Bhd. producing medical wire for the usage of medical surgical equipment.

He is the son of Mr. Shiue, Jong-Zone A.K.A James Shiue, the Senior Executive Director of the Company and Mdm. Wu, Huei-Chung, an Executive Director of the Company. He is also the brother of Mr. Shiue, Jyh-Jeh @ Jerry, a Major Shareholder of the Company.

Nationality	/	Taiwanese
Gender	/	Male
Age	/	54

WU, HUEI-CHUNG

Executive Director

Mdm. Wu, Huei-Chung was appointed to the Board of Directors on 10 August 1998. She holds a Certificate in Chemistry from Cheah Yi District Vocational School, Taiwan. She worked in various factories in Taiwan as Chemist, Production Supervisor and Technician after graduating. She joined King Royal Electrical Inc. in 1984 as General Manager. She resigned from her post in King Royal Electrical in 1998 to become a Director of the Company. She currently sits on the Board of several other private limited companies in Taiwan.

She is the spouse of Mr. Shiue, Jong-Zone A.K.A James Shiue, the Senior Executive Director of the Company, and the sister of Mr. Wu, Chung- Jung, a Non-Independent Non-Executive Director of the Company. She is also the mother of Mr. Hsueh, Chih-Yu, the Group Managing Director, and Mr. Shiue, Jyh-Jeh @ Jerry, a Major Shareholder of the Company.

Nationality	/	Taiwanese
Gender	/	Female
Age	/	78

WU, CHUNG-JUNG

Non-Independent Non-Executive Director

Mr. Wu, Chung-Jung was re-appointed to the Board on 26 May 2006. He joined Royal Navy in 1969 after graduating from the Republic of China Navy Academy. In 1978, he left Royal Navy and joined King Royal Electrical Inc. until 1983 as a General Manager. He then joined Three Talents Co. Ltd as General Manager from 1983 to 1992. He held the same position in Ming Chau Construction Co. Ltd from 1992 to 1995 before being appointed as Chairman of Supercomal Wire and Cable Sdn. Bhd. from 1993 to 1995. He also sits in the Audit and Risk Management Committee, Nominating Committee and Remuneration Committee of the Company.

He is the brother–in–law of Mr. Shiue, Jong-Zone A.K.A James Shiue, the Senior Executive Director of the Company, and the brother of Mdm. Wu, Huei-Chung, an Executive Director of the Company.

Nationality	/	Taiwanese
Gender	/	Male
Age	/	81

LIM ENG CHUAN

Executive Director

Mr. Lim Eng Chuan was appointed to the Board of Directors on 1 December 2021. He holds a Bachelor of Economic (Hons) in Economic Development and Planning from National University of Malaysia. He started his career when he joined Teco Industry (M) Sdn. Bhd., an induction motors manufacturer in Penang, as a Quality Assurance Officer, where he was involved in the quality management activities. In 1997, he joined STB as a QA Manager, responsible for the quality management activities. He had been servicing our Group for over 26 years. During his 26 years with our Group, he held various key positions and handled a variety of responsibilities in the areas of research and development, sales and marketing, overall business development, implementation and review of quality management system for STB, SAC and SMP.

Nationality	/	Malaysian
Gender	/	Male
Age	/	59

ANG HWUI TEE

Independent Non-Executive Director

Nationality	/	Malaysian
Gender	/	Female
Age	/	52

Ms. Ang Hwui Tee was appointed to the Board of Directors on 1 December 2021. She holds a degree in Bachelor of Commerce, majoring in Accounting and Information Systems from Curtin University of Technology. She is a member of CPA Australia and the Malaysian Institute of Accountants.

Ms. Ang started her career in 1997 at Ernst & Young as an Auditor before moving into AmMerchant Bank Berhad in 2000 as a Senior Executive to oversee finance for eCenter, where she later also took on project management. In 2004, she was hired under Hewlett-Packard (M) Sdn. Bhd. as a Credit Support Analyst in the Credit and Collections APJ Program Management Office after which she moved into the Channel Sales Support Organization as the Global GBS Account Manager in 2010. Subsequent to that, she took up the Global Compliance Manager role in the Business Risk Management organisation in 2011. In 2013, she joined HSBC Bank Malaysia Berhad Risk Analysis Unit and took on the role of Associate Director, Head of Credit Analysis Unit for Global Banking and Markets the following year where she held position until 2019.

She is the Chairperson of the Audit and Risk Management Committee as well as the member of Nominating Committee and Remuneration Committee of the Company.

Ms. Ang is also an Independent Non-Executive Director of Oriental Interest Berhad.

KHOR MEOW LING

Independent Non-Executive Director

Nationality	/	Malaysian
Gender	/	Female
Age	/	57

Ms. Khor Meow Ling was appointed to the Board on 27 December 2023. She holds a Bachelor of Commerce degree, major in Accounts & Finance from the University of Melbourne, Australia and is a member of CA Australia and Malaysia Institute of Accountants.

In 1994, Ms. Khor started her career in the audit department of Ernst and Young ("E&Y"), an international public accounting firm. She left E&Y as an Audit Senior and joined Golden Frontier Berhad ("GFB") in 1997 as Group Accountant. She was subsequently promoted to the General Manager of the Corporate and Finance Division in 2000 before assuming an executive directorship of GFB in 2001. Ms. Khor was then promoted to the Group Managing Director of GFB Group of Companies in April 2011.

In GFB Group, Ms. Khor involves in the setting of the Group's strategies and corporate directions, which she is the key person executed on the disposal of the Group's Vietnam operations in 2011, privatisation of GFB from Bursa Main Board Market in 2012, expansion of the Group's packaging operations to central and southern regions of Malaysia. Ms. Khor also manages the cash flow and overseeing the day-to-day operations of the Group's activities.

Apart from the above, Ms. Khor is also a director of a consulting firm specialises in market analysis and business coaching since 2015 and she is also an Independent Non-Executive Director of MMS Ventures Berhad.

She is the Chairperson of the Nominating Committee of the Company.

NG SWEE KHEE

Independent Non-Executive Director

Nationality	/	Malaysian
Gender	/	Male
Age	/	38

Mr. Ng Swee Khee was appointed to the Board of Directors on 27 December 2023. He holds a degree in Bachelor of Law (LBB) from University of Adelaide, Australia.

In order to pursue his interest in legal field and practice in Malaysia, Mr. Ng attended the CLP course with ATC College in Kuala Lumpur and sat for the mandatory CLP exam in 2013 and pass the CLP exam in the same year. Mr. Ng was called to the Malaysian Bar in 2014 and started his practice in Syarikat Ng & Anuar. He covered all types of legal work which include Civil Litigations [contract disputes, debt collection, bankruptcy proceedings, winding up proceedings, family disputes] & Conveyancing practice [all types of tenancies & lease, Corporate Financing, Islamic Financing, Sale and Purchase of Properties, Sale and Purchase of Leases (PKNK)].

He is the Chairman of the Remuneration Committee of the Company as well as member of Audit and Risk Management Committee.

CHEAH HO WEE HOCK

Independent Non-Executive Director

Nationality	/	Malaysian
Gender	/	Male
Age	/	68

Mr. Cheah Ho Wee Hock was appointed to the Board of Directors on 23 December 2024. He holds a Master's in Business Administration from Universiti Kebangsaan Malaysia and a Bachelor's Degree in Computer Science from Universiti Sains Malaysia.

Mr. Cheah Ho held senior management roles in two public listed companies as an Internal Audit Manager, reporting to the Audit Committee and Chairman, and as an HR and Administration Manager, reporting to the Executive Director. He served in senior management positions at an international petroleum engineers' society as HR and Accounting Manager and Senior Business Services Manager, reporting to the Managing Director. He was appointed as a Director of a Sdn. Bhd., which was incorporated locally to manage the Asia Pacific operations of an international petroleum engineers' society.

He also sits in the Audit and Risk Management Committee of the Company.

ADDITIONAL INFORMATION ON DIRECTORS:-

(i) Directorship in Public Companies and Listed Issuers

Save for Ms. Ang Hwui Tee, Ms. Khor Meow Ling and Mr. Lim Chun Thang, all Directors of the Company do not have other directorship in public companies and listed issuers.

(ii) Family Relationships with any Director and/or Major Shareholder

Save for Mr. Shiue, Jong-Zone A.K.A James Shiue (Senior Executive Director and Major Shareholder), Mdm. Wu, Huei-Chung (Executive Director), Mr. Hsueh, Chih-Yu (Group Managing Director) and Mr. Wu, Chung-Jung (Non-Independent Non-Executive Director) as mentioned above, none of the Directors has family relationship with any other Director and/or major shareholder of the Company.

(iii) Directors' Shareholdings

Details of the Directors' shareholdings in the Company are provided in the Analysis of Shareholdings Section, page 202 of this Annual Report.

ADDITIONAL INFORMATION ON DIRECTORS (CONT'D)

(iv) Conflict of Interest

All Directors of the Company do not have any conflict of interest with the Company.

(v) Non-Conviction of Offences / Public sanction or penalty

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

(vi) Details of Directors' remuneration for the FY2025 are as follows:

I. Aggregate remuneration of the Directors categorised into appropriate components:

The Company

	Fees (RM)	Salaries (RM)	Bonus & Other Emoluments (RM)	Meeting, travelling and other allowances (RM)
Shiue, Jong-Zone A.K.A James Shiue	54,000	447,600	84,493	-
Wu, Huei-Chung	54,000	285,600	56,600	-
Hsueh, Chih-Yu	54,000	168,000	87,120	12,000
Lim Eng Chuan	54,000	380,000	184,513	12,000
Wu, Chung-Jung	54,000	-	9,000	3,000
Ang Hwui Tee	54,000	-	5,000	12,000
Ng Swee Khee	54,000	-	4,500	6,000
Khor Meow Ling	54,000	-	4,500	6,000
Lim Chun Thang	54,000	-	10,000	12,000
Cheah Ho Wee Hock	54,000	-	4,500	6,000

The Subsidiaries

	Fees (RM)	Salaries (RM)	Bonus & Other Emoluments (RM)	Meeting, travelling and other allowances (RM)
Shiue, Jong-Zone A.K.A. James Shiue	108,000	-	508,000	-
Wu, Huei-Chung	108,000	534,000	107,893	-
Hsueh, Chih-Yu	96,000	655,480	383,890	36,000
Lim Eng Chuan	96,000	144,000	96,865	24,000
Wu, Chung-Jung	60,000	-	10,000	-

PROFILE OF KEY SENIOR MANAGEMENT

TAN YEN CHAI

Nationality	/	Malaysian
Gender	/	Male
Age	/	52

Mr. Tan Yen Chai graduated with a degree in Bachelor of Mechanical Engineering from Sheffield Hallam University, United Kingdom in 1997. He also completed his Certificate in Quality Engineering and Management (CQE) in December 2009.

He had over 19 years of working experience with several multinational companies in Malaysia. He worked 3 years as a R&D Engineer & Mechanical Group Leader with Sharp-Roxy Corporation (Malaysia) Sdn. Bhd., served 3 years as a Senior R&D Engineer with 3M Robinson Nugent Interconnect (Malaysia) Sdn. Bhd. and served as a New Products Introduction Section Manager with Amphenol Malaysia Sdn. Bhd. for 13 years.

He joined SMP as the Process Superintendent cum Head of our Process Engineering Department in 2016. He was involved in the establishment of our Process Engineering Department for our new projects, such as Process Development and Process Validation activity for medical products.

LIM CHEE HU

Nationality	/	Malaysian
Gender	/	Male
Age	/	63

Mr. Lim Chee Hu graduated with a degree in Bachelor of Mechanical Engineering from University Technology of Malaysia in 1987. In 2001, he worked with Sharp Roxy Malaysia under the Sharp audio system division as a R&D Manager. In year 2004, he joined Luster Industries Berhad under its manufacturing division to design and development, and production of moulds for Sony audio products. In 2019, he joined an EMS company as Business Development Manager, which is supporting Dyson's range of products, computime which is mainly related to SMT & PCBA related business.

He has 16 years experience in the research and development in the electronics and manufacturing industries. He also worked as production engineer and superintendent for 10 years in automotive, die casting, metal forming and machining industries. He also possessed 6 years of experience in ISO system for Environmental and Safety Management System, experience in Security management, building and facilities maintenance.

He joined SMP on 16 August 2021 as a R&D Manager to drive all new projects development related tasks which involved technological research on methodology, compliance and materials, parts design, tooling and mould construction, prototyping, functional and reliability tests on the development of medical products and devices.

TAY QIU JIE

Nationality	/	Malaysian
Gender	/	Male
Age	/	33

Mr. Tay Qiu Jie holds a Bachelor of Accounting (Information Systems) (Hons) in University Utara Malaysia. He is a member of Malaysian Institute of Accountants and The Malaysian Institute of Certified Public Accountants.

Prior to joining STB, he was employed by BDO PLT in 2017 and his last position held with the firm was Audit Assistant Manager. He joined STB on 8 November 2021 as a Finance Manager where he is responsible for our Group's overall accounting and finance matters.

On 1 July 2025, he was promoted to Senior Finance Manager and currently holds his position.

PROFILE OF KEY SENIOR MANAGEMENT

LIM GENGXIAN

Nationality	/	Malaysian
Gender	/	Male
Age	/	30

Mr. Lim Gengxian graduated with a Bachelor's degree in Civil and Construction Engineering from Curtin University, Australia, in 2019, as well as hold a Master of Engineering in Civil Engineering from the University of Sydney, Australia, in 2021. He is presently pursuing a Master of Business Administration (MBA) at the International University of Malaya-Wales (IUMW) with completion anticipated in mid-2026.

Mr. Lim offers substantial expertise in international project management experience and possesses comprehensive knowledge of the Group's manufacturing ecosystem. His career commenced at SMP in 2016 as a Production Trainee, followed by his role as Assistant Engineer Trainee in 2017, where he contributed to the development of new medical cables for prominent clients.

Prior to his current position, Mr. Lim honed his management expertise in Australia's engineering and construction industry. Between 2021 to 2024, he served in progressively senior roles at Vertec Contracting in Sydney, ultimately serving as Senior Project Manager. In his capacity, he managed capital works projects, overseeing end-to-end project delivery, contract negotiations, commercial budgeting, and stakeholder management. His earlier experience includes as a Construction Project Engineer with Country Garden Group, overseeing large-scale residential development projects in 2018.

On 17 February 2025, Mr. Lim was appointed as a Director of Operations at Scomnet Group. He is responsible for overseeing the Research & Development (R&D), Process Engineering, Production Engineering, and Quality Assurance (QA) & Quality Control (QC) departments. He leads strategic initiatives aimed at enhancing operational efficiency, fostering process innovation, and promoting continuous improvement in medical device manufacturing.

He is the son of Mr. Lim Eng Chuan, the Executive Director of the Company.

ADDITIONAL INFORMATION ON KEY SENIOR MANAGEMENT:-

(i) Directorship in Public Companies and Listed Issuers

None of the Key Senior Management sit on the Board of any public companies and listed issuers.

(ii) Family Relationships with any Director and/or Major Shareholder

Save for Mr. Lim Gengxian is the son of Mr. Lim Eng Chuan, the Executive Director as mentioned above, none of the Key Senior Management has family relationship with any Director and/or Major Shareholder of the Company.

(iii) Conflict of Interest

All the Key Senior Management of the Company do not have any conflict of interest with the Company.

(iv) Non-Conviction of Offences/Public sanction or penalty

None of the Key Senior Management has been convicted of any offences, other than traffic offences (if applicable) within the past five (5) years and no public sanction or penalty imposed by the relevant regulatory bodies to the Key Senior Management during the financial year.

CHAIRMAN'S STATEMENT

"

Our Valued Shareholders,

On behalf of the Board of Directors, I am pleased to present the Annual Report and Audited Financial Statements of Supercomnet Technologies Berhad ("**STB**" or the "**Group**") for the financial year ended 31 December 2025. During the year under review, the Group continued to make steady progress in strengthening its operational capabilities and advancing its strategic objective of moving up the value chain, amidst a challenging and highly competitive operating environment.

Our diversified presence across the medical, automotive and industrial segments remained a key source of resilience. Notably, sustained demand from the medical segment continued to underpin the Group's performance, reflecting the strength of our specialised capabilities and reaffirming management's focus on higher-value, technologically advanced products. Looking ahead, the Board is encouraged by the progress achieved and remains confident that the Group's ongoing strategic initiatives will further enhance its competitive positioning and support the delivery of sustainable long-term value for our shareholders.

"

A Year of Resilience and Discipline

The financial year 2025 was marked by a highly challenging and volatile global operating environment, shaped by geopolitical developments, evolving trade dynamics, and heightened economic uncertainty. The introduction of reciprocal tariff measures by the United States, alongside broader global trade tensions, continued to weigh on business sentiment and demand visibility.

Against this backdrop, the Group demonstrated resilience by maintaining stable operations, despite customers adopting a more cautious and risk-managed approach to procurement and inventory planning. At the same time, the domestic operating landscape presented additional challenges, including rising regulatory and cost pressures. These encompassed the implementation of higher minimum wages, mandatory Employees Provident Fund contributions for foreign workers, the expansion and revision of the Sales and Services Tax framework, rationalisation of diesel subsidies, as well as continued inflationary pressures across key cost components. Currency fluctuations, particularly the weakening of the U.S. Dollar against the Malaysian Ringgit, also affected revenue translation and margins during the year.

From a segmental perspective, the medical segment remained the Group's core contributor, supported by ongoing demand and the introduction of new products such as Smart Cables. Nevertheless, reported performance was affected by currency headwinds. The industrial segment experienced softer demand conditions, while the automotive segment continued to face subdued order flows throughout the year.

Notwithstanding these challenges, the Group's continued focus on operational discipline and strategic execution enabled it to navigate the year with stability. In recognition of its international presence and capabilities, the Group was honoured with the Outstanding Taiwanese SMEs (Overseas) Award 2025 by the relevant authorities in Taiwan, reflecting its commitment to excellence beyond domestic borders.

Key Financial Highlights

For the financial year ended 31 December 2025, the Group recorded revenue of RM141.8 million, representing a decline of 5.4% compared to the preceding year. This was primarily attributable to lower contributions from the industrial segment, as well as the impact of the weaker U.S. Dollar on the translation of export-denominated revenue, particularly within the medical segment.

Despite the modest decline in reported revenue, the underlying fundamentals of the Group's core medical segment remained intact, with demand continuing to demonstrate resilience. The Board views this as a positive indicator of the Group's positioning in higher-value and specialised product segments.

Export markets continued to form an important component of the Group's revenue base, contributing approximately 51.9% of total revenue during the year (FY2024: 47.7%). This underscores the Group's continued exposure to international markets, while also highlighting its sensitivity to global economic conditions and currency movements.

Market Snapshot

The global economic landscape in 2025 and into 2026 continues to be characterised by moderating growth, evolving trade dynamics, and heightened geopolitical uncertainty. According to the International Monetary Fund, global growth is projected to remain subdued at approximately 3.1% in 2026, reflecting softer trade expansion, persistent inflationary pressures, and the impact of ongoing geopolitical tensions.

In particular, escalating geopolitical developments, including conflicts in key energy-producing regions and the introduction of trade protectionist measures, have contributed to increased volatility in energy prices, currency markets, and global supply chains. These developments continue to weigh on business confidence and investment decisions, especially across export-oriented industries.

Within Asia, growth is expected to moderate as economies contend with external headwinds and potential energy supply disruptions. The region remains particularly sensitive to such shocks due to its reliance on imported energy and strong integration within global supply chains. Against this backdrop, Malaysia's economy has demonstrated resilience, supported by steady domestic demand, investment activity, and a diversified export base. The Bank Negara Malaysia and the International Monetary Fund project the country's economic growth to remain within the range of approximately 4.0% to 5.0% in 2026, following a stronger expansion of about 5.2% in 2025.

Nevertheless, as a highly open economy, Malaysia remains exposed to external risks. Key uncertainties include the potential escalation of geopolitical tensions, further shifts in global trade policies, volatility in foreign exchange markets, and fluctuations in commodity and energy prices. These factors may, in turn, impact supply chain stability, input costs, and overall demand conditions.

In light of these developments, the Board and Management continue to closely monitor the evolving macroeconomic landscape and associated risks. The Group remains focused on maintaining operational resilience, enhancing supply chain flexibility, and strengthening its positioning in higher-value segments to navigate uncertainties and capture emerging opportunities.

Source:

1. *International Monetary Fund, World Economic Outlook, April 2026: https://www.imf.org/en/Publications/WEO/Issues/2026/04/14/world-economic-outlook-april-2026*

2. *Asian Development Bank, Asian Development Outlook 2026: https://www.adb.org/publications/asian-development-outlook-april-2026*

3. *Bank Negara Malaysia, Economic and Monetary Review 2025: https://www.bnm.gov.my/publications-and-research/reports/annual-report/economic-and-monetary-review-2025*

Advancing Our Strategic Priorities

During the financial year, the Group continued to make meaningful progress in executing its strategic priorities, with a focus on strengthening its operational capabilities, enhancing its asset base, and reinforcing its position in higher-value segments.

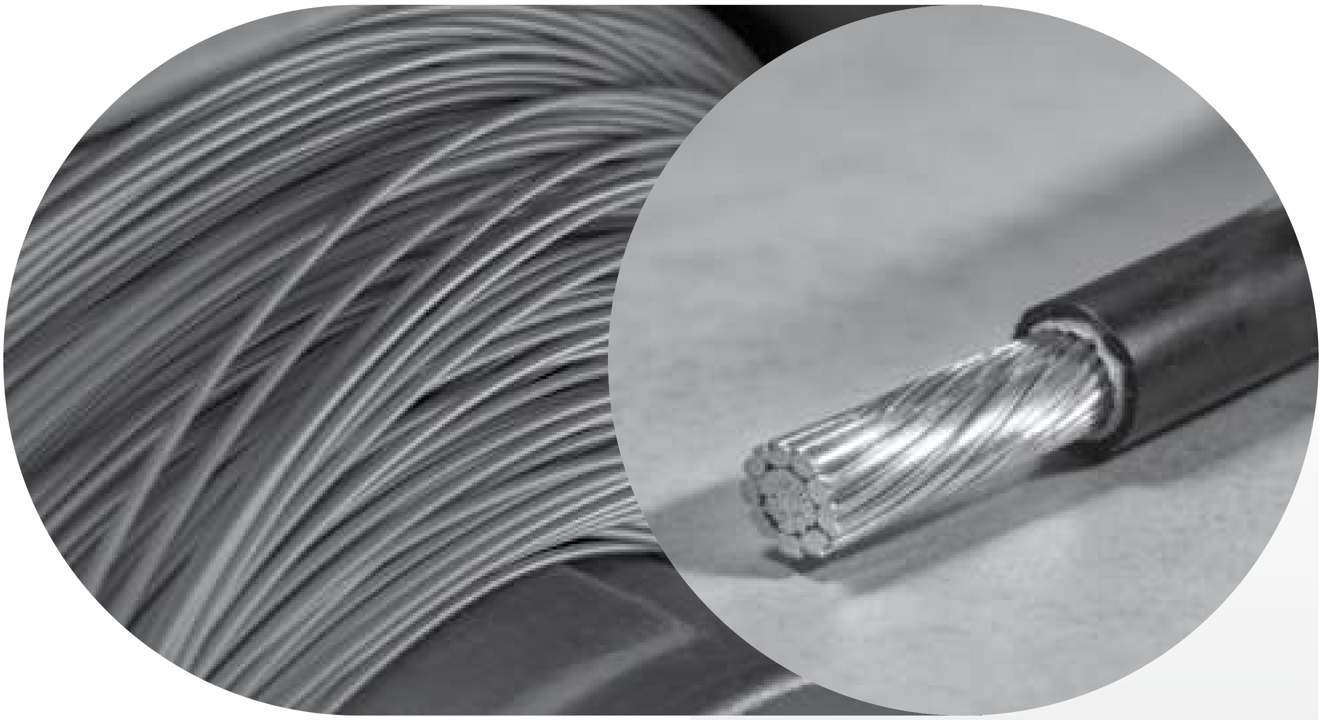
A key development during the year was the acquisition of a 49% equity interest in Supercomnet Assets Sdn. Bhd., which owns industrial land with factory buildings that are currently leased to a third party under a two-year tenancy arrangement. The acquisition provides flexibility for future operational use, supporting the Group's longer-term production expansion plans.

In line with its strategy to move up the value chain, the Group also invested in a new extrusion machine during the year. This investment enhances its advanced cable manufacturing capabilities, particularly in the production of high-performance medical-grade cables with superior thermal stability, chemical resistance, and durability. The medical segment will remain a key strategic focus, underpinned by its resilience and growth potential.

Looking ahead, the Group remains committed to strengthening its capacity and capabilities to support future growth. Plans are underway to expand production with a greater emphasis on automation, aimed at improving operational efficiency, consistency, and cost competitiveness. At the same time, the Group continues to explore strategic investment, merger, and acquisition opportunities that align with its long-term objectives. These initiatives are expected to enhance capacity readiness, support entry into new product categories, and further diversify the Group's product portfolio, while unlocking potential synergies across its operations. Collectively, these efforts are intended to reinforce the Group's ability to respond to evolving customer requirements, scale its operations effectively, and sustain its competitive positioning in the years ahead.

Strengthening Sustainability

The Group continues to strengthen its sustainability practices in line with evolving regulatory expectations and stakeholder priorities. During the year, the Group progressed in its transition towards the adoption of IFRS S1 and IFRS S2, enhancing the transparency and robustness of its sustainability-related disclosures. In addition, the Group has expanded its solar energy initiative with the implementation of Phase 2 of its solar power installation, following the successful completion of Phase 1 in 2022. Phase 2 is scheduled for completion in the first quarter of 2026 and is expected to further reduce the Group's environmental footprint while contributing to long-term energy cost efficiencies.



Our Milestone Forward

Looking ahead, the Group will continue to focus on strengthening its core competencies through ongoing investment in research and development, as well as continuous improvements in product quality and manufacturing capabilities. Efforts to expand the Group's product offerings and further diversify its customer base remain key priorities, particularly within higher-value and specialised segments. These initiatives are expected to enhance the Group's resilience and position it to capture emerging opportunities in an evolving market landscape. While the operating environment is expected to remain challenging, the Board is encouraged by the Group's underlying fundamentals and strategic direction. Barring unforeseen circumstances, the Group is well-positioned to deliver resilient and satisfactory performance over the near to medium term.

Acknowledgements

On behalf of the Board, I would like to extend our sincere appreciation to our customers, suppliers, and government authorities for their continued support and partnership. I also wish to express my gratitude to our employees for their dedication, professionalism, and contributions throughout the year. Their commitment remains integral to the Group's continued progress and success. My fellow Board members deserve special recognition for their invaluable guidance, insights, and steadfast collaboration. Finally, I would like to thank our shareholders for their continued trust and confidence in the Board and Management. We remain committed to delivering sustainable value and growth in the years ahead.

Thank you.

Lim Chun Thang
Chairman
29 April 2026

The financial year under review was challenging for the Group, testing its resilience across key markets. With Supercomnet Technologies Berhad's three decades of operational experience, it was able to withstand these pressures successfully.

Amidst uncertainties faced by the Group, it remained focused on maintaining operational agility, strengthening its capabilities, and capitalising on emerging new market opportunities. The Group continued to place emphasis on higher-value medical segment offerings to enhance its earnings profile and to sustain its long-term growth.

GROUP INSIGHTS

Supercomnet Technologies Berhad ("STB") and its subsidiaries (collectively known as the "Group") is principally involved in the manufacturing of cables, wires and devices, serving the medical, automotive and industrial sectors. The Group also undertakes PVC compounding and the production of automotive fuel tank.

Incorporated on 10 May 1990, STB began operations in August 1991 under its former name, Supercomal Wires and Cables Sdn. Bhd. It subsequently underwent several corporate transformations, including its conversion into a public company on 1 August 1998 and eventual rebranding to Supercomnet Technologies Berhad on 1 July 2009. The Group was listed on the ACE Market of Bursa Malaysia Securities Berhad on 30 April 1999, and subsequently transferred to the Main Market on 21 August 2023.

Our Core Pillars

The Group operates through three (3) key subsidiaries:

Supercomal Medical Products Sdn. Bhd. ("SMP")	Focused on the manufacture of medical-grade cables and devices, forming the cornerstone of the Group's higher-margin medical segment.
Supercomal Advance Cables Sdn. Bhd. ("SAC")	Engaged in the manufacture and assembly of wires, cables and automotive-related components serving automotive segment.
Supercomnet Assets Sdn. Bhd. ("SASB")	Involved in investment holding and property-related activities.

The Group's full acquisition of SMP in 2018 marked a strategic milestone, enabling tighter integration across its value chain, enhancing productivity, and strengthening its long-term earnings base through deeper participation in the medical device ecosystem.

GROUP INSIGHTS (CONT'D)

Global Certificationsand Standards

The Group's ability to secure and sustain long-term relationships with multinational customers is underpinned by its strict adherence to internationally recognised quality, safety and environmental standards. These certifications are not merely compliance requirements, but serve as critical enablers for market access, customer qualification and product reliability assurance across its key operating segments. Key certifications held by the Group include:

U.S. Food and Drug Administration ("FDA") Compliance with FDA requirements is essential for participation in the North American medical device supply chain. The Group's compliance with these requirements demonstrates its adherence to stringent regulatory standards for safety and performance, thereby enabling it to supply to customers serving the U.S. healthcare market.	**Sony Corporation Green Partner Certification** This certification affirms the Group's adherence to environmental quality standards, particularly in the management of hazardous substances within its manufacturing processes.	**International Organization for Standardization ISO 9001:2015 Certification** Held since 2008, this certification reflects the Group's implementation of a robust quality management system across the manufacturing of wires, cables, wire harnesses and cable assemblies.
UL Solutions Certification UL certification verifies that the Group's products meet recognised safety standards, particularly for electrical components used in various applications.	**Japan Quality Assurance Organization F-Mark Certification** The JQA F-Mark signifies compliance with Japanese safety and quality standards, which are widely recognised across global industries.	**International Automotive Task Force IATF 16949:2016** Certification (held by SAC) This certification sets out stringent quality management requirements specific to the automotive sector, focusing on defect prevention and continuous improvement.

Collectively, these certifications position the Group as a qualified, reliable and globally compliant manufacturing partner, enabling it to participate in high-specification, regulated industries such as medical devices and automotive components. More importantly, they form a critical foundation for the Group's ongoing strategy to move up the value chain into higher-margin, technically demanding applications.

OPERATING LANDSCAPE REVIEW

The global operating environment in FY2025 was turbulent, with inflationationary, geopolitical tensions, currency volatility and cautious capital spending across key markets. While regional growth prospects were supported by domestic demand and trade normalisation; as highlighted by the Asian Development Bank, industrial activity and export-oriented sectors continued to experience inconsistencies during the year.

Within the Group's core operating segments, performance differed between each segment. The medical device segment remained strong, underpinned by consistent healthcare demand, ongoing technological advancement in diagnostic and monitoring equipment, and long-term demographic changes such as ageing populations and rising healthcare expenditure. This demand continues to support consistent order that offers higher margin potential.

In contrast, the industrial and automotive segments were more cautious procurement approach amidst uncertainties in the business environment. This translated into lesser orders volume, particularly in the latter part of the financial year. Against this backdrop, the Group adopted several measures to mitigate the uncertainties:

- Foreign exchange exposure: Managed the holding of US Dollar to mitigate the weakening of the U.S. Dollar against the Malaysian Ringgit, particularly for the medical segment where a significant portion of billings are USD-denominated.
- Cost pressures from labour: Accelerated the Group's focus on automation and process optimisation to reduce the the cost impact from the upward revision in Malaysia's minimum wage and mandatory EPF contribution for foreign workers which resulted in higher labour costs.
- Customer-specific demand adjustments: Varied the order specifications to meet the demand of customers from the industrial and automotive segments.

Overall, the differences in demands from the healthcare and industrial segments will continue to impact the Group's performance in its revenue mix, margins and capacity utilisation across its business segments.

BUSINESS OVERVIEW

Group Financial Performance

Revenue

	FY2023	FY2024	FY2025
Revenue Generated (RM'000)	138,120	149,868	**141,801**
Gross Profit (RM'000)	44,774	48,113	**45,335**
Gross Profit Margin (%)	32.4	32.1	**32.0**
Profit Before Tax (RM'000)	37,224	40,703	**32,325**
Profit After Tax (RM'000)	29,050	31,092	**24,178**
Earnings Per Share (Sen)	3.74	3.71	**2.80**

BUSINESS OVERVIEW (CONT'D)

Group Financial Performance (Cont'd)

Revenue (Cont'd)

For FY2025, the Group recorded revenue of RM141.8 million, representing a 5% decline from the preceding year. The decrease was primarily attributable to softer demand from the industrial and automotive segments, coupled with weakening of the U.S. Dollar against the Malaysian Ringgit. Despite the marginal 1% decline in the medical segment, underlying demand remained resilient, reinforcing its role as the Group's core earnings pillar.

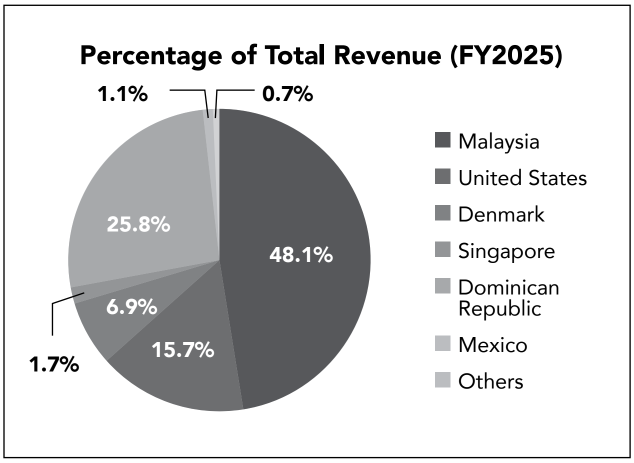
Cost of sales amounted to RM96.5 million, broadly in line with the lower revenue base. However, overall cost efficiency was affected by higher labour expenses following the implementation of increased minimum wage requirements and mandatory EPF contribution for foreign workers. As a result, gross profit decreased by 6% to RM45.3 million, with gross profit margin at 32.0% (FY2024: 32.1%).

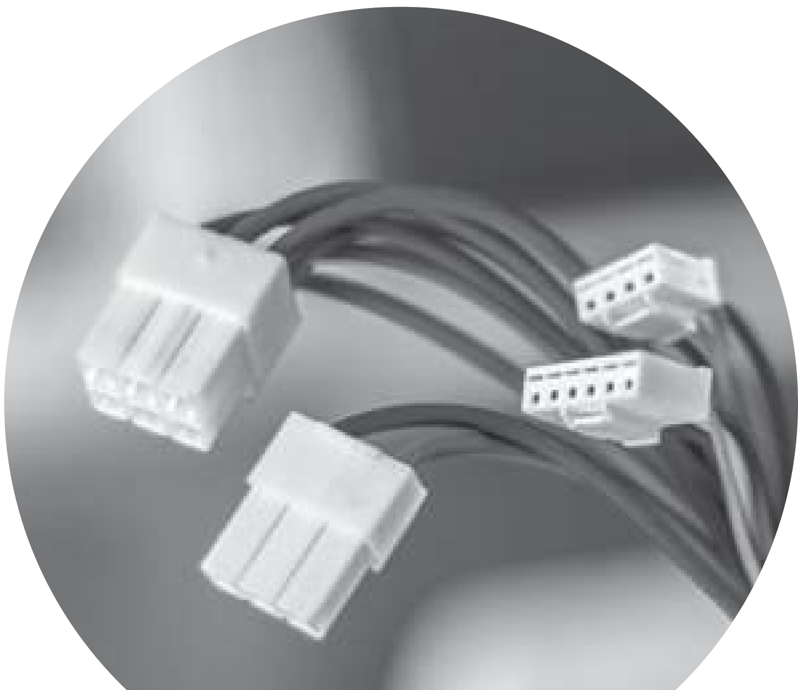
Operating and other expenses increased during the year, mainly due to higher employee-related benefits and distribution costs. In addition, the Group recognised a one-off impairment of approximately RM2.0 million in the automotive segment in view of the softer demand as we witness transformations in the highly competitive industry. Consequently, profit before tax decreased by 21%, while profit after tax declined by 22%, with earnings per share recorded at 2.80 sen.

Revenue by Geographical Market

Country	FY2025 RM
Malaysia	**68,207,868**
Dominican Republic	**36,610,360**
United States	**22,312,732**
Denmark	**9,748,408**
Singapore	**2,437,511**
Mexico	**1,504,950**
Others	**979,033**

Malaysia remained the Group's largest market, contributing 48.1% of total revenue in FY2025 (FY2024: 52.3%). The lower contribution was primarily attributable to reduced revenue from the industrial segment, in line more cautious customer orderings patterns during the year. The Dominican Republic and the United States continued to represent the second and third largest markets, accounting Notably, revenue contribution from the United States increased during the year, driven by the full year delivery of smart cables. Overall, the Group's geographical revenue mix remains well diversified, with export markets, particularly in Western regions, continuing to support performance and reinforcing the Group's strategic focus on expanding its presence in higher-margin, export-oriented market.





BUSINESS OVERVIEW (CONT'D)

Group Financial Performance (Cont'd)

Assets and Liabilities

	FY 2023	FY 2024	FY 2025
Total Assets (RM'000)	388,846	445,858	**443,528**
Total Liabilities (RM'000)	26,516	25,215	**18,893**
Total Equity Attributable to the Owners of the Company (RM'000)	362,330	420,643	**424,625**
Net Assets Per Share (RM)	0.46	0.49	**0.50**

Total assets decreased marginally by 0.5% to RM443.5 million, mainly attributable to changes in working capital components. Total liabilities decreased to RM18.9 million, reflecting lower financial obligations. Total equity attributable to the owners of the Company rose by 0.9% to RM424.6 million, driven by profit accumulation during the year. Net assets per share correspondingly improved to RM0.50 (FY2024: RM0.49).

Liquidity and Capital Resources

	FY2023	FY2024	FY2025
Operating Activities (RM'000)	23,717	20,527	**36,007**
Investing Activities (RM'000)	(33,409)	(41,078)	**(27,353)**
Financing Activities (RM'000)	4,461	27,280	**(20,962)**
Net Cash Flows (RM'000)	(5,231)	6,729	**(12,308)**

The Group recorded a 75% increase in operating cash flows, rising from RM20.5 million to RM36.0 million, reflecting improved working capital management. Net cash used in investing activities amounted to RM27.4 million, primarily due to acquisition of investment properties (RM14.7 million), capital expenditure on property, plant and equipment and investment in money market funds.

