

MTAG

MTAG GROUP BERHAD

Registration No. : 201801000029 (1262041-V)

ANNUAL REPORT
2025



RENEWED VISION,
REJUVENATED FORCE

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8th ANNUAL GENERAL MEETING



Friday,
28 November 2025



10.00 a.m. local time
(GMT+8)



Renaissance Hotel
2, Jalan Permas 11, Bandar Baru
Permas Jaya, 81750 Johor Bahru, Johor
Darul Takzim



COVER RATIONALE

The cover design reflects MTAG Group Berhad's ("MTAG" or "the Company") breadth of capabilities alongside its drive for quality, focus, and strategic growth. The upward flow of images and bold geometric forms symbolise renewal, resilience, and forward momentum. Aligned with the tagline "Renewed Vision, Rejuvenated Force", the design highlights MTAG Group's position as a multi-faceted yet focused solutions provider.

ABOUT US

ABOUT MTAG

MTAG Group is a group of companies that encompasses MTAG Group Berhad, Toyo Sho Industrial Products Sdn. Bhd., Intag Industrial Supplies Sdn. Bhd., Intag Steel Hardware Sdn. Bhd., MTAG Land Sdn. Bhd., Super Gold Industrial Sdn. Bhd., Jostar Sdn. Bhd., and MTAG Industrial Pte. Ltd.

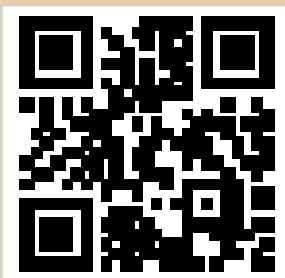
CORPORATE PROFILE

MTAG Group Berhad ("MTAG" or "the Company") is an investment holding company, and through its subsidiaries (collectively known as "MTAG Group" or "the Group"), is one of the leading labels and stickers printing and materials converting specialists in the country. In addition, we are the authorised distributor of industrial tape and adhesive products for two world-renowned brands – 3M and Henkel.

Established in 1995, MTAG Group has been serving a diversified clientele including multinational corporations from various industries and sectors such as Electrical & Electronics ("E&E"), Medical & Healthcare, Mechanical & Engineering ("M&E"), Food & Beverage ("F&B"), and Fast-Moving Consumer Goods ("FMCG"). Operating from MTAG Group's headquarters in Johor Bahru, we have advanced manufacturing capabilities with a lean and skilled workforce of about 219 employees.

OUR COMPETITIVE STRENGTHS

- **Customisation** : We offer flexible, innovative, and customised solutions tailored to meet our customers' specifications;
- **Versatility** : We can convert a wide variety of materials such as, among others, adhesive tapes and papers, mesh materials, metal, polyethylene plastics, foams, and cardboards;
- **Quality Printing** : We deliver high-quality printing of labels and stickers with sharp colours and consistent quality within a short lead time;
- **Experience** : We have a solid track record of 30 years with an established clientele base;
- **Partnerships** : We are an authorised distributor for leading brands of industrial tapes and adhesives;
- **Leadership** : We have sound leadership with an experienced and dedicated Board and management team at the forefront; and
- **Customer-centric** : We prioritise customer satisfaction through the quality of our services and products.



FEATURE IN THIS ANNUAL REPORT

The softcopy version of MTAG GROUP BERHAD Annual Report 2025 is available from our website. We also welcome your feedback to make sure we are covering the things that matter to you.



Download the "QR Code Reader" on App Store or Google Play



Run the QR Code Reader app and point your camera to the QR Code



Get access to the soft copy of our reports and contact information



OUR VISION

We strive to be a company that customers can fully depend on for quality products and services.



OUR MISSION

To provide a comprehensive range of products and services while meeting customers' specifications.

OUR CORE VALUES

Make It Happen

Mission-Driven Action:
Turn vision into reality with proactive determination.



Think Ahead

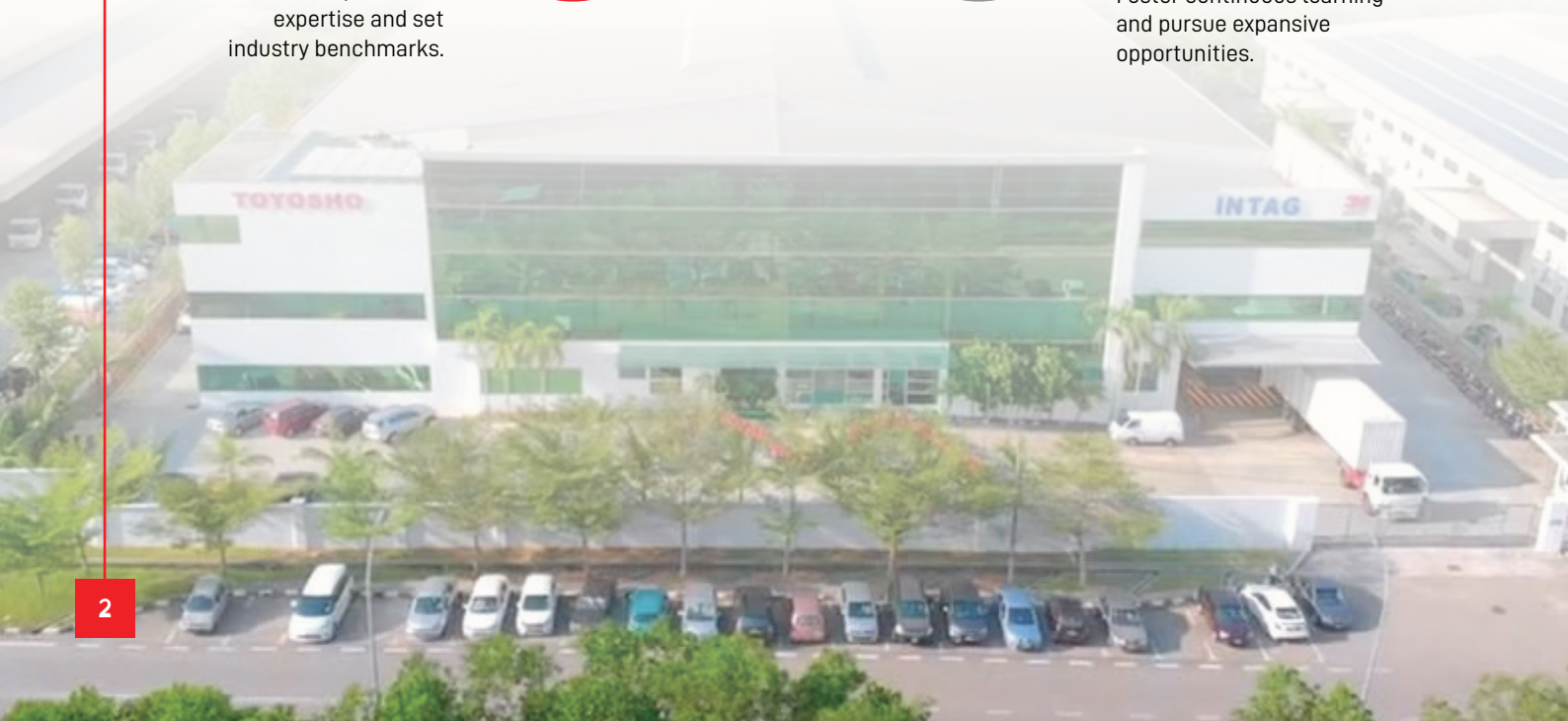
Thoughtful Innovation:
Anticipate future needs and drive progress with strategic insight.

Accomplish Excellence

Achieve Mastery:
Lead with unparalleled expertise and set industry benchmarks.

Growth and Expansion

Go Beyond Limits:
Foster continuous learning and pursue expansive opportunities.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Lee Ting Kiat

Independent Non-Executive Chairman

Chaw Kam Shiang

Group Managing Director

Elly Chaw

Executive Director

Dyana Sofya Binti Mohd Daud

Independent Non-Executive Director

Tang Kok Lian

Independent Non-Executive Director

William Mak Ting Rui

Independent Non-Executive Director

AUDIT COMMITTEE

William Mak Ting Rui (Chairman)
Dyana Sofya Binti Mohd Daud
Tang Kok Lian

NOMINATING COMMITTEE

Dyana Sofya Binti Mohd Daud
 (Chairman)
Tang Kok Lian
William Mak Ting Rui

REMUNERATION COMMITTEE

Tang Kok Lian (Chairman)
Dyana Sofya Binti Mohd Daud
William Mak Ting Rui

RISK MANAGEMENT COMMITTEE

William Mak Ting Rui (Chairman)
Dyana Sofya Binti Mohd Daud
Chaw Kam Shiang
Tang Kok Lian

COMPANY SECRETARY

Wong Chee Yin (MAICSA 7023530)
 (SSM PC No. 202008001953)

HEAD OFFICE

PL0 226, Jalan Kencana Mas,
 Kawasan Perindustrian Tebrau III,
 81100 Johor Bahru
 Tel no : 07 – 351 3333
 Website: www.mtaggroup.com
 E-mail: ir@mtaggroup.com

REGISTERED OFFICE

L2-02, 1 Medini Hub,
 Persiaran Medini Utara 3,
 Medini Iskandar,
 79000 Nusajaya,
 Johor, Malaysia
 Tel no: 07 – 8180350
 E-mail: info.my@vistra.com

PRINCIPAL BANKERS

CIMB Bank
 Public Bank
 RHB Bank
 RHB Investment Bank

SHARE REGISTRAR

Tricor Investor & Issuing House
 Services Sdn. Bhd.
 Unit 32-01, Level 32, Tower A,
 Vertical Business Suite, Avenue 3,
 Bangsar South
 No. 8, Jalan Kerinchi,
 59200 Kuala Lumpur
 Tel no: 03 – 2783 9299
 E-mail: is.enquiry@vistra.com

AUDITORS

Grant Thornton Malaysia PLT
 Suite 28.01, 28th Floor,
 Menara Zurich,
 No. 15, Jalan Dato' Abdullah Tahir
 80300 Johor Bahru
 Tel no : 07 – 332 8335

STOCK EXCHANGE LISTING

ACE Market, Bursa Malaysia
 Securities Berhad
 Stock Name: MTAG
 Stock Code: 0213
 Listed on 25 September 2019

AWARDS AND ACCREDITATIONS

2000

- Appreciation Recognition by NITTO DENKO

2001

- Best Supplier Quality Improvement Award by HITACHI
- Official 3M Converter
- Best Supplier Award in Quality and Delivery by HONDA

2002

- Best Supplier Quality Performance Award by HITACHI
- Best Supplier Award in Quality and Delivery by HONDA

2003

- Best Supplier Quality Performance Award by HITACHI

2004

- Official 3M Distributor
- Accredited with Underwriters Laboratories Inc. ("UL")

2005

- 100% Achievement in Quality and Delivery by HONDA

2006

- 100% Achievement in Quality and Delivery by HONDA
- Accredited with ISO 9001:2015 QMS Certification

2007

- Outstanding Sales Achievement Award by Henkel
- 100% Achievement in Quality and Delivery by HONDA

2010

- Regional Henkel distributor
- Accredited with ISO 14001:2015 EMS Certification

2013

- Designated Fabrication Certification by INOAC

2016

- Best Supplier Award by Panasonic

2017

- 3M Strategic Channel Partner for Industrial & Filtration Products
- Henkel Best Sales Performance Award
- 3M Channel Achiever

2018

- 3M Strategic Channel Partner for Industrial & Filtration Products

2020

- Outstanding Improvement Award by Henkel

2023

- Accredited with FSC® (Forest Stewardship Council®) Chain of Custody Certification (Toyo Sho Industrial Products Sdn. Bhd. (FSC-C185693))
- 3M Strategic Channel Partner Industrial & Safety, Filtration Products

2024

- 3M Strategic Channel Partner for Industrial Products
- Appreciation Recognition by Henkel
- Accredited with FSC® (Forest Stewardship Council®) Chain of Custody Certification (Super Gold Industrial Sdn. Bhd. (FSC-C198351))



KEY MILESTONES

1995

- Founded Toyo Sho Industrial Sdn. Bhd. to provide printing of labels and stickers and converting of tapes to E&E manufacturers.

1996

- Started supplying printed labels and stickers to Hitachi.

2001

- Set up Intag Industrial to distribute industrial tapes, adhesives, and other products.
- Appointed as 3M converter.

2004

- Selected by Underwriters Laboratories Inc. to print its registered marks.
- Appointed as 3M distributor.

2005

- Established Intag Steel to provide metal converting services.

2010

- Began to distribute Henkel products.
- Obtained ISO 14001:2004 EMS certification.

2011

- Relocated to current premises in Tebrau, JB to facilitate growth and business expansion.

2012

- Invested in ultrasonic technology to enhance converting capabilities.

2019

- Listed on the ACE Market of Bursa Securities.

2020

- The 25th Anniversary of MTAG.

2021

- Achieved record high revenue of RM193.6 million.

2022

- Invested in digital press printing and silkscreen technology to enhance converting capabilities and automation of manufacturing processes as part of the Group's transformation towards Industry 4.0.

2023

- Acquired 100% equity interest in Super Gold Industrial Sdn. Bhd., a company specialising in the manufacturing of labels, stickers and tapes, as well as related industrial supplies.

2024

- Completed the acquisition of 100% of the issued share capital of Jostar Sdn. Bhd. ("Jostar") in October 2023. Jostar is principally engaged in the operations of a printing factory. This acquisition marks a strategic expansion for MTAG Group, as it brings a new dimension to the Group's product portfolio to include offset printing solutions.
- Completed the acquisition of a new factory in February 2024. The expenditure comes from the reallocation of IPO funds from land acquisition and construction of manufacturing plants.

2025

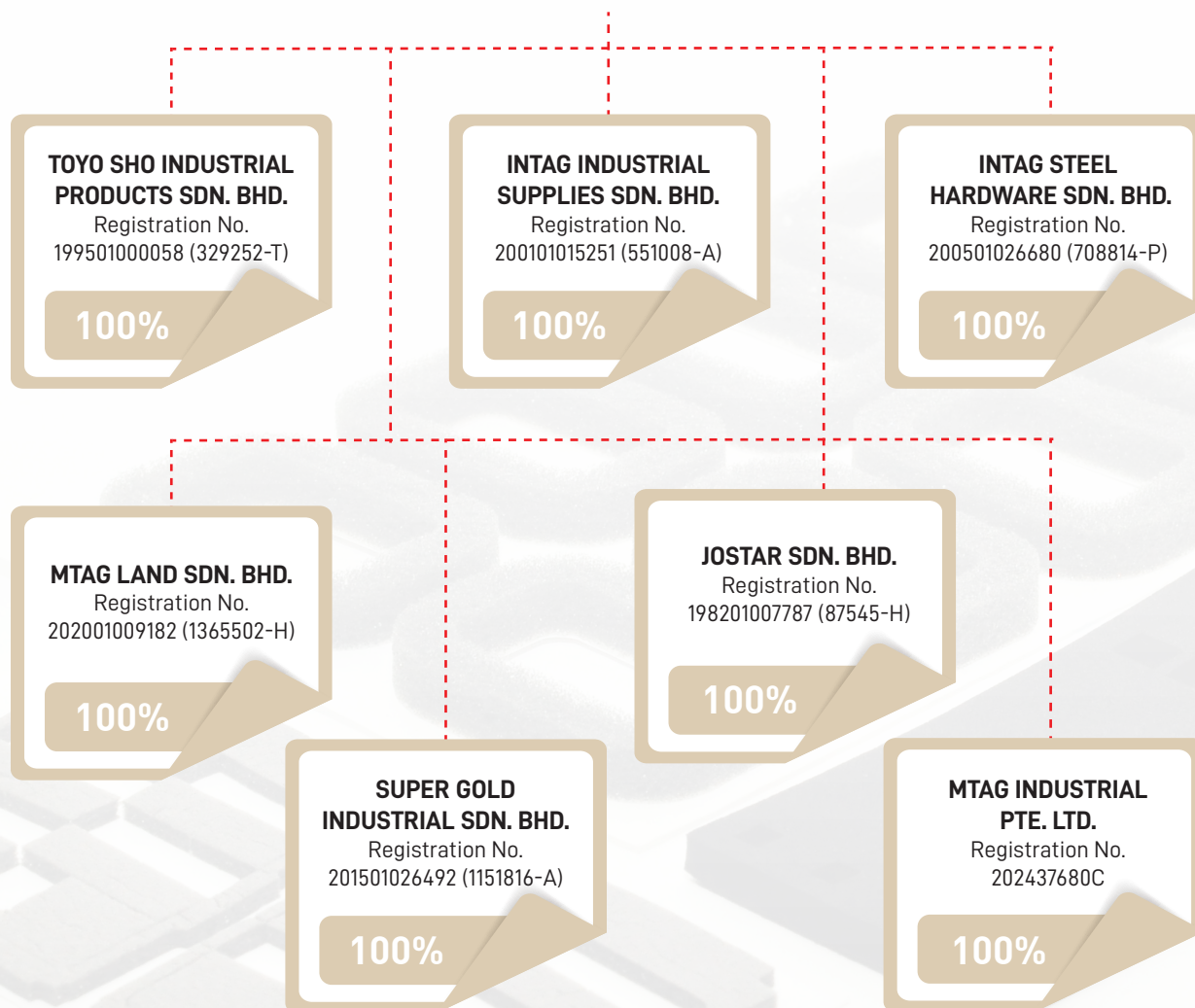
- Increased investment in MTAG Industrial Pte. Ltd. for the acquisition of a factory building in Singapore, was funded through internal generated funds.

CORPORATE STRUCTURE

MTAG Group Berhad is an investment holding company, listed on the ACE Market of Bursa Malaysia Securities Berhad since 25 September 2019. Through its subsidiaries, the Group's principal activities include printing and manufacturing of labels, stickers and tapes; die-cutting; manufacturing of mesh, filter media, glass filters, adhesives; converting, trading and distribution of metal products and other industrial supplies; as well as property and investment holding.

MTAG MTAG GROUP BERHAD

Registration No. : 201801000029 (1262041-V)



FINANCIAL HIGHLIGHTS

Financial Year Ended 30 June (RM million)	2021	2022	2023	2024	2025
Financial Results					
Revenue	193.6	180.2	153.9	106.0	73.4
Profit Before Tax	44.8	39.8	39.6	26.5	15.4
Net Profit	33.6	30.1	30.1	20.3	12.3
Financial Position					
Shareholders' Funds	192.9	202.5	213.5	220.2	218.3
Total Assets	214.3	233.9	229.0	235.3	244.5
Net Current Assets	173.0	181.2	186.9	178.0	171.1
Total Borrowings	-	-	0.1	0.4	-
Cash and Cash Equivalents ⁽³⁾	120.0	127.6	144.4	148.0	165.7
Financial Ratio					
Basic Earnings per Share ⁽¹⁾ (sen)	4.9	4.4	4.4	3.0	1.8
Net Profit Margin (%)	17.4	16.7	19.6	19.1	16.8
Net Gearing Ratio (times)	Net cash	Net cash	Net cash	Net cash	Net cash
Return on Equity (ROE)	17.4%	14.9%	14.1%	9.2%	5.7%
Dividend per Share ⁽²⁾ (sen)	3.0	3.0	3.0	2.0	2.0

Note:

- ⁽¹⁾ Based on the weighted average of share capital of 680,762,466 shares in issue as at 30 June 2025.
- ⁽²⁾ Upon MTAG Group's listing on the ACE Market on 25 September 2019, and based on the enlarged share capital of 681,617,400 shares.
- ⁽³⁾ Cash and Cash Equivalents consist of cash and bank balances, fixed deposits with licensed banks and other investment in unit trusts.

DIRECTORS' PROFILE

LEE TING KIAT

Independent Non-Executive Chairman

Age 57 | Male | Malaysian

Appointed to the Board on 19 October 2018

Mr. Lee Ting Kiat was appointed as Independent Non-Executive Chairman of MTAG Group Berhad's ("MTAG Group" or "the Group") on 19 October 2018.

Mr. Lee graduated with a Bachelor of Laws from University of Malaya, Malaysia, in 1991 and was admitted as an advocate and solicitor of the High Court of Malaya in 1992. He has been a General Committee Member of the Malaysian International Chamber of Commerce and Industry ("MICCI") since 2018 and is the Chairman of the MICCI (Southern Region).

Upon his graduation, Mr. Lee started his pupillage in 1991 and subsequently commenced his legal practice in 1992. He has continued to practice law ever since, having served as a partner at Messrs Andrew Wong & Co and Messrs Zaid Ibrahim & Co respectively over the course of his professional career.

In 2005, he co-founded Messrs Lee & Tengku Azrina where he presently serves as the managing partner and practising lawyer specialising in corporate, commercial, finance, and property matters.

He is also an Independent Non-Executive Director of Hup Seng Industries Berhad.

Mr. Lee does not have any family relationship with any Director or Substantial Shareholder of MTAG Group and does not have any conflict of interest with the Group. He has not been convicted of any offences within the past five (5) years nor any public sanctions or penalties imposed by regulatory bodies during the financial year.

During the financial year ended on 30 June 2025, Mr. Lee attended five (5) out of five (5) Board meetings.

CHAW KAM SHIANG

Group Managing Director

Age 64 | Male | Malaysian

Appointed to the Board on 2 January 2018

Mr. Chaw Kam Shiang was appointed as Group Managing Director of MTAG Group on 2 January 2018. He is also the Group's first Director and a member of the Risk Management Committee.

Equipped with more than 30 years of experience in the label printing and converting industry, Mr. Chaw currently spearheads the Group's business direction, overall strategies and policies as the Group Managing Director.

Mr. Chaw graduated from Kochi University, Japan with a Bachelor of Economics in 1991. Since then, he has worked at various local manufacturing companies, amassing knowledge and experience in the areas of strategy, sales, and procurement.

In 1995, with his entrepreneurial spirit and sharp business acumen, Mr. Chaw established Toyo Sho Industrial Products Sdn. Bhd. ("Toyo Sho") to specialise in providing printing of labels and stickers and converting of double-sided tapes, polyethylene plastics, foams, and cardboard to electrical and electronic ("E&E") manufacturers. In 2001, he seized the opportunity to venture into other products including cleanroom supplies, disposable items, wipers, and gloves under Intag Industrial Supplies Sdn. Bhd. ("Intag Industrial").

During this time, Mr. Chaw provided business directions and strategies, as well as financial support for the introduction of various converting services of Intag Industrial. In 2005,

he set up Intag Steel Hardware Sdn. Bhd. ("Intag Steel") to further expand the Group's converting capabilities to include metal products.

Under Mr. Chaw's leadership, MTAG Group has grown in size and stature, increasing the Group's range of services, securing world-renowned consumer electronic brands as key customers as well as clinching distributorships with multinational corporations ("MNCs") in adhesives. Today, he continues to actively steer the Group in its long-term growth and towards commercial success. His leadership and entrepreneurial skills have greatly contributed to the advancement of the Group since its inception.

He does not hold any directorships in other publicly listed companies.