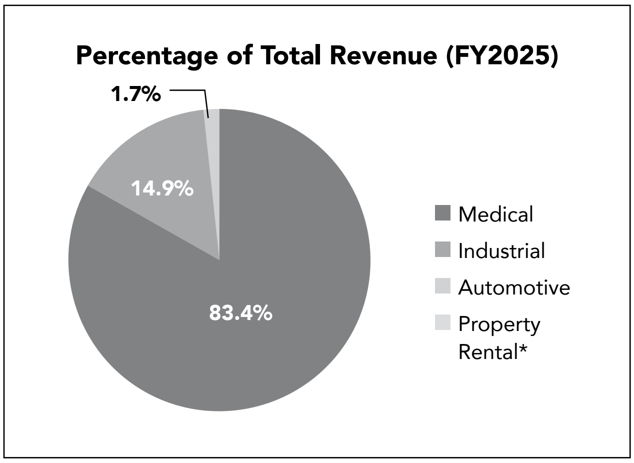
Financing activities resulted in a net cash outflow of RM21.0 million, mainly for dividend payments and treasury share purchases. Despite these outflows, the Group maintained a healthy liquidity position, supported by strong operating cash generation and available banking facilities. Cash and cash equivalents stood at RM15.6 million, alongside placements in money market funds totalling approximately RM213.7 million, reflecting prudent capital management and sufficient funding capacity for future expansion and R&D activities.

BUSINESS OVERVIEW (CONT'D)

Segmental Performance

Revenue

Business Segments	FY2023	FY2024	FY2025
Medical (RM'000)	97,719	119,544	**118,224**
Industrial (RM'000)	27,531	26,444	**21,187**
Automotive (RM'000)	12,870	3,880	**2,335**
Property Rental (RM'000)	-	-	**55**



Note: * (negligible)

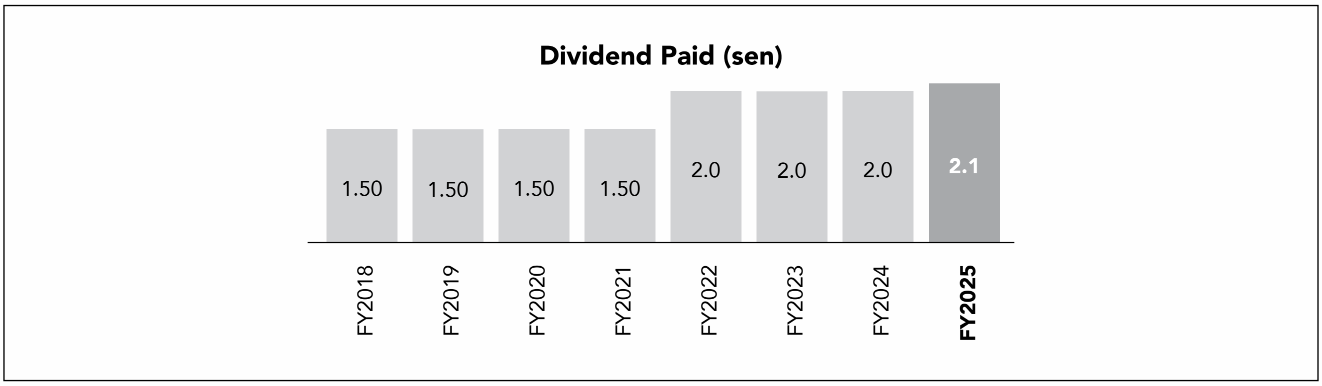
The medical manufacturing segment remained the dominant contributor, accounting for approximately 83.4% of total Group revenue, supported by sustained demand for medical-grade cables and devices and reinforcing its position as the Group's primary earnings driver. The industrial segment contributed 14.9%, reflecting a decline in customer orders during the year. The automotive segment accounted for 1.7%, remaining relatively modest amid softer demand.

Contribution from the investment holding and property rental segment was negligible, with no material impact on overall Group performance during the financial year. Overall, the Group's revenue composition continues to be increasingly concentrated in the higher-margin medical segment, in line with its strategic direction.

DIVIDEND

In line with its commitment to delivering consistent shareholder returns, the Group declared and paid an interim single-tier dividend of 1.1 sen per ordinary share, amounting to approximately RM9.4 million during the financial year. The Board has also proposed a final single-tier dividend of 1.0 sen per ordinary share in respect of FY2025, subject to shareholders' approval at the forthcoming Annual General Meeting. Total dividends declared for FY2025 are estimated at RM17.9 million, representing a payout ratio of approximately 74.0%. As illustrated in the chart, the Group has maintained a consistent dividend track record over the years, with payout levels exceeding 50% of its net profit. This reflects management's commitment to balancing shareholder returns with reinvestment needs.

DIVIDEND (CONT'D)



STRATEGIC EXECUTION AND VALUE CREATION

Synergistic Acquisition

During the financial year, the Group acquired a 49% equity interest in Supercomnet Assets Sdn. Bhd. ("SASB") for RM49,000, marking a strategic step in broadening its asset management and capital utilisation. The transaction provides flexibility for the Group to support expansion and optimise its utilisation over time.

The Group completed the acquisition of an industrial property in Sungai Petani for RM14.7 million in November 2025 via SASB. The asset, which is currently income-generating through an existing lease, is intended to be repurposed into a dedicated facility to support the Group's expanding medical manufacturing operations upon lease expiry.

This approach reflects a dual-yield capital strategy, balancing near-term income generation with medium-term operational scalability, while ensuring that expansion is anchored on owned strategic assets rather than leased facilities.

Capacity Optimisation and Capability Uplift

The Group continued to advance its transition towards an integrated, end-to-end medical device manufacturing model, with a clear emphasis on scaling higher-value and specification driven production capabilities. During the financial year, management undertook deliberate measures to optimise capacity utilisation and improve overall production efficiency, aligning operational resources with its strategic focus on the medical segment.

Capacity utilisation within the medical segment remained robust at 70% to 90%, supporting efficient absorption of fixed costs and reinforcing its role as the Group's primary earnings driver. In comparison, utilisation in the industrial and automotive segments remained lower at approximately 50% and 5%, respectively. This disparity provided opportunities to allocate resources to targeted segments that contribute to stronger margin and growth potential.

In response, the Group has prioritised the following operational initiatives:

- Production reallocation towards higher-margin medical products
- Process optimisation and automation to mitigate rising labour costs
- Selective capacity expansion aligned with confirmed customer demand pipelines

STRATEGIC EXECUTION AND VALUE CREATION (CONT'D)

Product Innovation and Market Positioning

The Group continued to deepen its participation in the medical value chain through product expansion, co-development initiatives and technological integration. Core product lines such as disposable pressure transducer, electrocardiogram (ECG) and endoscopy video cables remained key contributors during the year, supported by stable demand and ongoing customer engagement. In parallel, the Group continues to partner with its stakeholders in efforts of research and development to broaden the Group's dedicated market within the diagnostic and monitoring applications, particularly in neurological care.

The rollout of AI-enabled smart cables since December 2024 further underscores the Group's shift towards differentiated, technology-driven offerings. Production capacity has since increased steadily to support increased output and reinforcing customer integration. These initiatives are planned strategies to enhance product complexity, strengthen pricing power and improve margin resilience, rather than competing purely on volume.

ADVANCING SUSTAINABILITY

The Group continues to adopt sustainability into its operational and organisational framework, with a focus on resource efficiency, workforce capability and governance discipline, while aligning its practices with global sustainability standards.

During the financial year, the Group made measured progress in strengthening its sustainability reporting foundation, including initiatives towards adopting IFRS S1 and IFRS S2 standards, enhancing the transparency and consistency of its sustainability-related disclosures. This reflects the Group's commitment to aligning with internationally recognised frameworks and improving the quality of decision-useful information for stakeholders.

On the environmental front, the Group continues to advance its energy transition efforts. Following the successful implementation of Phase 1 of its solar power installation in 2022, the Group has commenced Phase 2 expansion during the financial year. This was subsequently completed in the first quarter of 2026. This initiative is expected to further reduce relaiance on conventional energy sources, improve energy cost efficiency and lower the Group's overall carbon footprint.

Operationally, key sustainability priorities during the year included:

- **Energy efficiency initiatives,** aimed at reducing operating intensity and supporting cost optimisation
- **Workforce development,** through structured training programmes and capability enhancement initiatives to support increasingly technical production requirements
- **Performance alignment,** via incentive structures designed to drive productivity and accountability
- **Governance strengthening,** ensuring compliance with regulatory expectations and reinforcing stakeholder confidence

These initiatives support the Group's broader objective of building an organisation capable of sustaining its transition towards higher-value, technology-driven manufacturing segments. Further details of the Group's sustainability approach, initiatives and performance are set out in the Sustainability Statement on page 39 of this Annual Report.

RISK MANAGEMENT AND BUSINESS RESILIENCE

The Group adopts a proactive and structured approach to risk management, focusing on both external market exposures and internal operational resilience. Key risk areas and corresponding mitigation strategies include:

Foreign Exchange Risk

Exposure to USD-denominated transactions remains a key consideration. The Group mitigates this through natural hedging mechanisms, aligning USD inflows and outflows, while maintaining ongoing dialogues with bankers to monitor currency movements.

Supply Chain and Raw Material Risk

Dependence on key inputs such as copper and PVC resin exposes the Group to supply and price volatility. This is managed through diversified sourcing, close supplier collaboration and forward planning aligned with production schedules.

Cost Structure Pressures

Rising labour costs have prompted increased focus on automation, process redesign and productivity improvements to preserve margins.

Technological and Innovation Risk

The Group continues to invest in R&D and collaborative development with customers and institutions to remain competitive in a rapidly evolving medical device landscape.

Market Demand and Competitive Dynamics

Exposure to cyclical segments is mitigated through portfolio diversification and a strategic shift towards the more defensive medical segment, alongside continuous product differentiation and to offer enhanced offerings in the highly innovative automotive industry.

These measures will strengthen the Group’s ability to withstand volatility, maintain operational continuity and protect earnings quality.

POSITIONING FOR THE NEXT PHASE OF GROWTH

Looking ahead, the Group remains on a solid financial footing, supported by a strong balance sheet, healthy liquidity position and consistent operating cash flow. The medical segment is expected to remain the primary growth driver, underpinned by:

- Continued expansion into higher-value and sophisticated medical products
- Ongoing customer-driven innovation and co-development initiatives
- Sustained focus on research and development (R&D) and continuous improvement in product quality, reinforcing the Group's competitiveness in regulated and specification-driven markets
- Progressive expansion of the product portfolio and diversification of the customer base,
- Gradual capacity expansion and operational scaling, particularly with the planned repurposing of newly acquired facilities
- Increasing adoption of automation and advanced manufacturing technologies, supporting productivity gains and cost optimisation

Over the medium to long term, the Group is well-positioned to benefit from growth in the global medical device sector, supplemented by industrial and automotive segments as market conditions recover.

While remaining mindful of near-term uncertainties, including currency fluctuations, cost pressures and demand variability, the Group will continue to prioritise disciplined execution, cost management and prudent capital allocation. The Board and Management remain confident in the Group's ability to deliver resilient performance over the near to medium term, supported by its strategic positioning, ongoing innovations and operational capabilities. Barring unforeseen circumstances, the Group remains committed to delivering sustainable value creation for its stakeholders.

SUSTAINABLE INNOVATION

A Summary of Our Advances

Supercomnet Technologies Berhad (“STB Group” or the “Group”) is pleased to present our Sustainability Statement for 2025, outlining the actions, initiatives, and outcomes that define our approach to sustainable business. As a specialist manufacturer of wires and cables serving the medical, automotive, and industrial sectors, we recognise the importance of maintaining high standards of quality, operational efficiency and regulatory compliance while managing environmental and social impacts across our operations.

During the year, we continued to build on our established sustainability framework, focusing on operational improvements in energy efficiency, emissions management, water use and workplace safety. Safety performance remained stable, fuel consumption improved and Scope 2 greenhouse gas emissions were reduced against our baseline year. Concurrently, data collection methodologies and reporting processes were further strengthened to improve accuracy, traceability and transparency. These initiatives reinforce our capacity to respond effectively to evolving stakeholder expectations and regulatory developments.

Sustainability and climate-related requirements continue to intensify across global supply chains and regulated industries. In response, the Group remains committed to enhancing disclosure practices, improving data integrity and progressively embedding sustainability considerations into strategic and operational decision-making. Our focus remains on practical, measurable improvements that support long-term resilience, business continuity and responsible growth.

Reporting Scope and Boundary

This statement outlines STB Group's sustainability performance for the reporting period from 1 January to 31 December 2025 ("FY2025"). Where applicable, up to three years of data are presented to support year-on-year comparative analysis.

Disclosures encompass sustainability data from Supercomnet Technologies Berhad and the following three subsidiaries.

Supercomnet Technologies Berhad

Supercomal Medical Products Sdn. Bhd. ("SMP")	Supercomal Advanced Cables Sdn. Bhd. ("SAC")	Supercomnet Assets Sdn. Bhd. ("SASB")
Medical cable and device manufacturer	Fuel tank, wires and cable manufacturer and assembly	Industrial property investment company

SASB, a newly acquired subsidiary of STB Group, has sustainability-related data available only for the current reporting period, therefore no historical comparatives are presented. The Group will progressively build and disclose at least three years of performance data in accordance with applicable sustainability reporting standards and guidelines.

Reporting Guidelines and Standards

This Sustainability Statement has been prepared in compliance with Bursa Malaysia's Main Market Listing Requirements ("MMLR") and in accordance with the Bursa Malaysia Sustainability Reporting Guide (3rd Edition). Our disclosures reference the International Financial Reporting Standards ("IFRS S1 and S2") and the Global Reporting Initiative ("GRI") Standards, while the United Nations Sustainable Development Goals ("UN SDGs") provide a global context for shaping our sustainability priorities and contributing to broader global development efforts.

Ensuring Data Accuracy

The data presented in this statement has been internally sourced and reviewed by the relevant business divisions and information owners. It has been validated through close collaboration with business units and data custodians to ensure completeness, accuracy and reliability.

Your Feedback, Our Progress

We value stakeholder feedback as part of our ongoing commitment to improving our reporting practices. Should you have any questions, feedback or suggestions, please contact us using the details provided below.

Name : Mr. Tay Qiu Jie
Position: Senior Finance Manager
Email : tayqj@supercomnet.com.my
Address: Supercomnet Technologies Berhad, Lot 172, Jalan PKNK 3/8, Kawasan Perusahaan Sungai Petani, 08000 Sungai Petani, Kedah, Malaysia

Memberships and Associations

We actively engage with and are members of industry-specific associations, as part of STB Group's commitment to sustainable business practices. These memberships support knowledge sharing, regulatory awareness and alignment with evolving industry standards and best practices.

Medical Device Authority ("MDA")

Malaysia Medical Device Authority Association ("MMDA")

OUR SUSTAINABILITY HIGHLIGHTS

In FY2025, STB Group continued to advance our sustainability priorities through practical and measurable improvements across our operations. The following highlights capture key performance outcomes and initiatives aligned with our focus on operational efficiency, regulatory compliance and responsible business practices.

Upholding Ethical Practices

30%
Women representation on the Board

ZERO
Substantiated complaints related to breaches of customer privacy

Cultivating a Greener Future

8%
Reduction in total energy consumption

30%
Electricity generated from solar panels at STB

5%
Reduction in water intensity

Positively Affecting Lives

7,295
Total training hours provided to employees

48%
Procurement expenditure allocated to local suppliers

3
Corporate social responsibility programmes supported

OUR SUSTAINABILITY JOURNEY

STB Group continued to strengthen the scope and quality of our sustainability disclosures in response to evolving regulatory and stakeholder expectations. The following timeline highlights key developments in our sustainability journey.

FY2018 - FY2021

- Published the inaugural Sustainability Statement in accordance with Bursa Malaysia ACE Market Listing Requirements ("ACE LR")
- Identified five key material sustainability matters across the three sustainability focus areas: Environment, Social and Governance
- Identified six key stakeholder groups and established the stakeholder engagement framework
- Established the Policy and Procedure on Anti-Corruption, outlining clear guidelines and practices to promote transparency, ethical conduct and compliance with applicable anti-corruption regulations

FY2022 - FY2024

- Prepared the Sustainability Statement in accordance with the Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
- Strengthened governance practices, including Board diversity and anti-corruption measures
- Conducted materiality assessments to reflect evolving business priorities and stakeholder expectations
- Established a Group-wide Sustainability Policy
- Commenced climate-related disclosures aligned with the Task Force on Climate-related Financial Disclosures ("TCFD")
- Enhanced climate-related disclosures by assessing risks and opportunities across short-, medium- and long-term time horizons
- Strengthened alignment between sustainability initiatives and selected UN SDGs

FY2025

- Prepared the Sustainability Statement in accordance with Bursa Malaysia Sustainability Reporting Guide (3rd Edition) and the National Sustainability Reporting Framework ("NSRF") requirements
- Enhanced the Sustainability Strategy by defining strategic thrusts to strengthen alignment with business priorities

SUSTAINABILITY AT THE FOREFRONT

Sustainability Strategy

Anchored in our corporate vision, mission and goal, the Group's Sustainability Strategy provides a structured approach to integrating sustainability across our operations. It is guided by three strategic pillars aligned with our material sustainability matters and selected UN SDGs, supporting responsible business practices and long-term value creation.

Our Vision	To develop products that will embody the concept of intelligent living through the sharing of knowledge with our strategic partners.		
Our Mission	Committed to proactively develop high-tech products of wires and cables in the market, on-time error free delivery service with customers expected high quality goods.		
Our Goal	To be the leading high-tech wire and cable manufacturer in Malaysia with all our products produced to the upmost satisfaction of our customers through value creation.		
Focus Areas, Strategic Thrusts and Material Sustainability Matters	**Upholding Ethical Practices**	**Cultivating a Greener Future**	**Positively Affecting Lives**
	Uphold strong governance, transparency and accountability through robust anti-corruption and data protection practices.	Reduce environmental impact by improving energy efficiency, lowering emissions and managing resources responsibly.	Create value through product quality, workplace safety, employee development and reliable solutions for the medical and automotive industries.
	• Corporate Governance and Anti-Corruption • Data Privacy and Cybersecurity	• Climate Change and Energy Efficiency • Water Consumption • Waste Management	• Product Quality and Innovation • Occupational Health and Safety • Talent Attraction and Development • Labour Practices and Standards • Responsible Sourcing • Workforce Diversity and Inclusivity • Community Engagement

SUSTAINABILITY AT THE FOREFRONT (CONT'D)

Sustainability Strategy (Cont'd)

Alignment with UN SDGs

- 3 GOOD HEALTH AND WELL-BEING
- 5 GENDER EQUALITY
- 7 AFFORDABLE AND CLEAN ENERGY
- 8 DECENT WORK AND ECONOMIC GROWTH
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13 CLIMATE ACTION
- 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Key Stakeholder Group

- Investors and Shareholders
- Government and Regulatory Authorities
- Customers
- Vendors and Suppliers
- Employees
- Communities

Our Sustainability Policy

Our sustainability commitments are anchored in the Group's Sustainability Policy, which sets out our principles and approach to responsible business practices. The policy integrates sustainability considerations into our operations and value chain, supporting responsible and resilient business practices.

Upholding Ethical Practices

- Uphold the highest standards of business conduct and act with integrity across all operations
- Prevent all forms of bribery and corruption throughout the Group's value chain
- Comply with regulatory and legal requirements in the markets in which we operate
- Protect customer data and privacy from unauthorised access or misuse

Cultivating a Greener Future

- Continuously improve energy efficiency, monitor and reduce our carbon footprint across operations
- Enhance recycling, waste reduction and proper disposal methods which contribute to a circular economy
- Monitor and reduce water consumption while implementing water conservation practices across our facilities

Positively Affecting Lives

- Safeguard fundamental human rights across our workforce, supply chain and the communities in which we operate
- Prioritise employee health and safety through comprehensive occupational health and safety programmes and regular safety training
- Support employee well-being and professional growth by fostering a workplace culture that encourages development through training programmes, career advancement opportunities and performance recognition
- Foster a culture of diversity and inclusion by implementing policies and practices that promote equal opportunities and eliminate discrimination
- Drive continuous innovation of sustainable products and services
- Prioritise working with suppliers that demonstrate strong sustainability practices
- Engage in meaningful community development initiatives

SUSTAINABILITY AT THE FOREFRONT (CONT'D)

Advancing Global Objectives

Our alignment with the UN SDGs reflects our commitment to responsible business practices and long-term value creation. In FY2025, we continued to focus on the UN SDGs most relevant to our operations and stakeholder expectations.

UN SDGs	Our FY2025 Initiatives
Target 3.4: Substantially reduce the number of deaths and illnesses from hazardous chemicals and contamination	• Recorded zero cases of work-related fatalities and work-related ill-health • Recorded a total lost-time injury rate ("LTIR") of 0.43
Target 5.5: Ensure women's full and effective participation for leadership	• Achieved 30% female representation on the Board • Continued non-discriminatory practices in the hiring and promotion of employees, regardless of gender
Target 7.2: Increase the share of renewable energy	• Installed solar panels at the Group's manufacturing facilities generated a total of 1,258,543 kWh of renewable energy
Target 8.5: Achieve full and productive employment and decent work	• Provided 7,295 hours of training and development programmes to employees to enhance workforce capabilities and support operational efficiency
Target 8.8: Protect labour rights and promote safe working environments for all workers	• Delivered health and safety training to 101 employees, providing a total of 40 hours of training, reinforcing safe-work practices • Recorded zero substantiated cases of human rights violations and discrimination in FY2025, supporting a respectful workplace
Target 12.5: Substantially reduce waste generation through prevention, reduction, recycling and reuse	• Continued waste monitoring and digitalisation initiatives to reduce paper consumption and improve resource utilisation
Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards	• Monitored and reported Scope 1, Scope 2 and limited Scope 3 (business travel and employee commuting) GHG emissions • Assessed climate-related risks and opportunities across short-, medium- and long-term horizons, improving visibility of potential operational impacts
Target 16.5: Reduce corruption and bribery	• Assessed 100% of operations for corruption-related risks • Recorded zero substantiated cases of corruption and bribery • Recorded zero cases of whistleblowing incidents

SUSTAINABILITY AT THE FOREFRONT (CONT'D)

Measuring Our Progress

We have established Sustainability Key Performance Indicators ("KPIs") as benchmarks to monitor performance, identify areas for improvement and support informed decision-making.

Legend: ○ **Achieved** ● **In progress**

		Performance		
Material Matters	**KPIs**	**FY2023**	**FY2024**	**FY2025**
Upholding Ethical Practices				
Corporate Governance and Anti-Corruption	To achieve **zero** reported incidents of bribery and corruption	○ (Zero reported incidents)	○ (Zero reported incidents)	○ (Zero reported incidents)
	To achieve **zero** reported grievances or whistleblowing complaints	○ (Zero reported incidents)	○ (Zero reported incidents)	○ (Zero reported incidents)
Data Privacy and Cybersecurity	To achieve **zero** breaches in data privacy and cybersecurity	○ (Zero reported incidents)	○ (Zero reported incidents)	○ (Zero reported incidents)
Cultivating a Greener Future				
Climate Change and Energy Efficiency	To achieve **more than 5%** reduction in total energy consumption compared to FY2021 baseline (16,582 GJ)	○ (9% reduction)	● (4% increase)	● (4% reduction)
	To achieve **more than 30%** renewable energy in the overall energy consumption mix	● (29%)	● (27%)	● (30%)
	To achieve **more than 10%** reduction in Scope 2 GHG emissions compared to FY2021 baseline (3,380 tCO_2e)	○ (39% reduction)	○ (28% reduction)	○ (35% reduction)
Water Consumption	To achieve **at least 10%** reduction in water consumption compared to FY2021 baseline (45.14 ML)	● (10% reduction)	● (7% reduction)	○ (18% reduction)

SUSTAINABILITY AT THE FOREFRONT (CONT'D)

Measuring Our Progress (Cont'd)

Material Matters	KPIs	Performance FY2023	FY2024	FY2025
Positively Affecting Lives				
Occupational Health and Safety	To achieve **zero** fatalities and Lost Time Incident Rate of **less than 3.00** annually	(Zero fatalities, LTIR of 0.64)	(Zero fatalities, LTIR of 0.10)	(Zero fatalities, LTIR of 0.43)
Labour Practices and Standards	To achieve **zero** cases of human rights violations, including forced labour, child labour, discrimination and harassment	(Zero reported cases)	(Zero reported cases)	(Zero reported cases)
Responsible Sourcing	To allocate **at least 30%** of procurement expenditure to local suppliers annually	(43%)	(50%)	(48%)

Sustainability Oversight and Accountability

STB Group's sustainability governance adopts a clear three-tier structure to ensure effective oversight, accountability and implementation across the Group. The Board of Directors provides strategic direction and approves the sustainability framework and key policies, including climate-related risks and opportunities. At the same time, the Sustainability and Risk Management Committee oversees implementation and monitors performance. At the operational level, Heads of Department integrate sustainability into daily business processes and manage related risks and opportunities.

Board of Directors

- Provides strategic oversight of the Group's sustainability agenda, including climate-related risks and opportunities
- Approves sustainability strategies, policies and targets, and oversees their integration into the Group's risk management framework
- Oversee the integration of sustainability and climate disclosures into business strategy and decision-making

Sustainability Steering Committee ("SSC")

- Develops and recommends sustainability strategies, initiatives and targets to the Board
- Implements and monitors sustainability initiatives across the Group
- Assesses and manages sustainability and climate-related risks and opportunities
- Reviews and recommends updates to sustainability policies, standards and procedures

Sustainability Working Group ("SWG")

- Implements sustainability initiatives and monitor progress across operations
- Identifies and proposes material sustainability matters relevant to the SSC
- Tracks and reports sustainability data to the SSC on a regular basis

CONNECTING WITH OUR STAKEHOLDERS

Open and transparent engagement with stakeholders is integral to the Group's sustainability approach. Regular and structured engagement enables us to gather insights, address key concerns and strengthen collaborative relationships. This ongoing dialogue supports informed decision-making, responsible business practices and long-term value creation.

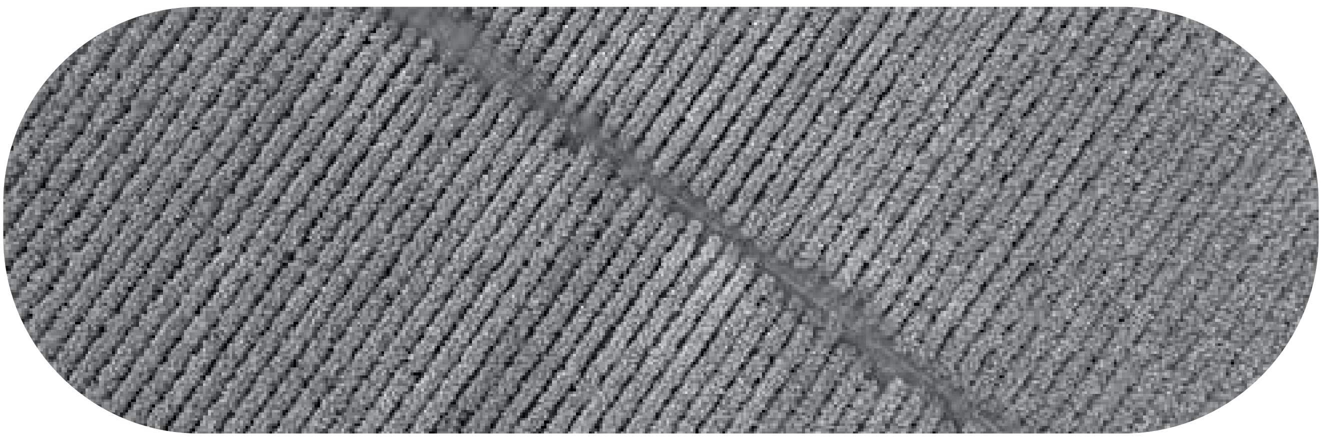
Annually **Quarterly** **As needed** **On going**

Investors & Shareholders	Investors and shareholders provide vital financial capital, strengthening the Group's ability to innovate, grow, and adapt to changing market conditions.	
	Key Concerns	• Company performance • Dividends • Business strategy • Corporate governance and risk management • Climate-related risks and opportunities • Corporate developments and activities
	Our Response	• Establishment of Board Charter • Code of Ethics for Directors • Implementation of comprehensive governance policies • Sustainability- and climate-related disclosures aligned with regulatory expectations
	Engagement Channels	Annual General Meetings Extraordinary General Meetings Corporate Communication and Investor Relations Annual Report Quarterly Report Bursa Malaysia announcements Company website
Government & Regulatory Authorities	Government and regulatory authorities oversee the Group's adherence to applicable laws, regulations and industry standards, ensuring responsible and ethical business conduct.	
	Key Concerns	• Labour practices • Anti-corruption practices • Legal compliance
	Our Response	• Implement governance, risk management and internal control frameworks • Ensure full compliance with regulatory requirements • Strengthen anti-corruption, data protection and sustainability-related practices
	Engagement Channels	Compliance with regulatory frameworks and reporting requirements Continuous liaison and meetings with government agencies Participation in regulatory workshops and relevant industry briefings

CONNECTING WITH OUR STAKEHOLDERS (CONT'D)

Employees		Employees are central to our success, supporting operational excellence, innovation, product quality and workplace safety across the Group.
	Key Concerns	• Career development and advancement • Fair and inclusive employment practices • Occupational health and safety • Employee well-being and engagement
	Our Response	• Implementation of a Whistle Blowing Policy and grievance mechanisms • Prioritise diversity and equal opportunities in hiring and career progression • Upholding freedom of association and fair labour practices • Strengthen occupational health and safety management practices through training programmes
	Engagement Channels	Employee briefings and townhall sessions Internal communication channels such as emails, memos and open-door engagement Continuous training and development programmes Performance appraisal and feedback processes

Vendors & Suppliers		Suppliers and vendors play an important role in supporting our operational continuity, product quality and responsible business practices.
	Key Concerns	• Supply chain resilience • Ethical business practices • Quality and reliability of materials • Price and availability of raw materials
	Our Response	• Building long-term partnerships with key suppliers to support supply chain resilience • Implementing supplier evaluation and risk assessment processes • Promoting responsible and ethical business practices • Prioritising local suppliers where appropriate
	Engagement Channels	Supplier audit and feedback Regular supplier meetings Supplier onboarding and evaluation procedures Supplier quality and performance assessments Relationship management

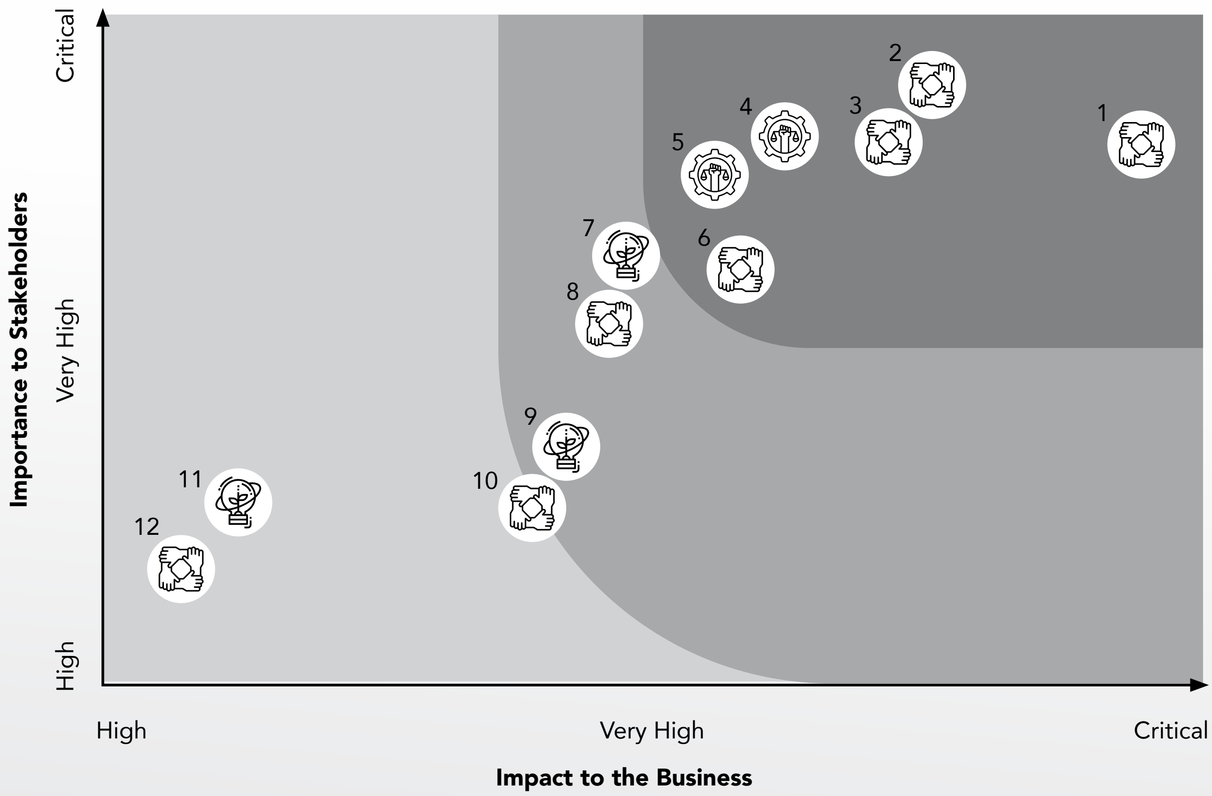


CONNECTING WITH OUR STAKEHOLDERS (CONT'D)

Customers	Customers are a key source of revenue and long-term growth, while also providing valuable insights that support product quality, innovation and operational excellence.	
	Key Concerns	• Brand reputation • Timely delivery and supply continuity • Product quality and reliability • Compliance with regulatory and industry standards • Innovation and technical capability
	Our Response	**Quality and regulatory compliance** • Adherence to Good Manufacturing Practice ("GMP") requirements • Operation of Class 10k and 100k cleanroom facilities
		Certification and memberships STB o ISO 9001:2015 Quality Management System ("QMS") o UL Certification o JQA-F-Mark o Sony Green Partner SMP o EN ISO 13485:2016 Medical Devices QMS o FDA registered and audited o Malaysia Medical Device Association Membership o Medical Device Authority Establishment License SAC o IATF 19649:2016
	Engagement Channels	Customer visits and technical engagement Relationship management
Communities	Engaging with the community enhances our corporate reputation while supporting the well-being and prosperity of both the Group and the communities we serve.	
	Key Concerns	• Community support initiatives • Local job creation
	Our Response	• Engagement with the local communities through corporate social responsibility ("CSR") programmes • Development of student internship programmes
	Engagement Channels	Meeting with local communities or associations CSR activities Provision of jobs and internships to graduates Employment and business opportunities

PRIORITISING WHAT IS MATERIAL

In FY2023, we conducted a materiality assessment to identify and prioritise sustainability matters most significant to STB Group's operations and key stakeholders, supporting informed decision-making and effective resource allocation. Occupational Health and Safety, Product Quality and Innovation, Talent Attraction and Development, Corporate Governance and Anti-Corruption, Data Privacy and Cybersecurity and Labour Practices and Standards remain the most significant matters. In FY2025, these matters were reviewed in consideration of evolving developments and stakeholder feedback and were confirmed to remain relevant to the Group's current business context.



Upholding Ethical Practices

4 Corporate Governance and Anti-Corruption
5 Data Privacy and Cybersecurity

Cultivating a Greener Future

7 Climate Change and Energy Efficiency
9 Waste Management
11 Water Consumption

Positively Affecting Lives

1 Occupational Health and Safety
2 Product Quality and Innovation
3 Talent Attraction and Development
6 Labour Practices and Standards
8 Responsible Sourcing
10 Workforce Diversity and Inclusivity
12 Community Engagement

PRIORITISING WHAT IS MATERIAL (CONT'D)

Mapping Our Material Sustainability Matters

We mapped our material sustainability matters to the relevant UN SDGs and key stakeholder groups to ensure alignment with our sustainability priorities and stakeholder expectations. This mapping enables a more focused and integrated approach to delivering sustainable outcomes.

Upholding Ethical Practices

We uphold strong governance through transparency, accountability and anti-corruption practices, while protecting customer data through robust controls, regular system updates and compliance with applicable policies and regulations.

Material Matters

- Corporate Governance and Anti-Corruption
- Data Privacy and Cybersecurity

UN SDGs

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Key Stakeholder Groups

Cultivating a Greener Future

We minimise our environmental footprint and address climate change by optimising energy use, reducing greenhouse gas emissions, managing water responsibly and implementing waste reduction and recycling initiatives in full compliance with environmental regulations.

Material Matters

- Climate Change and Energy Efficiency
- Waste Management
- Water Consumption

UN SDGs

7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Key Stakeholder Groups

Positively Affecting Lives

We prioritise health, safety and product quality while investing in talent development, ethical labour practices, responsible supply chain management, alongside diversity, inclusion and community initiatives

Material Matters

- Occupational Health and Safety
- Product Quality and Innovation
- Talent Attraction and Development
- Labour Practices and Standards
- Responsible Sourcing
- Workforce Diversity and Inclusivity
- Community Engagement

UN SDGs

3 GOOD HEALTH AND WELL-BEING
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Key Stakeholder Groups

UPHOLDING ETHICAL PRACTICES

Our reputation as a high-tech wire and cable manufacturer is underpinned by strong governance practices. Established policies, procedures and controls guide ethical business conduct and integrity across all operations.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Materiality Sustainability Matters	Key Stakeholder Group
• Corporate Governance and Anti-Corruption • Data Privacy and Cybersecurity	

UPHOLDING ETHICAL PRACTICES (CONT'D)

Corporate Governance and Anti-Corruption

Our governance framework embeds ethical principles and accountability across all aspects of our operations. The Board provides oversight and direction in alignment with the Malaysian Code on Corporate Governance ("MCCG"), reinforcing high standards of integrity and responsible business conduct.

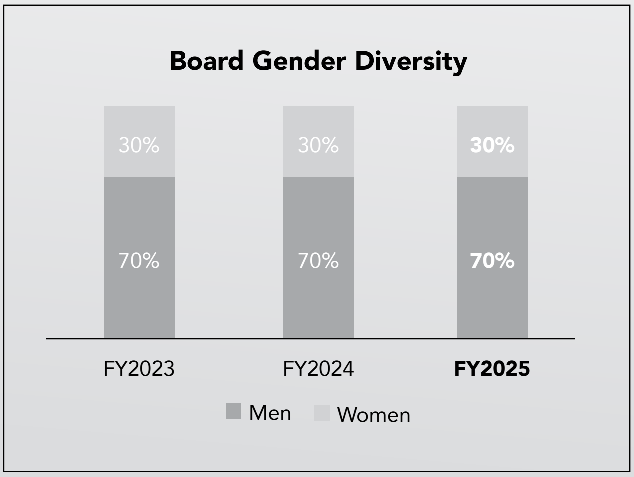
Ethical conduct across the Group is reinforced through the following corporate governance policies.

Code of Ethics for Directors	Sets out the ethical standards and conduct expected of directors, guiding decision-making and professional behaviour.
Directors' Fit and Proper Policy	Establishes the criteria required for Board appointments, ensuring directors possess the experience, competence and integrity to oversee the Group effectively.
Gender Diversity Policy	In line with the MCCG, this policy aims to achieve and maintain at least 30% women representation on the Board, promoting diversity and inclusive leadership.
Remuneration Policies and Procedures	Outlines the framework guiding director remuneration, including performance assessments, compensation structures and governance processes to ensure fairness and transparency.
Sustainability	Sets out the Group's commitment to responsible business practices, environmental stewardship and social responsibility.

Our policies are published on the Group's corporate website, ensuring accessibility for all employees, suppliers and customers. Visit our website at https://supercomnet.com.my/esg/ for full details on our policies and our commitment to maintaining good corporate governance.

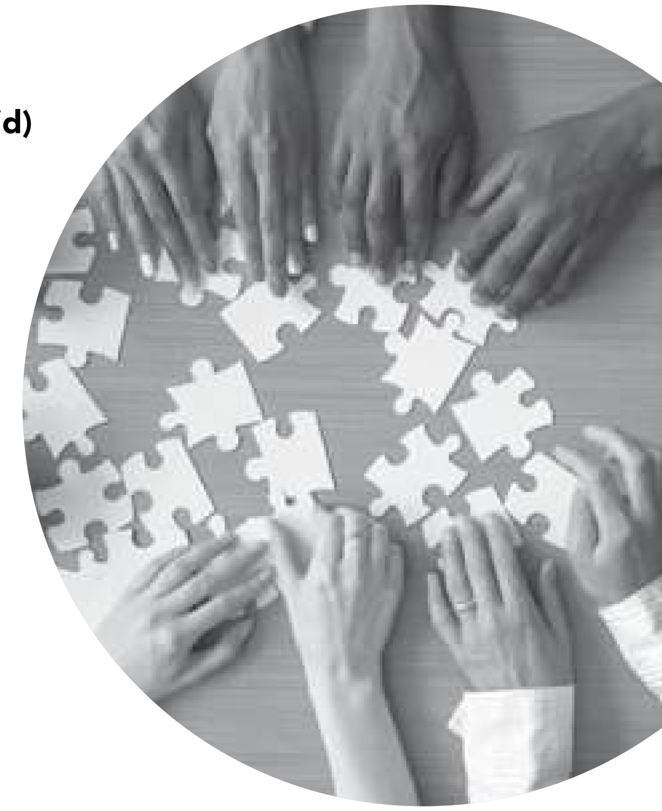
Board Diversity

The Group recognises that board diversity is a key component of effective governance and balanced decision-making. A diverse board brings varied perspectives, experience and insights required to guide long-term strategy and oversee sustainable growth.

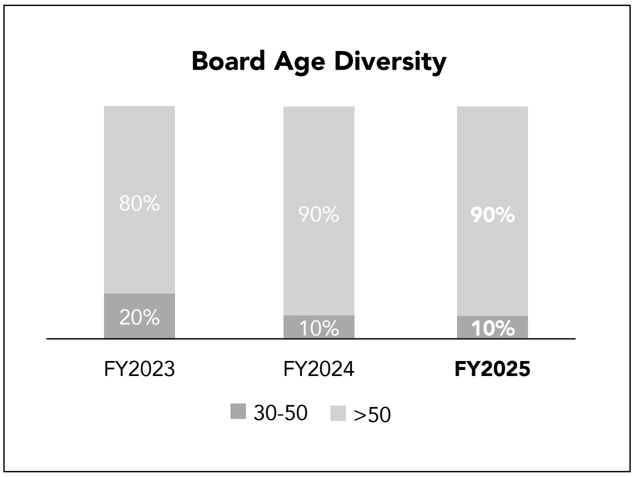


UPHOLDING ETHICAL PRACTICES (CONT'D)

Corporate Governance and Anti-Corruption (Cont'd)



Board Diversity (Cont'd)



Anti-Corruption and Anti-Bribery

In line with the Malaysian Anti-Corruption Commission ("MACC") Act 2009 and its amendments, the Group maintains a structured anti-bribery and anti-corruption framework across its operations.

The Group's Anti-Corruption Policy is regularly reviewed to ensure its continued effectiveness. This is reinforced through anti-corruption training for employees at all levels to promote ethical conduct and integrity. A Whistleblowing Channel enables employees and stakeholders to report concerns confidentially without fear of retaliation.

Percentage of employees who have received training on anti-corruption			
Employee Category	**FY2023**	**FY2024**	**FY2025**
Senior Management	56%	50%	**80%**
Management	56%	67%	**62%**
Executive	14%	13%	**12%**
Non-Executive	0%	0%	**19%**

Data Privacy and Cybersecurity

Protecting data confidentiality and ensuring the resilience of our digital infrastructure are vital to safeguarding business continuity in today's digitally connected environment. In alignment with Malaysia's Personal Data Protection Act 2010 ("PDPA"), we implemented data privacy and cybersecurity controls to mitigate risks and protect sensitive information.

- Data protection policies and procedures
- Cybersecurity systems and monitoring controls
- Network and endpoint security measures

During the year, no incidents related to customer privacy or data loss were recorded, all of which were managed in accordance with established security protocols.

CULTIVATING A GREENER FUTURE

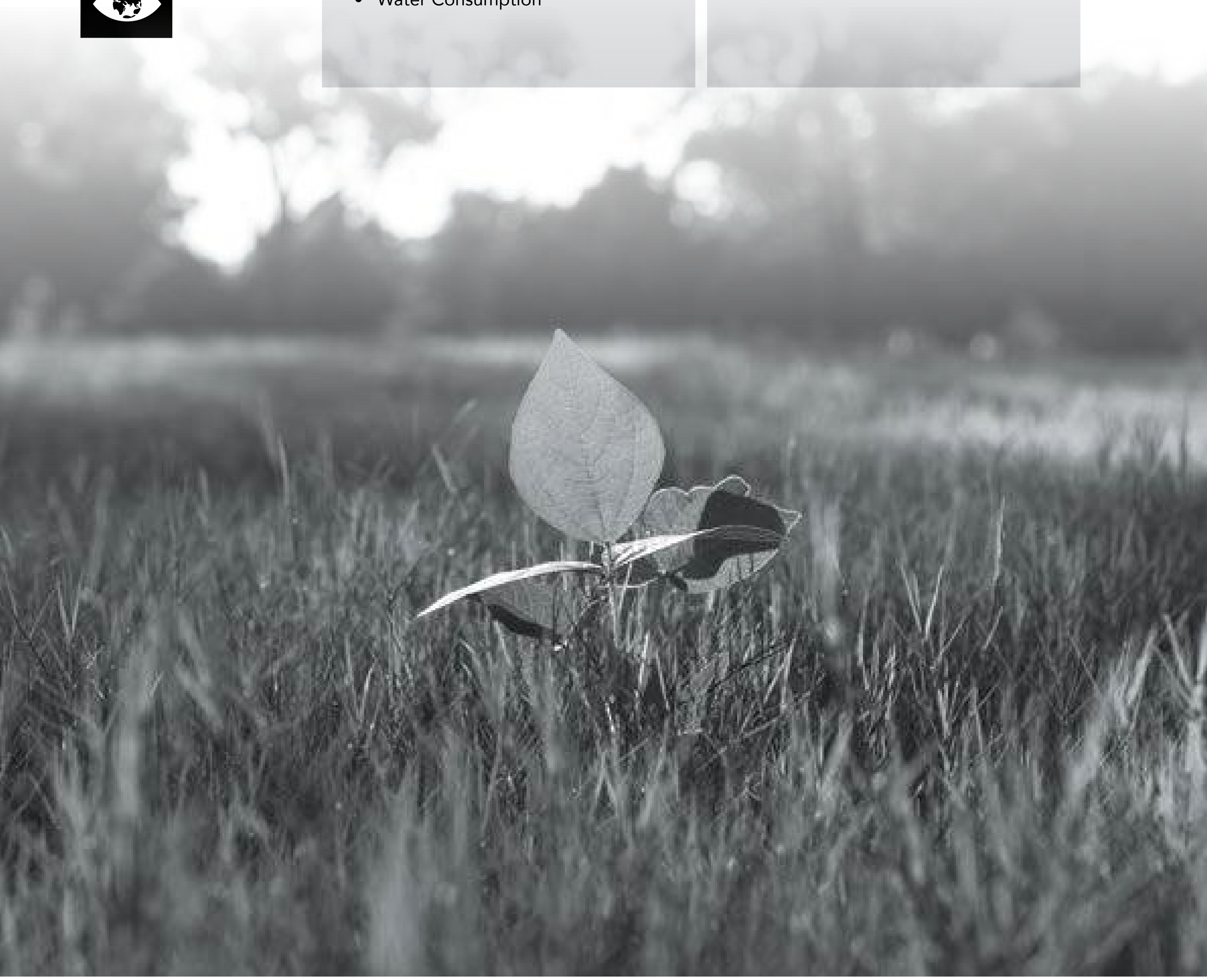
As a manufacturer of high-tech wires and cables, we recognise the environmental and climate-related impacts associated with energy use, emissions and resource consumption across our operations. Through continuous improvements in resource efficiency, emissions reduction and responsible water and waste management, we aim to minimise our environmental footprint and strengthen operational resilience.

7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Materiality Sustainability Matters

- Climate Change and Energy Efficiency
- Waste Management
- Water Consumption

Key Stakeholder Group



CULTIVATING A GREENER FUTURE (CONT'D)

Climate Change and Energy Efficiency

STB Group's operations are guided by a structured approach to managing climate-related risks and opportunities across our manufacturing activities and value chain. In line with IFRS S2, our climate-related disclosures provide stakeholders with greater clarity on how these risks and opportunities may affect our business. Our climate-related disclosures are structured around the following four pillars: Governance, Strategy, Risk Management, Metrics and Targets.

Governance

The Board provides oversight of the Group's approach to climate-related risks and opportunities ("CRROs") and approves sustainability strategies recommended by the Sustainability Steering Committee ("SSC"). Supported by the Sustainability Working Group ("SWG"), the SSC identifies, assesses and manages these risks and opportunities while overseeing implementation across the Group.

Strategy

The Group's strategy focuses on building resilience and adaptability in response to evolving regulatory, market and environmental expectations. This includes aligning our business priorities with identified climate-related risks and opportunities.

Climate-related risks include transition risks arising from regulatory developments, customer expectations and the global shift towards lower-carbon operations, as well as physical risks such as extreme weather events, rising temperatures and supply chain disruptions that may affect manufacturing continuity and asset reliability.

<u>Climate-related Risks and Opportunities</u>

Given the energy- and resource-intensive nature of our wire and cable manufacturing activities, climate change may influence energy costs, resource availability, production efficiency and regulatory compliance, with implications for operational performance and competitiveness. The Group has identified climate-related risks and opportunities across physical and transition categories, assessed over short- (1–5 years), medium- (5–10 years) and long-term (beyond 10 years) time horizons. The following table outlines the key risks, potential operational impacts and corresponding mitigation measures and opportunities.

<u>Physical Risks</u>

Description of Risks	Potential Impacts	Potential Opportunities
Acute (Short-term to long-term)		
Extreme weather events (severe flooding, severe storms, heatwaves, landslides) result in immediate operational impacts.	• Supply chain disruptions from unplanned weather events could limit access to raw materials, leading to operational disruptions.	• Establish robust relationships with key vendors and suppliers, including diversification of sourcing and contingency planning to reduce operational disruptions. • Enhance preparedness and emergency response plans to minimise operational downtime. • Strengthen backup logistics and inventory management planning to ensure business continuity.

CULTIVATING A GREENER FUTURE (CONT'D)

Climate Change and Energy Efficiency (Cont'd)

Strategy (Cont'd)

Physical Risks (Cont'd)

Description of Risks	Potential Impacts	Potential Opportunities
Chronic (Long-term)		
Gradual long-term effects (sea-level rise, more frequent flooding, prolonged high temperatures) leading to sustained operational impacts.	• Higher operational costs due to internal temperature control arising from prolonged disruptions. • Increased workforce health and safety risks, which could lead to higher insurance and compensation costs.	• Integrate renewable energy systems to reduce long-term energy costs, exposure to carbon pricing and enhance operational resilience. • Optimise preventive maintenance and operational management to improve productivity and safety.

Transition Risks

Description of Risks	Potential Impacts	Potential Opportunities
Policy and Legal (Medium-term to long-term)		
Strict climate policies and regulations at national and international levels, including carbon tax implementation and emissions trading schemes.	• Increased capital expenditure to upgrade operations and adopt energy-efficient equipment and processes. • Financial penalties and reputational damage due to non-compliance with evolving regulations. • Rising operating costs arising from carbon pricing, energy tariff changes and enhanced regulatory reporting requirements.	• Strengthen regulatory readiness and compliance to minimise the risk of non-compliance. • Leverage government incentives and funding schemes to offset capital expenditure on low-carbon upgrades. • Improve energy efficiency and resource management to reduce exposure to carbon and energy cost increases. • Monitor evolving climate regulations to support proactive planning and capital allocation. • Integrate climate considerations into supplier and procurement processes.

CULTIVATING A GREENER FUTURE (CONT'D)

Climate Change and Energy Efficiency (Cont'd)

Strategy (Cont'd)

Transition Risks (Cont'd)

Description of Risks	Potential Impacts	Potential Opportunities
Technology (Short-term to long-term)		
Technological advancements, such as energy-efficient solutions and alternative materials, are driven by the manufacturing industry's efforts to reduce emissions.	• Increased operational costs due to investments in low-carbon and energy-efficient technologies to maintain competitiveness and meet customer expectations. • Rising workforce development and training costs to support technological transition.	• Utilise energy-efficient technologies in manufacturing processes to reduce emissions and ensure long-term resilience. • Optimise capital allocation by prioritising cost-effective decarbonisation initiatives. • Strengthen product innovation and process improvements to meet evolving customer sustainability requirements. • Develop internal technical capabilities to enhance operational efficiency and long-term competitiveness.
Market and Reputation (Short-term to long-term)		
Shifting customer and market preferences towards lower-carbon and more sustainable products, together with evolving investor expectations, may affect product demand, pricing competitiveness and stakeholder confidence.	• Market competition from suppliers that offer more sustainable or lower-carbon solutions, which could affect revenue and profit margins. • Negative perceptions among shareholders and investors may limit access to capital and affect long-term growth prospects. • Increasing scrutiny from customers, regulators and investors on climate performance and transparency.	• Enhance market positioning through consistent product quality, reliable delivery and strong customer relationships, while progressively improving product and process sustainability. • Engage with stakeholders to address climate-related expectations, communicating progress in energy efficiency, emissions management and responsible sourcing. • Improve collaboration with key customers to understand evolving sustainability requirements and support product and process improvements.

CULTIVATING A GREENER FUTURE (CONT'D)

Climate Change and Energy Efficiency (Cont'd)

Risk Management

The Group's established risk management framework safeguards our business interests, maintains strategic alignment and reinforces stakeholder confidence. The Board integrates sustainability and climate-related risks and opportunities into strategic and operational decision-making across short-, medium- and long-term time horizons. Identified risks are managed through the Group's Enterprise Risk Management ("ERM") framework, which provides a structured and systematic approach to risk oversight. The ERM risk profile enables the Board and management to prioritise high-risk areas by assessing risk likelihood and impact, evaluating control effectiveness and implementing targeted mitigation and monitoring actions.

Metrics and Targets

We evaluate our climate-related performance and identify opportunities for improvement by monitoring and reporting key environmental metrics across our operations. Our calculations follow the GHG Protocol methodology, ensuring consistency, transparency and accuracy.

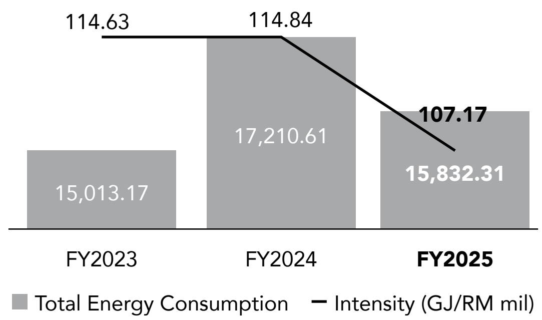
Metric	Unit	Description
GHG Emissions	tCO_2e	Quantified Scope 1, 2 and 3 (limited to business travel and employee commuting) GHG emissions
Waste	MT	Measures total amount of waste generated
Energy Usage	GJ	Tracks total fuel and electricity consumption
Water Usage	m^3	Measures total water consumption

Total Energy Consumption

The Group continued to advance renewable energy adoption by integrating solar panels into our energy mix, while minimising consumption through energy conservation practices across STB Group's offices and hostels.

STB Group has installed additional solar panels for SMP, with a total capacity of 781.2 kWp. Power generation is expected to commence in FY2026. The system incorporates additional capacity for future expansion and increased operational energy requirements. This initiative reflects the Group's ongoing commitment to sustainability by reducing reliance on conventional energy sources and lowering our overall carbon footprint.

Energy Consumption (GJ) and Intensity



Total energy consumption amounted to 15,832.31 GJ, comprising 561.77 GJ from fuel, 10,739.79 GJ from purchased electricity and 4,530.75 GJ from on-site solar generation. Purchased electricity remained the primary source of energy use. Electricity generated from on-site solar panels reduced reliance on grid supply and helped manage long-term energy costs. Energy intensity decreased by 7% compared to FY2024, mainly due to changes in production volume and operational activity during the year.

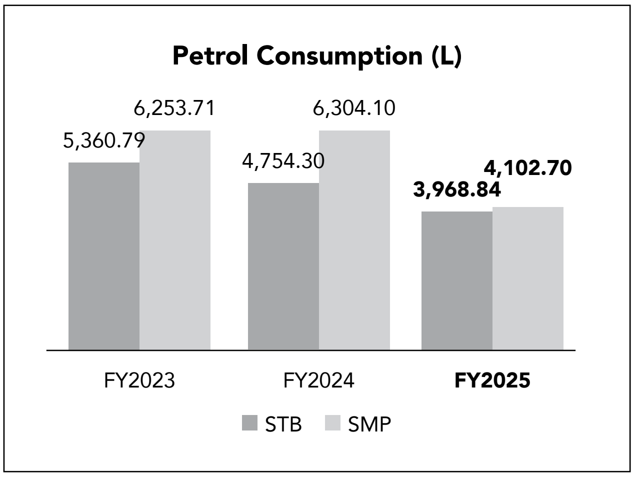
CULTIVATING A GREENER FUTURE (CONT'D)

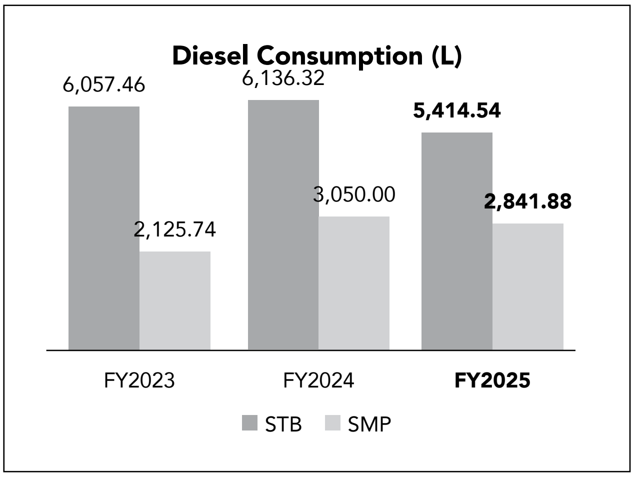
Climate Change and Energy Efficiency (Cont'd)

Metrics and Targets (Cont'd)

Fuel Consumption

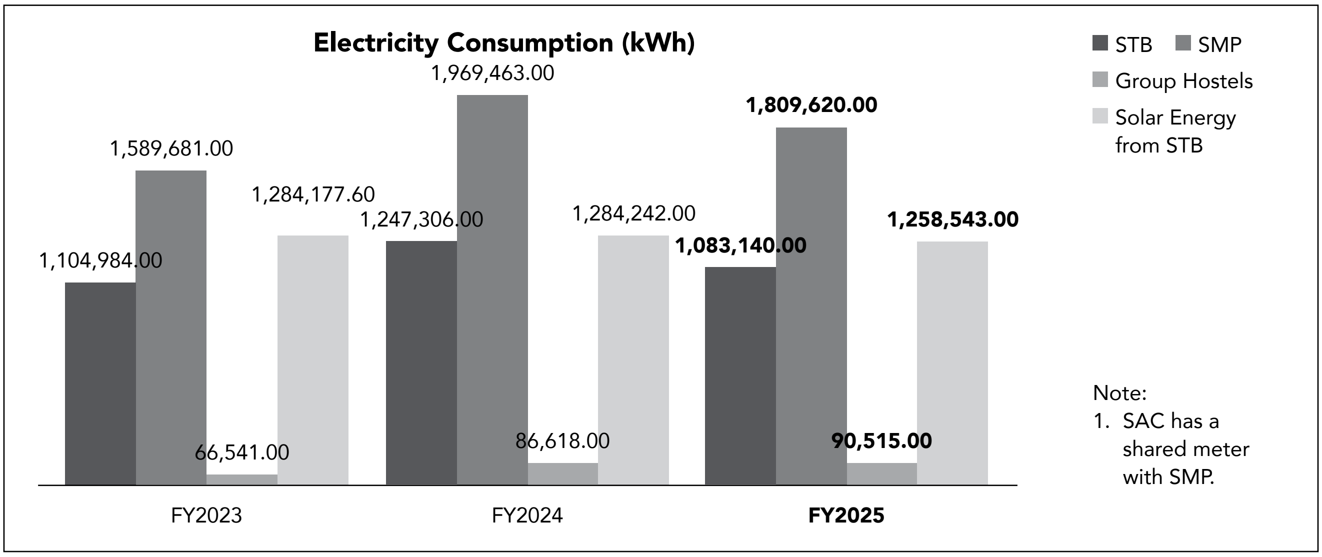
In FY2025, the Group utilised 8,071.54 litres of petrol and 8,256.42 litres of diesel across its operations. Overall fuel consumption decreased by 19% compared to FY2024, contributing to lower Scope GHG emissions and improved operational efficiency.





Electricity Consumption

Total purchased electricity consumption for the year amounted to 2,983,275.00 kWh across the Group's operations. Solar panels installed at STB generated 1,258,543.00 kWh, reducing reliance on grid electricity and supporting the Group's efforts to manage energy costs and emissions exposure.



CULTIVATING A GREENER FUTURE (CONT'D)

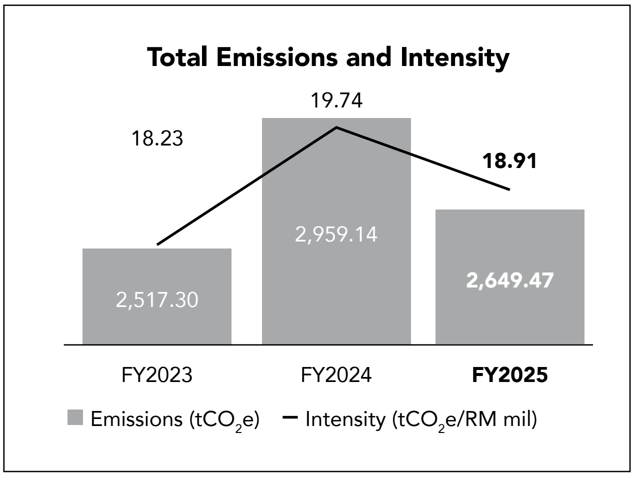
Climate Change and Energy Efficiency (Cont'd)

Metrics and Targets (Cont'd)

Total GHG Emissions

Total GHG emissions across our operations amounted to 2,649.47 tCO_2e, including 40.11 tCO_2e from Scope 1, 2,207.62 tCO_2e from Scope 2 and 401.73 tCO_2e from Scope 3 emissions. The emissions intensity during the reporting year was 18.91 tCO_2e per RM million revenue.

	FY2023	FY2024	FY2025
Scope 1	47.83	49.11	**40.11**
Scope 2	2,050.64	2,444.51	**2,207.62**
Scope 3	418.83	465.52	**401.73**
Total	**2,517.30**	**2,959.14**	**2,649.47**



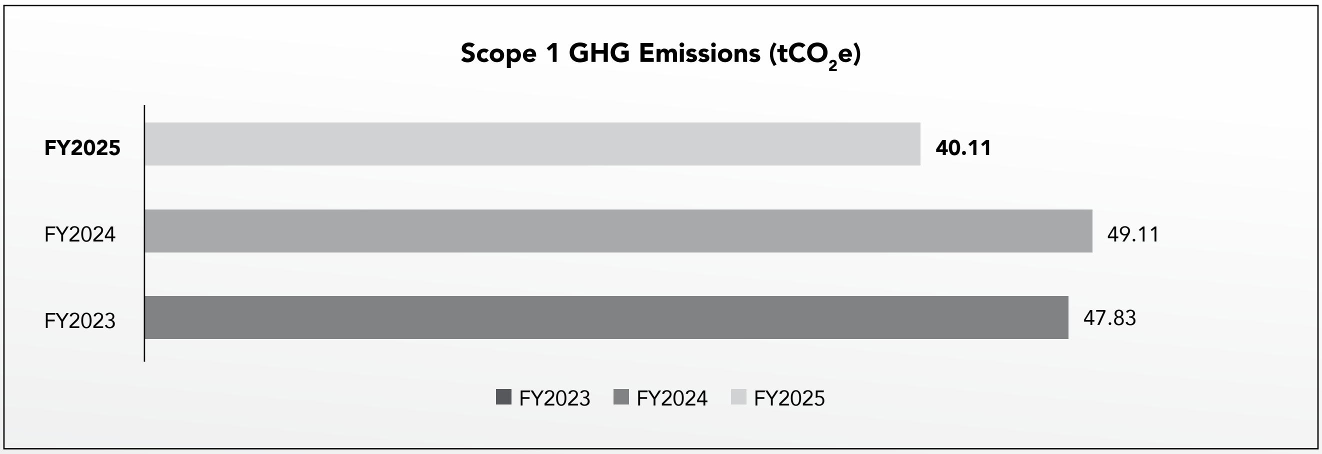
CULTIVATING A GREENER FUTURE (CONT'D)

Climate Change and Energy Efficiency (Cont'd)

Metrics and Targets (Cont'd)

Scope 1 GHG Emissions

Scope 1 GHG emissions represent direct emissions generated from petrol and diesel consumption in company-owned vehicles. In FY2025, these emissions amounted to 40.11 tCO_2e, reflecting an 18% decrease compared to FY2024.

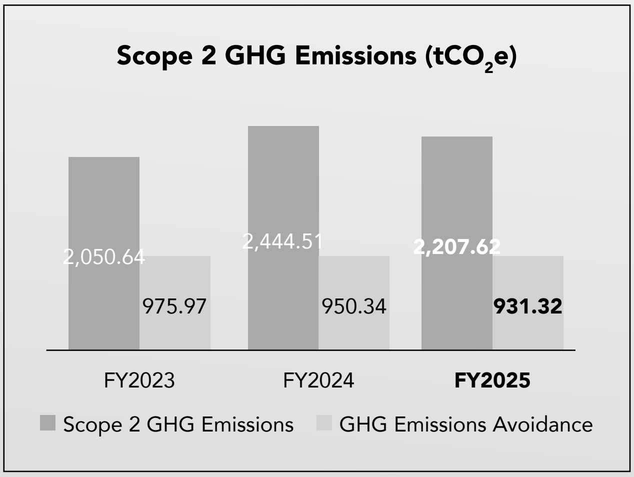


Note:
1. Calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards.
2. Scope 1 emissions factors were sourced from the UK Government's GHG Conversion Factor (2023, 2024 and 2025).

Scope 2 GHG Emissions

Scope 2 GHG emissions represent indirect emissions arising from electricity consumption across our facilities, factories and employee accommodations. In FY2025, Scope 2 emissions totalled 2,207.62 tCO_2e, reflecting a 10% decrease compared to FY2024, driven by enhanced energy management practices and optimisation of production activities. During the year, solar generation at STB contributed an estimated 931.32 tCO_2e of avoided emissions.

Note:
1. SAC has a shared meter with SMP.
2. Calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards.
3. Scope 2 GHG emissions data have been restated based on the latest updated emissions factors from the National Energy Commission's Grid Emissions Factor ("GEF") Malaysia (2022-2024).



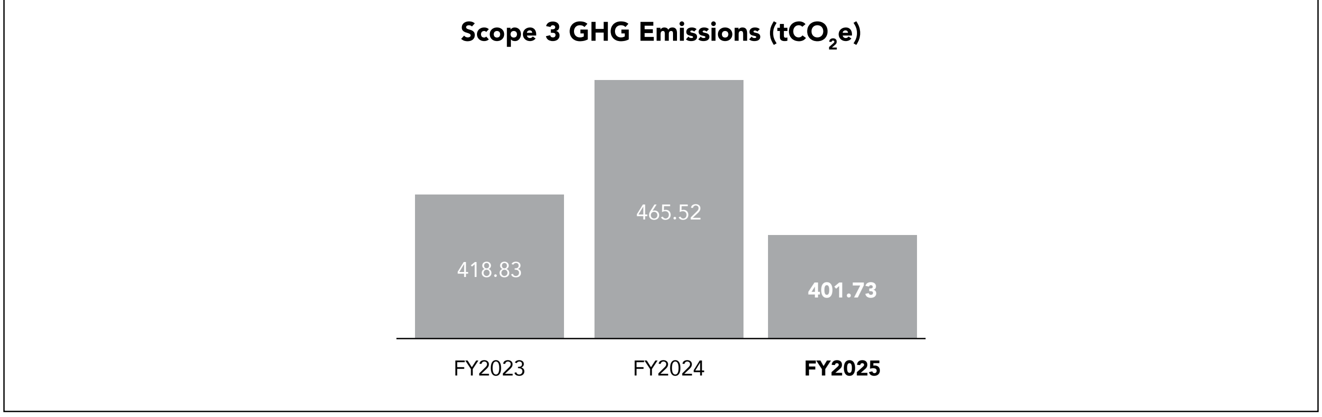
CULTIVATING A GREENER FUTURE (CONT'D)

Climate Change and Energy Efficiency (Cont'd)

Metrics and Targets (Cont'd)

Scope 3 GHG Emissions

Scope 3 GHG emissions are indirect emissions, primarily from employee commuting and business travel. In FY2025, Scope 3 emissions amounted to 401.73 tCO_2e.



	FY2023	FY2024	FY2025
Business Travel (Air)	13.56	15.01	**13.98**
Business Travel (Land)	0.35	0.35	**0.62**
Employee Commute	404.91	450.16	**387.13**

Note:
1. Calculation methodology is based on the GHG Protocol Corporate Accounting and Reporting Standards.
2. Scope 3 emissions factors were sourced from the UK Government's GHG Conversion Factor (2023, 2024 and 2025).

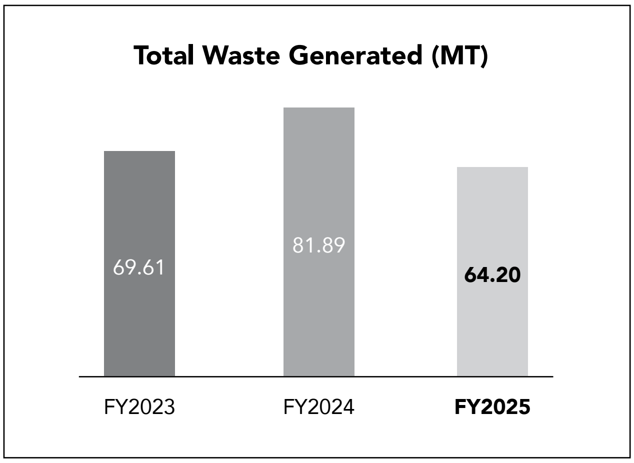
CULTIVATING A GREENER FUTURE (CONT'D)

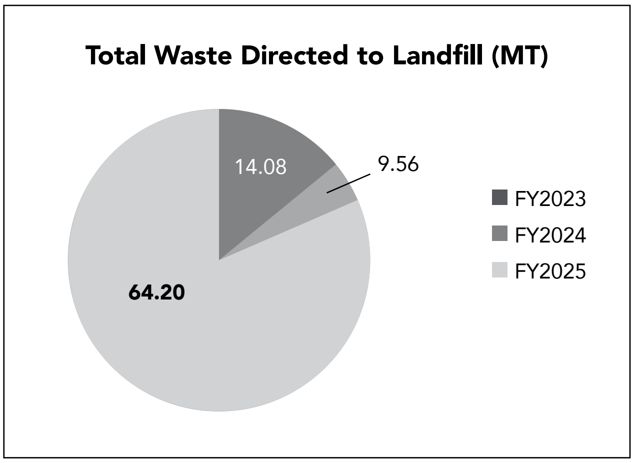
Waste Management

Effective waste management remains a key focus of STB Group's environmental management approach. Our safety and health officers oversee the handling of all production waste generated to ensure compliance with the Environmental Quality Act 1974, while hazardous waste is managed in compliance with the Environmental Quality (Scheduled Wastes) Regulations 2005.

During the year, the Group continued to enhance waste monitoring and data management processes. Digitalisation initiatives were implemented to reduce paper consumption and improve resource efficiency across operations.

A total of 64.20 tonnes of scheduled and non-scheduled waste was generated during the reporting period. No environmental fines or penalties were incurred during the past three financial years.





Scheduled Waste

The Group engages a waste collector approved by the Department of Environment to manage the collection and disposal of scheduled waste. Scheduled waste is handled internally by certified and trained Scheduled Waste Management Personnel to ensure proper segregation, storage and regulatory compliance. During the reporting period, 13.89 tonnes of scheduled waste were generated, representing a 5% decrease compared to the previous year.

Code	STB FY2023	STB FY2024	STB FY2025
SW104	7.32	0	**0**
SW204	0	1.13	**3.04**
SW302	0	2.11	**1.07**
SW307	4.32	3.63	**1.37**
SW311	0	0	**7.04**
SW409	0	0	**0.01**
SW410	0.94	1.33	**0.25**

CULTIVATING A GREENER FUTURE (CONT'D)

Waste Management (Cont'd)

Scheduled Waste (Cont'd)

Code	SMP		
	FY2023	FY2024	FY2025
SW110	0.22	0.77	**0.20**
SW303	0	0	**0.05**
SW306	0	1.45	**0**
SW409	0.10	1.01	**0.14**
SW410	0.77	3.05	**0.50**
SW429	0	0.15	**0.11**

Code	SAC		
	FY2023	FY2024	FY2025
SW303	0	0	**0.08**
SW410	0.41	0.01	**0.01**

Non-Scheduled Waste

Our non-scheduled waste primarily consists of wire and PVC, which is sent to a licensed waste contractors for recycling.

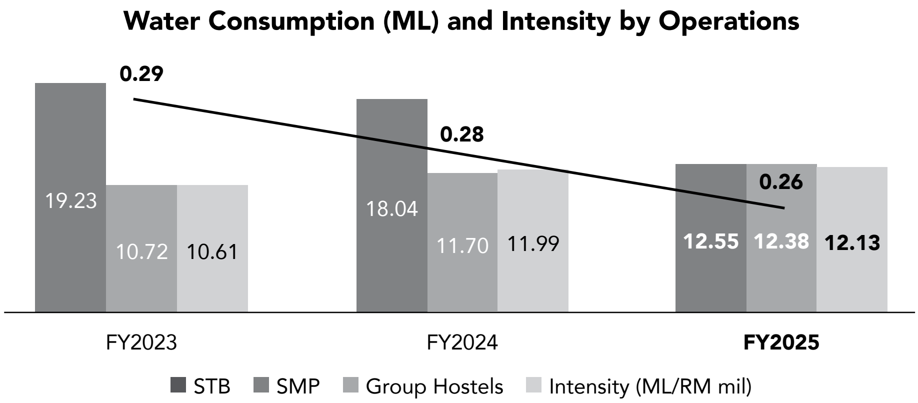
Amount of Non-Scheduled Waste Generated (tonnes)									
Types of Waste	STB			SMP			SAC		
	FY2023	FY2024	FY2025	FY2023	FY2024	FY2025	FY2023	FY2024	FY2025
Wires	19.53	25.25	**22.31**	0	0	**0**	0	0	**0**
PVC	36.00	42.00	**28.00**	0	0	**0**	0	0	**0**

CULTIVATING A GREENER FUTURE (CONT'D)

Water Consumption

Water is a key operational resource across STB Group's manufacturing processes, particularly for cooling in wire extrusion and PVC compounding activities. Effective water management supports production efficiency, operational resilience and responsible resource use.

Water is primarily used for cooling in manufacturing processes, while additional consumption arises from hostel facilities that support employee welfare, including hygiene, sanitation and cleaning requirements. In FY2025, total water consumption amounted to 37.06 megalitres, with detailed performance trends presented below.



Note:
1. SAC has a shared meter with SMP.

POSITIVELY AFFECTING LIVES

STB Group creates value prioritising employee safety, capability and well-being while contributing to the communities in which we operate. Our approach focuses on maintaining high standards of occupational health and safety, strengthening workforce development and upholding responsible labour and sourcing practices across our value chain. We recognise that a safe, skilled and engaged workforce is critical to sustaining product quality, operational reliability and long-term business performance. In parallel, we continue to support local suppliers and community initiatives that foster inclusive growth and shared value.

Materiality Sustainability Matters

- Occupational Health and Safety
- Product Quality and Innovation
- Talent Attraction and Development
- Labour Practices and Standards
- Responsible Sourcing
- Workforce Diversity and Inclusion
- Community Engagement

Key Stakeholder Group

POSITIVELY AFFECTING LIVES (CONT'D)

Occupational Health and Safety

Across STB Group's operations, we recognise the occupational risks associated with manufacturing environments, including machinery operation, manual handling, technical processes and heat exposure. Safeguarding the physical well-being of our employees, contractors and visitors remains a priority.