Mr. Chaw is the spouse of Ms. Ang Yam Fung, a Substantial Shareholder and the Chief Human Resource Officer ("CHRO") of MTAG Group, as well as parent of Ms. Elly Chaw, who is also a Substantial Shareholder and Executive Director of the Group. He does not have any conflict of interest with the Group. He has not been convicted of any offences within the past five (5) years nor any public sanctions or penalties imposed by regulatory bodies during the financial year.

During the financial year ended on 30 June 2025, Mr. Chaw attended five (5) out of five (5) Board meetings.

DIRECTORS' PROFILE

ELLY CHAW

Executive Director

Age 27 | Female | Malaysian

Appointed to the Board on 6 December 2024

Ms. Elly Chaw was appointed as Executive Director of MTAG Group on 6 December 2024. She leads the business development team of the Group.

Ms. Elly holds a Degree of Arts from University College London. She applies her expertise to support the Group's growth and broaden its range of product offerings across various market segments. Her forward-thinking approach and dedication to quality continue to be instrumental in strengthening the Group's market presence and driving sustainable progress.

Ms. Elly began her professional journey in Singapore as a journalist with The Straits Times, where she played a role in upholding the publication's editorial integrity. Her responsibilities included curating, editing, and fact-checking news content to ensure accuracy and high standards.

In 2021, Ms. Elly joined MTAG Group through its subsidiary, Toyo Sho, as a Sales Executive.

During her time there, she acquired practical experience in day-to-day operations and built strong client relationships,

contributing to improved workflow efficiency and enhanced customer service at the factory.

In 2023, Ms. Elly assumed a broader role within MTAG Group, at Intag Industrial, where she spearheaded business development initiatives, identified new market opportunities, cultivated client relationships, and strengthened the company's presence in competitive markets.

She does not hold any directorships in other publicly listed companies.

Ms. Elly is the child of Mr. Chaw Kam Shiang, a Substantial Shareholder and Group Managing Director of MTAG Group, and Ms. Ang Yam Fung, who is also a Substantial Shareholder and the CHRO of the Group. She does not have any conflict of interest with the Group. She has not been convicted of any offences within the past five (5) years nor any public sanctions or penalties imposed by regulatory bodies during the financial year.

During the financial year ended on 30 June 2025, Ms. Elly attended two (2) out of two (2) Board meetings.

DYANA SOFYA BINTI MOHD DAUD

Independent Non-Executive Director

Age 38 | Female | Malaysian

Appointed to the Board on 19 October 2018

Ms. Dyana Sofya Binti Mohd Daud was appointed as Independent Non-Executive Director of MTAG Group on 19 October 2018. She is also the Chairman of the Nominating Committee and member of the Audit Committee, Risk Management Committee, and Remuneration Committee.

Ms. Dyana graduated with a Bachelor of Laws with Honours from Universiti Teknologi MARA, Malaysia in 2010. She was admitted as an advocate and solicitor of the High Court of Malaya in the following year. She subsequently obtained a Master of Arts in International Studies and Diplomacy from the School of Oriental and African Studies, University of London, United Kingdom ("UK") in 2016.

Ms. Dyana is presently a partner in the Corporate Commercial Practice Group of the legal firm, Messrs. Zharif Nizamuddin.

She does not hold any directorships in other publicly listed companies.

Ms. Dyana does not have any family relationship with any Director or Substantial Shareholder of MTAG Group and does not have any conflict of interest with the Group. She has not been convicted of any offences within the past five (5) years nor any public sanctions or penalties imposed by regulatory bodies during the financial year.

During the financial year ended on 30 June 2025, Ms. Dyana attended five (5) out of five (5) Board meetings.

DIRECTORS' PROFILE

TANG KOK LIAN

Independent Non-Executive Director

Age 62 | Male | Malaysian

Appointed to the Board on 1 March 2025

Mr. Tang Kok Lian was appointed as Independent Non-Executive Director of MTAG Group on 1 March 2025. He is also the Chairman of the Remuneration Committee and member of the Audit Committee, Nominating Committee, and Risk Management Committee.

Mr. Tang graduated with a Bachelor of Engineering from the University of Electro-Communication, Japan in 1988. He began his career with Daiwa Securities Co. Ltd. as an investment banker, becoming the first Southeast Asian to be hired by the company's headquarters. He played a key role in developing Daiwa's Southeast Asian business and was actively involved in numerous major initial public offerings and fundraising exercises across the ASEAN region.

Following his successful tenure in investment banking, Mr. Tang returned to Malaysia and held positions with CIMB Securities Sdn. Bhd., OSK Securities Berhad, and Affin-UOB Securities Sdn. Bhd. before venturing into corporate advisory and investment holdings. Over the years, he has served as an adviser and business development director for companies from the UAE, China, Korea, Japan, Singapore, and Malaysia, including as Senior Adviser to China State Construction Engineering Co. (Middle East) LLC.

In addition to his corporate pursuits, Mr. Tang has been actively involved in regional economic and alumni associations.

Since 2019, he has served as an Executive Committee Member of the Malaysia-Japan Economic Association

("MAJECA"), and was appointed its Honourable Secretary in 2024. He is also the Malaysia Chapter Governor of the ASEAN Council of Japan Alumni ("ASCOJA") since 2019 and a Director of the Asian Japan Alumni ("ASJA") since 2020. He has served as a judge for the Ministry of Education, Culture, Sports, Science and Technology ("MEXT") Scholarships since 2018.

Mr. Tang is a member of the International Council of the National University of Singapore Yong Loo Lin School of Medicine and serves on the Industry Advisory Council of the Azman Hashim International Business School at Universiti Teknologi Malaysia. In 2024, he was appointed as an Adjunct Professor at Universiti Tunku Abdul Rahman.

With a strong regional network and decades of experience in finance, corporate advisory, investment, and business development, Mr. Tang has been actively involved in the industry since 1988.

He does not hold any directorships in other publicly listed companies.

Mr. Tang does not have any family relationship with any Director or Substantial Shareholder of MTAG Group and does not have any conflict of interest with the Group. He has not been convicted of any offences within the past five (5) years nor any public sanctions or penalties imposed by regulatory bodies during the financial year.

During the financial year ended on 30 June 2025, Mr. Tang attended one (1) out of one (1) Board meetings.

WILLIAM MAK TING RUI

Independent Non-Executive Director

Age 34 | Male | Malaysian

Appointed to the Board on 15 April 2025

Mr. William Mak Ting Rui was appointed Independent Non-Executive Director of MTAG Group on 15 April 2025. He is the Chairman of the Audit Committee and Risk Management Committee, and also a member of the Nominating Committee and Remuneration Committee.

Mr. William Mak holds an Advanced Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman College. He is a fellow and member of the Association of Chartered Certified Accountants, a member of the Malaysian Institute of Accountants, a Certified Financial Planner with the Financial Planning Association of Malaysia, and is also registered with the ASEAN Chartered Professional Accountant Coordinating Committee.

Mr. William Mak began his professional journey in 2013 with Grant Thornton Malaysia PLT, where he was involved in the planning and execution of audit assignments for both public-listed and private companies.

He held the position of Assistant Manager, Audit & Assurance prior to leaving the firm.

In 2017, Mr. William Mak joined M & A Securities Sdn. Bhd. as part of the corporate finance team. There, he was responsible

for conducting due diligence, managing corporate finance assignments, and supporting fund-raising exercises. He last served as Manager, Corporate Finance.

In 2020, Mr. William Mak joined MODU System (M) Sdn. Bhd. as Chief Financial Officer, overseeing the company's financial management, taxation, and reporting functions. He was promoted to Finance Director in 2021 and subsequently redesignated as Non-Executive Director before departing in 2023.

Currently, Mr. William Mak serves as the Chief Financial Officer of HS Hohan Commercial Vehicles Sdn. Bhd.

He does not hold any directorships in other publicly listed companies.

Mr. William Mak does not have any family relationship with any Director or Substantial Shareholder of MTAG Group and does not have any conflict of interest with the Group. He has not been convicted of any offences within the past five (5) years nor any public sanctions or penalties imposed by regulatory bodies during the financial year.

During the financial year ended on 30 June 2025, Mr. William Mak attended one (1) out of one (1) Board meetings.

KEY SENIOR MANAGEMENT'S PROFILE

CHOO JACK KIE

Business Unit Head of Toyo Sho

Age 53 | Male | Malaysian

Mr. Choo Jack Kie is the Business Unit Head of Toyo Sho, a wholly-owned subsidiary of the Group, where he oversees its daily production operations. He joined Toyo Sho in 1995 and currently holds directorship in Toyo Sho.

Mr. Choo has over 30 years of experience in the label printing and converting industry, having served for a number of companies, including overseas exposure in Taiwan and Japan. His area of expertise relates to the operation and technical aspects of a wide range of printing and converting machines.

He does not hold any directorships in other publicly listed companies.

Mr. Choo does not have any family relationship with any Director or Substantial Shareholder of MTAG Group and does not have any conflict of interest with the Group. He has not been convicted of any offences within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year.

ANG YAM FUNG

Chief Human Resource Officer

Age 55 | Female | Malaysian

Ms. Ang Yam Fung has been CHRO of MTAG Group since 2018. She is responsible for managing the Group's human resource functions. She holds directorship in Toyo Sho.

Ms. Ang brings with her more than 25 years of experience in production planning, procurement, and administration. She began her career as a planner for Sharp-Roxy Electronics Corporation (M) Sdn. Bhd. in 1990. She worked closely with the Production team to manage production planning as well as coordinate the required raw materials and production schedules. In 1994, she joined Aiwa Electronics (M) Sdn. Bhd., a company involved in the manufacturing of audio and video products as a Procurement Officer, where she was in charge of liaising with suppliers to procure materials for the company's operations.

Ms. Ang obtained her Diploma in Computer Science offered by the National Computing Centre Education, UK from Systematic Computer Centre Sdn. Bhd. Kuala Lumpur in 1990. She subsequently completed the Manufacturing Management Assistant Programme from The SANNO Institute of Management Japan in 1993.

She does not hold any directorships in other publicly listed companies.

Ms. Ang is the spouse of Mr. Chaw Kam Shiang, a Substantial Shareholder and Group Managing Director of MTAG Group and parent of Ms. Elly Chaw, who is also a Substantial Shareholder and Executive Director of the Group. She does not have any conflict of interest with the Group. She has not been convicted of any offences within the past five (5) years nor any public sanction or penalty imposed by regulatory bodies during the financial year.

CHAIRMAN'S STATEMENT

Dear Esteemed Shareholders,

I am pleased to present, on behalf of the Board of Directors ("the Board"), the Annual Report of MTAG Group Berhad ("MTAG" or "the Company") and its subsidiaries (collectively, "MTAG Group" or "the Group") for the financial year ended 30 June 2025 ("FY2025").



LEE TING KIAT

Independent Non-Executive Chairman

MACROECONOMIC LANDSCAPE

The global economy continued to contend with a series of persistent challenges. Elevated interest rates and the lingering consequence of earlier anti-inflationary measures weighed on household spending and economic growth. Although the United States ("US") Federal Reserve's decision to cut rate in late 2024 offered initial relief for businesses, this was subsequently overshadowed by the recent US administration's reciprocal tariffs, export controls, and supply chain restrictions in 2025. These actions reignited uncertainties and offset the gains from the earlier monetary easing, adding further complexity to an already fragile global economic environment.

On the home front, Malaysia's Gross Domestic Product ("GDP") expanded by 5.1% in 2024, up from 3.6% in the previous year, according to Bank Negara Malaysia ("BNM"). This performance was supported by resilient consumer spending, sustained investment flows, and an uptick in external demand, particularly in the technology and travel sectors. In the first half of 2025, Malaysia registered a GDP growth of 4.4% on the back of steady domestic demand, continued export growth, and healthy investment activities.