During the year, the Group improved safety performance by enhancing systems, standardising procedures and reinforcing consistent practices across all operating entities. These efforts support continuous improvement in hazard management, risk control and safety awareness.

Health and Safety Management System

Our Health and Safety Management System is aligned with ISO 45001. The Group CEO and managing director oversee occupational safety and health ("OSH") performance. We implement structured processes to enhance employees' understanding and execution of safety protocols, while promoting proactive hazard identification and risk control. This framework supports the identification, assessment and mitigation of workplace risks, fostering a strong safety culture and operational reliability.

OSH Training

During the reporting period, a total of 808 hours of OSH training were delivered to 101 employees. These programmes aim to strengthen safety awareness, reinforce hazard identification and ensure consistent adherence to safe work practices across operations.

Trainings

Competent Forklift Safety Training

Provide forklift operators with the necessary knowledge to operate forklifts, especially in work-related situations.

21 Employees Trained

168 Total Training Hours

Emergency Response Team ("ERT") Training for STB and SMP

Provide employees with the essential knowledge and skills to effectively handle fire emergencies and other critical situations.

35 Employees Trained

280 Total Training Hours

POSITIVELY AFFECTING LIVES (CONT'D)

Occupational Health and Safety (Cont'd)

OSH Training (Cont'd)

Trainings

Ergonomic Awareness Training

Educate employees on the principles of ergonomics to enhance their comfort, efficiency, and safety in the workplace.

20
Employees Trained

160
Total Training Hours

Hearing Conservation Training for SMP

Educate employees and employers about the risks of noise-induced hearing loss ("NIHL") and provide strategies for preventing hearing damage in noisy work environments.

25
Employees Trained

200
Total Training Hours

Health and Safety Performance

The Group recorded 1,858,500 total work hours and zero work-related fatalities across operations during the reporting period.

OSH Performance	FY2023	FY2024	FY2025
Total Hours Worked	2,181,816	1,985,040	**1,858,500**
No. of Fatalities	0	0	**0**
No. of Work-related Ill Health	0	0	**0**
No. of Lost-time Injuries	5	7	**4**
LTIR	0.64	0.10	**0.43**

Note:
1. The LTIR is calculated based on the number of workplace incidents resulting in workplace injury-related absences, expressed per 200,000 hours worked.

POSITIVELY AFFECTING LIVES (CONT'D)

Product Quality and Innovation

Sustainability considerations are integrated into the Group's product design, development and manufacturing processes, ensuring that quality, safety and regulatory compliance remain central to our operations. Our specialised cleanroom facilities and stringent quality control protocols support consistent product performance and minimise defects, in line with Good Manufacturing Practice ("GMP") requirements established by the United States Food and Drug Administration ("FDA").

These efforts are reflected in our recognition as a Sony "Green Partner" and the attainment of multiple internationally recognised certifications, reinforcing our credibility as a trusted supplier to global manufacturers.

STB Group works closely with international clients to develop customised solutions that meet stringent technical and regulatory requirements while improving production efficiency and resource optimisation. Our product portfolio includes specialised solutions across our manufacturing operations, spanning medical, high-precision cable and automotive applications.

Group Certifications

- ISO 9001:2015
- EN ISO 13485:2016
- FDA 510k
- IATF 16949:2016
- JQA F-Mark
- UL Certification

Medical Solutions

SMP leverages its extensive expertise in the wires and cables sector to engineer and manufacture OEM medical devices that meet customer specifications in the field of medical technology.

Tissue Oximeter Module Connecting Cable

Custom-engineered connecting cables that integrate with customers' tissue oximeter systems to support accurate and consistent monitoring of tissue oxygenation levels.

Gastroscope & Endoscope

Flexible fibre optic cables used in gastroscopes and endoscopes to support visualisation of the digestive tract, manufactured to meet stringent quality and durability requirements.

POSITIVELY AFFECTING LIVES (CONT'D)

Product Quality and Innovation (Cont'd)

Medical Solutions (Cont'd)

Electrocardiogram ("ECG") Electrode Wires

Designed for a wide range of diagnostic and monitoring applications, these cables support stable signal transmission and low impedance performance. Designed for a wide range of diagnostic and monitoring applications, these cables support stable signal transmission and low impedance performance.

Disposable Pressure Transducer & Monitoring Cable

Sterile, single-use pressure monitoring kits that transmit blood pressure data from monitoring catheters to patient monitoring systems, enabling precise and reliable readings.

Automotive Solutions

SAC specialises in the production of high-quality OEM wire harnesses and automotive fuel tanks, engineered to meet the evolving performance and reliability standards of the automotive sector.

Wire Harnesses and Fuel Tanks

Our wire harnesses support communication and power distribution across complex automotive systems, while our fuel tanks are manufactured in accordance with stringent safety, quality and performance standards.

Given the nature of these operations, manufacturing activities involve exposure to chemical handling, machinery operation, noise and fire risks. This reinforces the importance of cultivating a strong safety culture and maintaining robust risk management practices across our facilities.

We remain committed to achieving zero fatalities and strengthening OHS performance across the Group. We maintain strict adherence to applicable safety regulations and protocols, guided by a Health and Safety Management System aligned with ISO 45001 certification standards. This structured approach enables systematic identification, assessment and mitigation of workplace risks, driving continuous improvement in safety performance.

POSITIVELY AFFECTING LIVES (CONT'D)

Talent Attraction and Development

People are central to our operational excellence and long-term growth. We foster a safe, inclusive and development-focused workplace to mitigate workforce-related risks, including turnover and disengagement, while enhancing innovation, productivity and organisational resilience.

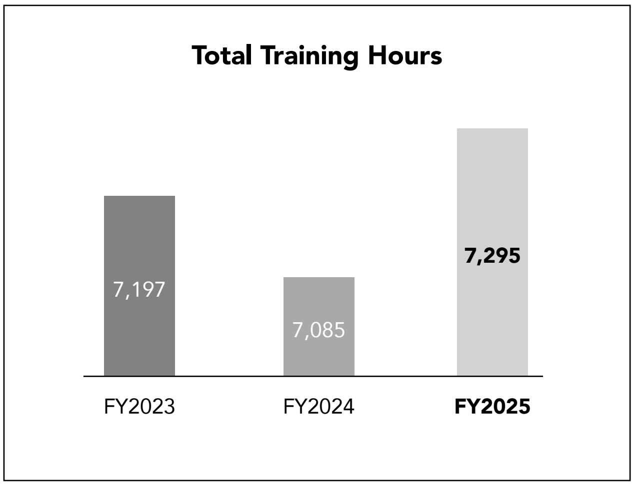
Our approach to talent development emphasises competitive benefits, structured career pathways and performance-driven progression to strengthen workforce capability and support business sustainability. We also collaborate with local universities through internship and management trainee programmes, providing practical industry exposure and contributing to the development of future talent. These partnerships promote knowledge exchange and strengthen our engagement with the broader community.

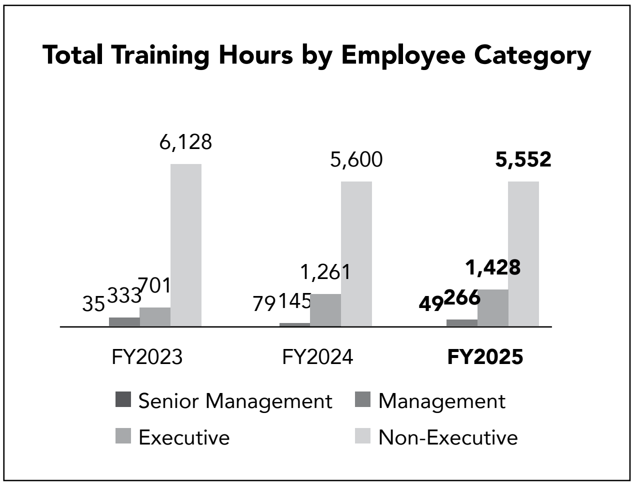
Training and Development

We invest in continuous learning and development to strengthen workforce capability and support operational excellence. STB Group's training initiatives are designed to equip employees with the technical, safety and leadership competencies required to perform effectively and adapt to evolving business and industry requirements. Key areas of focus include:

- Technical and job-specific skills to enhance productivity, quality and operational efficiency
- Health and safety awareness to reinforce a safe and compliant workplace
- Soft skills, including teamwork, communication and leadership, to support collaboration and talent progression

In FY2025, we conducted 41 training programmes and seminars, delivering a total of 7,295 training hours to 443 employees across all divisions.

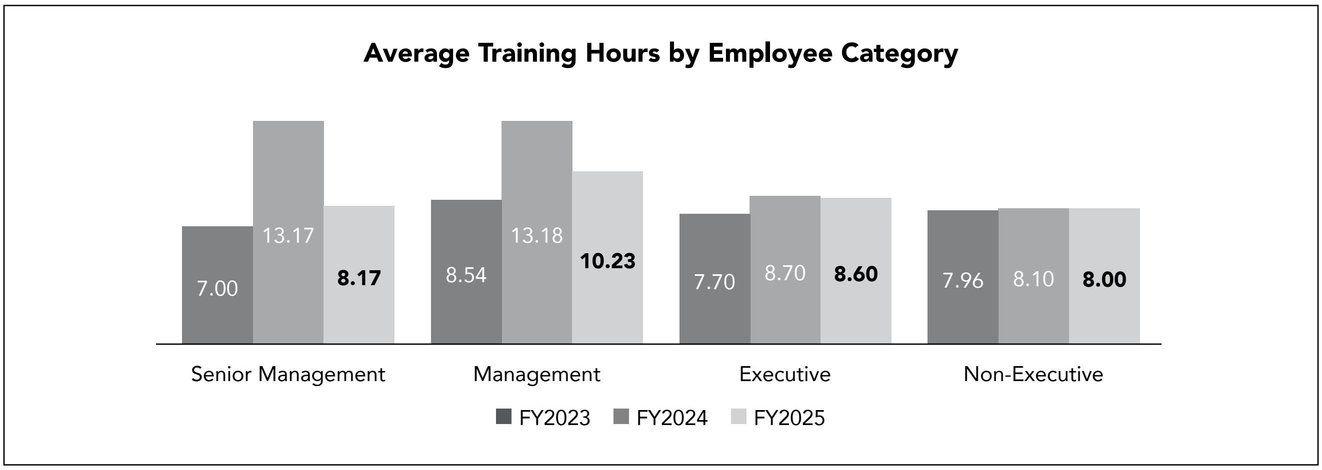




POSITIVELY AFFECTING LIVES (CONT'D)

Talent Attraction and Development (Cont'd)

Training and Development (Cont'd)



Employee Engagement

STB Group engages with our workforce through numerous activities to support a positive and cohesive workplace culture. These initiatives aim to enhance employee motivation, strengthen team connections and reinforce a sense of belonging within the organisation.

Festive and National Day Celebrations

We organised Chinese New Year, Hari Raya, Deepavali and Malaysia Day gatherings to celebrate cultural diversity and strengthen workplace relationships.

Health and Well-Being

STB Group organised badminton and bowling tournaments to promote team spirit, encourage healthy competition and bring employees together in a fun environment.

Team Building

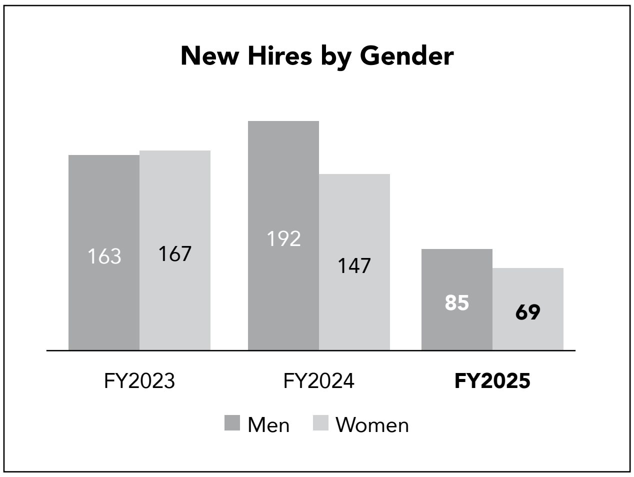
Team-building activities at Gunung Jerai and Penang were organised for employees to boost morale, foster collaboration and build trust, strengthening teamwork and enhancing their problem-solving capabilities.

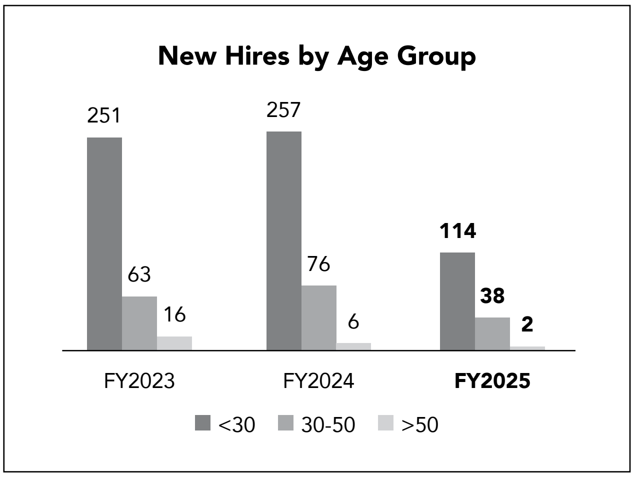
POSITIVELY AFFECTING LIVES (CONT'D)

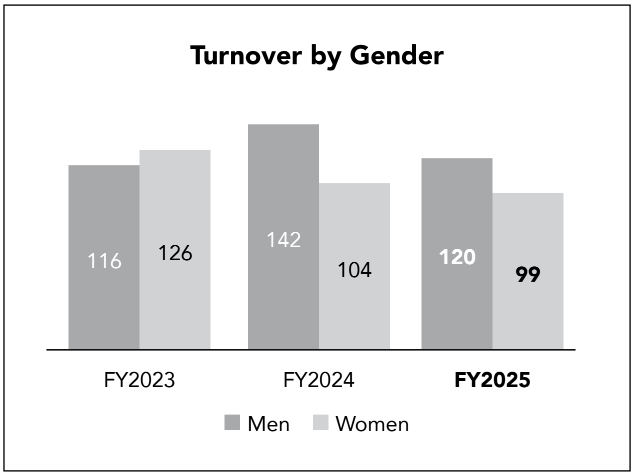
Talent Attraction and Development (Cont'd)

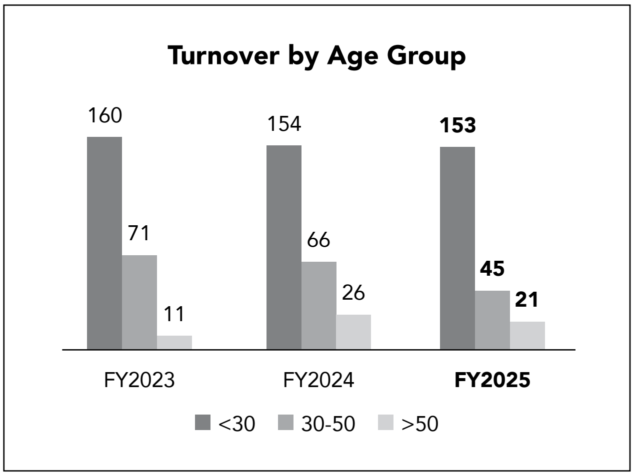
Employee Recruitment

The Group recorded 154 new hires and 219 employee departures during the year, reflecting ongoing workforce renewal and the dynamic nature of the manufacturing sector. The Group continues to monitor employee turnover and engagement levels to support workforce stability, productivity and long-term business performance.









Employee Category	Total Number of Employee Turnover FY2023	FY2024	FY2025
Senior Management	0	1	**0**
Management	2	3	**2**
Executive	19	31	**42**
Non-Executive	221	211	**175**
Total	**242**	**246**	**219**

POSITIVELY AFFECTING LIVES (CONT'D)

Labour Practices and Standards

STB Group respects the fundamental rights of all individuals and prioritises ethical labour practices to safeguard the welfare and dignity of our workforce. In alignment with the International Labour Organisation ("ILO") Declaration on Fundamental Principles and Rights at Work and Malaysia's Employment Act (Amendment) 2023, we remain committed to preventing human rights violations across our operations.

We ensure fair compensation, uphold freedom of association and maintain a workplace free from forced and child labour. Accommodation provided for foreign employees complies with the Employees' Minimum Standards of Housing, Accommodation and Amenities Act 1990 and its subsequent amendments, reflecting our commitment to responsible workforce management. In FY2025, there were no reported incidents of discrimination across our operations.

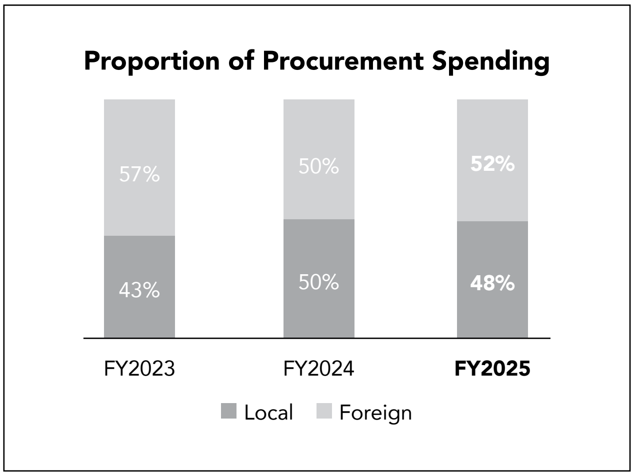
(FTSE alignment: STB Group to confirm if they have developed a policy or code that explicitly prohibits forced and child labour).

Responsible Sourcing

As a supplier to the automotive, medical and electronic industries, STB Group recognises the importance of responsible sourcing in managing supply chain risks and maintaining product quality. We emphasise local suppliers and establish ethical relationships, resulting in domestic economic growth and a smaller carbon footprint. The Group evaluates potential suppliers through a structured assessment guided by our Sustainability Policy and aligned with relevant ISO standards.

We engage regularly with suppliers to address potential risks, exchange best practices and foster long-term partnerships. Periodic audits are conducted to assess compliance with quality, safety and ethical standards. Feedback from these engagements is incorporated into continuous improvement of supplier performance.

48% of our procurement spending was directed towards local suppliers this year, and 52% was allocated to international suppliers. The Group continues to prioritise supplier reliability, quality and compliance to ensure operational continuity and product integrity.



POSITIVELY AFFECTING LIVES (CONT'D)

Workforce Diversity and Inclusivity

Recognising that a diverse and inclusive workforce enhances operational effectiveness and drives innovation, the Group promotes equitable employment practices across its manufacturing and technical functions.

Our Hiring Policy upholds the principle of equal opportunity, ensuring fair and equal access to career development and advancement opportunities regardless of race, religion, gender, age, disability or sexual orientation. We promote gender balance through our Gender Diversity Policy to ensure that women are afforded equitable opportunities to assume leadership positions.

Workforce Diversity

With a total workforce of 809 employees, 100% are permanent staff, while 73% comprise local hires. Employees with declared disabilities accounted for 0.4% of the Group's total workforce. We prioritise hiring local talent wherever feasible, creating meaningful employment opportunities within our communities and ensuring our operations are supported by skilled individuals from the areas in which we operate.

STB Group's Workforce Profile

Total Employee Strength

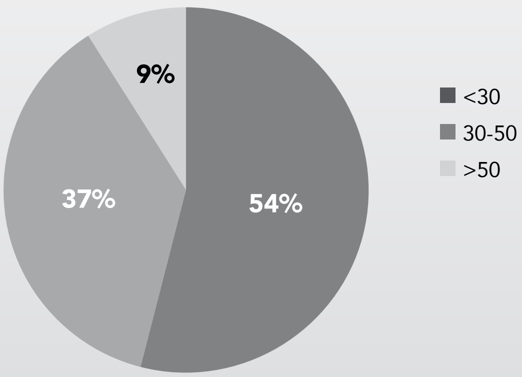
809
(FY2024: 874)
(FY2023: 847)

Employee Gender Diversity

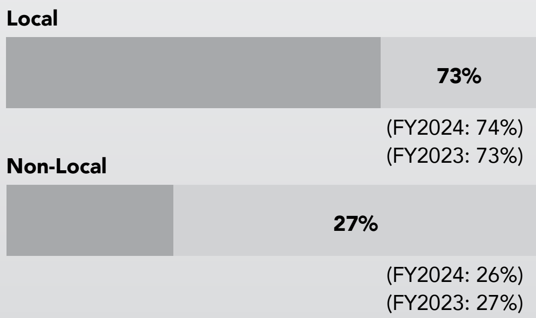
46%
(FY2024: 63%)
(FY2023: 48%)

54%
(FY2024: 37%)
(FY2023: 54%)

Employee Age Diversity in FY2025



Employee Nationality

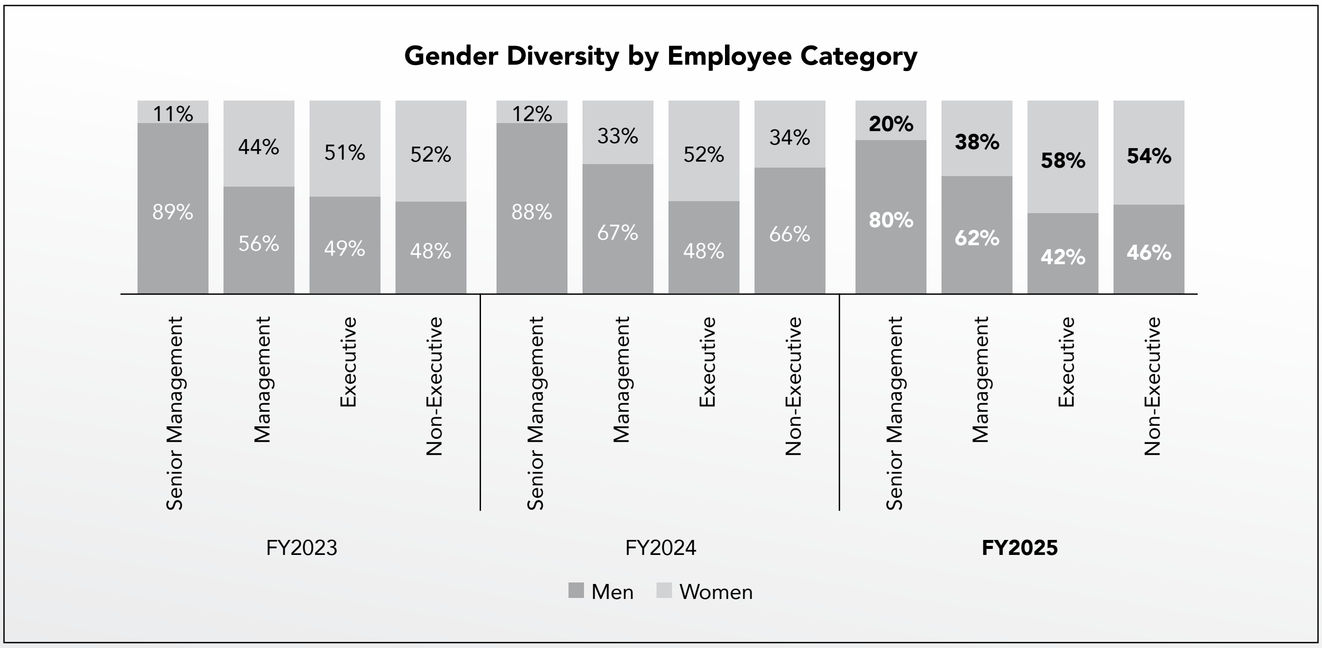


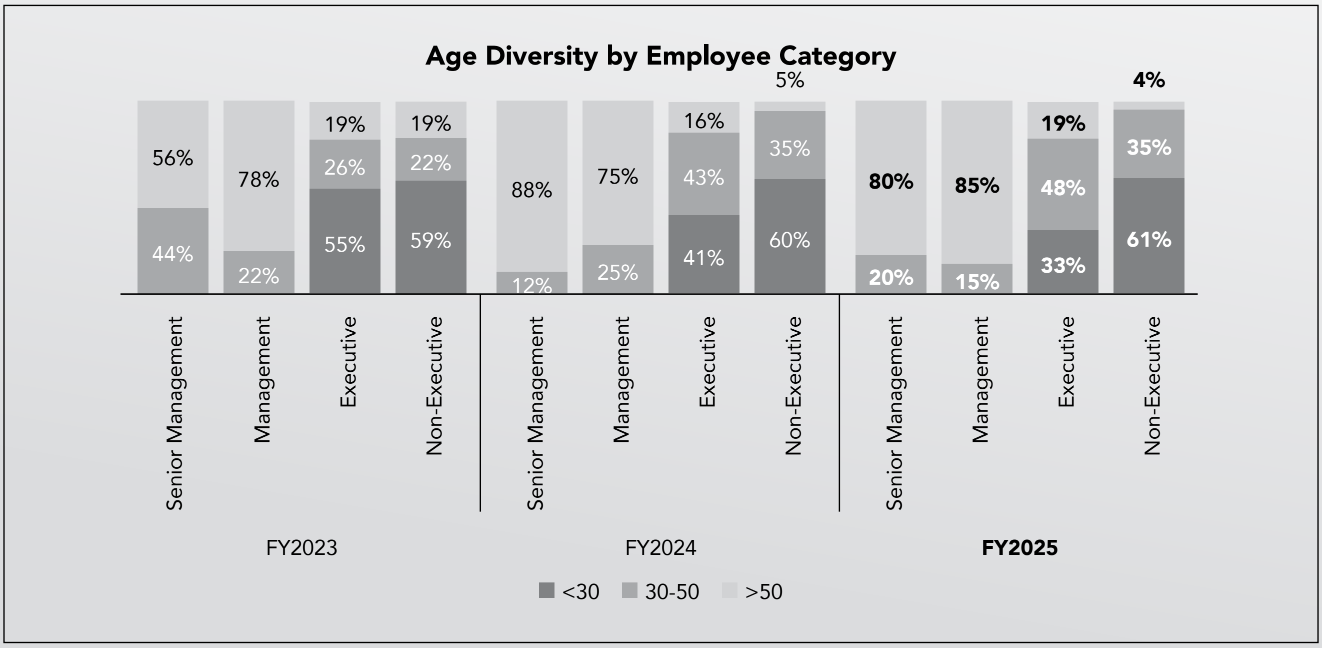
In FY2025, our workforce comprised 46% male and 54% female employees. Of the 809 total employees, 54% were aged below 30, reflecting a relatively young workforce across operations.

POSITIVELY AFFECTING LIVES (CONT'D)

Workforce Diversity and Inclusivity (Cont'd)

Workforce Diversity (Cont'd)





POSITIVELY AFFECTING LIVES (CONT'D)

Community Engagement

In recognising our responsibility as a corporate citizen, we adopt a structured and impact-driven approach to community investment to ensure our contributions create meaningful social value in the communities where we operate. Community initiatives are identified based on their relevance to local needs, alignment with our sustainability priorities and connection to our operational footprint.

Priority is given to programmes that complement our role as a manufacturing group, strengthen community resilience and promote inclusive development. Through this focused approach, the Group ensures that our community investments reinforce positive social impact while remaining aligned with our sustainability priorities and operational prosperity. In FY2025, STB Group invested a total of RM12,000 into corporate social responsibility ("CSR") programmes to support the social well-being of local communities.

Contribution to Taiwan Chamber of Commerce and Industry in Malaysia

STB Group assisted in funding the organisation's initiatives to promote and enhance regional business development in Malaysia through a cash contribution of RM1,500.

Support for Majlis Sukan dan Kebudayaan Kastam

In support of a sports event organised by the Royal Malaysian Customs Department, the Group contributed RM500.

Donation to Sungai Petani Volunteer Fire Brigade

To support the acquisition of an ambulance for firefighting, disaster response and emergency rescue operations, RM10,000 was donated to Pasukan Bomba Sukarela Sungai Petani Kedah ("PBSSPK").

Wiring Progress Responsibly

Sustainability remains integral to how STB Group manages risks, optimises resources and creates long-term value as we continue to grow in the high-precision cable and specialised manufacturing sectors. During the year, we strengthened governance oversight, enhanced climate and resource management practices, and continued to invest in workforce capability and operational resilience.

In response to evolving regulatory requirements and stakeholder expectations, the Group remains committed to improving data quality, strengthening the integration of sustainability and climate-related risks into decision-making, and enhancing the transparency and relevance of its disclosures. This disciplined and structured approach will support sustainable growth while delivering reliable solutions to customers and stakeholders.

PERFORMANCE DATA TABLE

Governance

Indicator	Unit	FY2023	FY2024	FY2025
Corporate Governance and Anti-Corruption				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
• Senior Management	%	56	50	**80**
• Management	%	56	67	**62**
• Executive	%	14	13	**12**
• Non-Executive	%	0	0	**19**
Bursa C1(b) Percentage of operations assessed for corruption related risks	%	100	100	**100**
Bursa C1(c) Confirmed incidents of corruption and actions taken	Number	0	0	**0**
Bursa C3(b) Percentage of directors by gender and age				
Male	%	70	70	**70**
Female	%	30	30	**30**
<30	%	0	0	**0**
30-50	%	20	10	**10**
>50	%	80	90	**90**
Data Privacy and Cybersecurity				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	**0**

Environment

Indicator	Unit	FY2023	FY2024	FY2025
Climate Change and Energy Consumption				
Bursa C4(a) Total energy consumption	GJ	15,013	17,211	**15,832**
Bursa C11(a) Scope 1 emissions in tonnes of CO_2e	tCO_2e	48	49	**40**
Bursa C11(b) Scope 2 emissions in tonnes of CO_2e	tCO_2e	2,051	2,445	**2,208**
Bursa C11(c) Scope 3 emissions in tonnes of CO_2e (business travel and employee commute)	tCO_2e	419	466	**402**
Waste Management				
Bursa C10(a) Total waste generated	tonnes	69.61	81.89	**64.20**
Bursa C10(a)(i) Total waste diverted from disposal	tonnes	55.53	72.33	**0**
Bursa C10(a)(ii) Total waste directed to disposal	tonnes	14.08	9.56	**64.20**

PERFORMANCE DATA TABLE (CONT'D)

Environment (Cont'd)

Indicator	Unit	FY2023	FY2024	FY2025
Water Consumption				
Bursa C9(a) Total volume of water used	ML	40.56	41.73	**37.06**

Note:
1. Scope 2 GHG Emissions have been restated based on the latest updated emissions factors from the National Energy Commission's Grid Emissions Factor ("GEF") Malaysia (2022-2024).

Social

Indicator	Unit	FY2023	FY2024	FY2025
Occupational Health and Safety				
Bursa C5(a) Number of work-related fatalities	Number	0	0	**0**
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.64	0.10	**0.43**
Bursa C5(c) Number of employees trained on health and safety standards	Number	49	203	**101**
Talent Attraction and Development				
Bursa C6(a) Total hours of training by employee category				
• Senior Management	Hours	35	79	**49**
• Management	Hours	333	145	**266**
• Executive	Hours	701	1,261	**1,428**
• Non-Executive	Hours	6,128	5,600	**5,552**
Bursa C6(c) Total number of employee turnover by employee category				
• Senior Management	Number	0	1	**0**
• Management	Number	2	3	**2**
• Executive	Number	19	31	**42**
• Non-Executive	Number	221	211	**175**
Labour Practices and Standards				
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	**0**
Responsible Sourcing				
Bursa C7(a) Proportion of spending on local suppliers	%	43	50	**48**
Workforce Diversity and Inclusivity				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				

PERFORMANCE DATA TABLE (CONT'D)

Social (Cont'd)

Indicator	Unit	FY2023	FY2024	FY2025
Gender group by employee category				
• Senior Management (Men)	%	89	88	**80**
• Senior Management (Women)	%	11	12	**20**
• Management (Men)	%	56	67	**62**
• Management (Women)	%	44	33	**38**
• Executive (Men)	%	49	48	**42**
• Executive (Women)	%	51	52	**58**
• Non-Executive (Men)	%	48	66	**46**
• Non-Executive (Women)	%	52	34	**54**
Age group by employee category				
• Senior Management (<30)	%	0	0	**0**
• Senior Management (30-50)	%	44	12	**20**
• Senior Management (>50)	%	56	88	**80**
• Management (<30)	%	0	0	**0**
• Management (30-50)	%	22	25	**15**
• Management (>50)	%	78	75	**85**
• Executive (<30)	%	55	41	**33**
• Executive (30-50)	%	26	43	**48**
• Executive (>50)	%	19	16	**19**
• Non-Executive (<30)	%	59	60	**61**
• Non-Executive (30-50)	%	22	35	**35**
• Non-Executive (>50)	%	19	5	**4**
Bursa C6(b) Percentage of employees that are contractors or temporary staff	%	0	0	**0**
Community Engagement				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	1,940	113,099	**12,000**
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	3	5	**3**

GRI CONTENT INDEX

Statement of use	Supercomnet Technologies Berhad has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 2: General Disclosures 2021	2-1 Organisational details	39-40
	2-2 Entities included in the organisation's sustainability reporting	39-40
	2-3 Reporting period, frequency and contact point	40
	2-6 Activities, value chain and other business relationships	39-40
	2-7 Employees	77-78
	2-9 Governance structure and composition	47
	2-11 Chair of the highest governance body	47
	2-12 Role of the highest governance body in overseeing the management of impacts	47
	2-13 Delegation of responsibility for managing impacts	47
	2-14 Role of the highest governance body in sustainability reporting	47
	2-16 Communication of critical concerns	55
	2-23 Policy commitments	44,54
	2-24 Embedding policy commitments	44,54
	2-26 Mechanisms for seeking advice and raising concerns	55
	2-28 Membership associations	40
	2-29 Approach to stakeholder engagement	48-50
GRI 3: Material Topics 2021	3-1 Process to determine material topics	51-52
	3-2 List of material topics	51-52
	3-3 Management of material topics	Throughout
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	76
GRI 205: Anti-Corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	55
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	60
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	67
	303-5 Water consumption	67
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	63
	305-2 Energy indirect (Scope 2) GHG emissions	63
	305-3 Other indirect (Scope 3) GHG emissions	64

GRI CONTENT INDEX (CONT'D)

GRI STANDARD	DISCLOSURE	LOCATION (PAGE)
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	65-66
	306-2 Management of significant waste-related impacts	65-66
	306-3 Waste generated	65-66
	306-5 Waste directed to disposal	65-66
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	75
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	69
	403-2 Hazard identification, risk assessment, and incident investigation	69
	403-4 Worker participation, consultation and communication on occupational health and safety	70
	403-5 Worker training on occupational health and safety	70
	403-9 Work-related injuries	70
	403-10 Work-related ill health	70
GRI 404: Training and Education 2016	404-2 Programmes for upgrading employee skills and transition assistance programs	73,74
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	77-78
GRI 406: Non-discriminatory 2016	406-1 Incidents of discrimination and corrective actions taken	76
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programmes	79
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	55

Supercomnet Technologies Berhad

BMLR Transition Period

Date & Time: 2026-04-29_09:40:57

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category -Senior Management	Percentage	80	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category -Management	Percentage	62	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	12	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of employees who have received training on anti-corruption by employee category -Non-Executive	Percentage	19	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of operations assessed for corruption related risks	Percentage	100	—	No assurance
Corporate Governance and Anti-Corruption	Confirmed incidents of corruption and actions taken	Number	0	0	No assurance
Corporate Governance and Anti-Corruption	Percentage of directors by gender-Male	Percentage	70	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of directors by gender-Female	Percentage	30	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of directors by age- <30	Percentage	0	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of directors by age-30-50	Percentage	10	—	No assurance
Corporate Governance and Anti-Corruption	Percentage of directors by age- >50	Percentage	90	—	No assurance

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BMLR Transition Period

Date & Time: 2026-04-29_09:40:57

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Data Privacy and Cybersecurity	Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	No assurance
Climate Change and Energy Efficiency	Total energy consumption	GJ	15,832	—	No assurance
Climate Change and Energy Efficiency	Scope 1 emissions in tonnes of CO2e	tCO2e	40	—	No assurance
Climate Change and Energy Efficiency	Scope 2 emissions in tonnes of CO2e	tCO2e	2,208	—	No assurance
Climate Change and Energy Efficiency	Scope 3 emissions in tonnes of CO2e (business travel and employee commute)	tCO2e	402	—	No assurance
Waste Management	Total waste generated	tonnes	64.20	—	No assurance
Waste Management	Total waste diverted from disposal	tonnes	0	—	No assurance
Waste Management	Total waste directed to disposal	tonnes	64.20	—	No assurance
Water Consumption	Total volume of water used	ML	37.06	—	No assurance
Occupational Health and Safety	Number of work-related fatalities	Number	0	0	No assurance
Occupational Health and Safety	Lost time incident rate ("LTIR")	Rate	0.43	Less than 3.00 anually	No assurance
Occupational Health and Safety	Number of employees trained on health and safety standards	Number	101	—	No assurance
Talent Attraction and Development	Total hours of training by employee category- Senior Management	Hours	49	—	No assurance
Talent Attraction and Development	Total hours of training by employee category- Management	Hours	266	—	No assurance
Talent Attraction and Development	Total hours of training by employee category- Executive	Hours	1,428	—	No assurance

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BMLR Transition Period

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FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Talent Attraction and Development	Total hours of training by employee category- Non-Executive	Hours	5,552	—	No assurance
Talent Attraction and Development	Total number of employee turnover by employee category- Senior Management	Number	0	—	No assurance
Talent Attraction and Development	Total number of employee turnover by employee category-Management	Number	2	—	No assurance
Talent Attraction and Development	Total number of employee turnover by employee category - Executive	Number	42	—	No assurance
Talent Attraction and Development	Total number of employee turnover by employee category- Non-Executive	Number	175	—	No assurance
Labour Practices and Standards	Number of substantiated complaints concerning human rights violations	Number	0	0	No assurance
Responsible Sourcing	Proportion of spending on local suppliers	Percentage	48	at least 30%	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by gender - Senior Management (Men)	Percentage	80	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by gender - Senior Management (Women)	Percentage	20	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by gender - Management (Men)	Percentage	62	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by gender - Management (Women)	Percentage	38	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by gender - Executive (Men)	Percentage	42	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by gender -Executive (Women)	Percentage	58	—	No assurance

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BMLR Transition Period

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FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Workforce Diversity and Inclusivity	Percentage of employees by gender- Non-Executive (Men)	Percentage	46	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by gender - Non-Executive (Women)	Percentage	54	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by age -Senior Management (<30)	Percentage	0	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by age - Senior Management (30-50)	Percentage	20	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by age -Senior Management (>50)	Percentage	80	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by age -Management (<30)	Percentage	0	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by age -Management (30-50)	Percentage	15	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by age -Management (>50)	Percentage	85	—	No assurance
Workforce Diversity and Inclusivity	Bursa C3(a) Percentage of employees by age - Executive (<30)	Percentage	33	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by age - Executive (30-50)	Percentage	48	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by age - Executive (>50)	Percentage	19	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by age - Non-Executive (<30)	Percentage	61	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by age -- Non-Executive (30-50)	Percentage	35	—	No assurance
Workforce Diversity and Inclusivity	Percentage of employees by age -- Non-Executive (>50)	Percentage	4	—	No assurance

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BMLR Transition Period

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FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Workforce Diversity and Inclusivity	Percentage of employees that are contractors or temporary staff	Percentage	0	—	No assurance
Community Engagement	Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	12,000	—	No assurance
Community Engagement	Total number of beneficiaries of the investment in communities	Number	3	—	No assurance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of Supercomnet Technologies Berhad ("STB" or "the Company") presents this statement to provide shareholders and investors with an overview of the corporate governance practices of the Company under the leadership of the Board during the financial year 2025. This overview takes guidance from the key corporate governance principles as set out in the Malaysian Code on Corporate Governance ("the Code" or "MCCG").

This statement is prepared in compliance with Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR") and it is to be read together with the Corporate Governance Report 2025 of the Company ("CG Report") which is available on the Company's website:

www.supercomnet.com.my

The CG Report provides the details on how the Company has applied each Practice as set out in the MCCG during the financial year 2025.

STB and its subsidiaries ("STB Group") recognises the importance of adopting good corporate governance and acknowledges the importance of the principles set out in the MCCG and is committed to ensure high standards of good corporate governance are in place and practiced within our Group in order to safeguard the shareholders and relevant stakeholders' interests as well as enhancing shareholders' value.

The Board has continued its efforts in raising the bar in the Group's corporate governance standards set out in the Code through various measures for implementation from time to time.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITES

The Board remains mindful to ensuring the long-term success of the Company and the delivering sustainable value to its stakeholders. In fulfilling its fiduciary duties and leadership functions, the Board governs and sets the strategic direction of the Company and exercising oversight on management's activities. The Board will continue playing its role in setting the appropriate tone at the top, offer thought leadership and championing good governance and ethical practices throughout the Company.

Following the top-down strategic planning process adopted by the Group, the Executive Directors will periodically formulate Group's strategy and communicate it down the organisation for implementation. The Chairman will continue leading the Board in establishing and monitoring good corporate governance practices in the Company by focusing on strategy, governance and compliance.

The Company continues practicing a division of responsibilities between the Chairman and the Managing Director. Their roles are separated and clearly defined in the Board Charter of the Company. The Board Charter serves as a reference and primary induction literature providing all Board members and Management insights into the fiduciary and leadership functions of the Board. It also clearly sets out the respective roles and responsibilities of the Board, Board Committees, Individual Directors and Management.

The Board has established three (3) Committees, namely the Audit and Risk Management Committee, Nominating Committee and Remuneration Committee. The primary functions of which are to assist the Board in overseeing the affairs of the Company and have been delegated specific responsibilities and authority. The authorities and functions of these Board Committees are clearly defined in their respective Terms of Reference.

The Board conducted reviewed of its Board Charter on 24 November 2025 to ensure alignment with current regulations, best practices and to maintain its effectiveness and relevance in supporting the Board's strategic intent as well as standards of corporate governance. The Company's Code of Ethics for Directors continues to govern the standards of ethics and good conduct expected of Directors. The Code of Ethics for Directors outlines principles relating to their duties, conflicts of interest and dealings in securities are available at the Company's website.

The Company has established Whistleblower Policy and Procedures ("WPP"). The WPP seek to foster an environment where integrity and ethical behaviour are maintained and any illegal or improper action and/or wrongdoing in the Company may be exposed. The Board has overall responsibility to oversee the implementation of the WPP, and all whistle-blowing reports should be addressed to the respective personnel as assigned pursuant to the Group's WPP. This mechanism provides stakeholders of STB with a channel to raise concerns regarding alleged unethical behaviour, actual or suspected fraud, improper business conduct or opportunities for business improvement across the Group.

A copy each of the Board Charter, Codes of Ethics for Directors, WPP and Anti-Corruption Policy are available at the Company's website, www.supercomnet.com.my.

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

I. BOARD RESPONSIBILITES (CONT'D)

The Board is supported by suitably qualified and competent Company Secretaries who are qualified, experienced and competent to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices. Both the Company Secretaries are qualified to act as company secretaries under Section 235(2) of the Companies Act 2016 and both of them are Associate members of the Malaysian Institute of Chartered Secretaries and Administrators.

The Board together with the Management takes responsibility for the governance of sustainability in the Group including setting the sustainability strategies, priorities and targets. Further details on the Company's multi-pronged approach to address sustainability risks and opportunities can be found in the Sustainability Statement.

II BOARD COMPOSITION

The Board currently has ten (10) members, comprising one (1) Independent Non-Executive Chairman, one (1) Group Managing Director, three (3) Executive Directors, four (4) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. This composition complies with Paragraph 15.02 of the MMLR whereby the Company must have at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, who are Independent Directors and at least one (1) Director of the Board is a women.

In order to achieve the intended outcome of the Code, the Board decisions are made objectively in the best interests of the Company taking into account diverse perspectives and insights. Our Group has met most of the good practices recommended by the Code as detailed in the CG Report 2025.

Nominating Committee

The Board has established its Nominating Committee ("NC") on 27 August 2005 which comprised entirely of Non-Executive Directors. The detailed Terms of Reference of this Committee can be found in the Group website.

The present members and record of attendance were as follows:

Name of Members	No. of Meeting(s) Attended
Khor Meow Ling	1/1
Wu, Chung-Jung	1/1
Ang Hwui Tee	1/1

The Board has through its NC conducted the annual assessment on its size and composition. Based on the assessment, the NC was satisfied that the Board comprises a mixture of qualified and experienced directors with diverse experience, background and expertise. The combination of diverse professionals with varied background, experience and expertise in finance and corporate affairs have also enabled the Board to discharge its responsibilities effectively and efficiently.

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

II BOARD COMPOSITION (CONT'D)

The skill sets and diversity of the existing Board are as follows:-

			Industry / Background Experience							By Composition								
										Age						Ethic		Gender	
Directors	Nationality	Designation	Technology	Marketing	Industrial	Legal	Corporate	Accounting / Finance	Internal Audit	30 – 39 years	40 – 49 years	50 – 59 years	60 – 70 years	71 years and above	Chinese	Foreigner	Male	Female
Shiue, Jong-Zone A.K.A James Shiue	Taiwanese	Senior Executive Director	√	√	√	√	√	√						√		√	√	
Wu, Huei-Chung	Taiwanese	Executive Director	√	√	√		√							√		√		√
Hsueh, Chih-Yu	Taiwanese	Group Managing Director	√	√	√							√				√	√	
Wu, Chung-Jung	Taiwanese	Non-Independent Non-Executive Director	√	√	√		√							√		√	√	
Ang Hwui Tee	Malaysian	Independent Non-Executive Director	√			√	√	√	√			√			√			√
Lim Eng Chuan	Malaysian	Executive Director	√	√	√	√	√		√			√			√		√	
Khor Meow Ling	Malaysian	Independent Non-Executive Director		√		√	√	√	√			√			√			√
Ng Swee Khee	Malaysian	Independent Non-Executive Director				√	√			√					√		√	
Lim Chun Thang	Malaysian	Independent Non-Executive Chairman				√	√	√					√		√		√	
Cheah Ho Wee Hock	Malaysian	Independent Non-Executive Director	√		√	√	√	√	√				√		√		√	

The MCCG encourages the Company to have women sitting on the board. The Company currently has three female Directors which accounted for 30% of the overall Board members.

The activities carried out by the NC during the FY2025 in discharging its functions are as follows:

- reviewed the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board;
- reviewed the new recommendations for the appointment of additional Directors;
- reviewed the training needs for the Directors; and
- reviewed the independency of Independent Directors.

A copy of Gender Diversity Policy is accessible on the Company's website at www.supercomnet.com.my.

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

II BOARD COMPOSITION (CONT'D)

Fit and Proper Policy

The Board has adopted the Directors' Fit and Proper Policy for the appointment and re-election of Directors of the Company. This policy will enhance the governance of the Group in relation to the Board's quality and integrity, as well as ensure that each of its directors has the character, experience, integrity, competence, time and commitment to effectively discharge his/her role as a director. The NC shall conduct the fit and proper assessment prior to the appointment of any candidates as a Director or making a recommendation for the re-election of an existing Director of the Group.

A copy of the Directors' Fit and Proper Policy is accessible on the Company's website at www.supercomnet.com.my.

Time Commitment

The Board is satisfied with the level of commitment and dedication given by the Directors towards fulfilling their roles and responsibilities within the Company. All Directors have devoted adequate time and commitment in discharging their responsibility. Board meetings are convened quarterly, with additional sessions scheduled when necessary.

During the financial year 2025, five (5) Board Meetings were conducted. Meeting agendas included review of quarterly financial results and announcements, as well as discussions regarding the Group's strategic plans and direction. For the period under review, the attendance record of each Director was as follows:

Executive Directors	Attendance
Shiue, Jong-Zone A.K.A. James Shiue	5/5
Wu, Huei-Chung	5/5
Hsueh, Chih-Yu	5/5
Lim Eng Chuan	5/5
Independent Non-Executive Directors	
Ang Hwui Tee	5/5
Khor Meow Ling	5/5
Ng Swee Khee	5/5
Lim Chun Thang	5/5
Cheah Ho Wee Hock	5/5
Non-Independent Non-Executive Director	
Wu, Chung-Jung	5/5

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

II BOARD COMPOSITION (CONT'D)

Directors' Training

The Board, as a whole, ensures that it recruits only individuals to the Board, who has the character, experience, integrity, competence and time to fulfill the duties of a director appropriately. As at the date of this statement, all Directors have completed the Mandatory Accreditation Programme ("MAP") Part I and Part II. The Directors will continue to undergo other relevant training programmes to enhance their skills and knowledge, where relevant.

During the financial year ended 31 December 2025, the conferences, seminars, courses, briefings and/or trainings attended by the Board encompass the following topics:

Name of Director	Programmes
Shiue, Jong-Zone A.K.A. James Shiue	1. Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Wu, Huei-Chung	1. Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Hsueh, Chih-Yu	1. Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Wu, Chung-Jung	1. Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Lim Eng Chuan	1. Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Ang Hwui Tee	1. Charting the Change: Adapting to Malaysia's Stamp Duty Self-Assessment Regime 2. IFRS 18: Navigating the new presentation 3. Audit Oversight Board's Conversation with Audit Committees
Khor Meow Ling	1. Belanjawan 2025 2. Malaysian Labour Law 3. Budget 2026 4. CA2016 Directors' Duties, Liabilities, and Governance 5. The Hidden Traps: Common HR& IR Missteps Explained
Ng Swee Khee	1. Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Lim Chun Thang	1. China Equity Outlook : Tech AI, Stimulus, Tariffs & Risk 2. US Reciprocal Tariff & Its Potential Implications 3. Sales Tax Amendments & Service Tax Expansion 4. The Audit Committee Chair of the future 5. Kenanga Technology Sector Outlook 6. Kenanga 4Q25 Malaysia Market Outlook
Cheah Ho Wee Hock	1. Mandatory Accreditation Programme (MAP) 2. Mandatory Accreditation Programme Part II: Leading for Impact (LIP)

III REMUNERATION

The Remuneration Committee ("RC") currently comprises one (1) Non-Independent Non-Executive Director and two (2) Independent Non-Executive Directors. In accordance with its Terms of Reference, the RC is responsible for assisting the Board, amongst others, to carry out annual review of salaries, incentive arrangements and other employment conditions of the Directors. The RC convenes meetings at least once a year, as and when required.

The Board has in place policies and procedures to determine the remuneration of Directors and Senior Management, which takes into account the demands, complexities and performance of the Company as well as skills and experience required. The Group's remuneration policies and decisions are made through a transparent and independent process. The policies and procedures are periodically reviewed to ensure it remain competitive and consistent with the Company's business strategy and long-term objectives.

Further details of the breakdown of Directors' Remuneration can be found in the Corporate Governance Report 2025.

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

III REMUNERATION (CONT'D)

The Board has taken into account the importance of transparency and accountability in corporate governance. Accordingly, the Board has decided to disclose the remuneration of Senior Management on a named basis in bands of RM100,000.00. This information is provided in this Annual Report to enhance stakeholders' understanding of the Company's remuneration practices.

The aggregate remuneration and benefits paid to the four (4) members of our Senior Management for the financial year 2025 are as follows:

Range of Remuneration	Number of Senior Management
RM100,001 – RM150,000	3
RM200,000 – RM250,000	1

A copy of Remuneration Policy is accessible on the Company's website at www.supercomnet.com.my.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee ("ARMC") comprises majority of Independent Non-Executive Directors. The Chairman of the ARMC is not the Chairman of the Board. This composition of our ARMC meets the requirements of Paragraph 15.09(1)(a) and (b) of the MMLR.

The Group's Board Charter and Terms of Reference of the ARMC has been reviewed on 24 November 2025 by the Board.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board fulfils its responsibilities in the risk governance and oversight functions through its ARMC in order to manage the overall risk exposure of the Group. The ARMC is attended by Board members and management staffs. The ARMC assessed and monitored the efficacy of the risk management controls and measures taken, whilst the adequacy and effectiveness of the internal controls were reviewed in relation to internal audit function for the Group. The Board through the ARMC reviewed the Group's internal control based on the audit test carried out by the Internal Auditors.

The ARMC is accountable to the Board for the implementation of the processes in identifying, evaluating, monitoring and reporting of risks and internal control.

Monthly management meetings have been incorporated and were attended by the Group's senior and middle management and key employees. This is part of the ongoing initiative to sustain risk awareness and risk management capabilities.

In essence, Risk Management is conducted through an integrated process between the Board, the Management and employees in the Group. The Group believes that the risk management framework and guidelines adopted and implemented have strengthened the risk ownership and risk management culture amongst the employees.

Further details of the Risk Management and Internal Audit activities are set out in the Statement on Risk Management and Internal Control of this Annual Report.

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

I. COMMUNICATION WITH STAKEHOLDERS

STB would always ensure there is continuous communication between the Company and stakeholders to facilitate mutual understanding of each other's objectives and expectations. Presently, the Board and management of Company communicate with its shareholders and other stakeholders through the following channels of communication:

1. General Meeting(s) with Shareholders
2. Website of Bursa Malaysia Securities Berhad ("Bursa Securities")
3. Press release
4. Company Website (www.supercomnet.com.my)

II. CONDUCT OF GENERAL MEETINGS

STB's Annual General Meetings ("AGM") are the important and effective platforms for Directors and Senior Management to communicate with the shareholders. Shareholders are able to participate, engage the Board and Senior Management effectively and make informed voting decisions at general meetings.

In line with the best corporate governance practice, the Company despatched the notice of its 35th AGM on 30 April 2025, at least 28 days before the AGM to be held on 12 June 2025. The adequate time given to shareholders allows them to make necessary arrangements to attend and participate either in person, by corporate representative, by proxy or by attorney. All the resolutions set out in the notice of the AGM were voted by poll.

In line with the Practice 13.3 of the MCCG in promoting electronic voting, the Company conducted the Annual General Meeting on 12 June 2025, by way of electronic means through live streaming and online remote voting via an online meeting platform provided by external parties. This is to encourage more shareholders participation.

This Statement is made in accordance with a resolution of the Board of Directors dated 16 April 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Malaysian Code on Corporate Governance ("MCCG") requires public listed companies to maintain a sound system of risk management and internal control to safeguard shareholders' investments and company's assets. Under the provisions of the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("MMLR"), Paragraph 15.26(b), Directors of public listed companies are required to produce a statement on the state of the company's risk management and internal control in their Annual Report.

The Board of Directors ("Board") continues with its commitment to maintain sound systems of risk management and internal control throughout Supercomnet Technologies Berhad and its subsidiaries ("Group") and in compliance with the MMLR and the Statement of Risk Management and Internal Control (Guidelines for Directors of Listed Issuers) ("Internal Control Guidelines"), the Board is pleased to provide the following statement which outlines the nature and scope of risk management and internal control of the Group and covers all of its operations during the financial year under review.

BOARD RESPONSIBILITY

The Board acknowledges the importance of sound risk management and internal control being embedded into the culture, processes and structures of the Group. The systems of internal control cover risk management and financial, organisational, operational, project and compliance controls. The Board affirms its overall responsibility for the Group's systems of internal control and for reviewing the effectiveness and efficiency of those systems to ensure its viability and robustness. It should be noted, however, that such systems are designed to manage, rather than eliminate, risks of failure to achieve corporate objectives. Inherently, it can only provide reasonable and not absolute assurance against material misstatement or loss.

AUDIT AND RISK MANAGEMENT COMMITTEE'S ROLE

The Audit and Risk Management Committee ("ARMC") is accountable to the Board for the implementation of the processes in identifying, evaluating, monitoring and reporting of risks and internal control. The ARMC is led by the Independent Non-Executive Chairperson and comprises Independent Non-Executive Directors and Non-Independent Non-Executive Director, working together with Executive Directors and Key Management Team. The Group Managing Director and Senior Finance Manager have provided the Board the assurance that the Group's risk management and internal control systems are operating adequately and effectively, in all material aspects, to ensure achievement of corporate objectives.

CONTROL STRUCTURE AND ENVIRONMENT

In furtherance to the Board's commitment to maintain sound systems of risk management and internal control, the Board continues to maintain and implement a structured environment for the proper conduct of the Group's business operations as follows:

- The Board meets at least quarterly and has set a schedule of matters which are required to be brought to its attention for discussion, thus ensuring that it maintains full and effective supervision over appropriate controls. In addition, the Board is kept updated on the Group's activities and its operations on a regular basis;
- An organisation structure with well-defined scopes of responsibility, clear lines of accountability, and levels of delegated authority;
- A process of hierarchical reporting which provides for a documented and auditable trail of accountability;
- A set of documented internal policies and procedures, which is subject to review and improvement. A documented delegation of authority with clear lines of accountability and responsibility serves as a tool of reference in identifying the approving authority for various transactions including matters that require Board's approval;
- Regular and relevant information provided by management, covering financial and operational performance and key business indicators, for effective monitoring and decision making;
- Periodic site visits to operating units are undertaken by Group Senior Management Team and/or the members of the Board whenever deemed appropriate.

RISK MANAGEMENT

The Group has established risk management practices to safeguard the Group's business interests from risk events that may impede the achievement of business strategy and provide assurance to the Groups' various stakeholders. The Group, with the support of an independent professional accounting and consulting firm, has implemented the processes to identify, assess, monitor, report and mitigate risks impacting the Group's business and supporting activities. The risk profile of the Group has been compiled to help the Board and management to prioritise their focus on areas of high risk in the risk profile, and the existence of significant risks of the Group have been identified and quantified. The relevant risk management controls have been thoroughly documented, along with an action plan designed to strengthen the control systems for more effective risk mitigation.

The main components of the Group's risk governance and structure consists of the Board and the ARMC. The structure allows for strategic risk discussions to take place between the Board, the ARMC on a periodical basis. The summary of the accountabilities for the Board, the ARMC under the risk governance structure are as follows:

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT (CONT'D)

a. Board of Directors

- Overall risk oversight responsibility;
- Determines that the principal risks are identified, and appropriate as well as robust systems are implemented to manage these risks;
- Reviews the adequacy and the integrity of the Group's internal control systems and information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines.

b. Audit and Risk Management Committee

- Reviews and endorses policies and frameworks and other key components of risk management for implementation within the Group;
- Reviews and endorses the corporate risk profile for the Group, and the progress of ongoing risk management activities to identify, evaluate, monitor and manage critical risks;
- Oversees the effective implementation of risk policies and guidelines, Enterprise Risk Management and cultivation of risk management culture within the organisation; and
- Reviews and monitors periodically the status of the Group's principal risks and their mitigation actions and update the Board.

Risk identification and mitigation form part of each monthly management meeting. All actions are followed up and implementation monitored and are reported back to the management meeting.

In essence, ARMC is conducted through an integrated process between the Board, the Management and employees in the Group. The Group believes that the risk management framework and guidelines adopted and implemented have strengthened the ownership and management culture amongst the employees.

INTERNAL AUDIT FUNCTION

The Board acknowledges the importance of the internal audit function and has engaged the services of an independent professional accounting and consulting firm, to provide much of the assurance it requires regarding the effectiveness as well as the adequacy and integrity of the Group's systems of internal control.

The Internal Auditors adopt a risk-based approach in developing their audit plan which addresses the core business processes of the Group based on their risk profile. Scheduled internal audits are carried out by the Internal Auditors based on the audit plan presented to and approved by the ARMC.

The ARMC has full and direct access to the Internal Auditors and the ARMC receives reports on all internal audits performed. The Internal Auditors continue to independently and objectively monitor compliance with regard to policies and procedures, and the effectiveness of the internal controls systems. Findings and recommendations for improvement are highlighted to the Management and the ARMC, with periodic follow-up of the implementation of action plans. The Management is responsible for ensuring that corrective actions were implemented accordingly.

Based on the Internal Auditors' reports for the financial year ended 31 December 2025, the Board has reasonable assurance that the Group's systems of internal control are generally adequate and appear to be working satisfactorily. A number of minor internal control weaknesses were identified during the financial year, all of which have been, or are being addressed. None of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report. Internal audit fee incurred in the financial year 2025 was RM 26,000.

The Board continues to review and implement measures to strengthen the internal control environment of the Group.

This statement is issued in accordance with the resolution of the Directors dated 16 April 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The purpose of the setting up of the Audit and Risk Management Committee ("ARMC") is to assist the Board in discharging its statutory duties and responsibilities relating to accounting and reporting practices, corporate governance and to identify principal risks, ensuring the implementation of appropriate systems of internal controls to manage such risks, and that such systems are working effectively to safeguard shareholders' investment and the long-term viability of the Group.

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairperson
Ms. Ang Hwui Tee
Independent Non-Executive Director

Members
Mr. Wu, Chung-Jung
Non-Independent Non-Executive Director

Mr. Ng Swee Khee
Independent Non-Executive Director

Mr. Cheah Ho Wee Hock
Independent Non-Executive Director
(Appointed w.e.f 9 May 2025)

This composition meets the requirements of Paragraph 15.09(1)(a) and (b) of the Bursa Malaysia Securities Berhad Main Market Listing Requirements ("MMLR"). Ms. Ang Hwui Tee, the Chairperson of the ARMC, is a member of the Malaysian Institute of Accountants as well as a member of CPA Australia. Accordingly, the Company complies with Paragraph 15.09(1)(c)(i) of the MMLR.

All ARMC members are financially literate to review and analyses the Company's financial statement, possess the necessary knowledge, experience, expertise and skills which contributed to the overall effectiveness of the ARMC.

The Nominating Committee ("NC") had on 27 February 2025 assessed the performance of the ARMC and its members through an annual board committee effectiveness evaluation. The NC is satisfied that the ARMC and its members have discharged their functions, duties and responsibilities in accordance with the ARMC's Terms of Reference and supported the Board in ensuring that the Group upholds appropriate corporate governance standards.

Attendance at Meetings

The ARMC met five times during the year to discharge its duties and responsibilities. The information on the attendance of each member at the Committee meetings held during the financial year ended 31 December 2025 ("FY2025") is as follows:

Name of Directors	Attendance
Ms. Ang Hwui Tee	5/5
Mr. Wu, Chung-Jung	5/5
Mr. Ng Swee Khee	5/5
Mr. Cheah Ho Wee Hock (Appointed w.e.f 9 May 2025)	3/3

Notices of meetings were sent to the ARMC members at least seven (7) days in advance. The ARMC members are provided with the agenda and relevant meeting papers before each meeting. All deliberations during the ARMC Meetings were duly minuted. Minutes of the ARMC Meetings were tabled for confirmation at every succeeding ARMC Meeting.

Activities of the Audit and Risk Management Committee

The activities carried out by the Committee during the FY2025 in discharging its duties and responsibilities are as follows: -

1. Financial Reporting

In overseeing the Company's financial reporting, the Committee reviewed the quarterly financial statements for the fourth quarter of 2024 and the annual audited financial statements for the financial year ended 31 December 2024 ("FY2024") at meeting held on 27 February 2025 and 11 April 2025 respectively.

The Committee also reviewed the first, second and third quarterly financial statements of the Group for FY2025 and recommended the same to the Board for approval during ARMC Meetings held on 23 May 2025, 25 August 2025 and 24 November 2025 respectively.

The fourth quarterly financial results of 2025 and the annual audited financial statements for the financial year ended 31 December 2025 ("FY2025") were tabled at ARMC meeting on 23 February 2026 and 16 April 2026 respectively.

The Committee reviewed and was satisfied that the said quarterly financial statements were prepared in compliance with the Malaysian Financial Reporting Standards ("MFRS") 134 – Interim Financial Reporting, issued by Malaysian Accounting Standards Board and Paragraph 9.22 of the MMLR.

2. External Audit

The ARMC has on 24 November 2025 and 16 April 2026 respectively met with the External Auditors without the presence of the Executive Members.

On 24 November 2025, the External Auditors tabled the Audit Planning Memorandum prior to the commencement of audit of financial statements for FY2025. This Audit Planning Memorandum outlined the nature, approach, scope of audit and audit timetable to the ARMC.

On 16 April 2026, the External Auditors tabled the Final Report to those charged with Governance for FY2025 to the ARMC.

On 16 April 2026, the External Auditors' Performance and Independence Checklist in respect of FY2025, duly completed by the Management and key finance staff were compiled and tabled at the Meeting for review ("the Assessment"). The Committee concluded that based on the Assessment, amongst others as set out below, the External Auditors Performance for year 2025 was found to be adequate and thereby recommended the re-appointment of Messrs. Deloitte PLT as the External Auditors of the Group for the ensuing year ending 31 December 2026 to the Board for approval by its shareholders: -

- After being satisfied with its audit independence and the performance of External Auditors throughout its course of audit for FY2025;
- being satisfied with the quality processes of External Auditors;
- being able to give adequate technical support when audit issue arises; and
- with the adequate experience and resources of External Auditors and audit engagements.

3. Internal Audit Function

The Group has engaged the services of an independent professional accounting and consulting firm to provide the assurance regarding the effectiveness as well as the adequacy and integrity of the Group's internal control function. The Internal Auditors, JWC Consulting Sdn Bhd ("JWC") is a reputable firm with vast exposure and having adequate resources and expertise in internal audit.

Internal Auditors report directly to the ARMC on its activities based on the approved annual Internal Audit Plans. Their principal role is to provide independent assurance on the adequacy and effectiveness of governance, risk management and internal control processes. Internal audit fee incurred for the FY2025 was RM26,000.

Activities of the Audit and Risk Management Committee (Cont'd)

3. Internal Audit Function (Cont'd)

During the FY2025, the Internal Auditors have conducted review on internal control of the Group, focusing on the following areas: -

Financial Period	Audit Areas	Reporting Date
Financial period ended 30 June 2025	1. Anti-Bribery and Anti-Corruption Policy and Practices 2. Maintenance of Machinery	25 August 2025
Financial period ended 31 December 2025	1. Sales and Marketing 2. Procurement	23 February 2026

Notwithstanding satisfactory evaluation of JWC, ARMC recommended rotational change of Internal Auditors for good governance. The findings of internal audits including the audit recommendations made by the Internal Auditors and the Management responses to those recommendations were reported directly to the ARMC at the Meetings held on 25 August 2025 and 23 February 2026 respectively. Where appropriate, the ARMC will reinforce and clarify its findings with the Management to rectify and improve the control and workflow procedures based on the Internal Auditors' recommendations and suggestions.

The Company has engaged Messrs. BDO PLT as Internal Auditors with effective on 2 March 2026. On 16 April 2026, the ARMC reviewed and approved the Internal Audit Plan presented by Messrs. BDO PLT and approved the said Plan for the financial year ending 31 December 2026.

The ARMC reviewed the Statement on Risk Management and Internal Control in respect of FY2025 on16 April 2026 for publication in the Annual Report 2025. Information pertaining to the Company's internal controls is shown in the Statement on Internal Control and Risk Management set out on page 97 to 98 of this Annual Report.

This Statement is made in accordance with the resolution of the Board of Directors dated 16 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

Pursuant To The Bursa Malaysia Securities Berhad Main Market Listing Requirements

1. Utilisation of Proceeds

There were no proceeds raised by the Company from any corporate proposals during the financial year.

2. Audit and Non-Audit Fees

The amount of audit and non-audit fees incurred for services rendered to the Company and its subsidiaries for the financial year ended 31 December 2025 (FY2025) by the Company's Auditors, or a firm or company affiliated to the Auditors' firm are as follows: -

Category	Audit fees (RM)	Non-Audit Fees (RM)
Company	115,000	71,000
Subsidiaries	80,000	50,500
Total	**195,000**	**121,500**

3. Material contracts

There was no material contracts entered into by the Company and its subsidiaries involving Directors' and substantial shareholders' interests as at 31 December 2025 or entered into since the end of the previous financial year.

4. Contract Relating to Loan

There were no contracts relating to loans entered into by the Company and its subsidiaries that involved the Directors and Major Shareholders.

5. Disclosure Of Financial Data For Shariah Screening

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements/ Paragraph 9.41(b) of the MAIN Market Listing Requirements/ Rule 9.25A of the ACE Market Listing Requirements/ Rule 6.13A of the LEAP Market Listing Requirements]*, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

		Group	
Total Income	**Remarks**	**2025 (RM)**	**2024 (RM)**
Revenue		**141,800,862**	149,867,837
Other income		**1,802,949**	1,303,554
Others (please specify in the remarks column)	Investment Income	**7,351,635**	7,525,356
Total		**150,955,446**	**158,696,747**
Total Assets		**443,528,412**	**445,857,936**

5. Disclosure Of Financial Data For Shariah Screening (Cont'd)

(B) Business Activities

		Group	
	Remarks	**2025 (RM)**	**2024 (RM)**
Shariah Non-Compliant Activities			
Interest income	Conventional	**704,459**	990,928
Gain from investment in conventional instruments	Conventional Money Market Instruments	**1,920,733**	2,200,613
Total		**2,625,192**	**3,191,541**

(C) Components of Financial Position

(i) Cash Component

		Group	
	Remarks	**2025 (RM)**	**2024 (RM)**
Islamic Account/Instruments			
Money market instruments		**130,815,495**	138,873,969
Cash in hand		**14,973**	20,538
Total		**130,830,468**	**138,894,507**
Conventional Account/Instruments			
Money market instruments		**82,932,648**	58,460,288
Deposits with licensed bank		**9,506,813**	9,578,562
Cash at bank (exclude cash in hand)		**7,340,963**	22,258,246
Total		**99,780,424**	**90,297,096**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

In Respect of Audited Financial Statements

The Directors are required to prepare audited financial statements that give a true and fair view of the state of affairs, including the cashflows and results, of the Group and of the Company as at the end of each financial year.

In preparing these financial statements, the Directors have considered the following:

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

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

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

This Statement is made in accordance with the resolution of the Board of Directors dated 16 April 2026.

DIRECTORS' REPORT

The directors of **SUPERCOMNET TECHNOLOGIES BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended December 31, 2025.

PRINCIPAL ACTIVITIES

The Company is principally involved in the manufacture of PVC compound and cables/wires for electronic devices and data control switches.

The information on the name, principal activities and percentage of issued share capital held by the Company in subsidiaries, which are all incorporated and operating in Malaysia, are as follows:

Name of Company	Principal Activities	Percentage of Ownership
Supercomal Advanced Cables Sdn. Bhd.	Manufacture and assembly of fuel tanks, wires and cables	100%
Supercomal Medical Products Sdn. Bhd.	Manufacture of medical cables and devices	100%
Supercomnet Assets Sdn. Bhd.	Investment holding	49%

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	The Group RM	The Company RM
Profit for the year	24,177,963	11,746,880
Profit/(Loss) attributable to:		
Owners of the Company	24,218,195	11,746,880
Non-controlling interests	(40,232)	-
	24,177,963	11,746,880

In the opinion of the directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

A final single tier dividend of RM0.01 per ordinary share amounting to RM8,592,315 in respect of the financial year ended December 31, 2024 was declared and paid on April 30, 2025 and July 18, 2025 respectively by the Company.

An interim single tier dividend of RM0.011 per ordinary share amounting to RM9,420,010 in respect of the current financial year was declared and paid on December 12, 2025 and December 30, 2025 respectively by the Company.

Subsequent to the financial year end, the directors proposed a final single tier dividend of RM0.01 per ordinary share amounting to RM8,600,000 in respect of the current financial year. This dividend has not been included as a liability in the financial statements and is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

TREASURY SHARES

During the financial year, the Company repurchased 3,844,500 ordinary shares from the open market for approximately RM3,089,670 or at an average price of RM0.80 per share with internally generated funds. The shares purchased are being held as treasury shares and are presented as a deduction from equity as none of the shares were cancelled.

As at December 31, 2025, the total number of treasury shares held by the Company was 4,324,500 shares.

Details of the treasury shares are set out in Note 26 to the financial statements.

EMPLOYEES' SHARE OPTIONS SCHEME ("ESOS")

On September 18, 2019, the Company implemented an ESOS for a period of 5 years. The ESOS is governed by the By-Laws, which were approved by the shareholders at an Extraordinary General Meeting held on May 28, 2019 ("the Scheme").

The salient terms of the ESOS are as follows:

(a) The total number of issued shares (excluding treasury shares) offered under the Scheme shall not exceed 10% of the issued and paid-up share capital of the Company at any point of time during the existence of the ESOS.

(b) Only eligible directors and employees of the Company and of the Group will be eligible to participate in the Scheme.

(c) The exercise price of the options shall be determined by the Directors upon recommendation of the ESOS Committee based on the 5-day volume weighted average price of the Company's shares immediately preceding the date of offers, with a discount of not more than 10% or such other percentage of discount as may be permitted by Bursa Malaysia Securities Berhad or any other relevant authorities from time to time during the duration of the Scheme.

(d) The number of options to be offered to an eligible employee in accordance with the Scheme shall be determined based on, inter alia, the eligible employee's position within the Group, fulfillment of the eligibility criteria, work performance and/or such other factors as the ESOS Committee deems fit. The offer shall be valid for acceptance by an employee for a period of 30 days from the date of offer.

(e) The new ordinary shares to be allotted upon any exercise of the ESOS shall, upon allotment and issuance, rank pari passu in all respects with the then existing ordinary shares of the Company, except that these new ordinary shares will not be entitled to any dividends, rights, allotments and/or other forms of distributions which may be declared prior to the allotment of these shares.

Following the expiry on September 17, 2024, the Board of Directors approved an extension to the ESOS for 5 years until September 17, 2029 with all the terms of the scheme remaining unchanged ("extended ESOS").

During the financial year ended December 31, 2025, no options were granted or exercised under the extended ESOS. Accordingly, no share based payment expense was recognised and there were no outstanding share options as at December 31, 2025.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that there were no known bad debts to be written off and no allowance for doubtful debts was required; and

(b) 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 had been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

(a) which would require the writing off of bad debts or require the setting up of the allowance for doubtful debts in the financial statements of the Group and of the Company; or

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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

(a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

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

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

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Shiue, Jong-Zone A.K.A. James Shiue
Wu, Chung-Jung
Wu, Huei-Chung
Hsueh, Chih-Yu
Lim Eng Chuan
Ang Hwui Tee
Khor Meow Ling
Ng Swee Khee
Lim Chun Thang
Cheah Ho Wee Hock

The directors who held office in the subsidiaries of the Company during the financial year end up to the date of this report are:

Shiue, Jong-Zone A.K.A. James Shiue
Wu, Chung-Jung
Wu, Huei-Chung
Lim Eng Chuan
Hsueh, Chih-Yu

DIRECTORS' INTERESTS

The interest in shares in the Company and in related companies of those who were directors at the end of the financial year according to the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act, 2016, are as follows:

Shares in the Company	**Balance as of 1.1.2025**	**Bought**	**Sold**	**Balance as of 31.12.2025**
Registered in the name of the directors:				
Shiue, Jong-Zone A.K.A. James Shiue	117,403,666	-	-	117,403,666
Wu, Chung-Jung	51,648,300	-	-	51,648,300
Wu, Huei-Chung	79,529,633	565,300	-	80,094,933
Hsueh, Chih-Yu	109,323,500	182,800	-	109,506,300
Lim Eng Chuan	54,652,500	-	-	54,652,500
Indirect interest:				
Shiue, Jong-Zone A.K.A. James Shiue [(a)]	343,392,033	748,100	-	344,140,133
Wu, Chung-Jung [(b)]	409,147,399	748,100	-	409,895,499
Wu, Huei-Chung [(c)]	381,266,066	182,800	-	381,448,866
Hsueh, Chih-Yu [(d)]	351,472,199	565,300	-	352,037,499

(a) Deemed interest through Wu, Chung-Jung, Wu, Huei-Chung, Hsueh, Chih-Yu and Shiue, Jyh-Jeh @ Jerry.

(b) Deemed interest through Shiue, Jong-Zone A.K.A. James Shiue, Wu, Huei-Chung and Hsueh, Chih-Yu and Shiue, Jyh-Jeh @ Jerry.

(c) Deemed interest through Shiue, Jong-Zone A.K.A. James Shiue, Wu Chung-Jung, Hsueh, Chih-Yu and Shiue, Jyh-Jeh @ Jerry.

(d) Deemed interest through Shiue, Jong-Zone A.K.A. James Shiue, Wu Chung-Jung, Wu Huei-Chung and Shiue, Jyh-Jeh @ Jerry.

By virtue of their interests in the shares of the Company, Shiue, Jong-Zone A.K.A. James Shiue, Wu, Chung-Jung, Wu, Huei-Chung, Hsueh, Chih-Yu and Lim Eng Chuan are also deemed to have interests in the shares of all the subsidiaries to the extent that the Company has an interest.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Group and the Company have received or become entitled to receive a benefit (other than those disclosed as directors' remuneration amounting to RM5,308,553 and RM2,340,425 respectively in the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for any benefits which may be deemed to have arisen by virtue of transactions mentioned in Note 35 to the financial statements.

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

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

AUDITORS' REMUNERATION

The amount paid/payable as remuneration of the auditors of the Group and of the Company for the financial year ended December 31, 2025 are RM195,000 and RM115,000.

AUDITORS

The auditors, Deloitte Malaysia PLT (formerly known as Deloitte PLT), have indicated their willingness to continue in office.