BUSINESS & FINANCIAL OVERVIEW

During the financial year under review, we upheld our measured yet progressive approach at MTAG, balancing risk management with our strategic initiatives in response to the evolving market conditions. The Group reported a revenue of RM73.4 million in FY2025 as compared to RM106.0 million in the prior year. Sequentially, FY2025 profit after tax and non-controlling interest ("PATNCI" or "net profit") came in at RM12.3 million versus RM20.3 million in FY2024. This was chiefly attributed to subdued demand stemming from the ongoing market uncertainties, affecting businesses across the globe.

Nevertheless, we continued to reward shareholders with dividends this year, a consistent track record that we have maintained every year since our listing in 2019. For the financial year under review, the Company declared and paid a total dividend of 2.0 sen per ordinary share, amounting to RM13.6 million. This translated into a dividend payout of 110.1% based on FY2025 net profit of RM12.3 million, exceeding our dividend policy of 20% net profit payout.



**FY2025
Revenue:**
RM73.4
million



**FY2025
Net Profit:**
RM12.3
million

On the operational front, the Group faced persistent headwinds in managing production levels due to the continued softening of order volumes. In response, we focused on optimising resources, streamlining operations, and enhancing business resilience to support sustainable growth. The business development team has been actively engaging with prospective clients in line with our efforts to widen market reach and strengthen customer acquisition.

Meanwhile, after due consideration, the Group opted to recalibrate our plans by maintaining the operations of Super Gold Industrial Sdn. Bhd. and Jostar Sdn. Bhd. at their respective facilities rather than consolidating them under one roof in view of prevailing market conditions. This approach reflects prudence and flexibility, as both facilities continue to offer ample room for capacity expansion if required. At the same time, the decision allowed the Group to generate rental income from the factory acquired in FY2024, providing additional earnings support amidst a volatile market environment.

CHAIRMAN'S STATEMENT

MOVING FORWARD

As we look ahead, the International Monetary Fund's global growth forecast for 2025 and 2026 stands at 3.0% and 3.1% respectively, both slightly lower than the estimated 3.2% for 2024. This reflects a more cautious outlook amid enduring headwinds. Key factors include heightened trade policy uncertainty following the implementation of reciprocal tariffs by the US, which disrupted global supply chains and dampened investor confidence. The situation has been further complicated by a recent US Supreme Court ruling on the legitimacy of certain tariff measures, adding to debate and uncertainty within the global trade environment.

Echoing similar sentiment, BNM has revised its 2025 growth forecast to a range of 4.0% – 4.8%, down from its earlier projection of between 4.5% and 5.5%, in response to evolving global economic conditions. On a positive note, Malaysia achieved a historic RM378.5 billion in approved investments in 2024, representing a 14.9% year-on-year increase and creating over 207,000 jobs. In the first half of 2025, Johor alone secured RM56 billion in total approved investments, the highest among all states in the country.

These achievements reflect growing investor confidence in Johor, as well as the positive momentum driven by the Johor-Singapore Special Economic Zone ("JS-SEZ"). In the first quarter of 2025, Johor recorded RM30.1 billion in approved investments, nearly 90% of which fall within the JS-SEZ footprint. The zone has drawn more than 700 approved projects in Johor, of which about four-fifths are JS-SEZ-based; over 50 of them are in high-value, high-growth sectors like semiconductors and medical devices. This special economic zone aims to contribute RM260 billion to national GDP by 2030, while creating 20,000 high-income jobs. This certainly bodes well for Malaysia as the impact of the JS-SEZ is anticipated to reach well beyond its defined boundaries, boosting broader regional economic growth.

Moreover, this positive momentum will be further supported by the 13th Malaysia Plan ("13MP"), which outlines strategic initiatives to drive sustainable economic growth, strengthen industrial competitiveness, and promote high-value investments. The RM430 billion allocated for development expenditure under the 13MP is anticipated to stimulate economic activity with multiplier effects across a wide range of sectors.

At MTAG, we remain mindful of the challenges that lie ahead, while also recognising the exciting opportunities on the horizon. Our priority remains the effective execution of strategic initiatives, as the Group forges ahead with our prudent yet forward-looking approach to deliver sustainable growth and long-term value creation.

The Group will be looking into the enhancement and upgrading of our processes, with emphasis on incorporating advanced technology and automation, where economically feasible. These efforts are aimed at reducing reliance on manual labour, improving efficiency, and enabling the Group to move further up the value chain. At the same time, MTAG is channelling additional efforts and resources into Research and Development, recognising its importance in driving innovation, strengthening product and service offerings, and sustaining long-term competitiveness in an evolving market landscape.

Separately, we continue to see opportunities on the business development front, which is supported by the establishment of JS-SEZ. The JS-SEZ is poised to create stronger economic linkages between Johor and Singapore, attracting increased cross-border investments, trade and talent flows. As such, this development is anticipated to generate new opportunities for MTAG, particularly as cross-border trade and industry activity within the JS-SEZ gain momentum.

On balance, while the year ahead may present challenges to the business environment, the Group is prepared to seize opportunities to strengthen our market position backed by our robust balance sheet.

APPRECIATION

In closing, and on behalf of the Board, I would like to take this opportunity to express my sincere gratitude to the entire MTAG team. Their resilience and unwavering dedication have been vital in helping the Group overcome the adversities faced throughout the year under review.

My deep appreciation also goes to our valued customers, business partners, associates, suppliers, and the respective regulatory authorities for your continued support. As for our shareholders, we are truly grateful for your trust and patience during these demanding times.

Next, I would like to welcome Ms. Elly Chaw, who joined the Board as Executive Director in December 2024. She brings with her extensive experience spanning journalism, sales, and business development, with a strong track record in client engagement, operational management, and driving growth initiatives across competitive markets. Having been with the Group since 2021, Ms. Elly is already familiar with our operations and corporate culture, allowing her to integrate seamlessly into her new role and add immediate value to MTAG.

Additionally, we have further strengthened the Board's composition with the appointments of Mr. Tang Kok Lian and Mr. William Mak Ting Rui as Independent Non-Executive Directors effective February 2025 and April 2025, respectively. Their wealth of experience and diverse expertise significantly enhance the Board's effectiveness and governance capabilities.

On the same note, I would like to acknowledge the invaluable contributions of Mr. Lau Cher Liang, whose efforts have been instrumental in MTAG's growth, as he relinquished his role as Executive Director in October 2024. Furthermore, my sincere thanks also go to Mr. Jason Tan Kim Song who stepped down from his role as Independent Non-Executive Director in March 2025.

Lastly, I extend my sincerest gratitude to my fellow members of the Board for their wise counsel and strategic guidance throughout the year. With the continued commitment of the Board and the dedication of our team, I am confident MTAG will weather the headwinds and emerge stronger, ready to capture the opportunities ahead.

Lee Ting Kiat

Independent Non-Executive Chairman

MANAGEMENT DISCUSSION & ANALYSIS

OVERVIEW

The financial year ended 30 June 2025 ("FY2025") unfolded against a backdrop of market uncertainties influenced by geopolitical tensions and ongoing trade disruptions. The introduction of reciprocal tariffs heightened market volatility, contributing to a more complex and challenging operating environment. MTAG Group Berhad ("MTAG" or "the Company") and its subsidiaries ("MTAG Group" or "the Group") dug deep and navigated through the headwinds by leveraging our prudent management, vast experience, established track record, and solid balance sheet. Our focal points have been on enhancing operations, optimising customer base, seizing new business opportunities and maintaining lean cost structures.

For the financial year under review, MTAG registered a revenue of RM73.4 million with a profit after tax and non-controlling interest ("net profit") of RM12.3 million amid the challenging business operating landscape. Despite the taxing conditions, we remained steadfast in our commitment to delivering shareholder value through consistent dividend distributions. In FY2025, we maintained our dividend at 2.0 sen per share or RM13.6 million, which translated into a dividend payout ratio of 110.1% versus 67.2% last year. The higher ratio reflects the Group's softer earnings performance during the year under review, but our solid business fundamentals and healthy financial position enabled us to sustain dividend payments at the same level as last year.

BUSINESS & OPERATIONAL REVIEW

MTAG stands as one of Malaysia's leading specialists in printing and material conversion, delivering tailored solutions that meet the exacting requirements of our clients. We work with a broad spectrum of materials, from adhesive tapes and papers to plastics, foams, and metals, transforming them into precise forms and dimensions through advanced conversion processes. Supported by custom-designed machinery, our capabilities span printing, laminating, varnishing, slitting, cutting, welding, and die-cutting, enabling us to combine flexibility, innovation, and timely delivery in every project we undertake.

In addition to our conversion expertise, we are an authorised distributor for 3M and Henkel, offering a comprehensive portfolio of industrial tapes and adhesives. MTAG serves diverse sectors, including electrical and electronics ("E&E"), automotive, precision tooling, construction, and mechanical and engineering, reflecting our broad industry reach and trusted reputation.

At the same time, the Group has been enhancing our capabilities through strategic mergers and acquisitions ("M&As"). These carefully considered M&As have allowed us to broaden our market presence to serve new segments and industries.

In that regard, we are pleased to inform that the acquisition of Super Gold Industrial Sdn. Bhd. ("Super Gold") back in FY2023 has been encouraging. More excitingly, through Super Gold, we expanded our reach into previously untapped segments such as the non-Licensed Manufacturing Warehouse ("LMW") companies. This enabled MTAG to further differentiate our industries served to include food and beverage ("F&B"), personal care and cosmetics industries.



CHAW KAM SHIANG
Group Managing Director

We subsequently strengthened our customer base and capabilities further via the acquisition of Jostar Sdn. Bhd. ("Jostar") in FY2024. Through horizontal integration achieved via these two acquisitions, the Group has successfully expanded our clientele, resulting in a stronger and more resilient portfolio that is better positioned for sustainable growth.

Separately, after thorough assessment of the current market environment, the Group recalibrated our plans and chose to keep the operations of Super Gold and Jostar at their respective existing facilities rather than consolidating them at a single location. This approach signifies the Group's prudence and adaptability, as both facilities continue to offer ample capacity for future expansion, while their respective locations remain strategically advantageous. Nevertheless, we managed to centralise resources and streamlined logistics processes. Furthermore, it has enabled the Group to generate rental income from the factory acquired in FY2024, thereby strengthening earnings and providing an additional buffer in a volatile market environment.

MANAGEMENT DISCUSSION & ANALYSIS

Latest Utilisation of Proceeds from the Initial Public Offering ("IPO")

Details of Utilisation	Proposed Utilisation (RM million)	Revision of Balance Unutilised (RM million)	Actual Utilisation (RM million) as of 30 June 2025	Balance of IPO Proceeds Unutilised (RM million)	Revised Timeframe for Utilisation from 25 August 2022	Revised Timeframe for Utilisation from 25 August 2023	Revised Timeframe for Utilisation from 23 August 2024	Revised Timeframe for Utilisation from 23 August 2025
Land acquisition and construction of manufacturing plant	33.0	(18.0)	5.4	9.5*	12 months	12 months	12 months	12 months
Capital expenditure	13.0	-	7.5	5.5	12 months	12 months	12 months	12 months
Factory acquisition	-	10.0	10.0	-	-	12 months	-	-
Merger and acquisition	-	8.0	8.0	-	-	12 months	-	-
Repayment of bank borrowings	10.0	-	10.0	-	-	-	-	-
Working capital	12.5	-	12.5	-	-	-	-	-
Listing expenses	3.8	-	3.8	-	-	-	-	-
Total	72.3	-	57.2	15.0	-	-	-	-

Note:

* Figure does not add precisely due to rounding.

The Company raised RM72.3 million through our initial public offering ("IPO") in 2019 to fund our expansion plans. As of 30 June 2025, RM57.2 million of the proceeds have been utilised. For the remaining proceeds, the utilisation timeframe was previously extended by one year each in August 2022, August 2023, and August 2024. In August 2025, after due deliberation of the prevailing operating environment, the Board of Directors of MTAG ("the Board") resolved to further extend the timeframe for the utilisation of the balance proceeds of RM15.0 million for a further period of 12 months commencing from 23 August 2025.

Out of the unutilised RM15.0 million IPO proceeds, RM9.5 million has been set aside for land acquisition and the development of a manufacturing facility, while RM5.5 million is apportioned for capital expenditure.

FINANCIAL REVIEW

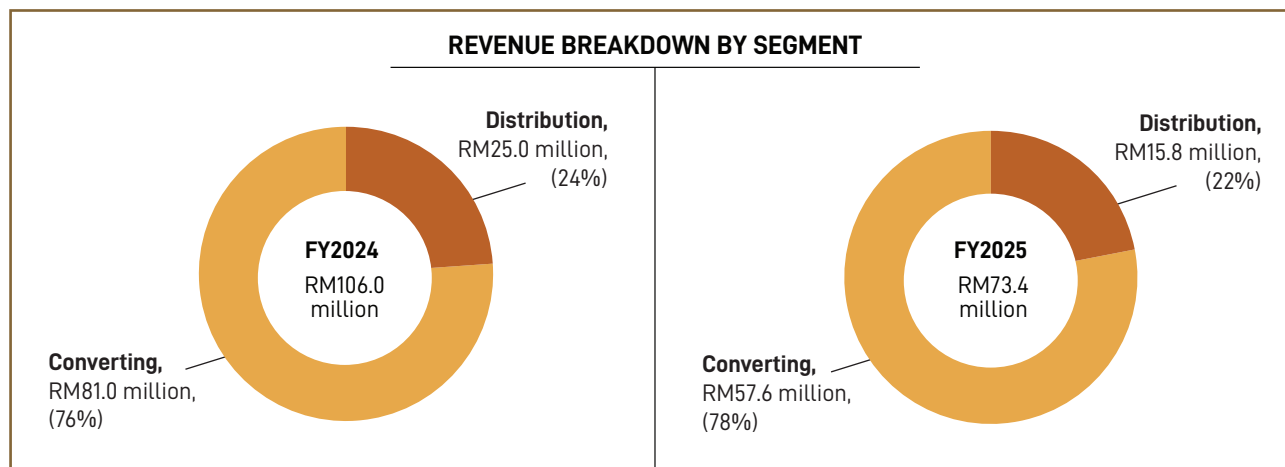
Revenue

For the financial year under review, the Group's revenue stood at RM73.4 million as compared to RM106.0 million a year ago. This was chiefly attributed to lower demand from existing local customers.

Zooming into the revenue breakdown by segment, the converting segment accounted for majority of FY2025 revenue at 78.4% or RM57.6 million with the remaining 21.6% or RM15.8 million coming from the distribution business.

MANAGEMENT DISCUSSION & ANALYSIS

Revenue breakdown by segment



In terms of revenue breakdown by geographical markets, Malaysia continued to be the key contributor at 87.7% or RM64.4 million while overseas sales made up the balance 12.3% or RM9.0 million.

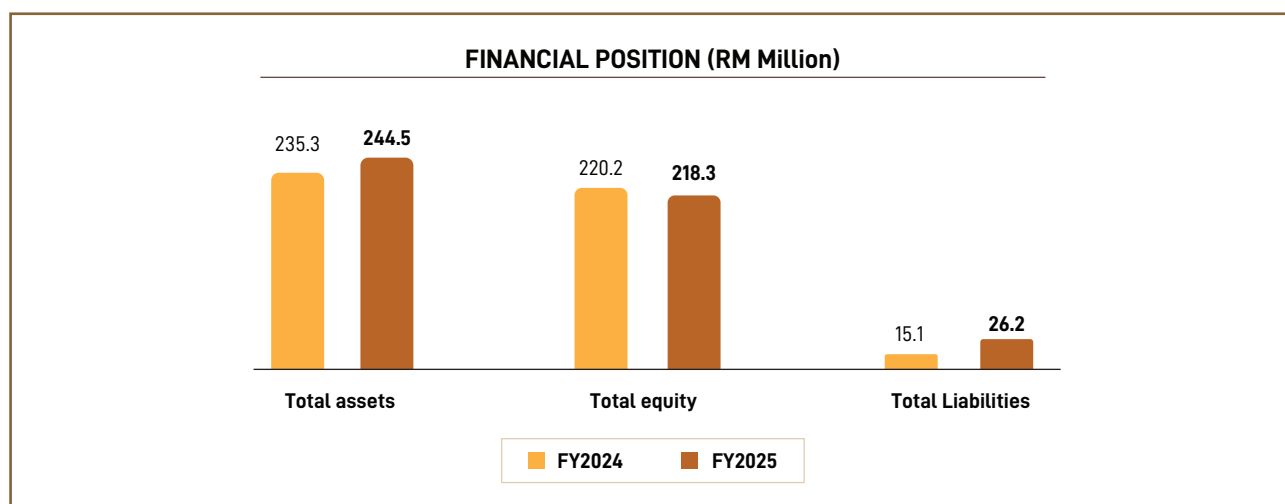
Profit After Tax and Non-Controlling Interest ("Net Profit")

MTAG's FY2025 net profit came in at RM12.3 million versus RM20.3 million in the previous year, in tandem with the top-line performance.

Capital Structure & Capital Resources

The Group's strong balance sheet has been instrumental in navigating market uncertainties and a challenging business environment. In addition, our sound financial position affords us the flexibility and capacity to pursue growth opportunities as we scale the business.

As at 30 June 2025, total assets increased by RM9.2 million to RM244.5 million from RM235.3 million last year. This was predominantly owing to the increase in investment properties and higher cash and cash equivalent. The Group's aggregate cash and bank balances, fixed deposits and other investments in unit trust stood at RM165.7 million versus RM148.0 million a year ago.



MANAGEMENT DISCUSSION & ANALYSIS

On the other hand, total equity remained relatively stable on a year-on-year basis at RM218.3 million as at end-June 2025 vis-à-vis RM220.2 million in the preceding year. Meanwhile, total liabilities rose by RM11.1 million to RM26.2 million at the close of the financial year under review from RM15.1 million as at end-FY2024. This was chiefly attributed to an increase in other payables primarily a dividend payable of RM13.6 million. In FY2025, MTAG fully settled its borrowings, resulting in a zero-debt position as at 30 June 2025.

Net Gearing & Net Cash Per Share

At the close of FY2025, MTAG remained in a net cash position with zero borrowings and a net cash per share of 21.8 sen. The Group has been in a net cash position since our listing in 2019.

Net Operating Cash Flow ("NOCF")

The Group sustained our history of delivering positive NOCF every year since our listing in 2019. In FY2025, MTAG generated a positive NOCF of RM40.6 million as compared to RM36.5 million in the previous year.

Balance Sheet Highlights as at 30 June 2025

 TOTAL ASSETS RM244.5 MILLION	 TOTAL EQUITY RM218.3 MILLION	 TOTAL LIABILITIES RM26.2 MILLION
 TOTAL CASH AND CASH EQUIVALENT RM148.9 MILLION	 NET OPERATING CASH FLOW RM40.6 MILLION	 NET CASH PER SHARE 21.8 SEN

ANTICIPATED OR KNOWN RISKS

Dependency on Major Customers

The Group's financial performance is significantly influenced by a core group of major customers. Given the absence of long-term contracts in our industry, this reliance presents a potential risk, as the loss of a key customer or delays in payment could adversely affect performance.

The acquisitions of Super Gold and Jostar form a key component of this strategy, enabling us to expand both our customer portfolio and the range of industries we serve. In parallel, our dedicated credit control team continues to closely monitor customer credit risk and payment collections to safeguard the Group's financial stability.

Fluctuation in Foreign Currency Exchange Rates

As the Group conducts transactions in multiple currencies, including the United States Dollar, Singapore Dollar, and Swiss Franc, it is subject to foreign exchange risks. Any unfavourable shifts in these exchange rates may affect financial performance. To address this, the Group actively monitors currency movements and adopts suitable hedging (if necessary) and risk management strategies to mitigate potential impacts.

Supply Chain Disruptions

Like many businesses, the Group may encounter supply chain challenges. However, we have put in place proactive measures to minimise operational and financial impact. These include maintaining strong relationships with our suppliers, closely monitoring potential risks of disruption, and implementing disciplined inventory management to support business continuity and resilience.

Operational Disruptions

The Group's performance is largely dependent on the efficiency and continuity of our operations, where any disruption or unplanned shutdown could adversely impact results. To mitigate such risks, the Group has secured adequate insurance coverage, including protection against fire, burglary, and personal accidents for both facilities and employees. Nonetheless, it is important to recognise that certain external risks remain beyond our control. These include natural disasters, pandemics, civil unrest, and general strikes, any of which could substantially and adversely affect the Group's operations.

MANAGEMENT DISCUSSION & ANALYSIS

FY2026 PROSPECTS

The global business environment, already weighed down by subdued consumer sentiments, persistent inflationary pressures and geopolitical uncertainties, faced additional headwinds in 2025 with the introduction of reciprocal tariff measures. Imposed on several trading nations, including Malaysia, these tariffs have heightened volatility, complicated the international trade landscape and deepened existing economic uncertainties. Adding to this, a recent ruling by the US Supreme Court on the validity of certain tariff implementations has fuelled debate and introduced yet another layer of complexity to global trade dynamics.

As a result, businesses worldwide, including those in Malaysia, have to navigate a more challenging operating environment, recalibrating strategies to mitigate the impact of trade barriers while remaining agile to shifts in global markets. On top of that, the recent Iran-Israel conflict has further compounded the geopolitical uncertainties, adding to the existing tensions and global conflicts.

For us at MTAG, we are advancing with the execution of our strategic plans. As part of our move further up the value chain, the Group is exploring to upgrade our machinery by integrating advanced technology and automation, a step that will lessen reliance on manual labour, boost efficiency, and raise overall productivity. These initiatives are intended to reduce reliance on manual labour, improve efficiency and strengthen overall productivity.

In parallel, the Group is also looking to channel more resources into research and development ("R&D") to accelerate innovation and drive the development of higher-value offerings. Collectively, these efforts form part of the Group's strategy to maintain and enhance our competitive advantages while reinforcing our value propositions to customers.

Meanwhile, the Group views its investments in Super Gold and Jostar as encouraging, with considerable scope for further optimisation and the potential to unlock additional synergies. Overall, the utilisation rate across the Group's operations remains healthy.

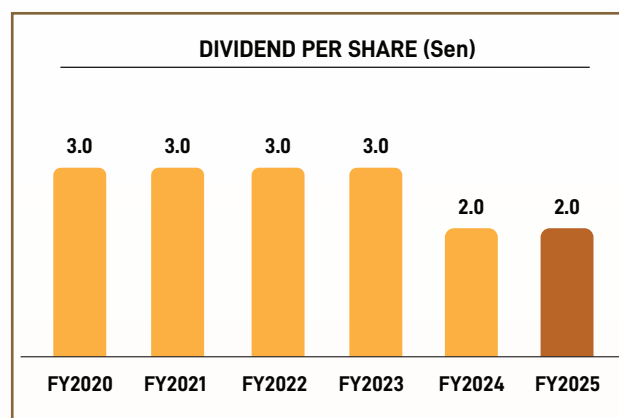
On the business development front, we continue to identify ample opportunities for growth. Through Super Gold and Jostar, we have secured new prospects and remain confident of considerable potential ahead. We are actively pursuing cross-selling initiatives to fully unlock further growth across markets and industries. Apart from that, we are also looking to widen our market reach, especially in high-value manufacturing.