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

HSUEH, CHIH-YU

LIM ENG CHUAN

April 29, 2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUPERCOMNET TECHNOLOGIES BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Supercomnet Technologies Berhad, which comprise the statements of financial position of the Group and of the Company as at December 31, 2025, 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 117 to 193.

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 of December 31, 2025, and of their financial performance and their cash flows for the 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 the financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

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

(Forward)

Key audit matter

Impairment testing of goodwill

The Group has goodwill on consolidation amounting to RM87,477,804 in the financial statements. The goodwill has been allocated to Supercomal Medical Products Sdn. Bhd. as a cash-generating unit ("CGU").

The annual impairment testing of goodwill is considered to be a key audit matter due to the significant judgement and estimation required in determining the assumptions to be used in determining the recoverable amount. The recoverable amount of the CGU, which is based on the value-in-use, has been derived from discounted cash flows forecast model. This forecast uses several key assumptions including estimates of future sales volumes and prices, operating costs, terminal value growth rate and the weighted-average cost of capital (discount rate).

Key assumptions, judgements and sensitivities of the discounted cash flows forecast are disclosed in Note 17 to the financial statements.

Refer to Note 3 (Material Accounting Policies – Goodwill), Note 4(b)(v) (Critical Accounting Judgements and Key Sources of Estimation Uncertainty – Impairment testing of goodwill) and Note 17 (Goodwill On Consolidation) to the financial statements.

Our audit performed and responses thereon

We obtained, comprehended and evaluated management's discounted cash flows forecast and the process by which the forecast was developed by the management and adopted by the Board of Directors.

We agreed the discounted cash flows forecast with the approved next financial year's budget and subsequent years' forecasts set by the Group's Managing Director.

We performed a retrospective review of actual historical results against prior management's forecasts to assess the accuracy of the forecasting process and challenged any bias noted in the forecasts. We reviewed the robustness of management's forecasting process by comparing the actual results achieved against previously forecasted budgets.

We tested the mathematical accuracy of the cash flows forecast and the underlying value-in-use calculations.

We evaluated the appropriateness of the assumptions applied to key inputs such as sales volumes and prices, operating costs, inflation and terminal value growth rate with externally derived data as well as our own assessments based on our knowledge of the CGU and the industry.

We engaged our internal valuation specialists to assist in evaluating the appropriateness of the discount rate applied, which included comparing the weighted-average cost of capital with sector averages for the relevant markets in which the CGU operates.

We performed sensitivity analysis, which included assessing the effect of reasonably possible reductions in sales growth rate in the cash flows forecast to evaluate the impact on the currently estimated recoverable amount of the CGU.

We evaluated the adequacy of the disclosure of the key assumptions used by the Group in determining the recoverable amount of the CGU in the financial statements.

The key audit matters referred to above is in respect of the Group. There are no key audit matters to communicate in our report on the financial statements of the Company.

(Forward)

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

(Forward)

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:

(a) 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.

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

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

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

(e) 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.

(f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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.

(Forward)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUPERCOMNET TECHNOLOGIES BERHAD

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors, is disclosed in Note 15 to the financial statements.

Other Matters

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

DELOITTE MALAYSIA PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)

ADRIAN LAM KEEN LEONG
Partner – 03553/02/2027 J
Chartered Accountant

Penang,

April 29, 2026

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE

FOR THE YEAR ENDED DECEMBER 31, 2025

		The Group		The Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Revenue	5	141,800,862	149,867,837	39,306,247	47,014,069
Cost of sales		(96,466,064)	(101,754,614)	(35,228,200)	(42,459,421)
Gross profit		45,334,798	48,113,223	4,078,047	4,554,648
Administrative expenses		(12,048,245)	(10,274,593)	(4,690,484)	(4,316,787)
Distribution costs		(4,332,659)	(2,589,977)	(300,706)	(296,416)
Investment income	6	7,351,635	7,525,356	22,334,759	19,388,397
Other losses	7	(5,783,123)	(3,374,830)	(10,385,801)	(3,487,924)
Other income	8	1,802,949	1,303,554	1,178,655	937,745
Profit before tax		32,325,355	40,702,733	12,214,470	16,779,663
Tax expense	9	(8,147,392)	(9,609,966)	(467,590)	(784,113)
Profit for the year	10	24,177,963	31,092,767	11,746,880	15,995,550
Other comprehensive income, net of income tax					
Item that will not be reclassified subsequently to profit or loss:					
Gain on fair value changes on investment in unquoted shares designated at fair value through other comprehensive income		865,465	-	865,465	-
Total comprehensive income for the year		25,043,428	31,092,767	12,612,345	15,995,550

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	The Group 2025 RM	The Group 2024 RM	The Company 2025 RM	The Company 2024 RM
Total profit/(loss) attributable to:					
Owners of the Company		24,218,195	31,092,767	11,746,880	15,995,550
Non-controlling interests		(40,232)	-	-	-
		24,177,963	31,092,767	11,746,880	15,995,550
Total comprehensive income/(loss) for the year attributable to:					
Owners of the Company		25,083,660	31,092,767	12,612,345	15,995,550
Non-controlling interests		(40,232)	-	-	-
		25,043,428	31,092,767	12,612,345	15,995,550
Earnings per share:					
Basic (sen per share)	11	2.80	3.71		
Diluted (sen per share)	11	N/A	N/A		

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

STATEMENTS OF FINANCIAL POSITION

AT DECEMBER 31, 2025

	Note	The Group 2025 RM	The Group 2024 RM	The Company 2025 RM	The Company 2024 RM
Assets					
Non-current assets					
Property, plant and equipment	12	30,142,296	29,432,468	7,068,206	7,619,405
Investment properties	13	14,691,887	-	-	-
Right-of-use assets	14	1,590,160	1,644,159	734,478	759,306
Investment in subsidiaries	15	-	-	147,512,749	158,008,555
Investment in unquoted shares	16	7,749,720	6,884,255	7,749,720	6,884,255
Deferred tax assets	29	-	1,028,845	-	-
Goodwill on consolidation	17	87,477,804	87,477,804	-	-
Intangible assets	18	5,549,049	8,015,291	-	-
Term deposits with a licensed bank	23	1,500	141,740	-	-
Trade and other receivables	20	-	-	7,200,000	7,200,000
Total non-current assets		147,202,416	134,624,562	170,265,153	180,471,521
Current assets					
Inventories	19	39,175,822	46,899,159	7,982,145	10,550,688
Trade and other receivables	20	22,376,740	26,871,933	20,902,331	9,917,856
Other assets	21	3,574,028	7,934,312	382,146	397,698
Other financial assets	22	213,748,143	197,334,257	134,058,439	140,089,447
Current tax assets		590,014	478,107	501,310	478,107
Term deposits with licensed banks	23	9,505,313	9,436,822	1,500,000	3,462,492
Cash and bank balances	24	7,355,936	22,278,784	1,129,050	843,122
Total current assets		296,325,996	311,233,374	166,455,421	165,739,410
Total assets		443,528,412	445,857,936	336,720,574	346,210,931

STATEMENTS OF FINANCIAL POSITION

AT DECEMBER 31, 2025

	Note	The Group 2025 RM	The Group 2024 RM	The Company 2025 RM	The Company 2024 RM
Equity and liabilities					
Capital and reserves					
Share capital	25	314,700,020	314,700,020	314,700,020	314,700,020
Treasury shares	26	(3,663,721)	(574,051)	(3,663,721)	(574,051)
Other reserves	27	865,465	-	865,465	-
Retained earnings	28	112,722,865	106,516,995	20,716,751	26,982,196
		424,624,629	420,642,964	332,618,515	341,108,165
Non-controlling interests	15	10,768	-	-	-
Total equity		424,635,397	420,642,964	332,618,515	341,108,165
Non-current liability					
Deferred tax liabilities	29	2,552,926	3,613,079	736,035	792,599
Current liabilities					
Trade and other payables	30	15,472,634	19,687,257	3,366,024	4,310,167
Current tax payable		867,455	1,914,636	-	-
Total current liabilities		16,340,089	21,601,893	3,366,024	4,310,167
Total liabilities		18,893,015	25,214,972	4,102,059	5,102,766
Total equity and liabilities		443,528,412	445,857,936	336,720,574	346,210,931

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENEDED DECEMBER 31, 2025

The Group

	Note	Share capital RM	Treasury shares RM	Non-distributable Other reserve RM	Distributable Retained earnings RM	Total equity RM
Balance as of January 1, 2024		265,869,718	(417,595)	2,144,006	94,734,166	362,330,295
Issuance of ordinary shares pursuant to exercise of warrants	25	42,639,941	-	-	-	42,639,941
Contributions by and distributions to owners of the Company:						
Treasury shares acquired	26	-	(156,456)	-	-	(156,456)
Issuance of ordinary shares pursuant to exercise of ESOS	27	6,190,361	-	-	-	6,190,361
Reversal of ESOS reserve	27	-	-	(2,144,006)	2,144,006	-
		48,830,302	(156,456)	(2,144,006)	2,144,006	48,673,846
Profit for the year		-	-	-	31,092,767	31,092,767
Other comprehensive income for the year, net of income tax		-	-	-	-	-
Total comprehensive income for the year		-	-	-	31,092,767	31,092,767
Dividends	31	-	-	-	(21,453,944)	(21,453,944)
Balance as of December 31, 2024		314,700,020	(574,051)	-	106,516,995	420,642,964

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENEDED DECEMBER 31, 2025

The Group

	Note			Non-distributable	Distributable			
		Share capital RM	Treasury shares RM	Other reserve RM	Retained earnings RM	Equity attributable to the owners of the Company RM	Non-controlling Interest RM	Total equity RM
Balance as of January 1, 2025		314,700,020	(574,051)	-	106,516,995	420,642,964	-	420,642,964
Contributions by and distributions to owners of the Company:								
Treasury shares acquired	26	-	(3,089,670)	-	-	(3,089,670)	-	(3,089,670)
Non-controlling interest arising from acquisition of a subsidiary		-	-	-	-	-	51,000	51,000
		-	(3,089,670)	-	-	(3,089,670)	51,000	(3,038,670)

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENEDED DECEMBER 31, 2025

The Group

	Note	Share capital RM	Treasury shares RM	Non-distributable Other reserve RM	Distributable Retained earnings RM	Equity attributable to the owners of the Company RM	Non-controlling Interest RM	Total equity RM
Profit for the year		-	-	-	24,218,195	24,218,195	(40,232)	24,177,963
Other comprehensive income for the year, net of income tax		-	-	865,465	-	865,465	-	865,465
Total comprehensive income for the year		-	-	865,465	24,218,195	25,083,660	(40,232)	25,043,428
Dividends	31	-	-	-	(18,012,325)	(18,012,325)	-	(18,012,325)
Balance as of December 31, 2025		314,700,020	(3,663,721)	865,465	112,722,865	424,624,629	10,768	424,635,397

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENEDED DECEMBER 31, 2025

The Company

	Note	Share capital RM	Treasury shares RM	Non-distributable Other reserves RM	Distributable Retained earnings RM	Total equity RM
Balance as of January 1, 2024		265,869,718	(417,595)	2,144,006	30,296,584	297,892,713
Issuance of ordinary shares pursuant to exercise of warrants	25	42,639,941	-	-	-	42,639,941
Contributions by and distributions to owners of the Company:						
Treasury shares acquired	26	-	(156,456)	-	-	(156,456)
Issuance of ordinary shares pursuant to exercise of ESOS	27	6,190,361	-	-	-	6,190,361
Reversal of ESOS reserve	27	-	-	(2,144,006)	2,144,006	-
		48,830,302	(156,456)	(2,144,006)	2,144,006	48,673,846
Profit for the year		-	-	-	15,995,550	15,995,550
Other comprehensive income for the year, net of income tax		-	-	-	-	-
Total comprehensive income for the year		-	-	-	15,995,550	15,995,550
Dividends	31	-	-	-	(21,453,944)	(21,453,944)
Balance as of December 31, 2024		314,700,020	(574,051)	-	26,982,196	341,108,165

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENEDED DECEMBER 31, 2025

The Company

	Note	Share capital RM	Treasury shares RM	Non-distributable Other reserves RM	Distributable Retained earnings RM	Total equity RM
Balance as of January 1, 2025		314,700,020	(574,051)	-	26,982,196	341,108,165
Contributions by and distributions to owners of the Company:						
Treasury shares acquired	26	-	(3,089,670)	-	-	(3,089,670)
Profit for the year		-	-	-	11,746,880	11,746,880
Other comprehensive income for the year, net of income tax	27	-	-	865,465	-	865,465
Total comprehensive income for the year		-	-	865,465	11,746,880	12,612,345
Dividends	31	-	-	-	(18,012,325)	(18,012,325)
Balance as of December 31, 2025		314,700,020	(3,663,721)	865,465	20,716,751	332,618,515

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

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENEDED DECEMBER 31, 2025

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Cash flows from operating activities				
Profit for the year	24,177,963	31,092,767	11,746,880	15,995,550
Tax expense recognised in profit or loss	8,147,392	9,609,966	467,590	784,113
Depreciation and amortisation of non-current assets	6,030,137	5,877,864	930,307	911,189
Impairment loss on property, plant and equipment	1,000,000	-	-	-
Unrealised losses/(gains) on foreign exchange	1,464,902	1,950,184	(2,688)	936,795
Inventories written down/(Reversal of inventories written down), net	55,452	-	(118,377)	-
Fair value gain on financial assets carried at fair value through profit or loss	(6,551,201)	(6,442,328)	(4,850,415)	(4,528,198)
Interest income recognised in profit or loss	(704,459)	(990,928)	(530,275)	(415,890)
Reversal of allowance for expected credit losses	(146,797)	(50,931)	-	-
Gain on disposal of property, plant and equipment	(3,563)	(43,342)	(70)	-
Property, plant and equipment written off	-	1,794	-	630
Impairment loss on investment cost of subsidiary	-	-	10,544,806	3,457,170
Dividend income from a subsidiary	-	-	(16,500,000)	(14,000,000)
Cash generated from operating activities	33,469,826	41,005,046	1,687,758	3,141,359
Movements in working capital:				
Decrease/(Increase) in trade and other receivables	3,888,711	(4,163,004)	3,697,082	(2,598,104)
Decrease/(Increase) in inventories	7,667,885	(5,082,961)	2,686,920	(1,228,759)
Decrease/(Increase) in other assets	4,411,052	(251,539)	15,552	(145,444)
(Decrease)/Increase in trade and other payables	(4,092,455)	(575,039)	(959,733)	863,274
Cash generated from operations	45,345,019	30,932,503	7,127,579	32,326
Income taxes paid, net	(9,337,788)	(10,405,609)	(547,357)	(908,368)
Net cash from/(used in) operating activities	36,007,231	20,526,894	6,580,222	(876,042)

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENEDED DECEMBER 31, 2025

	Note	The Group 2025 RM	The Group 2024 RM	The Company 2025 RM	The Company 2024 RM
Cash flows from investing activities					
Disposal of other financial assets		98,690,363	37,977,100	29,881,423	17,000,000
Decrease in term deposits		1,450,000	600,000	-	-
Interest received		957,014	1,025,235	379,218	163,334
Net cash inflow/(outflow) on acquisition of a subsidiary	15	51,000	-	(49,000)	-
Proceeds from disposal of property, plant and equipment		21,907	70,000	70	-
Purchases of other financial assets		(108,593,722)	(62,588,278)	(19,000,000)	(43,000,000)
Acquisition of investment properties		(14,691,887)	-	-	-
Acquisition of property, plant and equipment		(5,238,068)	(11,277,325)	(354,280)	(1,004,074)
Acquisition of investment in unquoted shares		-	(6,884,255)	-	(6,884,255)
Dividends received		-	-	16,500,000	14,000,000
Repayment of advances by /(Advances given to) subsidiaries		-	-	161,387	(31,351)
Long-term loan to subsidiary		-	-	(14,691,887)	(7,200,000)
Net cash (used in)/from investing activities		(27,353,393)	(41,077,523)	12,826,931	(26,956,346)
Cash flows from financing activities					
Decrease in term deposits pledged as security		140,240	59,760	-	-
Dividends paid to owners of the Company	31	(18,012,325)	(21,453,944)	(18,012,325)	(21,453,944)
Treasury shares acquired	26	(3,089,670)	(156,456)	(3,089,670)	(156,456)
Proceeds from exercise of warrants	25	-	42,639,941	-	42,639,941
Proceeds from exercise of ESOS	27	-	6,190,361	-	6,190,361
Advances from/(Repayment of advances to) subsidiaries		-	-	15,590	(17,531)
Net cash (used in)/from financing activities		(20,961,755)	27,279,662	(21,086,405)	27,202,371

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENEDED DECEMBER 31, 2025

		The Group		The Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Net (decrease)/increase in cash and cash equivalents		(12,307,917)	6,729,033	(1,679,252)	(630,017)
Cash and cash equivalents at the beginning of the year		28,965,606	24,193,849	4,305,614	5,866,424
Effects of exchange rate changes on the balances of cash held in foreign currencies		(1,096,440)	(1,957,276)	2,688	(930,793)
Cash and cash equivalents at the end of the year	32	15,561,249	28,965,606	2,629,050	4,305,614

Reconciliation of liabilities arising from financing activities

The table below details changes in the Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, of future cash flows will be, classified in the Company's statements of cash flows as cash flows from financing activities:

The Company

	01.01.2025 RM	Cash flows from financing activities RM	31.12.2025 RM
Amount owing to subsidiaries	12,351	15,590	27,941

	01.01.2024 RM	Cash flows used in financing activities RM	31.12.2024 RM
Amount owing to subsidiaries	29,882	(17,531)	12,351

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

1. GENERAL INFORMATION

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

The Company is principally involved in the manufacture of PVC compound and cables/wires for electronic devices and data control switches. The information on the name, place of incorporation and operations, principal activities and percentage of issued share capital held by the Company in subsidiaries are as disclosed in Note 15.

The registered office of the Company is located at Suite S-21-H, 21st Floor, Menara Northam, 55 Jalan Sultan Ahmad Shah, 10050 George Town, Pulau Pinang, Malaysia.

The principal place of business of the Company is located at Lot 172, Jalan PKNK 3/8, Kawasan Perusahaan Sungai Petani, 08000 Sungai Petani, Kedah, Malaysia.

The financial statements of the Group and of the Company were authorised by the Board of Directors for issuance in accordance with a resolution of the directors on April 29, 2026.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Adoption of Amendments to MFRS

In the current year, the Group and the Company have applied the following the Amendments to MFRS issued by the Malaysian Accounting Standards Board that is mandatorily effective for an accounting period that begins on or after January 1, 2025.

Amendments to MFRS 121	Lack of Exchangeability

The adoption of the above Amendments to MFRS has not had any material impact on the financial statements of the Group and the Company in the period of its initial application.

New and Amendments to MFRS in issue but not yet effective

The Group and the Company have not applied the following New and Amendments to MFRS that have been issued but are not yet effective:

Amendments to MFRS 7 and MFRS 9	Classification and Measurement of Financial Instruments [(a)]
Amendments to MFRS 7 and MFRS 9	Contracts Referencing Nature-dependent Electricity [(a)]
Amendment to MFRSs	Annual Improvements to MFRS Standards - Volume 11 [(a)]
MFRS 18	Presentation and Disclosure in Financial Statements [(b)]
MFRS 19	Subsidiaries without Public Accountability: Disclosures [(b)]
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency [(b)]
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [(c)]

[(a)] Effective for annual periods beginning on or after January 1, 2026, with earlier application permitted.
[(b)] Effective for annual periods beginning on or after January 1, 2027, with earlier application permitted.
[(c)] Effective date deferred to a date to be announced by MASB.

The directors anticipate that the abovementioned MFRS and Amendments to MFRS will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these new and amendments to MFRS will have no material impact on the financial statements of the Group and of the Company in the period of initial application except as discussed below:

MFRS 18 Presentation and Disclosures in Financial Statements

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements*, carrying forward many of the requirements in MFRS 101 unchanged and complementing them with new requirements. In addition, some MFRS 101 paragraphs have been moved to MFRS 108 *Accounting Policies, Change in Accounting Estimates and Errors* and MFRS 7 *Financial Instruments: Disclosures*. Furthermore, the MASB has made minor amendments to MFRS 107 *Statement of Cash Flows* and MFRS 133 *Earnings per Share*.

MFRS 18 introduces new requirements to:

(a) present specified categories and defined subtotals in the statement of profit or loss;

(b) provide disclosures on management-defined performance measures (“MPMs”) in the notes to the financial statements; and

(c) improve aggregation and disaggregation.

An entity is required to apply MFRS 18 for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The amendments to MFRS 107 and MFRS 133, as well as the revised MFRS 108 and MFRS 7, become effective when an entity applies MFRS 18. MFRS 18 requires retrospective application with specific transition provisions.

The Group and the Company have carried out an initial review of MFRS 18. The impact of adopting the standard will be assessed in further detail prior to the effective date.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of accounting

The financial statements of the Group and the Company have been prepared on the historical cost basis, unless otherwise indicated in the accounting policies stated below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group and the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of MFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in MFRS 102 *Inventories* or value in use in MFRS 136 *Impairment of Assets*.

The principal accounting policies are set out below.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. A subsidiary is an entity over which the Group has control. Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Non-controlling Interest

Non-controlling interest represents equity interest in a subsidiary not attributable, directly or indirectly, to the owners of the Company. Non-controlling interest is measured at the non-controlling shareholders’ proportionate share of the net identifiable assets of the subsidiary at the acquisition date.

Goodwill

Goodwill is initially recognised and measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed).

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Intangible assets acquired in a business combination

The Group acquired customer contracts and the related relationship in a business combination and it is separately recognised from goodwill. It is recognised initially at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets are reported at cost less accumulated amortisation and any accumulated impairment losses.

Intangible assets, other than goodwill, are amortised from the date that they are available for use.

Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets. The estimated useful lives for the current periods are as follows:

Customer contracts and related relationship	5 - 10 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted, if appropriate.

Revenue recognition

The Group and the Company recognise revenue from sale of goods and on consignment sales. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group and the Company recognise revenue when it transfers control of a product or service to a customer.

Revenue from contract with customers

(a) Sale of manufacture goods

The Group and the Company generate revenue from the sale of PVC compound, electronic cables/wires, fuel tanks, medical cables and devices. Sales-related warranties associated with goods cannot be purchased separately and they serve as an assurance that the products sold comply with agreed-upon specifications and as such, is not considered as a separate performance obligation.

For sale of goods, revenue is recognised when control of the goods has transferred to the customer depending on the shipping term agreed with its customers i.e. at at point in time. The shipping term of the Group's and the Company's sales comprises of Ex Works ("EXW"), Cost, Insurance and Freight ("CIF") and Delivered at Place ("DAP") terms.

Under the Group's and the Company's standard contract terms, customers have a right of return within 6 months. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. At the same time, the Group and the Company have rights to recover the product when customers exercise their right of return so consequently recognises a right to returned goods asset and a corresponding adjustment to cost of sales. The Group and the Company use its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years.

(b) Consignment sales

The subsidiary, Supercomal Medical Products Sdn. Bhd. ("SMP") has consignment sales to one of its customers. The subsidiary will directly ship the goods with the shipping term of Cost, Insurance and Freight ("CIF") to a destination specified by the customer via mutually agreed upon carriers. Revenue is recognised when title to the products is passed upon withdrawal of products by the customer from consigned location i.e at a point in time.

Rental income

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Dividend income

Dividend income from investments is recognised when the shareholders' right to receive payment has been established (provided that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Interest income

Interest income is recognised using the effective interest method.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

(a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statements of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's and the Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiary and associate, except where the Group and the Company are able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group and the Company expect, at the end of the reporting period, to recover or to settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and the Company intend to settle its current tax assets and liabilities on a net basis.

(c) Current and deferred tax for the year

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Ringgit Malaysia ("RM"), which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

Short-term employee benefits

Wages, salaries, paid annual leave, bonuses and social security contributions are recognised as expenses in the year in which the associated services are rendered by employees of the Group and of the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by the employees that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees' Provident Fund ("EPF"). Such contributions are recognised as expenses in profit or loss as incurred. The Group and the Company have no further payment obligations once these contributions have been paid.

Share-based payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Capital work-in-progress is not depreciated.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

Factory buildings	2%
Factory equipment	10%
Plant and machinery	10% - 23%
Furniture and fittings	10% - 23%
Renovation	10%
Office equipment	10%
Tools and equipment	10% - 23%
Motor vehicles	20%
Electrical installation	10%
Moulds and dies	20% - 23%
Hostel	2%

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation for the Group.

Properties which are occupied by the Group and the Company are accounted for as property, plant and equipment under Note 12.

Investment properties are stated at cost less accumulated depreciation and any impairment losses.

Freehold land is not depreciated, whereas buildings are depreciated on a straight-line basis at an annual rate of 2%.

The residual value, useful life and depreciation method are reviewed at each reporting date, and adjusted prospectively, if appropriate.

Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of raw materials comprises the original purchase price plus the cost incurred in bringing the inventories to their present location. The cost of work-in-progress and finished goods comprises the cost of raw materials, direct labour and appropriate portion of fixed and variable overhead expenses. Goods-in-transit is stated at cost. Cost is determined based on the weighted average basis.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

(i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

(ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (“FVTOCI”):

(i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

(ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit and loss (“FVTPL”).

Despite the aforegoing, the Group and the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

(i) the Group and the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
(ii) the Group and the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Impairment of financial assets (excluding equity investments)

The Group and the Company recognise loss allowances for expected credit losses ("ECL") on financial assets that are measured at amortised cost and on debt instruments measured at fair value through other comprehensive income ("FVOCI"), as well as on lease receivables, contract assets, loan commitments and financial guarantee contracts.

Loss allowances for ECL are updated at the end of each reporting period to reflect changes in credit risk since initial recognition of the respective financial instrument.

The ECL impairment model does not apply to investments in equity instruments, regardless of whether they are measured at fair value through profit or loss ("FVTPL") or designated at fair value through other comprehensive income ("FVOCI").

The Group and the Company always recognise lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period, including time value of money where appropriate.

For all other financial instruments, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group and the Company compare the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group and the Company consider both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group's and Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Group's and the Company's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

(i) an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
(ii) significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
(iii) existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
(iv) an actual or expected significant deterioration in the operating results of the debtor;
(v) significant increases in credit risk on other financial instruments of the same debtor; and
(vi) an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group and the Company presume that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group and the Company have reasonable and supportable information that demonstrates otherwise.

Despite the aforegoing, the Group and the Company assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group and the Company consider a financial asset to have low credit risk when it has an internal or external credit rating of 'investment grade' as per globally understood definition.

Definition of default

The Group and the Company consider the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

(i) when there is a breach of financial covenants by the counterparty; or

(ii) information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group and the Company, in full (without taking into account any collaterals held by the Group and the Company).

Irrespective of the above analysis, the Group and the Company consider that default has occurred when a financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event;
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group and the Company write off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's and the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group and the Company in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at the original effective interest rate.

If the Group and the Company have measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determine at the current reporting date that the conditions for lifetime ECL are no longer met, the Group and the Company measure the loss allowance at an amount equal to 12 months ECL at the current reporting date, except for assets for which simplified approach was used.

Cash and cash equivalents

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows.

Cash and cash equivalents comprise cash and bank balances, demand deposits which are not pledged and highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturities of three months or less.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's and Company's accounting policies, which are described in Note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical judgements in applying the Group's and the Company's accounting policies

In the process of applying the Group's and the Company's accounting policies, the directors are of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

The following are 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 financial year.

(i) Depreciation of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over the assets' useful lives. The estimated useful lives applied by the Company as disclosed in Note 3 reflect the directors' estimate of the period that the Group and the Company expect to derive future economic benefits from the use of its property, plant and equipment. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised. Further details are disclosed in Note 12.

(ii) Impairment of property, plant and equipment

The impairment assessment of the Group's property, plant and equipment is based on fair value less costs of disposal, which involves significant estimation and judgement. In assessing the recoverable amounts of individual assets, management considers observable market data where available, including comparable market transactions for similar assets, and applies appropriate adjustments to reflect differences in age, nature, condition, location and specialised use of the assets, as well as directly attributable disposal costs. Significant judgement is required particularly in assessing the recoverability of specialised plant and machinery, including the existence of an active market and the determination of appropriate disposal values and costs, with such judgement applied using relevant market information where available. Changes in assumptions or market conditions could result in a material adjustment to the carrying amounts of property, plant and equipment in a subsequent financial period. Further details are disclosed in Note 12.

(iii) Impairment of receivables

When measuring expected credit loss ("ECL"), the Group and the Company use reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group and the Company would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. Further details are disclosed in Note 20.

(iv) Deferred tax assets

Deferred tax assets are recognised for all unused tax capital allowances, unused tax losses and other temporary deductible differences to the extent that it is probable that taxable profit would be available against which those unused tax capital allowances, unused tax losses and other temporary deductible differences could be utilised. Significant management judgement is required to determine the amount of deferred tax assets that could be recognised, based on the likely timing and level of future taxable profit together with future tax planning strategies.

Details of deferred tax assets not recognised in the financial statements at the end of the reporting period due to uncertainty of its realisation are disclosed in Note 29.

(v) Impairment testing of goodwill

The assessment of whether goodwill is impaired requires an estimation of the value-in-use of the cash-generating unit to which the goodwill is allocated. Estimating a value-in-use amount requires management 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 carrying amount of goodwill as at the end of the reporting period is disclosed in Note 17.

(vi) Impairment of investment in a subsidiary

Impairment exists when the carrying value of the investment in the subsidiary exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value-in-use. The Company has determined the recoverable amount of the investment in a subsidiary, Supercomal Advanced Cables Sdn. Bhd. ("SAC") based on its fair value less cost of disposal using an asset-based valuation approach. In determining the recoverable amount, a value-in-use approach was considered less reliable due to the level of uncertainty associated with future cash-flow projections. Accordingly, the fair value less costs of disposal reflects the estimated realisable value of the underlying tangible assets in an orderly disposal scenario, taking into account asset-level impairment assessments and relevant market information, where available. Further details are disclosed in Note 15.

(vii) Fair value measurement of investment in unquoted shares

The Group and the Company hold an investment in an unquoted equity instrument, Chiyitech Technology Co., Ltd. which is measured at fair value through other comprehensive income in accordance with MFRS 9 *Financial Instruments*. As there are no quoted market prices, the fair value is determined using valuation techniques that involve judgement and estimation uncertainty including consideration of recent arm's-length transactions and market-based valuation methods. Changes in valuation assumptions, market conditions or relevant inputs could result in a material adjustment to the carrying amount of the investment in the next financial year. Further details are disclosed in Note 16.

5. REVENUE

Revenue comprises the following:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customers	141,800,862	149,867,837	39,306,247	47,014,069

Disaggregation of Group's revenue from contracts with customers:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Segment revenue				
Sale of manufacture goods	105,135,502	107,253,346	39,306,247	47,014,069
Consignment sales	36,610,360	42,614,491	-	-
Rental income from investment properties	55,000	-	-	-
	141,800,862	149,867,837	39,306,247	47,014,069
Geographical markets				
Malaysia	68,207,868	78,359,670	38,689,779	46,916,725
Dominican Republic	36,610,360	42,614,491	-	-
United States of America	22,312,732	13,785,394	443,408	10,660
Denmark	9,748,408	12,275,511	-	-
Republic of Singapore	2,437,511	2,492,458	173,060	86,684
Mexico	1,504,950	-	-	-
Hong Kong S.A.R.	835,539	338,113	-	-
Germany	143,494	-	-	-
Taiwan R.O.C.	-	2,200	-	-
	141,800,862	149,867,837	39,306,247	47,014,069
Timing of revenue recognition				
At a point in time				
Sale of manufacture goods	105,135,502	107,253,346	39,306,247	47,014,069
Consignment sales	36,610,360	42,614,491	-	-
Rental income from investment properties	55,000	-	-	-
	141,800,862	149,867,837	39,306,247	47,014,069

6. INVESTMENT INCOME

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fair value gain on financial assets carried at fair value through profit or loss	6,551,201	6,442,328	4,850,415	4,528,198
Interest income on term deposits	704,459	990,928	126,662	163,334
Rental income	95,975	92,100	454,069	444,309
Dividend income from a subsidiary	-	-	16,500,000	14,000,000
Interest income on loan to a subsidiary	-	-	403,613	252,556
	7,351,635	7,525,356	22,334,759	19,388,397

The following is an analysis of investment income by category of asset:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fair value gain on financial assets carried at fair value through profit or loss	6,551,201	6,442,328	4,850,415	4,528,198
Interest income for financial assets not designated as at fair value through profit or loss:				
Amortised cost (including cash and bank balances)	704,459	990,928	126,662	163,334
Investment income earned on non-financial assets	95,975	92,100	454,069	444,309
Dividend income from a subsidiary	-	-	16,500,000	14,000,000
Interest income on loan to a subsidiary	-	-	403,613	252,556
	7,351,635	7,525,356	22,334,759	19,388,397

7. OTHER LOSSES

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
After (debiting)/crediting (losses) and gain:				
Reversal of allowance for expected credit losses	146,797	50,931	-	-
Gain on disposal of property, plant and equipment	3,563	43,342	70	-
Amortisation of intangible asset	(2,466,242)	(2,466,242)	-	-
Foreign exchange (losses)/gains:				
Unrealised	(1,464,902)	(1,950,184)	2,688	(936,795)
Realised	(946,887)	949,117	37,870	906,671
Impairment loss on of property, plant and equipment	(1,000,000)	-	-	-
(Inventories written down)/Reversal of inventories written down, net	(55,452)	-	118,377	-
Property, plant and equipment written off	-	(1,794)	-	(630)
Impairment loss on investment cost of subsidiary	-	-	(10,544,806)	(3,457,170)
	(5,783,123)	(3,374,830)	(10,385,801)	(3,487,924)

8. OTHER INCOME

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Scrap sales	1,261,129	985,168	1,178,655	937,468
Miscellaneous income	541,820	318,386	-	277
	1,802,949	1,303,554	1,178,655	937,745

9. TAX EXPENSE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax:				
Income tax expense in respect of current year	8,164,858	10,243,430	434,280	699,070
Underprovision in prior years	13,842	677,448	89,874	363,262
Deferred tax:				
Relating to the origination and reversal of temporary differences (Note 29)	(31,308)	(1,310,912)	(56,564)	(278,219)
	8,147,392	9,609,966	467,590	784,113

Malaysian income tax is calculated at the statutory income tax rate of 24% (2024: 24%) of the estimated taxable profit for the year.

The total income tax expense for the year can be reconciled to the accounting profit as follows:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	32,325,355	40,702,733	12,214,470	16,779,663
Tax expense calculated using the statutory income tax rate of 24% (2024: 24%)	7,758,085	9,768,656	2,931,473	4,027,119
Effect of expenses that are not deductible in determining taxable profit	2,963,846	1,118,495	2,570,343	840,500
Net deferred tax asset not recognised	1,693,440	635,280	-	-
Effect of income that are not taxable in determining taxable profit	(4,281,821)	(2,589,913)	(5,124,100)	(4,446,768)
	8,133,550	8,932,518	377,716	420,851
Underprovision of income tax expense in prior years	13,842	677,448	89,874	363,262
Income tax recognised in profit or loss	8,147,392	9,609,966	467,590	784,113

10. PROFIT FOR THE YEAR

Profit for the year has been arrived at:

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
After charging:				
Depreciation of property, plant and equipment (Note 12)	3,509,896	3,357,623	905,479	886,361
Amortisation of intangible assets (Note 18)	2,466,242	2,466,242	-	-
Fees paid/payable to Deloitte Malaysia PLT and its affiliates:				
- Audit fee	195,000	173,000	115,000	99,000
- Non-audit services	121,500	89,800	71,000	52,500
Rental expenses on short-term leases:				
Hostel	118,735	158,034	118,735	158,034
Amortisation of right-of-use assets (Note 14)	53,999	53,999	24,828	24,828

Employee benefit expenses recognised as an expense during the financial year is as follows:

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Employment benefits:				
Employee salaries and benefits	33,521,882	29,601,496	8,771,650	8,270,877
Defined contribution plan	2,444,837	2,086,896	463,861	382,285
Total employee benefit expenses	35,966,719	31,688,392	9,235,511	8,653,162

The employees of the Group and of the Company are required by law to make contributions to the EPF, a post-employment plan. Employee salaries and benefits include directors' remuneration, salaries, bonuses and all other employee related expenses.

Details of remuneration of directors, who are also the key management personnel of the Group and of the Company, are as follows:

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Executive:				
Directors of the Company:				
Fee	216,000	216,000	216,000	216,000
Contributions to EPF	90,240	45,192	90,240	45,192
Other emoluments	1,627,685	1,189,897	1,627,685	1,189,897
Directors of subsidiaries:				
Fee	552,000	503,000	-	-
Contributions to EPF	143,168	97,425	-	-
Other emoluments	2,202,960	1,954,417	-	-
Non-executive:				
Directors of the Company:				
Fee	324,000	311,000	324,000	311,000
Other emoluments	82,500	64,500	82,500	64,500
Directors of a subsidiary:				
Fee	60,000	60,000	-	-
Other emoluments	10,000	5,000	-	-
	5,308,553	4,446,431	2,340,425	1,826,589

11. EARNINGS PER SHARE

Basic earnings per share

The net profit and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	The Group	
	2025	2024
Profit for the year attributable to owners of the Company (RM)	24,218,195	31,092,767
Weighted average number of ordinary shares for the purpose of basic earnings per share	863,485,199	837,172,141
Basic earnings per share (sen)	2.80	3.71

There is no dilution in earnings per share as the Group has no potential dilutive ordinary shares for both years 2025 and 2024.