Overall, we continue to see opportunities to capture and strengthen our market position, supported by a solid balance sheet and a net cash position that provides both resilience and flexibility in navigating an evolving economic.

DIVIDENDS

The Board has declared and paid a total dividend of 2.0 sen per ordinary share, amounting to RM13.6 million in respect of FY2025. This translates to a payout of 110.1% based on FY2025 net profit, which is higher than our dividend policy of distributing 20% of net profit, a commitment we have consistently upheld since our listing.

Furthermore, this payout was also much higher than 67.2% in FY2024. The higher ratio in FY2025 was mainly attributable to the softer performance. Notwithstanding this, our resilient business fundamentals and sound financial standing provided us the capacity to sustain dividend distribution at the same level as the preceding year. Through our track record, we have shown dedication to rewarding shareholders, underpinned by a disciplined financial approach that endures even in testing operating environments.



Chaw Kam Shiang

Group Managing Director

SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

MTAG Group Berhad ("MTAG" or "the Company") and its subsidiaries ("MTAG Group" or "the Group") continued to integrate sustainable practices across its operations during the financial year ended 30 June 2025 ("FY2025"). Our focus is on building a business that is resilient, responsible, and relevant to the industries and communities we serve.

As one of Malaysia's leading integrated labels and stickers printing and materials converting specialists, we recognise that our long-term success must go hand in hand with responsible practices. By embedding sustainability into our business decisions, we aim to manage risks effectively, strengthen stakeholder trust, and contribute meaningfully to the environment and society.

This Sustainability Statement ("SS2025" or "the Statement") provides an overview of MTAG Group's approach and performance in addressing Economic, Environmental, Social, and Governance ("EESG") considerations for FY2025.

As we progress, the Group intends to align its reporting with the International Financial Reporting Standards ("IFRS") *S1 General Requirements for Disclosure of Sustainability-related Financial Information* and *S2 Climate-related Disclosures*, issued by the International Sustainability Standards Board ("ISSB"), in line with the requirements of Bursa Securities and the National Sustainability Reporting Framework ("NSRF").



Reporting Period

This Statement covers the period from 1 July 2024 to 30 June 2025, consistent with MTAG Group's financial year. Our sustainability performance is reported on an annual basis, with historical data provided where relevant to support comparability and provide stakeholders with enhanced understanding.

Reporting Scope

This SS2025 covers MTAG Group's manufacturing sites and head office in Tebrau, Johor. Unless otherwise stated, the coverage extends to all our subsidiaries:

- ▶ Toyo Sho Industrial Products Sdn. Bhd. ("Toyo Sho")
- ▶ Intag Industrial Supplies Sdn. Bhd. ("Intag Industrial")
- ▶ Intag Steel Hardware Sdn. Bhd. ("Intag Steel")
- ▶ Super Gold Industrial Sdn. Bhd. ("Super Gold")
- ▶ Jostar Sdn. Bhd. ("Jostar")

Reporting Framework

This Statement has been prepared in compliance with the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"), guided by the Sustainability Reporting Guide (3rd Edition) and Toolkits ("Sustainability Reporting Guide").

Statement of Assurance

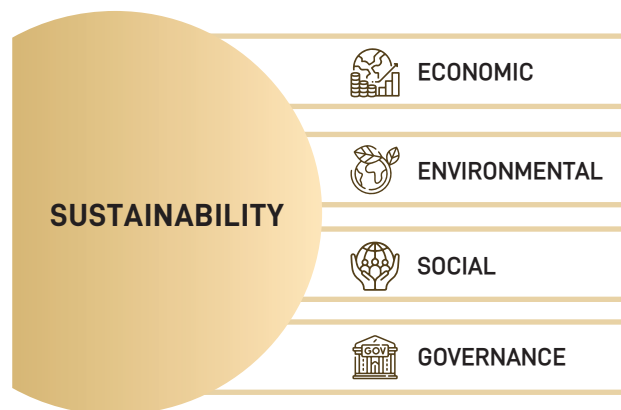
This statement has not been subjected to an assurance process by an internal or independent auditor. Nonetheless, information and data disclosed in the SS2025 has been verified for accuracy by respective data owners and subsidiaries within the Group.

SUSTAINABILITY STATEMENT

OUR SUSTAINABILITY COMMITMENT

At MTAG Group, sustainability is approached as part of running a responsible and resilient business. Where possible, we strive to incorporate EESG considerations into our business to manage risks, enhance efficiency, and promote long-term performance.

Our Sustainability Policy serves as the framework to guide these efforts, making sure that decisions are made with both business objectives and broader impacts in mind. In practice, this means maintaining high standards of governance, managing resources responsibly, fostering the well-being of our workforce, and contributing positively to the local communities.



SUSTAINABILITY GOVERNANCE

MTAG Group's sustainability governance structure forms the backbone of our EESG initiatives. Oversight begins with the Board of Directors ("the Board"), supported by Key Senior Management ("KSM") and the Sustainability Working Group ("SWG"). Together, these entities ensure that sustainability is considered in the Group's strategy and operations.

MTAG Group's Sustainability Governance Structure

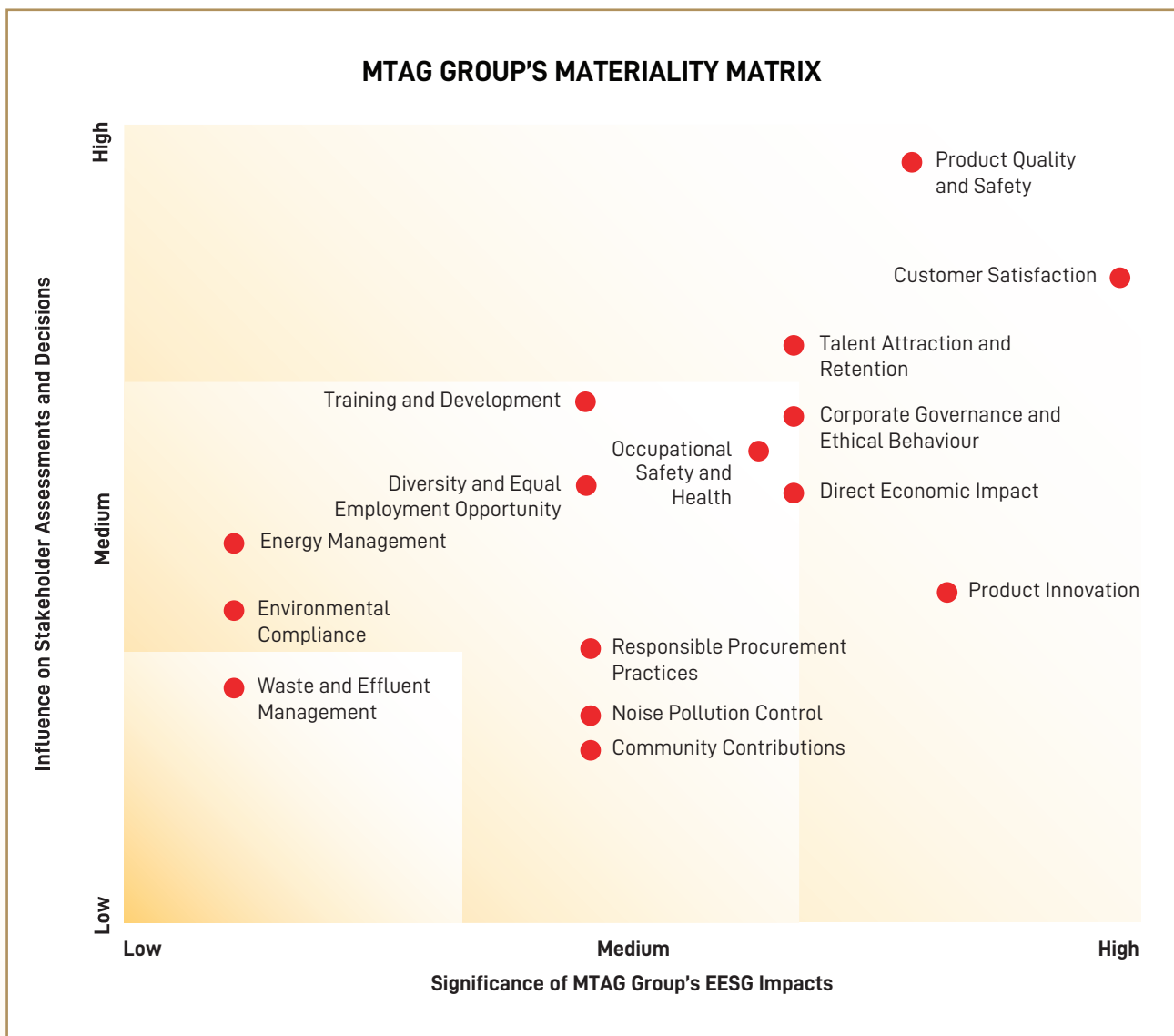


MATERIALITY ASSESSMENT

MTAG Group applies a materiality assessment to guide the identification and prioritisation of sustainability issues that affect both the Group and our stakeholders. This materiality assessment exercise ("MAE") considers the relevance of each topic to stakeholder interests. Following a structured process, we gain a deeper understanding of these priorities.

In FY2025, the Group retained the 15 material matters identified previously, as these continue to be relevant to our business operations and current operating landscape. The materiality matrix below illustrates the relative importance of these material matters to both the Group and our stakeholders.

SUSTAINABILITY STATEMENT



SUSTAINABILITY STATEMENT

STAKEHOLDER ENGAGEMENT

MTAG Group recognises that engagement with stakeholders is essential to understanding expectations and building long-term relationships. These interactions provide valuable insights that guide our business decisions and help us prioritise material sustainability matters. Dialogue is carried out through formal and informal channels, enabling open and constructive engagement. The input we gather allows us to refine strategies that create shared value for stakeholders and the Group alike.

Stakeholder Group	Type of Engagement	Areas of Interest
Shareholders / Investors 	- Annual General Meeting - Announcements to Bursa Securities - Meetings and briefings - Corporate website - Quarterly Financial Reports and Annual Reports	- Business continuity - Economic performance - Shareholders' returns - Corporate governance
Customers 	- Regular engagements - Products and services briefings - Customer satisfaction surveys - Media announcements	- Customer satisfaction - Product quality and safety - Quality assurance
Suppliers 	- Regular interactions - Procurement agreements - Business reviews - Meetings	- Supply chain management - Ethical and transparent procurement policies - Payment arrangements
Employees 	- Daily interactions - Memos and intranet - Annual performance reviews - Trainings and development sessions - Office events	- Fair HR policies and practices - Health and safety - Workplace satisfaction - Professional growth - Key Performance Indicators
Industry Peers 	- Conferences - Corporate website	Fair and ethical practices
Government / Regulatory Agencies 	- Periodic site visits and meetings - Consultation on regulatory matters	Compliance with regulations

Key Stakeholders Table

SUSTAINABILITY STATEMENT



ECONOMIC

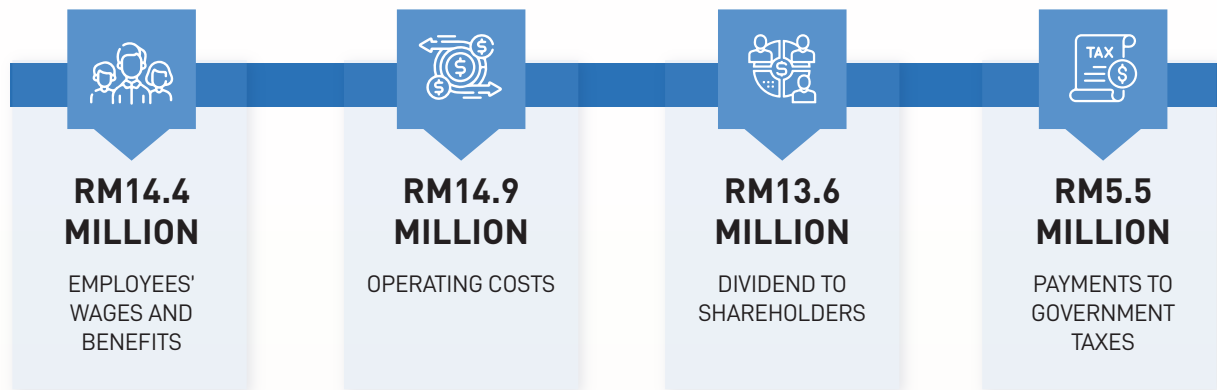
DIRECT ECONOMIC IMPACT

MTAG Group recognises that financial performance is more than a measure of profitability—it is the foundation for creating sustained value across our business and stakeholder network.

Our operations generate and distribute direct economic value through wages and benefits for employees, payments to suppliers, taxes to government authorities, and returns to shareholders.

The Group's financial stability enables us to reinvest in our operations, thereby supporting long-term competitiveness. At the same time, we continue to practise prudent financial management to maintain resilience in a challenging market environment.

For more information on MTAG Group's financial and business overview for FY2025, please refer to the Management Discussion & Analysis section of this Annual Report.



PRODUCT QUALITY AND SAFETY

Product quality and safety are fundamental to MTAG Group's role as a trusted provider of labels, stickers printing, and materials converting solutions. Our customers operate in industries such as Electrical & Electronics ("E&E"), Medical & Healthcare, Mechanical & Engineering ("M&E"), Food & Beverage ("F&B"), and Fast-Moving Consumer Goods ("FMCG"), where accuracy, reliability, and compliance are critical.

To support these requirements, we deliver solutions that are both customised and cost-effective, tailored to the varied needs of our customers. These are reinforced by investment in advanced technologies such as silkscreen and digital press printing, which enhance product quality, consistency, and efficiency.

Our Quality Policy provides the framework for maintaining high standards across our operations. The policy emphasises continuous improvement in processes and performance. It places strong focus on customer satisfaction, guaranteeing that our products regularly meet client expectations. It also reinforces adherence to regulatory and industry requirements, which form the basis of our product quality and safety standards.

QUALITY POLICY

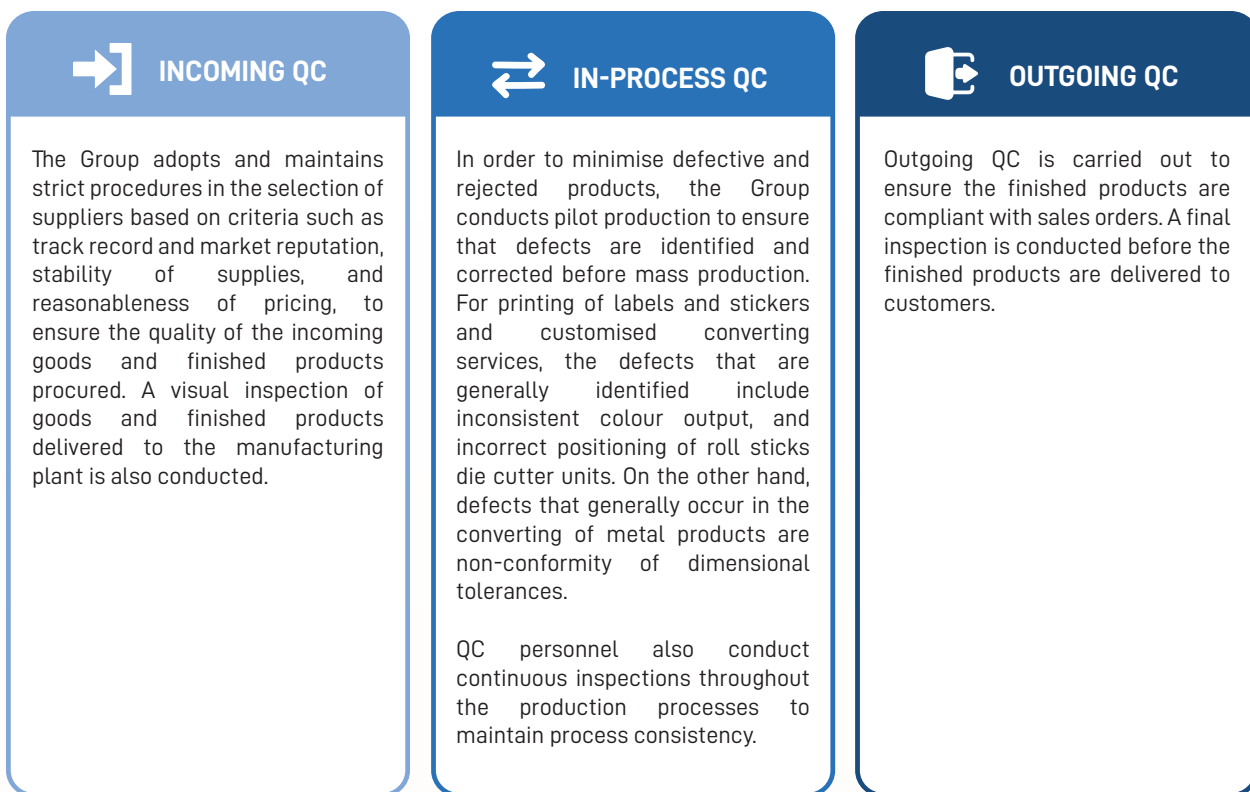
- To achieve utmost customer satisfaction through excellence in product quality and timely delivery.
- To address and fulfil customers' needs, requirements, and concerns.
- To comply with the requirements of ISO 9001:2015 standards and other regulatory requirements.
- To educate and train all employees to enhance technical knowledge and efficiency.

SUSTAINABILITY STATEMENT

Our dedicated Quality Control team plays a central role in enforcing this policy. The team conducts detailed visual and automated inspections of both incoming materials and finished products. This ensures that defects are identified early, products meet required specifications, and customer expectations are consistently fulfilled.

To reinforce these efforts, the Group has put in place rigorous Quality Control Procedures throughout procurement and production, as outlined below.

Quality Control Procedures



Additionally, our subsidiaries, Toyo Sho, Super Gold, and Jostar, are certified under the International Organization for Standardization ("ISO") 9001:2015 Quality Management System ("QMS") for the manufacturing of printed labels, die-cut double-sided tapes, polyester tapes, printing operations, and other related industrial supplies. This underscores our adherence to internationally recognised standards and further strengthens confidence in our quality assurance practices.

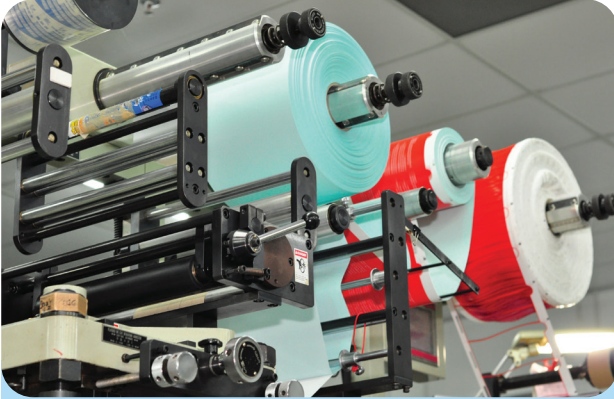
For our distribution segment, we partner with world-class brands such as 3M and Henkel, with sample checks performed on all purchases to ensure alignment with our stringent quality and safety standards.

PRODUCT INNOVATION

At MTAG Group, innovation is applied in practical ways — from upgrading equipment and refining processes to exploring new materials and applications. These efforts allow us to deliver solutions that are tailored to unique customer specifications, while improving efficiency and product value. This distinguishes us from our peers and enhances the Group's competitive advantage.

Our suite of specialised machinery enables us to serve various industries mentioned earlier. We are able to process a wide range of materials such as adhesive tapes, papers, mesh materials, metals, polyethylene plastics, foams, and cardboards. These are done using converting methods like ultrasonic technology, rewind slitting, die-cutting, bandsaw, plasma, and oxy-gas cutting.

SUSTAINABILITY STATEMENT



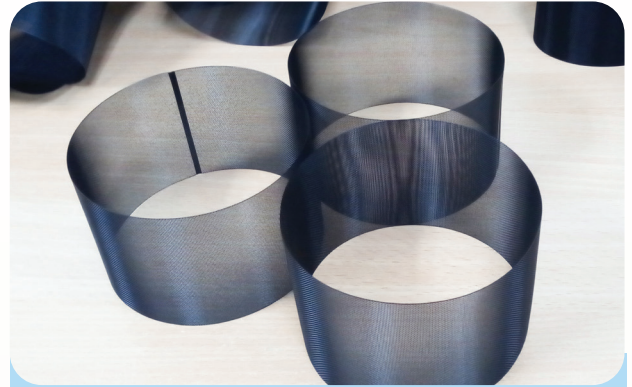
Die cut process – Stickers are precisely cut into specific sizes and shapes according to customers' drawings and requirements.



Labels and stickers – Produced for both decorative and functional purposes including security sealing, instructions, and identification.



Profile cutting – Converted steel products used as moulds, tool and dies, gear, steel parts, bolts, nuts, and precision components for machinery.



Polyester mesh – Primarily used in domestic appliance air filters for filtration and protection.

In addition to these capabilities, we offer precision finishing for paper products, maintaining sharpness and uniformity. Together with silkscreen and digital press printing, we can increase automation, reduce labour dependency, and guarantee reliable outcomes.

In FY2025, we expanded our production capacity with the acquisition of a new machine, which facilitates higher-quality outputs and greater efficiency. This investment positions us to handle larger order volumes while maintaining precision and consistency, bolstering our readiness to meet customer demand.

Beyond manufacturing, we provide consultative support, guiding customers on material selection and converting processes to deliver solutions tailored to their needs.

CUSTOMER SATISFACTION

Customer satisfaction is a key measure of MTAG Group's performance and long-term success. We prioritise understanding customer needs to provide solutions that meet their requirements, ensuring that all products comply with agreed specifications and quality standards. In addition, we place equal importance on timely fulfilment of orders to uphold reliability and trust.

Our approach is built on continuous communication, regular feedback, and close collaboration during product development, facilitated through e-mails and telecommunication. By engaging customers throughout the process, we are able to customise solutions, resolve issues promptly, and maintain a high level of service quality.

SUSTAINABILITY STATEMENT

Our periodic Customer Satisfaction Surveys provide measurable insights into how our products and services are perceived. This helps us benchmark performance and align future improvements with customer expectations.

In FY2025, we received four (4) instances of customer feedback. Each input was reviewed, with corrective actions implemented promptly to ensure the issues were resolved. Follow-up activities were also conducted to validate customer satisfaction, reinforcing our dedication to continuous improvement and enduring partnerships.

RESPONSIBLE PROCUREMENT PRACTICES

Procurement plays a crucial role in preserving the continuity and quality of MTAG Group's operations. Our subsidiaries source raw materials such as adhesive tapes, papers, foams, plastics, and metals from a network of local and international suppliers to support our diverse product offering.