12. PROPERTY, PLANT AND EQUIPMENT

The Group

Cost	Beginning of year RM	Additions RM	Disposals RM	Write-off RM	End of year RM
2025:					
Factory buildings	8,050,010	-	-	-	8,050,010
Factory equipment	173,000	-	-	-	173,000
Plant and machinery	46,869,511	1,959,316	-	(684,716)	48,144,111
Furniture and fittings	4,260,842	296,929	(27,935)	(1,380)	4,528,456
Renovation	3,821,933	807,455	-	-	4,629,388
Office equipment	1,968,487	12,260	-	(2,222)	1,978,525
Tools and equipment	7,558,063	131,064	(16,600)	(610)	7,671,917
Motor vehicles	1,817,191	513,734	-	-	2,330,925
Electrical installation	1,541,604	426,902	-	-	1,968,506
Moulds and dies	5,328,462	-	-	-	5,328,462
Hostel	1,807,000	-	-	-	1,807,000
Capital work-in-progress	8,633,668	1,090,408	-	-	9,724,076
	91,829,771	5,238,068	(44,535)	(688,928)	96,334,376

Cost	Beginning of year RM	Additions RM	Disposals RM	Write-off RM	End of year RM
2024:					
Factory buildings	8,050,010	-	-	-	8,050,010
Factory equipment	173,000	-	-	-	173,000
Plant and machinery	45,370,614	1,626,427	-	(127,530)	46,869,511
Furniture and fittings	3,982,570	290,135	-	(11,863)	4,260,842
Renovation	3,462,183	359,750	-	-	3,821,933
Office equipment	1,897,488	76,994	-	(5,995)	1,968,487
Tools and equipment	7,448,056	113,207	-	(3,200)	7,558,063
Motor vehicles	1,936,630	147,144	(266,583)	-	1,817,191
Electrical installation	1,511,604	30,000	-	-	1,541,604
Moulds and dies	5,328,462	-	-	-	5,328,462
Hostel	1,807,000	-	-	-	1,807,000
Capital work-in-progress	-	8,633,668	-	-	8,633,668
	80,967,617	11,277,325	(266,583)	(148,588)	91,829,771

Accumulated depreciation	Beginning of year RM	Charge for the year (Note 10) RM	Disposals RM	Write-off RM	End of year RM
2025:					
Factory buildings	4,179,476	161,000	-	-	4,340,476
Factory equipment	155,700	-	-	-	155,700
Plant and machinery	38,486,663	2,053,336	-	(684,716)	39,855,283
Furniture and fittings	2,702,886	252,684	(24,074)	(1,380)	2,930,116
Renovation	1,000,016	387,816	-	-	1,387,832
Office equipment	1,468,500	81,879	-	(2,222)	1,548,157
Tools and equipment	6,275,027	179,261	(2,117)	(610)	6,451,561
Motor vehicles	1,090,664	261,918	-	-	1,352,582
Electrical installation	1,487,707	21,194	-	-	1,508,901
Moulds and dies	5,038,562	74,668	-	-	5,113,230
Hostel	246,447	36,140	-	-	282,587
	62,131,648	3,509,896	(26,191)	(688,928)	64,926,425
2024:					
Factory buildings	4,018,476	161,000	-	-	4,179,476
Factory equipment	155,700	-	-	-	155,700
Plant and machinery	36,572,969	2,041,224	-	(127,530)	38,486,663
Furniture and fittings	2,482,665	231,309	-	(11,088)	2,702,886
Renovation	690,163	309,853	-	-	1,000,016
Office equipment	1,387,417	85,974	-	(4,891)	1,468,500
Tools and equipment	6,106,061	171,799	-	(2,833)	6,275,027
Motor vehicles	1,108,219	222,370	(239,925)	-	1,090,664
Electrical installation	1,472,321	15,386	-	-	1,487,707
Moulds and dies	4,955,994	82,568	-	-	5,038,562
Hostel	210,307	36,140	-	-	246,447
	59,160,292	3,357,623	(239,925)	(146,342)	62,131,648

Accumulated impairment losses	Beginning of year RM	Charge from the year (Note 7) RM	Disposals/ write-off RM	End of year RM
2025:				
Plant and machinery	67,539	1,000,000	-	1,067,539
Furniture and fittings	39,854	-	-	39,854
Office equipment	7,371	-	-	7,371
Tools and equipment	134,237	-	-	134,237
Moulds and dies	16,654	-	-	16,654
	265,655	1,000,000	-	1,265,655
2024:				
Plant and machinery	67,539	-	-	67,539
Furniture and fittings	39,854	-	-	39,854
Office equipment	7,823	-	(452)	7,371
Tools and equipment	134,237	-	-	134,237
Moulds and dies	16,654	-	-	16,654
	266,107	-	(452)	265,655

The Company

Cost	Beginning of year RM	Additions RM	Disposals RM	Write-off RM	End of year RM
2025:					
Factory buildings	6,597,000	-	-	-	6,597,000
Plant and machinery	23,035,020	212,056	-	(684,716)	22,562,360
Furniture and fittings	2,014,833	29,000	(1,200)	(1,380)	2,041,253
Office equipment	982,958	-	-	(2,222)	980,736
Tools and equipment	4,177,437	17,164	-	(610)	4,193,991
Motor vehicles	438,960	96,060	-	-	535,020
Electrical installation	1,025,400	-	-	-	1,025,400
Moulds and dies	3,473,369	-	-	-	3,473,369
Hostel	1,807,000	-	-	-	1,807,000
	43,551,977	354,280	(1,200)	(688,928)	43,216,129
2024:					
Factory buildings	6,597,000	-	-	-	6,597,000
Plant and machinery	22,273,780	910,191	-	(148,951)	23,035,020
Furniture and fittings	1,945,131	80,685	-	(10,983)	2,014,833
Office equipment	979,768	6,698	-	(3,508)	982,958
Tools and equipment	4,170,937	6,500	-	-	4,177,437
Motor vehicles	438,960	-	-	-	438,960
Electrical installation	1,025,400	-	-	-	1,025,400
Moulds and dies	3,473,369	-	-	-	3,473,369
Hostel	1,807,000	-	-	-	1,807,000
	42,711,345	1,004,074	-	(163,442)	43,551,977

Accumulated depreciation	Beginning of year RM	Charge for the year (Note 10) RM	Disposals RM	Write-off RM	End of year RM
2025:					
Factory buildings	3,469,924	131,940	-	-	3,601,864
Plant and machinery	20,909,132	576,475	-	(684,716)	20,800,891
Furniture and fittings	1,498,634	86,649	(1,200)	(1,380)	1,582,703
Office equipment	890,041	19,794	-	(2,222)	907,613
Tools and equipment	4,042,579	25,933	-	(610)	4,067,902
Motor vehicles	399,088	20,003	-	-	419,091
Electrical installation	1,016,513	3,950	-	-	1,020,463
Moulds and dies	3,460,214	4,595	-	-	3,464,809
Hostel	246,447	36,140	-	-	282,587
	35,932,572	905,479	(1,200)	(688,928)	36,147,923
2024:					
Factory buildings	3,337,984	131,940	-	-	3,469,924
Plant and machinery	20,503,507	554,576	-	(148,951)	20,909,132
Furniture and fittings	1,421,052	88,005	-	(10,423)	1,498,634
Office equipment	870,848	22,631	-	(3,438)	890,041
Tools and equipment	4,016,494	26,085	-	-	4,042,579
Motor vehicles	380,686	18,402	-	-	399,088
Electrical installation	1,012,526	3,987	-	-	1,016,513
Moulds and dies	3,455,619	4,595	-	-	3,460,214
Hostel	210,307	36,140	-	-	246,447
	35,209,023	886,361	-	(162,812)	35,932,572

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Net carrying value:				
Factory buildings	3,709,534	3,870,534	2,995,136	3,127,076
Factory equipment	17,300	17,300	-	-
Plant and machinery	7,221,289	8,315,309	1,761,469	2,125,888
Furniture and fittings	1,558,486	1,518,102	458,550	516,199
Renovation	3,241,556	2,821,917	-	-
Office equipment	422,997	492,616	73,123	92,917
Tools and equipment	1,086,119	1,148,799	126,089	134,858
Motor vehicles	978,343	726,527	115,929	39,872
Electrical installation	459,605	53,897	4,937	8,887
Moulds and dies	198,578	273,246	8,560	13,155
Hostel	1,524,413	1,560,553	1,524,413	1,560,553
Capital work-in-progress	9,724,076	8,633,668	-	-
	30,142,296	29,432,468	7,068,206	7,619,405

In prior years, one of the Company's subsidiaries, Supercomal Advanced Cables Sdn. Bhd., had suffered continuous losses from its manufacturing of wires and cables for the automotive industry. The directors of the subsidiary carried out an impairment test in the prior years and concluded that the recoverable amounts of certain property, plant and equipment were lower than their carrying amounts. Accordingly, an impairment loss was recognised in the prior years. During the current financial year ended December 31, 2025, the directors assessed the recoverable amounts of the property, plant and equipment and concluded that there is further impairment of RM1,000,000 (2024: RM Nil) required. As at December 31, 2025, accumulated impairment losses of RM1,265,655 (2024: RM265,655) was recognised by the subsidiary.

As of December 31, 2025, certain factory buildings of the Group and of the Company with a total carrying value of RM2,110,850 (2024: RM2,208,650) are charged to local licensed banks as securities for bank credit facilities granted to the Group and the Company as disclosed in Note 33.

13. INVESTMENT PROPERTIES

Freehold land and buildings

The Group

	2025 RM	2024 RM
Cost		
At beginning of year	-	-
Additions	14,691,887	-
At end of year	14,691,887	-

The fair value of the investment property as at December 31, 2025 is estimated to approximate its cost of RM14,691,887 based on the recent arm's-length purchase transaction in November 2025.

The disclosed fair value of the investment property is categorised within Level 2 of the fair value hierarchy, as it is determined based on observable inputs from a recent arm's-length transaction.

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

	2025 RM	2024 RM
Rental income from investment properties	55,000	-
Direct operating expenses from income-generating investment properties	2,632	-

Future minimum rentals receivables under operating leases as at December 31 are as follows:

	2025 RM	2024 RM
Not later than one year	660,000	-
Later than one year and not later than five years	605,000	-
	1,265,000	-

14. RIGHT-OF-USE ASSETS

The Group

Cost	Beginning of year RM	Additions RM	End of year RM
2025			
Short-term leasehold lands	3,073,574	-	3,073,574
2024			
Short-term leasehold lands	3,073,574	-	3,073,574

Accumulated amortisation	Beginning of year RM	Amortisation charge for the year (Note 10) RM	End of year RM
2025			
Short-term leasehold lands	1,429,415	53,999	1,483,414
2024			
Short-term leasehold lands	1,375,416	53,999	1,429,415

The Company

Cost	Beginning of year RM	Additions RM	End of year RM
2025			
Short-term leasehold land	1,440,000	-	1,440,000
2024			
Short-term leasehold land	1,440,000	-	1,440,000

Accumulated amortisation	Beginning of year RM	Amortisation charge for the year (Note 10) RM	End of year RM
2025			
Short-term leasehold land	680,694	24,828	705,522
2024			
Short-term leasehold land	655,866	24,828	680,694

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Net carrying amount:				
Short-term leasehold lands	1,590,160	1,644,159	734,478	759,306

As of December 31, 2025, the unexpired lease periods of the Group's and the Company's leasehold lands are 28 to 29 years (2024: 29 to 30 years) and 29 years (2024: 30 years) respectively.

As of December 31, 2025, leasehold lands of the Group and of the Company with carrying value of RM1,590,160 (2024: RM1,644,159) and RM734,478 (2024: RM759,306) respectively are charged to a local licensed bank as security for bank credit facilities granted to the Group and to the Company as disclosed in Note 33.

15. INVESTMENT IN SUBSIDIARIES

	The Company	
	2025	2024
	RM	RM
Unquoted shares, at cost		
At beginning of year	168,850,000	168,850,000
Acquisition of a subsidiary	49,000	-
At end of year	168,899,000	168,850,000
Accumulated impairment losses:		
At beginning of year	(10,841,445)	(7,384,275)
Impairment losses recognised during the year	(10,544,806)	(3,457,170)
At end of year	(21,386,251)	(10,841,445)
Carrying amount	147,512,749	158,008,555

On November 12, 2025, the Company acquired 49,000 ordinary shares equivalent to a 49% equity interest in Supercomnet Assets Sdn. Bhd. ("SASB"), an investment holding company incorporated in Malaysia for a total cash consideration of RM49,000. Although the Company does not hold majority equity interest in SASB, the directors have determined that the Company controls SASB in accordance with Malaysian Financial Reporting Standard 10 *Consolidated Financial Statements*, as the Company has power over SASB, is exposed to variable returns from its involvement with SASB, and has the ability to use its power to affect those returns. Accordingly, SASB has been consolidated as a subsidiary of the Group with effect from the acquisition date.

Acquisition of a subsidiary

The cost of investment in SASB recognised in the Company's separate financial statements during the financial year is as follows:

	The Company RM
Cash consideration paid	49,000

The effect of the acquisition of SASB on the Group's cash flows during the financial year is as follow:

	The Group RM
Cash and cash equivalents of SASB at acquisition date	100,000
Less: Cash consideration paid	(49,000)
Net cash inflow on acquisition of a subsidiary	51,000

Upon consolidation of SASB, non-controlling interest of approximately RM51,000, representing 51% equity interest in SASB, was recognised within equity from the acquisition date. The acquisition did not involve any issuance of shares by the Company and did not result in any change to the Company's issued share capital or treasury shares.

The identifiable assets acquired and liabilities assumed were measured at fair values, which approximated their carrying amounts. No goodwill arose on the acquisition.

The Company recognises investments in subsidiaries at cost less any accumulated impairment losses. At the end of each reporting period, the Company assesses whether there is any indication that its investment in a subsidiary may be impaired. If any such indication exists, the recoverable amount of the investment is estimated and an impairment loss is recognised to the extent that the carrying amount exceeds the recoverable amount.

During the financial year ended December 31, 2025, the Company recognised an impairment loss of RM10,544,806 (2024: RM3,457,170) in respect of its investment in subsidiary which is attributable to Supercomal Advanced Cables Sdn. Bhd. ("SAC").

The recoverable amount of the investment attributable to SAC was determined based on its fair value less costs of disposal. The costs of disposal were assessed to be insignificant. The impairment loss was recognised in profit or loss during the financial year.

Details of the subsidiaries are as follows:

Name	Country of incorporation and operation	Proportion of ownership interest (%) 2025	2024	Principal activities
Held by the Company:				
Supercomal Advanced Cables Sdn. Bhd.^	Malaysia	100	100	Manufacture and assembly of fuel tanks, wires and cables
Supercomal Medical Products Sdn. Bhd.^	Malaysia	100	100	Manufacture of medical cables and devices
Supercomnet Assets Sdn. Bhd.*	Malaysia	49	-	Investment holding

^ Audited by Deloitte Malaysia PLT.
* SASB was incorporated on August 15, 2025 and, in accordance with the Companies Act, 2016, its first financial statements will be prepared for the financial period ending December 31, 2026.

The non-controlling interest ("NCI") in SASB is as follows:

The non-controlling interest in SASB is measured at the non-controlling shareholders' proportionate share of the net identifiable assets of the subsidiary.

SASB was incorporated on August 15, 2025 and did not have any material operations prior to the acquisition date. Accordingly, the identifiable assets and liabilities of SASB at incorporation approximated those at the acquisition date.

On November 12, 2025, the Company subscribed for 49,000 ordinary shares, representing 49% of the issued and paid-up share capital of SASB, for a total cash consideration of RM49,000.

	2025 RM	2024 RM
NCI percentage of ownership interest and voting interest (%)	51%	-
Carrying amount of NCI (RM)	10,768	-
Total comprehensive loss for the financial year attributable to NCI (RM)	(40,232)	-

Summarised financial information of SASB is set out below. The summarised financial information below represents amounts before intra-group elimination:

	2025 RM	2024 RM
Non-current assets	14,691,887	-
Current assets	318,512	-
Current liabilities	(14,989,285)	-
Net assets	21,114	-
Revenue	55,000	-
Loss for the year	(78,886)	-
Total comprehensive loss for the year	(78,886)	-
Net cash from operating activities	218,512	-
Net cash used in investing activities	(14,691,887)	-
Net cash from financing activities	14,791,887	-
Net increase in cash and cash equivalents	318,512	-

16. INVESTMENT IN UNQUOTED SHARES

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial assets at fair value through other comprehensive income:				
Equity instrument				
Unquoted outside Malaysia	7,749,720	6,884,255	7,749,720	6,884,255

The Group and the Company holds an equity investment in Chiyitech Technology Co., Ltd., an unquoted private company incorporated in Taiwan R.O.C.. Upon initial recognition, management irrevocably elected to classify the investment as an equity instrument measured at fair value through other comprehensive income in accordance with MFRS 9 *Financial Instruments*, as the investment is not held for trading and is intended to be held for long-term strategic purposes.

The investment is subsequently measured at fair value at each reporting date, with changes in fair value recognised in other comprehensive income. Gains or losses recognised in other comprehensive income are not subsequently reclassified to profit or loss, including on disposal.

The Group and the Company acquired the equity investment in October 2024. As the acquisition date was close to the end of the previous financial year and no significant changes were identified between the acquisition date and December 31, 2024, the fair value of the investment at that date was considered to approximate the initial cost of RM6,884,255.

The fair value of the investment as at December 31, 2025 was determined based on an independent external valuation using a market-based valuation approach, anchored on a recent arm's-length funding transaction during the year and corroborated using market-based valuation techniques. Management concluded that the valuation approach adopted is appropriate and, to the extent possible, maximised the use of observable inputs.

The fair value measurement is classified as a Level 3 fair value measurement under the fair value hierarchy, as it involves significant unobservable inputs.

Movements in the current year are as follows:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At beginning of year	6,884,255	-	6,884,255	-
Acquisition of investment in unquoted shares	-	6,884,255	-	6,884,255
Fair value gain recognised in other comprehensive income	865,465	-	865,465	-
At end of year	7,749,720	6,884,255	7,749,720	6,884,255

The fair value measurement involves judgement in respect of certain valuation assumptions. The Group and the Company have performed sensitivity analyses on key valuation inputs to assess the impact of reasonably possible changes on the fair value measurement. Based on these analyses, management is satisfied that reasonably possible changes in assumptions would not result in a materially different fair value conclusion.

17. GOODWILL ON CONSOLIDATION

The Group

	2025 RM	2024 RM
Cost		
At beginning/end of year	87,477,804	87,477,804

The carrying amount of goodwill has been allocated to CGU as follows:

	2025 RM	2024 RM
Supercomal Medical Products Sdn. Bhd. business segment – manufacture of medical cables and devices	87,477,804	87,477,804

Supercomal Medical Products Sdn. Bhd. business segment

The recoverable amount of this cash-generating unit is determined based on a value-in-use calculation which uses discounted cash flows forecast based on financial forecasts adopted by the directors covering a five-year period and a pre-tax discount rate of 14.0% (2024: 15.5%) per annum. The cash flows beyond that five-year period have been extrapolated using a steady 1% (2024: 1%) per annum growth rate.

Sensitivity analysis

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount of the CGU to which goodwill is allocated. The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount of the Supercomal Medical Products Sdn. Bhd. business segment is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the CGU.

A 2% (2024: 2%) underperformance against budgeted sales, or 2% (2024: 2%) increase in pre-tax discount rate would reduce the recoverable amount but would not result in an impairment charge.

18. INTANGIBLE ASSETS

Customers contracts and related relationship

The Group

	2025 RM	2024 RM
Cost		
At beginning/end of year	31,289,380	31,289,380
Accumulated amortisation		
At beginning of year	23,274,089	20,807,847
Current amortisation (Note 10)	2,466,242	2,466,242
At end of year	25,740,331	23,274,089
Net carrying amount		
At end of year	5,549,049	8,015,291

19. INVENTORIES

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
At cost:				
Raw materials	17,573,998	21,221,050	3,118,345	3,003,532
Work-in-progress	5,009,128	5,765,775	2,252,424	3,624,225
Finished goods	16,177,195	19,562,260	2,517,251	3,851,099
Spare parts	415,501	350,074	94,125	71,832
	39,175,822	46,899,159	7,982,145	10,550,688
At net realisable value:				
Raw materials	161,136	279,513	161,136	279,513
Less: inventories written down	(161,136)	(279,513)	(161,136)	(279,513)
	-	-	-	-
Work-in-progress	95,812	-	-	-
Less: inventories written down	(95,812)	-	-	-
	-	-	-	-
Finished goods	295,853	217,836	93,679	93,679
Less: inventories written down	(295,853)	(217,836)	(93,679)	(93,679)
	-	-	-	-
	39,175,822	46,899,159	7,982,145	10,550,688

The cost of inventories of the Group and of the Company recognised as an expense during the financial year is RM96,466,064 (2024: RM101,754,614) and RM35,228,200 (2024: RM42,459,421) respectively.

The net amount recognised as an expense during the year in respect of write-down of inventories to net realisable value of the Group and of the Company are RM55,452 (2024: RM Nil) and RM Nil (2024: RM Nil) respectively. The net amount of reversal of inventories written down recognised in profit or loss of the Group and of the Company during the financial year are RM Nil (2024: RM Nil) and RM118,377 (2024: RM Nil) respectively. The write-downs have been reversed as a result of utilisation during the current financial year.

20. TRADE AND OTHER RECEIVABLES

	The Group 2025 RM	The Group 2024 RM	The Company 2025 RM	The Company 2024 RM
Non-current:				
Unsecured loan to a subsidiary	-	-	7,200,000	7,200,000
Current:				
Trade receivables	22,332,336	26,938,807	1,686,859	3,704,795
Less: Allowance for expected credit losses	-	(146,797)	-	-
	22,332,336	26,792,010	1,686,859	3,704,795
Amount owing by subsidiaries	-	-	4,518,051	6,207,124
Other receivables	44,404	79,923	5,534	5,937
Unsecured loan to a subsidiary	-	-	14,691,887	-
	22,376,740	26,871,933	20,902,331	9,917,856
Total	22,376,740	26,871,933	28,102,331	17,117,856

The currency exposure profile of trade and other receivables is as follows:

	The Group 2025 RM	The Group 2024 RM	The Company 2025 RM	The Company 2024 RM
Ringgit Malaysia	15,560,178	17,579,933	28,102,331	17,117,856
United States Dollars	6,816,562	9,292,000	-	-
	22,376,740	26,871,933	28,102,331	17,117,856

As at December 31, 2025, the Company has unsecured loans given to two subsidiaries which carry floating interest rates determined based on the monthly average lending rate in Malaysia. Interest is calculated on a monthly basis and is receivable within 12 months. The interest income recognised on these unsecured loans during the financial year amounted to RM403,613 (2024: RM252,556).

One of the unsecured loans is repayable on demand and does not have a fixed repayment term. The other unsecured loan, amounting to RM7,200,000, has a fixed principal repayment date of April 22, 2029. Accordingly, the portion of the loans that is repayable on demand is classified as current, while the loan with a fixed repayment date is classified as non-current.

The loans were granted to finance the purchase of land and buildings by the respective subsidiaries. The carrying amounts of the loans approximate their fair values.

The credit periods granted by the Group and by the Company on sale of goods range from 30 to 90 days (2024: 30 to 90 days). No interest was charged on outstanding trade receivables. The Group and the Company always measure the loss allowance for trade receivables at an amount equal to lifetime expected credit losses ("ECL"). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group and the Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivable is over 90 days past due, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

The following table details the loss allowance of trade receivables based on the Group's provision matrix.

	Not past due RM	**< 30 RM**	**31-90 RM**	**91-365 RM**	**> 365 RM**	**Total RM**
The Group December 31, 2025						
Estimated credit loss rate	0.01%	0.01%	0.01%	0.01%	0.01%	
Estimated total gross carrying amount at default	4,433,777	6,579,175	10,003,963	163,275	1,152,146	22,332,336
Lifetime ECL	*443	*658	*1,000	*16	*115	*2,233

	Not past due RM	< 30 RM	31-90 RM	91-365 RM	> 365 RM	Total RM
December 31, 2024						
Estimated credit loss rate	0.01%	0.01%	0.01%	0.01%	12.38%	
Estimated total gross carrying amount at default	18,202,287	2,469,574	4,511,109	570,892	1,184,945	26,938,807
Lifetime ECL	*1,820	*247	*451	*57	146,797	146,797

* Lifetime ECL determined to be not material. As such, loss allowance is not recognised in the statement of profit or loss.

During the current and prior year, the risk profile of trade receivables based on the Company's provision matrix does not show significant loss patterns.

Movement in the allowance for expected credit losses on trade receivables of the Group is as follows:

	2025 RM	2024 RM
Balance at beginning of the year	146,797	197,728
Reversal during the year	(146,797)	(50,931)
Balance at end of the year	-	146,797

The amount owing by subsidiaries is as follows:

	2025 RM	2024 RM
Trade	4,056,825	5,735,568
Non-trade	57,613	219,000
Interest on unsecured loan receivable from a subsidiary	403,613	252,556
	4,518,051	6,207,124

The credit period granted by the Company for trade transactions with the subsidiaries is 60 days (2024: 60 days). No interest is charged on trade amount owing to the subsidiaries.

The non-trade amount owing by subsidiaries arose mainly from unsecured advances which are interest free and are repayable on demand.

21. OTHER ASSETS

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Refundable deposits	660,779	514,771	217,459	216,691
Prepayments	2,913,249	7,419,541	164,687	181,007
	3,574,028	7,934,312	382,146	397,698

The currency exposure profile of other assets is as follows:

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Ringgit Malaysia	1,998,594	4,065,118	382,146	397,698
United States Dollars	1,575,407	3,869,167	-	-
Euro	27	27	-	-
	3,574,028	7,934,312	382,146	397,698

22. OTHER FINANCIAL ASSETS

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Financial assets carried at fair value through profit or loss:				
Non-derivative financial assets:				
Investments in money market funds	213,748,143	197,334,257	134,058,439	140,089,447

The currency exposure profile of other financial assets is as follows:

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Ringgit Malaysia	212,692,100	187,286,998	134,058,439	140,089,447
United States Dollars	1,056,043	10,047,259	-	-
	213,748,143	197,334,257	134,058,439	140,089,447

23. TERM DEPOSITS WITH LICENSED BANKS

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Not later than one year (current portion)	9,505,313	9,436,822	1,500,000	3,462,492
Later than one year and not later than two years (non-current portion)	1,500	141,740	-	-
	9,506,813	9,578,562	1,500,000	3,462,492

As of December 31, 2025, the Group's current portion of term deposits with licensed banks carry interest at rates ranging from 1.95% to 3.63% (2024: 2.25% to 4.60%) per annum and will mature from 2 to 185 days (2024: 3 to 185 days). The Company's current portion of term deposits with licensed banks carry interest at a rate of 1.95% (2024: 2.25% to 4.60%) per annum and will mature in 2 days (2024: 3 to 7 days).

As of December 31, 2025, the non-current portion of term deposits with licensed banks of the Group with a carrying value of RM1,500 (2024: RM141,740) are pledged to the bank for a bank guarantee facility granted to a subsidiary and carry interests at rates of Nil % (2024: Nil % and 2.60%).

The currency exposure profile of term deposits with licensed banks is as follows:

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Ringgit Malaysia	9,401,500	8,941,740	1,500,000	3,000,000
United States Dollars	105,313	636,822	-	462,492
	9,506,813	9,578,562	1,500,000	3,462,492

24. CASH AND BANK BALANCES

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

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Ringgit Malaysia	2,559,014	6,058,889	1,067,183	842,899
United States Dollars	4,796,922	16,219,895	61,867	223
	7,355,936	22,278,784	1,129,050	843,122

25. SHARE CAPITAL

	2025		2024	
	No. of shares	RM	No. of shares	RM
Issued and fully paid:				
Ordinary shares				
At beginning of year	860,601,538	314,700,020	790,127,329	265,869,718
Exercise of warrants	-	-	65,599,909	42,639,941
Exercise of ESOS	-	-	4,874,300	6,190,361
At end of year	860,601,538	314,700,020	860,601,538	314,700,020

The issued and fully paid-up share capital of the Company comprises ordinary shares with no par value which rank pari passu in all respects.

During the financial year ended December 31, 2025, there was no issuance of ordinary shares by the Company. Accordingly, the issued and paid-up share capital of the Company remained unchanged at RM314,700,020 comprising 860,601,538 ordinary shares as at December 31, 2025.

In 2024, the issued and paid-up share capital of the Company increased from RM265,869,718 to RM314,700,020 following the issuance of 65,599,909 new ordinary shares at an issue price of RM0.65 per ordinary share pursuant to the exercise of warrants and the issuance of 4,874,300 new ordinary shares at an issue price of RM1.27 per ordinary share pursuant to the exercise of employees' share options ("ESOS"). The new ordinary shares issued during 2024 ranked pari passu with the then existing ordinary shares of the Company.

The holders of ordinary shares (except treasury 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 regard to the Company's residual assets.

26. TREASURY SHARES

The shareholders of the Company had approved an ordinary resolution at the Thirty-Fifth Annual General Meeting held on June 12, 2025 for the Company to purchase its own shares of up to a maximum of 10% of the total number of issued shares of the Company. The directors of the Company are committed to enhancing the value of the Company and believe that the purchase plan is being implemented in the best interest of the Company and its shareholders.

Pursuant to the provisions of Section 127 of the Companies Act, 2016 ("Act"), the Company may either retain the purchased shares as treasury shares or cancel the purchased shares or a combination of both. The directors of the Company may treat the purchased shares held as treasury shares as follows pursuant to Section 127(7) of the Act:

i. distribute the treasury shares as dividends to the shareholders, such dividend to be known as "share dividends";
ii. resell the treasury shares or any of the treasury shares in accordance with the relevant rules of Bursa Malaysia Securities Berhad;
iii. transfer the treasury shares or any of the treasury shares for the purposes of or under an employees' share scheme;
iv. transfer the treasury shares or any of the treasury shares as purchase consideration;
v. cancel the treasury shares or any of the treasury shares; or

vi. sell, transfer or otherwise use the treasury shares for such other purposes as the Minister (as defined in the Act) may by order prescribe.

As treasury shares, the rights attached as to voting, dividends and participation in other distribution, whether cash or otherwise, of the Company's assets including any distribution of assets upon winding up are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares for any purposes including substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

During the financial year, the Company repurchased 3,844,500 (2024: 130,000) ordinary shares from the open market for approximately RM3,089,670 (2024: RM156,456) or at an average price of RM0.80 (2024: RM1.20) per share with internally generated funds. The shares bought back are being held as treasury shares and are presented as a deduction from equity as none of the shares were cancelled.

As at December 31, 2025, the total number of treasury shares held by the Company was 4,324,500 (2024: 480,000) shares.

27. OTHER RESERVES

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Non-distributable reserve:				
Employees' Share Options Scheme	-	-	-	-
Gain on fair value changes on investment in unquoted shares at fair value through other comprehensive income	865,465	-	865,465	-
	865,465	-	865,465	-

(a) Employees' Share Options Scheme ("ESOS")

On September 18, 2019, the Company implemented an Employees' Share Options Scheme ("ESOS") for a period of 5 years. The ESOS is governed by the By-Laws approved by the shareholders at an Extraordinary General Meeting held on May 28, 2019 ("the Scheme").

The salient terms of the ESOS are as follows:

(a) The total number of issued shares (excluding treasury shares) offered under the Scheme shall not exceed 10% of the issued and paid-up share capital of the Company at any point in time during the existence of the ESOS.

(b) Only eligible directors and employees of the Company and of the Group will be eligible to participate in the Scheme .

(c) The exercise price of the options shall be determined by the Directors upon recommendation of the ESOS Committee based on the 5-day volume weighted average price of the Company's shares immediately preceding the date of offer, with a discount of not more than 10%, or such other percentage of discount as may be permitted by Bursa Malaysia Securities Berhad or any other relevant authorities from time to time during the duration of the Scheme.

(d) The number of options to be offered to an eligible employee in accordance with the Scheme shall be determined based on, inter alia, the eligible employee's position within the Group, fulfilment of the eligibility criteria, work performance and/or such other factors as the ESOS Committee deems fit. The offer shall be valid for acceptance by an employee for a period of 30 days from the date of offer.

(e) The new ordinary shares to be allotted upon any exercise of the ESOS shall, upon allotment and issuance, rank pari passu in all respects with the then existing ordinary shares of the Company, except that such new ordinary shares shall not be entitled to any dividends, rights, allotments and/or other forms of distributions which may be declared prior to the allotment of these shares.

Following the expiry of the ESOS on September 17, 2024, the Board of Directors approved an extension of the Scheme for a further 5 years until September 17, 2029, with all the terms of the Scheme remaining unchanged ("extended ESOS").

During the financial year ended December 31, 2025, no options were granted or exercised under the extended ESOS. Accordingly, no share-based payment expense was recognised and there were no outstanding share options as at December 31, 2025 (2024: nil).

ESOS reserve

In the prior financial year ended December 31, 2024, options previously granted under the ESOS scheme were exercised, resulting in the issuance of ordinary shares and the full reversal of the related Employees' Share Options Scheme reserve upon expiry of the previous ESOS scheme. Consequently, the Employees' Share Options Scheme reserve was nil as at December 31, 2024.

	Fair value at grant date RM	**← Number of ESOS →**			
		At 1.1.2024	**Exercised**	**Lapsed**	**At 31.12.2024**
Group/Company	2,144,006	7,627,200	(4,874,300)	(2,752,900)	-

In year 2024, a total of 4,874,300 options (amounting to RM6,190,361) were exercised and 2,752,900 options (amounting to RM2,144,006) lapsed, resulting in no outstanding options as at December 31, 2024.

The balance in the Employees' Share Options Scheme reserve remained RM Nil as at December 31, 2025 (2024: RM Nil).

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(b) Fair value through other comprehensive income ("FVTOCI") reserve

Chiyitech Technology Co., Ltd.

The FVTOCI reserve represents cumulative fair value changes, net of tax, arising from the Group's and the Company's equity investment in Chiyitech Technology Co., Ltd., which is designated at fair value through other comprehensive income in accordance with MFRS 9 *Financial Instruments*. Further details are disclosed in Note 16.

The balance of the FVTOCI reserve as at December 31, 2025 amounted to RM865,465 (2024: RM Nil).

28. RETAINED EARNINGS

	The Group		The Company	
	2025	**2024**	**2025**	**2024**
	RM	**RM**	**RM**	**RM**
Distributable reserve:				
Retained earnings	112,722,865	106,516,995	20,716,751	26,982,196

As of December 31, 2025, the entire retained earnings of the Company is available for distribution as single-tier dividends to the shareholders of the Company.

29. DEFERRED TAX (ASSETS)/LIABILITIES

The Group

	Opening balance RM	Recognised in profit or loss (Note 9) RM	Closing balance RM
2025:			
Deferred tax liabilities:			
Intangible assets	1,923,669	(591,898)	1,331,771
Property, plant and equipment	2,342,930	(697,776)	1,645,154
Other temporary taxable differences	85,229	(85,229)	-
	4,351,828	(1,374,903)	2,976,925
Deferred tax assets:			
Unused tax capital allowances	(249,356)	249,356	-
Unused tax losses	(1,106,192)	1,106,192	-
Other temporary deductible differences	(412,046)	(11,953)	(423,999)
	(1,767,594)	1,343,595	(423,999)
Net	2,584,234	(31,308)	2,552,926

	Opening balance RM	Recognised in profit or loss (Note 9) RM	Closing balance RM
2024:			
Deferred tax liabilities:			
Intangible assets	2,515,567	(591,898)	1,923,669
Property, plant and equipment	2,747,875	(404,945)	2,342,930
Other temporary taxable differences	150,350	(65,121)	85,229
	5,413,792	(1,061,964)	4,351,828
Deferred tax assets:			
Unused tax capital allowances	(134,192)	(115,164)	(249,356)
Unused tax losses	(1,218,454)	112,262	(1,106,192)
Other temporary deductible differences	(166,000)	(246,046)	(412,046)
	(1,518,646)	(248,948)	(1,767,594)
Net	3,895,146	(1,310,912)	2,584,234

The Company

	Opening balance RM	Recognised in profit or loss (Note 9) RM	Closing balance RM
2025:			
Deferred tax liabilities:			
Property, plant and equipment	1,194,599	(34,564)	1,160,035
Deferred tax assets:			
Inventories	(90,000)	29,000	(61,000)
Other temporary deductible differences	(312,000)	(51,000)	(363,000)
	(402,000)	(22,000)	(424,000)
Net	792,599	(56,564)	736,035

	Opening balance RM	Recognised in profit or loss (Note 9) RM	Closing balance RM
2024:			
Deferred tax liabilities:			
Property, plant and equipment	1,236,818	(42,219)	1,194,599
Deferred tax assets:			
Inventories	(90,000)	-	(90,000)
Other temporary deductible differences	(76,000)	(236,000)	(312,000)
	(166,000)	(236,000)	(402,000)
Net	1,070,818	(278,219)	792,599

Deferred tax balances are presented in the statements of financial position after appropriate offsetting as follows:

	The Group 2025 RM	The Group 2024 RM	The Company 2025 RM	The Company 2024 RM
Deferred tax liabilities	2,552,926	3,613,079	736,035	792,599
Deferred tax assets	-	(1,028,845)	-	-
	2,552,926	2,584,234	736,035	792,599

As of December 31, 2025, deferred tax assets have not been recognised in respect of the following:

	The Group 2025 RM	The Group 2024 RM	The Company 2025 RM	The Company 2024 RM
Unused tax losses	10,651,000	6,035,000	-	-
Unused tax capital allowances	1,567,000	-	-	-
Other temporary deductible differences	873,000	-	-	-

As mentioned in Note 3, the tax effects of unused tax losses which would give rise to deferred tax assets are generally recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses, unused tax capital allowances and other temporary deductible differences can be utilised.

As of December 31, 2025, the Group has the following amounts of unused tax losses and unused tax capital allowances which are available for set off against future taxable profits:

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Unused tax losses	10,651,000	8,466,000	-	-
Unused tax capital allowances	1,567,000	1,024,000	-	-

The unused tax losses of the Group will expire in the following years of assessment ("YA"):

	2025	2024
	RM	RM
Unused tax losses:		
YA2028	8,466,000	8,466,000
YA2035	2,185,000	-

30. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Trade payables	5,365,147	7,161,240	1,238,723	2,346,975
Amount owing to subsidiaries:				
Non-trade	-	-	27,941	12,351
Other payables	4,860,482	8,390,409	570,389	710,668
Accrued expenses	5,247,005	4,135,608	1,528,971	1,240,173
	10,107,487	12,526,017	2,099,360	1,950,841
	15,472,634	19,687,257	3,366,024	4,310,167

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

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Ringgit Malaysia	10,438,478	12,704,465	3,183,254	4,036,711
United States Dollars	5,034,156	6,982,792	182,770	273,456
	15,472,634	19,687,257	3,366,024	4,310,167

The credit periods granted to the Group and the Company for trade purchases range from 30 to 60 days (2024: 30 to 60 days). No interest is charged on outstanding trade payables. The Group and the Company have financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The non-trade amount owing to subsidiaries arose mainly from unsecured advances which are interest free and are repayable on demand.

Other payables comprise mainly advances from customers and amounts outstanding for ongoing costs.

31. DIVIDENDS

	2025 RM	2024 RM
Dividends declared and paid:		
Final single tier dividend of RM0.01 per ordinary share in respect of the financial year ended December 31, 2024	8,592,315	-
Interim single tier dividend of RM0.011 per ordinary share in respect of the financial year ended December 31, 2025	9,420,010	-
Final single tier dividend of RM0.015 per ordinary share in respect of the financial year ended December 31, 2023	-	12,852,729
Interim single tier dividend of RM0.01 per ordinary share in respect of the financial year ended December 31, 2024	-	8,601,215
	18,012,325	21,453,944

Subsequent to the financial year end, the directors proposed a final single tier dividend of RM0.01 per ordinary share amounting to RM8,600,000 in respect of the current financial year. This dividend has not been included as a liability in the financial statements and is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company.

32. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Term deposits with licensed banks	9,506,813	9,578,562	1,500,000	3,462,492
Cash and bank balances	7,355,936	22,278,784	1,129,050	843,122
	16,862,749	31,857,346	2,629,050	4,305,614
Less: Deposits pledged as security	(1,500)	(141,740)	-	-
Less: Deposits (which are greater than 90 days but less than one year) not classified as cash and cash equivalents	(1,300,000)	(2,750,000)	-	-
	15,561,249	28,965,606	2,629,050	4,305,614

33. CREDIT FACILITIES

As of December 31, 2025, the Group and the Company have unused credit facilities as follows:

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Secured - Term loan	2,000,000	2,000,000	2,000,000	2,000,000
Secured - Bank overdraft	500,000	500,000	500,000	500,000
	2,500,000	2,500,000	2,500,000	2,500,000

The bank overdrafts and term loan of the Group and of the Company bear interest at a rate of 1.5% (2024: 1.5%) per annum above the lending banks' lending rates.

The credit facilities of the Group and of the Company are secured, either singly or collectively as follows:

a. legal charges over certain leasehold lands and factory buildings of the Group and of the Company (Notes 12 and 14); and
b. negative pledges over the assets of the Group and of the Company (Notes 12 and 14).

34. FINANCIAL INSTRUMENTS

a. Capital risk management

The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value. In order to maintain or to achieve an optimal capital structure, the Group and the Company may adjust the amount of dividend payment. Management monitors capital based on ability of the Group to generate sustainable profits and availability of retained earnings for dividend payments to shareholders. The Group's and the Company's overall strategy remain unchanged from 2024.

b. Categories of financial instruments

	2025 RM	2024 RM
The Group		
Financial assets		
At amortised cost:		
Cash and bank balances	7,355,936	22,278,784
Term deposits with licensed banks	9,506,813	9,578,562
Trade and other receivables	22,376,740	26,871,933
Refundable deposits	660,779	514,771
At fair value through other comprehensive income:		
Investment in unquoted shares	7,749,720	6,884,255
At fair value through profit or loss:		
Other financial assets	213,748,143	197,334,257
Financial liabilities		
At amortised cost:		
Trade and other payables	15,472,634	19,687,257
The Company		
Financial assets		
At amortised cost:		
Cash and bank balances	1,129,050	843,122
Term deposits with licensed banks	1,500,000	3,462,492
Trade and other receivables	28,102,331	17,117,856
Refundable deposits	217,459	216,691
At fair value through other comprehensive income:		
Investment in unquoted shares	7,749,720	6,884,255
At fair value through profit or loss:		
Other financial assets	134,058,439	140,089,447
Financial liabilities		
At amortised cost:		
Trade and other payables	3,366,024	4,310,167

c. Financial risk management objectives

The operations of the Group and of the Company are subject to a variety of financial risks, including market risk, foreign currency risk, credit risk, interest rate risk, liquidity risk and cash flow risk. The Group and the Company have formulated a financial risk management framework whose principal objective is to minimise the Group's and the Company's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group and of the Company.

Various risk management policies are made and approved by the Board for observation in the day-to-day operations for the controlling and management of the risks associated with financial instruments.

i. Market risk management

The Group and the Company have in place policies to manage the Group's and the Company's exposures to fluctuation in the prices of the raw materials used in the operations.

Price risk management

The Group and the Company are exposed to price risk on their financial assets carried at FVTOCI (Investment in unquoted shares of RM7,749,720 (2024: RM6,884,255)) and FVTPL (Other financial assets of RM213,748,143 (2024: 197,334,257) for the Group and RM134,058,439 (2024: 140,089,447) for the Company. This risk is managed as part of the overall market risk management strategy outlined above. The policies include regular monitoring of the fair values of these investments and diversification of the investment portfolio.

ii. Foreign currency risk management

The Group and the Company have exposure to foreign exchange risk as a result of transactions, receivables and payables in foreign currencies arising from normal operating activities. The Group and the Company do not speculate in foreign currencies.

The carrying amounts of the Group's and of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

	2025 RM	2024 RM
The Group		
Assets		
United States Dollars	14,350,247	40,065,143
Euro	27	27
Liabilities		
United States Dollars	5,034,156	6,982,792
The Company		
Assets		
United States Dollars	61,867	462,715
Liabilities		
United States Dollars	182,770	273,456

The following table details the sensitivity analysis when the RM weakens 3% (2024: 3%) against the relevant foreign currencies. 3% (2024: 3%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the end of the financial period for a 3% (2024: 3%) change in foreign currency rates. A negative number below indicates an increase in profit for the year and total equity and a positive number indicates a decrease in profit for the year where the RM weakens 3% (2024: 3%) against the relevant currency.

	2025 RM	2024 RM
The Group		
Impact on profit or loss and total equity:		
United States Dollars	(279,483)	(992,471)
Euro	(1)	(1)
The Company		
Impact on profit or loss and total equity:		
United States Dollars	3,627	(5,678)

For a 3% (2024: 3%) strengthening of the RM against the relevant currency, it would have an equal but opposite effect on the above currencies to the amounts shown above.

iii. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The Group's and the Company's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company have adopted a policy of dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Group's and the Company's exposure of its counterparties are continuously monitored by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis and outstanding accounts are followed up timely.

For other financial assets including short-term investments, term deposits and cash and bank balances, the Group and the Company minimise credit risk by dealing with reputable counterparties.

The tables below detail the credit quality of the Group's and the Company's financial assets, as well as the Group's and the Company's maximum exposure to credit risk by credit risk rating grades:

The Group

	Note	External credit rating	Internal credit rating	12 months or lifetime ECL?	Gross carrying amount	Loss allowance	Net carrying amount
31.12.2025							
Trade receivables	20	N/A	(i)	Lifetime ECL (simplified approach)	22,332,336	-	22,332,336
31.12.2024							
Trade receivables	20	N/A	(i)	Lifetime ECL (simplified approach)	26,938,807	(146,797)	26,792,010

The Company

	Note	External credit rating	Internal credit rating	12 months or lifetime ECL?	Gross carrying amount	Loss allowance	Net carrying amount
31.12.2025							
Trade receivables	20	N/A	(i)	Lifetime ECL (simplified approach)	1,686,859	-	1,686,859
31.12.2024							
Trade receivables	20	N/A	(i)	Lifetime ECL (simplified approach)	3,704,795	-	3,704,795

(i) For trade receivables, the Group and the Company has applied the simplified approach in MFRS 9 *Financial Instruments* to measure the loss allowance at lifetime ECL. The Group and the Company determine the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

At the end of the reporting period, approximately 79% (2024: 78%) and 86% (2024: 81%) of the Group's and of the Company's trade receivables respectively were due from four (2024: four) and three (2024: three) major customers respectively. Apart from these major customers, the Group and the Company do not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group and the Company define counterparties as having similar characteristics if they are related entities or concentration of credit risk to any counterparty exceeded 4% (2024: 4%) and 6% (2024: 7%) of gross trade receivables at the end of reporting period respectively.

The carrying amounts of financial assets recognised in the financial statements, which is net of impairment losses, represents the Group's and the Company's maximum exposure to credit risk.

Further details of credit risks on trade and other receivables are disclosed in Notes 20.

The credit risk on liquid funds is limited because the counterparties are reputable banks.

iv. Interest rate risk management

The Group's and the Company's exposure to changes in interest rates relates primarily to the Group's and the Company's term deposits with licensed banks and the interest-bearing amount due from its subsidiaries amounting to RM21,891,887 (2024: RM7,200,000) as at the end of the reporting period, which carries a floating interest rate. There were no significant interest-bearing financial liabilities for the Group or for the Company as of the end of the reporting period.

No sensitivity analysis is prepared as the Group and the Company do not expect any material effect on the Group's and the Company's profit or loss arising from reasonably possible changes in interest rates on its interest-bearing financial instruments at the end of reporting period. This assessment includes the impact on both the term deposits and the floating interest rate on the amount due from the subsidiary.

v. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's and of the Company's funding and liquidity management requirements. The Group and the Company manage liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and financial liabilities.

Details of undrawn credit facilities that the Group and the Company have at its disposal to further reduce liquidity risk are set out in Note 33.

The following table details the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date of which the Group and the Company can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest curves at the end of the reporting period.

The Group

	2025 RM	**2024 RM**
Trade and other payables		
Not later than one year	15,472,634	19,687,257

The Company

	2025 RM	**2024 RM**
Trade and other payables		
Not later than one year	3,366,024	4,310,167

vi. Cash flow risk management

The Group and the Company review their cash flow position regularly to manage its exposures to fluctuations in future cash flows associated with its monetary financial instruments.

d. **Fair value of financial instruments**

This note provides information about how the Group and the Company determine fair values of various financial assets and financial liabilities.

i. **Financial assets and financial liabilities that are measured at fair value on a recurring basis**

Some of the Group's and the Company's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used).

The Group

	2025 RM	**2024 RM**
Non-derivative financial asset:		
Fair value	213,748,143	197,334,257
Equity instrument financial asset:		
Fair value	7,749,720	6,884,255

The Company

	2025 RM	**2024 RM**
Non-derivative financial asset:		
Fair value	134,058,439	140,089,447
Equity instrument financial asset:		
Fair value	7,749,720	6,884,255

Non-derivative financial asset:	
Fair value hierarchy	Level 2
Valuation technique and key input	Market-corroborated inputs
Significant unobservable input	Not applicable
Relationship of unobservable input to fair value	Not applicable

There was no transfer between Levels 1, 2 and 3 in the period.

Equity instrument financial asset:

Fair value hierarchy	Level 3
Valuation technique and key input	The fair value of the unquoted equity investment was determined based on an independent external valuation using a market-based valuation approach, anchored on a recent arm's-length funding transaction during the financial year, and corroborated using market-based valuation techniques. (2024: The fair value of the unquoted equity investment was determined by reference to the transaction price from the acquisition, which was considered to approximate fair value as the acquisition occurred close to the financial year end and no significant changes in the investee's performance or market conditions were identified up to December 31, 2024.)
Significant unobservable input	Not applicable
Relationship of unobservable input to fair value	Not applicable

There was no transfer between Levels 1, 2 and 3 in the period.

ii. **Financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)**

The directors consider that the carrying amounts of short-term financial assets and financial liabilities recognised at amortised cost approximate their fair values due to their short-term nature.

This assessment also applies to the unsecured loans to subsidiaries (for the Company). The loan to Supercomal Advanced Cables Sdn. Bhd. ("SAC"), which is classified as a non-current financial asset and the loan to Supercomnet Assets Sdn. Bhd. ("SASB"), which is classified as a current financial asset, are both measured at amortised cost. The directors consider that the carrying amounts of these loans approximate their fair values as the loans bear floating interest rates that are reset periodically to reflect current market rates for similar intercompany loans, and there were no indicators of significant credit deterioration of the subsidiaries during the financial year.

35. RELATED PARTY TRANSACTIONS

The following details of transactions between the Group and the Company with related parties were carried out under terms and conditions negotiated amongst the related parties.

	The Group	
	2025 RM	2024 RM
With other related party:		
Poly Feats Sdn. Bhd. [a]		
Rental Paid	39,600	39,600
A director of the Company:		
Acquisition of 49% equity interest in Supercomnet Assets Sdn. Bhd.	49,000	-

	The Company	
	2025 RM	2024 RM
With subsidiaries:		
Sale of finished goods	18,119,073	20,570,435
Dividends received	16,500,000	14,000,000
Unsecured loans to subsidiaries	21,891,887	7,200,000
Rental received	447,144	416,409
Interest income on loan to subsidiaries	403,613	252,556
Repayment of advances by/(Advances given to) subsidiaries	161,387	(31,351)
Advances from/(Repayment of advances to) subsidiaries	15,590	(17,531)

[a] A company in which certain directors of the Group and the Company are also directors and have interests.

36. SEGMENTAL INFORMATION

Products and services from which reportable segments derive their revenue

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services provided. The Group's reportable segments under MFRS 8 *Operating Segments* are therefore as follows:

a. manufacturing of PVC compounds and cables and wires for electronic devices and data control switches, manufacturing and assembly of fuel tanks, wires and cables, and manufacturing of medical cables and devices.; and

b. investment holding.

Inter-segment sales are charged at cost plus a percentage of profit mark-up.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

The Group

	Manufacturing RM	Investment holding RM	Elimination RM	Total RM
2025				
Total Revenue				
External revenue	141,745,862	55,000	-	141,800,862
Results				
Segment profit/(loss)	30,835,729	(78,886)	-	30,756,843
Investment revenue				7,351,635
Other losses				(5,783,123)
Profit before tax				32,325,355
Tax expense				(8,147,392)
Profit for the year				24,177,963
2024				
Total Revenue				
External revenue	149,867,837	-	-	149,867,837
Results				
Segment profit/(loss)	36,552,207	-	-	36,552,207
Investment revenue				7,525,356
Other losses				(3,374,830)
Profit before tax				40,702,733
Tax expense				(9,609,966)
Profit for the year				31,092,767

The accounting policies used to measure the reportable segments are consistent with the Group's accounting policies applied in the preparation of the financial statements. Segment profit represents the profit earned by each segment before investment revenue, other gains and losses, and tax expense. This measure is reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

Segment assets and liabilities

The Group

	Manufacturing RM	Investment holding RM	Elimination RM	Total RM
2025				
Assets				
Segment assets	228,928,049	15,010,399	(14,748,193)	229,190,255
Current and deferred tax assets				590,014
Other financial assets				213,748,143
Consolidated total assets				443,528,412
Liabilities				
Segment liabilities	15,231,542	14,989,285	(14,748,193)	15,472,634
Current and deferred tax liabilities				3,420,381
Consolidated total liabilities				18,893,015
2024				
Assets				
Segment assets	247,016,727	-	-	247,016,727
Current and deferred tax assets				1,506,952
Other financial assets				197,334,257
Consolidated total assets				445,857,936
Liabilities				
Segment liabilities	19,687,257	-	-	19,687,257
Current and deferred tax liabilities				5,527,715
Consolidated total liabilities				25,214,972

For the purposes of monitoring segment performance and allocating resources between segments:

a. all assets allocated to reportable segments other than current and deferred tax assets and other financial assets.

b. all liabilities are allocated to reportable segments other than other current and deferred tax liabilities.

Other segment information

The Group

	Manufacturing RM	Investment holding RM	Elimination RM	Total RM
2025				
Other information				
Fair value gain on financial assets carried at fair value through profit or loss	6,551,201	-	-	6,551,201
Depreciation and amortisation expenses	6,030,137	-	-	6,030,137
Addition to non-current assets	5,238,068	14,691,887	-	19,929,955
Unrealised losses on foreign exchange	1,464,902	-	-	1,464,902
Impairment loss on property, plant and equipment	1,000,000	-	-	1,000,000
Reversal of allowance for expected credit losses	146,797	-	-	146,797
Inventories written down	55,452	-	-	55,452
Gain on disposal of property, plant and equipment	3,563	-	-	3,563
2024				
Other information				
Addition to non-current assets	11,277,325	-	-	11,277,325
Fair value gain on financial assets carried at fair value through profit or loss	6,442,328	-	-	6,442,328
Depreciation and amortisation expenses	5,877,864	-	-	5,877,864
Unrealised losses on foreign exchange	1,950,184	-	-	1,950,184
Reversal of allowance for expected credit losses	50,931	-	-	50,931
Gain on disposal of property, plant and equipment	43,342	-	-	43,342
Property, plant and equipment written off	1,794	-	-	1,794

Geographical information

The Group's operations are located in Malaysia.

The Group's revenue from external customers attributed to countries from which the Company and its subsidiaries derive revenue are disclosed in Note 5.

Information about major customers

The following are major customers with revenue equal or more than 5% of the Group's total revenue:

	Revenue		
	2025 RM	**2024 RM**	**Segments**
Customer A	44,457,131	47,115,333	Manufacture of medical cables and devices
Customer B	36,610,360	42,614,491	Manufacture of medical cables and devices
Customer C	18,680,462	12,139,716	Manufacture of medical cables and devices
Customer D	12,178,737	18,122,522	Manufacture of PVC compound and cables/wires for electronic devices and data control switches
Customer E	9,420,666	11,500,880	Manufacture of medical cables and devices
	121,347,356	131,492,942	

37. OPERATING LEASE ARRANGEMENTS

The Company as a lessor

Operating leases, in which the Company is the lessor, relate to right-of-use asset, premises and equipment owned by the Company with lease term of 2 years (2024: 2 years). The lessees do not have an option to purchase at the expiry of the lease period.

The unguaranteed residual values of right-of-use asset and premises do not represent a significant risk for the Company, as they relate to properties which are located in locations with a constant increase in value over the last 2 years (2024: 2 years). The Company did not identify any indications that this situation will change.

Maturity analysis of operating lease payments:

	2025 RM	2024 RM
Year 1	123,936	423,744
Year 2	-	123,936
	123,936	547,680

38. CAPITAL COMMITMENTS

As of December 31, 2025, the Group has the following commitments in respect of capital expenditure on acquisition of property, plant and equipment:

	2025 **RM**	**2024** **RM**
Contracted and not provided for:		
Property, plant and equipment	7,247,329	1,345,922

STATEMENT BY DIRECTORS

The directors of **SUPERCOMNET TECHNOLOGIES BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of December 31, 2025 and of the financial performance and the cash flows of the Group and of the Company for the year then ended on that date.

Signed in accordance with
a resolution of the Directors,

HSUEH, CHIH-YU	**LIM ENG CHUAN**

April 29, 2026

DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **TAY QIU JIE,** the officer primarily responsible for the financial management of **SUPERCOMNET TECHNOLOGIES BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, 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 **TAY QIU JIE** at **SUNGAI PETANI** in the State of **KEDAH** on April 29, 2026

TAY QIU JIE
MIA – 49246

Before me,

COMMISSIONER FOR OATHS

GROUP PROPERTIES

As At 31 December 2025

The details of the landed properties owned by the Supercomnet Technologies Berhad as at 31 December 2025 are set out below: -

Title/ Location	Description	Land area/ Built- up area sq. meters	Existing use	Tenure	Approximate Age of buildings	Net book value as at 31 December 2025 RM	Date of Acquisition/ Last revaluation
Registered Owner: Supercomnet Technologies Berhad							
Lot P.T. 30512 H.S.(D) 2808/95 Mukim of Sungai Petani *bearing postal address:* Lot 172, Jalan PKNK 3/8, Kawasan Perusahaan Sungai Petani, 08000 Sungai Petani, Kedah Darul Aman	Two storey factory buildings situated on a 60 years leasehold land with the option to extend lease for a further 39 years	12,158 /9,566*	wire and cables manufacturing plant	Leasehold expiring on 05/05/2055	Building 1 is approx. 33 years and Building 2 is approx. 29 years	3,729,617^	July 1997
Registered Owner: Supercomal Advanced Cables Sdn Bhd							
Lot P.T. 30511 H.S.(D) 2807/95 Mukim of Sungai Petani *bearing postal address:* Lot 171, Jalan PKNK 3/8, Kawasan Perusahaan Sungai Petani, 08000 Sungai Petani, Kedah Darul Aman	Two storey factory buildings situated on a 60 years leasehold land with the option to extend lease for a further 39 years	20,234.3 /8,830**	wire and cables manufacturing and assembly plant	Leasehold expiring on 05/05/2055	Building 3 is approx. 23 years and Building 4 is approx. 22 years	1,570,079 ^^	February 2015

GROUP PROPERTIES

As At 31 December 2025

Title/ Location	Description	Land area/ Built- up area sq. meters	Existing use	Tenure	Approximate Age of buildings	Net book value as at 31 December 2025 RM	Date of Acquisition/ Last revaluation
Registered Owner: Supercomal Advanced Cables Sdn Bhd							
Lot P.T. 635 H.S.(D) 115335 Mukim of Bandar Gurun *bearing postal address:* No. 57-A Kawasan Perindustrian Gurun, 08300 Gurun, Kedah	Two storey factory buildings situated on a 60 years leasehold	18,428 /7,188	wire and cables manufacturing and assembly plant	Leasehold expiring on 28.07.2068	Building is approx. 17 years	8,633,668	April 2025
Registered Owner: Supercomnet Technologies Berhad							
Geran 63467 Lot 26507 Bandar Sungai Petani, Daerah Kuala Muda Kedah Darul Aman *bearing postal address:* No. 369 Jalan Batik 1/1, Taman Batik, 08000 Sungai Petani, Kedah Darul Aman	Double storey terrace house	151	Employee hostel	Freehold	Hostel building 1 is approx. 21 years	138,325	September 2017
Geran 63537 Lot 26505 Bandar Sungai Petani, Daerah Kuala Muda Kedah Darul Aman *bearing postal address:* No. 371 Jalan Batik 1/1, Taman Batik, 08000 Sungai Petani, Kedah Darul Aman	Double storey terrace house	151	Employee hostel	Freehold	Hostel building 1 is approx. 21 years	138,325	September 2017

GROUP PROPERTIES

As At 31 December 2025

Title/ Location	Description	Land area/ Built- up area sq. meters	Existing use	Tenure	Approximate Age of buildings	Net book value as at 31 December 2025 RM	Date of Acquisition/ Last revaluation
Registered Owner: Supercomnet Technologies Berhad							
Geran 61767 Lot 26609 Bandar Sungai Petani, Daerah Kuala Muda Kedah Darul Aman *bearing postal address:* No. 267 Jalan Batik 1/5, Taman Batik, 08000 Sungai Petani, Kedah	Double storey terrace house	130	Employee hostel	Freehold	Hostel building 3 is approx. 21 years	142,523	September 2017
Geran 63396 Lot 26514 Bandar Sungai Petani, Daerah Kuala Muda Kedah Darul Aman *bearing postal address:* No. 362 Jalan Batik 1/1, Taman Batik, 08000 Sungai Petani, Kedah Darul Aman	Double storey terrace house	361	Employee hostel	Freehold	Hostel building 4 is approx. 21 years	253,500	March 2018
Geran 63398 Lot 26512 Bandar Sungai Petani, Daerah Kuala Muda Kedah Darul Aman *bearing postal address:* No. 364 Jalan Batik 1/1, Taman Batik, 08000 Sungai Petani, Kedah Darul Aman	Double storey terrace house	151	Employee hostel	Freehold	Hostel building 5 is approx. 21 years	177,450	March 2018

GROUP PROPERTIES

As At31 December 2025

Title/ Location	Description	Land area/ Built- up area sq. meters	Existing use	Tenure	Approximate Age of buildings	Net book value as at 31 December 2025 RM	Date of Acquisition/ Last revaluation
Registered Owner: Supercomnet Technologies Berhad							
Geran 63399 Lot 26511 Bandar Sungai Petani, Daerah Kuala Muda Kedah Darul Aman *bearing postal address:* No. 365 Jalan Batik 1/1, Taman Batik, 08000 Sungai Petani, Kedah Darul Aman	Double storey terrace house	151	Employee hostel	Freehold	Hostel building 6 is approx. 21 years	177,450	March 2018
Geran 62991 Lot 26520 Bandar Sungai Petani, Daerah Kuala Muda Kedah Darul Aman *bearing postal address:* No. 315 Jalan Batik 1/1, Fasa 1, Taman Batik, 08000 Sungai Petani, Kedah Darul Aman	Double storey terrace house	130	Employee hostel	Freehold	Hostel building 7 is approx. 21 years	160,550	March 2018
Geran 63400 Lot 26510 Bandar Sungai Petani, Daerah Kuala Muda Kedah Darul Aman *bearing postal address*: No. 366 Jalan Batik 1/1, Taman Batik, 08000 Sungai Petani, Kedah Darul Aman	Double storey terrace house	151	Employee hostel	Freehold	Hostel building 8 is approx. 21 years	177,450	March 2018

GROUP PROPERTIES

As At 31 December 2025

Title/ Location	Description	Land area/ Built- up area sq. meters	Existing use	Tenure	Approximate Age of buildings	Net book value as at 31 December 2025 RM	Date of Acquisition/ Last revaluation
Registered Owner: Supercomnet Technologies Berhad							
Geran 62531 Lot 26531 Bandar Sungai Petani, Daerah Kuala Muda Kedah Darul Aman *bearing postal address*: No. 326 Jalan Batik 1/1, Taman Batik, 08000 Sungai Petani, Kedah Darul Aman	Double storey terrace house	130	Employee hostel	Freehold	Hostel building 9 is approx. 21 years	125,307	March 2018
Registered Owner: Supercomnet Assets Sdn Bhd							
No. 6444 & 6445, Jalan Ayam Didik 3, Kawasan Perusahaan Ringan Taman Ria Jaya 08000 Sungai Petani, Kedah Darul Aman	Two storey factory buildings	8,245 /6,410	Rent	Freehold	Building	14,691,887	November 2025

Notes: -

* There are two main buildings on the land. Building 1 measures 3,350 sq. meters whilst Building 2 measures 5,788 sq. meters. Other structures such as the guard house, pump house, canteen, etc., measure approximately 428 sq. meters.

^ Of the total, the net book value for the land as at 31 December 2025 was RM 734,481 whilst the net book value of the buildings was RM 2,995,136.

** There are two main buildings on the land. Building 3 measures 3,690 sq. meters whilst Building 4 measures 4,840 sq. meters. Other structures such as the guard house, parking, canteen, etc., measure approximately 300 sq. meters.

^^ Of the total, the net book value for the land as at 31 December 2025 was RM 855,682 whilst the net book value of the buildings was RM714,397.

ANALYSIS OF SHAREHOLDINGS

SHARE CAPITAL AS AT 26 MARCH 2026

Total Number of Issued Shares	:	860,601,538
Treasury Share	:	9,150,000
Adjusted Capital after netting Treasury Share	:	851,451,538
Class of Shares	:	Ordinary Shares with equal voting right
Number of Shareholders	:	5,950

DISTRIBUTION OF SHAREHOLDERS AS AT 26 MARCH 2026

Size of Holdings	No. of Holders	Total Holdings	%
1 - 99	35	757	0.00
100 - 1,000	894	539,168	0.06
1,001 - 10,000	2,783	14,529,851	1.71
10,001 - 100,000	1,870	61,251,496	7.19
100,001 - 42,572,575	362	258,933,967	30.41
42,572,576 and above	6	516,196,299	60.63
Total	**5,950**	**851,451,538**	**100.00**

THIRTY LARGEST SECURITIES HOLDERS AS AT 26 MARCH 2026

No.	Name	Shareholdings	%
1	Shiue, Jong-Zone A.K.A James Shiue	117,403,666	13.79
2	Hsueh, Chih-Yu	109,506,300	12.86
3	Shiue, Jyh-Jeh @ Jerry	102,890,600	12.08
4	Wu, Huei-Chung	80,094,933	9.41
5	Lim Eng Chuan	54,652,500	6.42
6	Wu, Chung-Jung	51,648,300	6.07
7	Wu Shao-Chun	34,900,000	4.10
8	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (RHB Inv)	18,150,000	2.13
9	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (Nomura)	12,516,100	1.47
10	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board	12,180,873	1.43
11	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (Islamic)	10,527,327	1.24
12	Chin Yoon Lee	10,407,300	1.22
13	Amanahraya Trustees Berhad Public Smallcap Fund	10,154,000	1.19
14	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (Pheim)	6,811,400	0.80
15	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (Niam EQ)	5,949,300	0.70
16	Lin Ho, Shu-Li	4,544,000	0.53

THIRTY LARGEST SECURITIES HOLDERS AS AT 26 MARCH 2026 (CONT'D)

No.	Name	Shareholdings	%
17	Citigroup Nominees (Tempatan) Sdn. Bhd. Kumpulan Wang Persaraan (Diperbadankan) (Nomura)	4,273,300	0.50
18	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Joseph Lam Wai	3,300,000	0.39
19	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (Amundi)	3,152,700	0.37
20	TA Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for William Desmond York	2,820,000	0.33
21	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Chee Sai Mun (E-KLC)	2,653,933	0.31
22	Liu, Mei-Hsin	2,326,100	0.27
23	Liu, Shou-Lun	2,298,000	0.27
24	Amanahraya Trustees Berhad Public Islamic Opportunities Fund	2,297,700	0.27
25	Chen Cheng-Chun	2,229,200	0.26
26	Pacific Rotary Sdn. Bhd.	2,167,000	0.25
27	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad For Dana Makmur Pheim (211901)	2,010,900	0.24
28	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Tan Huat Eng	1,730,800	0.20
29	Citigroup Nominees (Tempatan) Sdn. Bhd. Employees Provident Fund Board (CGS CIMB)	1,712,400	0.20
30	Citigroup Nominees (Tempatan) Sdn. Bhd. Lembaga Tabung Haji (UOB)	1,593,700	0.19

SUBSTANTIAL SHAREHOLDERS AS AT 26 MARCH 2026

Name	Direct Share Holding	%	Indirect Share Holding	%
Shiue, Jong-Zone A.K.A James Shiue	117,403,666	13.79	344,190,133[(a)]	40.42
Wu, Huei-Chung	80,094,933	9.41	381,498,866[(b)]	44.81
Wu, Chung-Jung	51,648,300	6.07	409,945,499[(c)]	48.15
Hsueh, Chih-Yu	109,556,300	12.87	352,037,499[(d)]	41.35
Shiue, Jyh-Jeh @ Jerry	102,890,600	12.08	360,870,199[(e)]	42.38
Lim Eng Chuan	54,652,500	6.42	-	-

Notes: -

(a) Indirect interest held through: -

Wu, Huei-Chung	80,094,933
Wu, Chung-Jung	51,648,300
Hsueh, Chih-Yu	109,556,300
Shiue, Jyh-Jeh @ Jerry	102,890,600

SUBSTANTIAL SHAREHOLDERS AS AT 26 MARCH 2026 (CONT'D)

(b) Indirect interest held through: -

Shiue, Jong-Zone A.K.A James Shiue	117,403,666
Wu, Chung-Jung	51,648,300
Hsueh, Chih-Yu	109,556,300
Shiue, Jyh-Jeh @ Jerry	102,890,600

(c) Indirect interest held through: -

Shiue, Jong-Zone A.K.A James Shiue	117,403,666
Wu, Huei-Chung	80,094,933
Hsueh, Chih-Yu	109,556,300
Shiue, Jyh-Jeh @ Jerry	102,890,600

(d) Indirect interest held through: -

Shiue, Jong-Zone A.K.A James Shiue	117,403,666
Wu, Huei-Chung	80,094,933
Wu, Chung-Jung	51,648,300
Shiue, Jyh-Jeh @ Jerry	102,890,600

(e) Indirect interest held through: -

Shiue, Jong-Zone A.K.A James Shiue	117,403,666
Wu, Huei-Chung	80,094,933
Wu, Chung-Jung	51,648,300
Hsueh, Chih-Yu	109,556,300
Pacific Rotary Sdn. Bhd.	2,167,000

DIRECTORS' SHAREHOLDING AS AT 26 MARCH 2026

Name	Direct Share Holding	%	Indirect Share Holding	%
Shiue, Jong-Zone A.K.A James Shiue	117,403,666	13.79	344,190,133[a]	40.42
Wu, Huei-Chung	80,094,933	9.41	381,498,866[b]	44.81
Wu, Chung-Jung	51,648,300	6.07	409,945,499[c]	48.15
Hsueh, Chih-Yu	109,556,300	12.87	352,037,499[d]	41.35
Lim Eng Chuan	54,652,500	6.42	-	-
Ang Hwui Tee	-	-	-	-
Khor Meow Ling	-	-	-	-
Ng Swee Khee	-	-	-	-
Lim Chun Thang	-	-	-	-
Cheah Ho Wee Hock	-	-	-	-

DIRECTORS' SHAREHOLDING AS AT 26 MARCH 2026 (CONT'D)

Notes: -

(a) Indirect interest held through: -

Wu, Huei-Chung	80,094,933
Wu, Chung-Jung	51,648,300
Hsueh, Chih-Yu	109,556,300
Shiue, Jyh-Jeh @ Jerry*	102,890,600

(b) Indirect interest held through: -

Shiue, Jong-Zone A.K.A James Shiue	117,403,666
Wu, Chung-Jung	51,648,300
Hsueh, Chih-Yu	109,556,300
Shiue, Jyh-Jeh @ Jerry*	102,890,600

(c) Indirect interest held through: -

Shiue, Jong-Zone A.K.A James Shiue	117,403,666
Wu, Huei-Chung	80,094,933
Hsueh, Chih-Yu	109,556,300
Shiue, Jyh-Jeh @ Jerry *	102,890,600

(d) Indirect interest held through: -

Shiue, Jong-Zone A.K.A James Shiue	117,403,666
Wu, Huei-Chung	80,094,933
Wu, Chung-Jung	51,648,300
Shiue, Jyh-Jeh @ Jerry*	102,890,600

*** Shiue, Jyh-Jeh @ Jerry is a substantial shareholder/person connected with Directors.**

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Supercomnet Technologies BERHAD

Registration No. 199001005958 (197527-H)

Proxy Form

CDS Account No.	No. of Shares Held	Contact No.

I/We____NRIC/Passport/Registration No. ____________________

[FULL NAME IN CAPITAL LETTERS]

of____

[FULL ADDRESS]

being a member(s) of SUPERCOMNET TECHNOLOGIES BERHAD ("SUPERCOMNET" or "the Company"), hereby appoint(s):

Full name (in capital letters):	MyKad/Passport/Registration No.:	Proportion of shareholdings	
		No. of shares	%
Address:	Email:		
	Contact No.:		

Member to indicate with an "X" in either one of below:

☐ Proxy attends at the Main Venue

☐ Proxy participates via the e-Portal (Proxy needs to sign up for a user account at the e-Portal

and

Full name (in capital letters):	MyKad/Passport/Registration No.:	Proportion of shareholdings	
		No. of shares	%
Address:	Email:		
	Contact No.:		

Member to indicate with an "X" in either one of below:

☐ Proxy attends at the Main Venue

☐ Proxy participates via the e-Portal (Proxy needs to sign up for a user account at the e-Portal

or failing whom, *the CHAIRMAN OF THE MEETING as *my/our proxy in my/our absence to attend, participate and vote for *me/us and on *my/our behalf at the Thirty-Sixth Annual General Meeting ("36th AGM") of the Company to be held on 12 June 2026, Friday, at 10.00 a.m. on a hybrid mode at Purest Hotel, No. A-2, Jalan Indah 1, Taman Sejati Indah, Sungai Petani Central, Sungai Petani, Kedah ("Meeting Venue") and virtually by way of electronic means via online meeting platform provided by SS E Solutions Sdn. Bhd. at https://sshsb.net.my ("Online Meeting Platform") or at any adjournment thereof on the resolution as set out in the Notice of 36th AGM.

**Strike out whichever is not applicable.*

My/our proxy is to vote as indicated in the relevant box below:

Please refer to the Notice of 36th AGM for the full wording of the below resolutions.

ORDINARY RESOLUTIONS		*FOR	*AGAINST
1.	To declare a Final Single-Tier Dividend of 1.0 sen per share for the financial year ended 31 December 2025.		
2.	To approve the payment of Directors' Fees up to RM660,000 for the period from this AGM until the next AGM of the Company.		
3.	To approve the payment of Directors' Benefits up to RM63,000 for the period from this AGM until the next AGM of the Company.		
4.	To re-elect the following Directors who retire in accordance with Paragraph 102(1) of the Company's Constitution, and being eligible, offer themselves for re-election:- Madam Wu, Huei-Chung		
5.	Mr. Hsueh, Chih-Yu		
6.	Ms. Ang Hwui Tee		
7.	To re-appoint Messrs. Deloitte PLT as Auditors of the Company for the ensuing year and to authorise the Board of Directors to determine their remuneration.		
8.	Authority to Issue and Allot Shares and Waiver of Pre-Emptive Rights		
9.	Renewal of Authority to Purchase the Company's Own Shares		

(Please indicate with an "X" in the space provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion)

The Proportions of *my/our holdings to be represented by *my/our proxy/proxies *is/are as follows:-

* Strike out whichever is not desired.

First Proxy	:	%
Second Proxy	: __________	%
	100	%

As witness my hand this .... day of……………………….………., 2026.

………………………………………

Signature of Member(s)

Notes:

A proxy may but need not be a member of the Company and in accordance with Section 334 of the Companies Act 2016, a member of a company shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at the meeting.

A member of the Company (Except Exempt Authorised Nominee) may appoint up to two (2) proxies in relation to a general meeting, provided that he specifies the proportion of his shareholdings to be represented by each proxy.

The appointment of proxy(ies) may be made either in hardcopy form or by electronic means and shall be deposited to either one of the following avenues not less than forty-eight (48) hours before the time fixed for holding the meeting or any adjourned meeting:-

Mode of Submission		
In Hardcopy Form	:	*Registered Office* *Suite S-21-H, 21st Floor, Menara Northam,* *55 Jalan Sultan Ahmad Shah,* *10050 George Town, Penang*
By Electronic Means	:	*https://www.sshsb.net.my or by email to eservices@sshsb.com.my (Kindly refer to the Administrative Guide for the 36th AGM on the procedures for electronic lodgement of Form of Proxy via https://www.sshsb.net.my)*

Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.

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

The instrument appointing a proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or, if the member is a corporation, shall either be executed under its Common Seal or under the hand of two (2) authorised officers, one of whom shall be a director, or of its attorney duly authorised in writing.

Personal Data Privacy:
By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of 36th AGM dated 30 April 2026.

Affix
Stamp
Here

To: The Company Secretary
SUPERCOMNET TECHNOLOGIES BERHAD
c/o TMF Administrative Services Malaysia Sdn. Bhd.
Suite S-21-H, 21st Floor
Menara Northam
55 Jalan Sultan Ahmad Shah
10050 George Town
Penang

Cable Harness

Automotive Harness

Medical Device Products

Supercomnet Technologies Berhad

[Registration No. 199001005958 (197527-H)]

(Main Market of Bursa Malaysia Securities Berhad)

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Kawasan Perusahaan Sungai Petani,
08000 Sungai Petani,
Kedah D.A., Malaysia

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Homepage: www.supercomnet.com.my
E-Mail: sales@supercomnet.com.my