We view suppliers as an extension of our business and expect them to uphold standards that reflect our values. To keep consistency, the Group applies a vendor selection process that considers factors such as track record, market reputation, pricing, delivery performance, and product quality, to name a few. This structured approach allows us to secure reliable partners while mitigating procurement risks. Furthermore, key suppliers are largely subject to our customers' approval, which ensures the supplier selection process is aligned with both our standards and customer requirements.



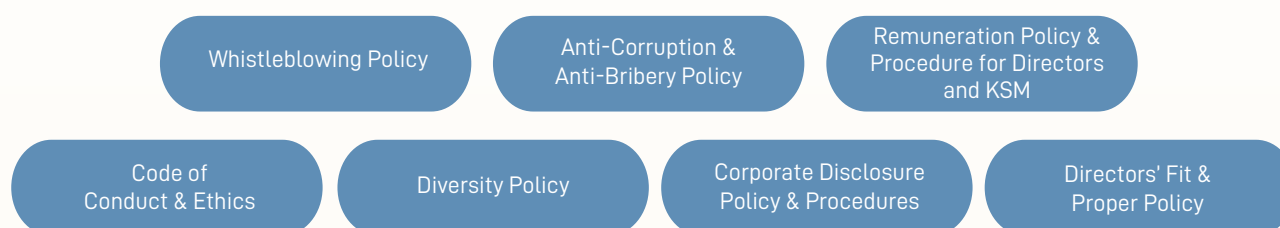
Beyond selection, we place emphasis on nurturing long-term supplier relationships through open communication and ongoing collaboration. This helps us to manage supply chain risks and maintain supply stability.

At the same time, advocating local sourcing remains a priority, enabling us to contribute to community development while reducing costs and improving turnaround times. In FY2025, 90% of our suppliers are local vendors, while the remaining 10% are foreign suppliers.

CORPORATE GOVERNANCE AND ETHICAL BEHAVIOUR

MTAG Group recognises that sound governance and ethical conduct are essential to safeguarding business continuity and preserving stakeholder confidence. Our corporate governance framework is built on principles of fairness and accountability, while ensuring full compliance with applicable laws and regulations.

This framework is anchored by key policies such as our Code of Conduct & Ethics, Whistleblowing Policy, and Anti-Corruption & Anti-Bribery ("ACAB") Policy, which are communicated across the organisation and reviewed regularly for relevance. Our approach is further strengthened by drawing reference to the Malaysian Code on Corporate Governance 2021 ("MCCG 2021").



Key Policies at MTAG Group

Code of Conduct & Ethics

MTAG Group's Code of Conduct & Ethics sets out clear expectations for ethical conduct and professional behaviour. It provides guidance on areas such as conflicts of interest, confidentiality, asset protection, and anti-money laundering. Adherence to this code ensures that employees and directors conduct themselves in a manner consistent with regulatory requirements and business integrity.

SUSTAINABILITY STATEMENT

Whistleblowing Policy

The Group's Whistleblowing Policy offers employees and external stakeholders with a secure and confidential avenue to report any misconduct, irregularities, or unethical practices. Safeguards are in place to protect whistle-blowers from retaliation, encouraging the reporting of genuine concerns without fear of adverse consequences. All reports are channelled to the Audit Committee Chairman for impartial review and follow-up action.

Anti-Corruption & Anti-Bribery Policy

MTAG Group upholds a strict zero-tolerance stance on corruption and bribery. The Group's ACAB Policy affirms this stance, outlining rules and responsibilities for employees in handling matters relating to corruption. The Group also upholds compliance with all applicable anti-bribery and anti-corruption legislations. This policy is central to creating and maintaining a fair, transparent, and corruption-free workplace.

In FY2025, MTAG Group maintained its track record of zero (0) confirmed incidents of corruption.



ENVIRONMENTAL



ENVIRONMENTAL COMPLIANCE

MTAG manages its environmental responsibilities by prioritising compliance with environmental regulations. At the same time, we seek to minimise our footprint by embedding sustainable practices into daily operations.

This commitment is reflected through the following certifications and initiatives:

- **ISO 14001:2015 Environmental Management System ("EMS"):** Our subsidiaries Toyo Sho and Super Gold are certified with globally recognised certification. The certification underscores our structured approach towards monitoring environmental performance, managing risks, and driving continuous improvement.
- **FSC® (Forest Stewardship Council®) Chain-of-Custody ("COC") certification:** Toyo Sho (FSC-C185693) and Super Gold (FSC-C198351) hold FSC® certification, which assures customers that our printing materials are sourced from responsibly managed forests. These certifications also facilitate the growing demand for eco-friendly and responsibly sourced products, particularly in the FMCG sector.
- **Environmental Policy:** The Group's Environmental Policy shapes decision-making across the Group, anchoring efforts to minimise our carbon footprint and promote sustainable practices.



ZERO

Cases of Environmental
Non-Compliance in FY2025



In FY2025, MTAG Group recorded zero (0) reported cases of major incidents resulting in fines or non-monetary sanctions for non-compliance with environmental laws and regulations.

CLIMATE CHANGE & ENERGY MANAGEMENT

Climate change represents a defining challenge of our time, one that demands collective action for a sustainable future. Malaysia has pledged to achieve net-zero greenhouse gas emissions by 2050, setting a clear direction for the nation's low-carbon transition.

While our operations are not energy-intensive compared to heavy industries, we recognise the need to manage our energy use and related emissions responsibly. Electricity sourced from the national grid remains our primary energy input, supplemented by solar energy generated from a 379.9 kilowatt-peak ("kWp") solar photovoltaic ("PV") system at our main plant in Tebrau, Johor.

SUSTAINABILITY STATEMENT

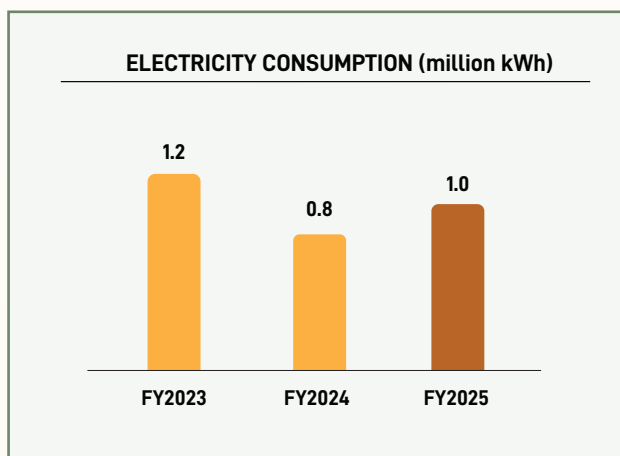
In support of Malaysia's net-zero aspiration, we track electricity consumption across operations to monitor trends and identify opportunities for further energy efficiency improvements. Regular equipment maintenance is carried out to ensure machinery runs at optimum levels, minimising energy wastage. Our Environmental Policy further guides employees on the responsible use of resources in daily operations.

In addition, solar panels installed at our main plant generate renewable energy on-site, reducing carbon emissions and reliance on grid electricity. In FY2025, the system offset an estimated 255.0 tonnes of carbon dioxide ("CO₂").



Solar PV system at MTAG Group

At the same time, total electricity consumption rose slightly to 1.0 million kilowatt-hours ("kWh") in FY2025 from 0.8 million kWh in FY2024. This was mainly attributable to the inclusion of Super Gold and Jostar following the Group's acquisitions in 2023 and 2024, respectively, which expanded overall operational footprint. This level of consumption falls within the Group's annual energy utilisation target range of 1.0 to 1.3 million kWh, supported by ongoing maintenance and efficiency initiatives to optimise performance.

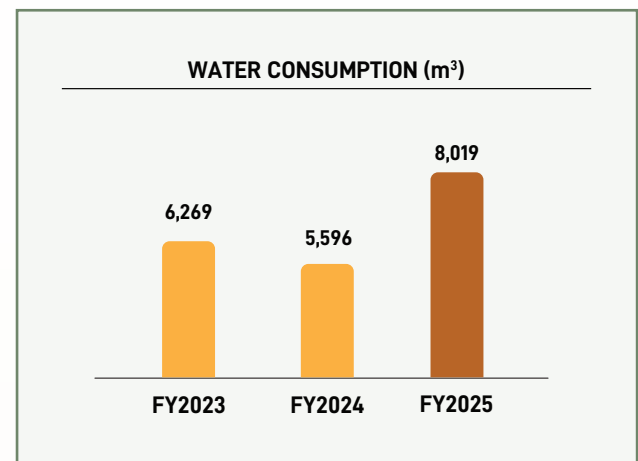


WATER CONSUMPTION

Water is an essential resource for MTAG Group's operations. Although our operations require relatively modest amounts of water compared to resource-intensive industries, we strive to minimise wastage and ensure water is used responsibly throughout the Group.

We rely on municipal supply for both production and office purposes. Water consumption is tracked to maintain operational efficiency and prevent unnecessary wastage. Employees are encouraged to practise conservation through awareness initiatives and responsible usage.

In FY2025, MTAG Group consumed 8,019 m³ of water, an increase from the previous year's 5,596 m³, reflecting the inclusion of Super Gold and Jostar.



WASTE AND EFFLUENTS MANAGEMENT

Waste and effluent management forms an integral part of MTAG Group's environmental responsibilities. Our operations generate a range of waste streams, including paper cartons, kraft paper, adhesive liners, plastics, foams, and packaging materials from printing and converting processes, alongside general office waste.

Guided by the Group's Environmental Policy and standard operating procedures ("SOPs"), we manage waste in line with the Environmental Quality Act ("EQA") 1974, including the Environmental Quality (Amendment) Act 2024. Waste is segregated at the source into scheduled and non-scheduled categories to ensure proper handling and disposal.

In FY2025, the Group reported 44.1 tonnes of waste, based on data from subsidiaries currently covered under waste tracking. Non-scheduled wastes amounted to 40.8 tonnes in FY2025, capturing data from Toyo Sho. These are disposed of responsibly in designated landfills through Department of Environment ("DOE")-authorised collectors, or channelled to authorised recyclers, with approvals from the relevant authorities.

SUSTAINABILITY STATEMENT

Meanwhile, scheduled wastes totalled 3.2 tonnes in FY2025, with the reporting scope covering Toyo Sho, Super Gold, and Jostar. Scheduled wastes, which include contaminated containers, rags, papers, and gloves, are managed in strict adherence to the Environmental Quality (Scheduled Wastes) Regulations 2005 of the EQA 1974. Disposal is undertaken by licensed contractors authorised by the DOE, with oversight from a Certified Environmental Professional in Scheduled Waste Management ("CePSWaM").

Total Waste Generated (tonnes)	FY2023*	FY2024*	FY2025
Scheduled waste	1.4	0.8	3.2
Non-scheduled waste	49.1	73.4	40.8

Note:

* Restated to account for standardisation of unit of measurement used.

Wastewater effluents are discharged into municipal systems in compliance with local authority requirements, including the Environmental Quality (Industrial Effluent) Regulations 2009.

Moving forward, the Group plans to broaden waste disclosure to cover more subsidiaries.

In FY2025, MTAG Group maintained a clean record with zero (0) major non-compliance cases relating to waste and effluent management.

NOISE POLLUTION CONTROL

Noise generated from MTAG Group's operations is minimum in nature, as our activities are not as intensive as heavy manufacturing industries. Nonetheless, we take precautions to ensure that noise levels remain within permissible limits under local authority requirements and the DOE guidelines, as well as the Occupational Safety and Health (Noise Exposure) Regulations 2019 for employee protection. With this in mind, we have put in place controls and reduction measures to minimise its effect on employees and nearby communities.



VOLUNTARY ASSESSMENTS

We conduct voluntary noise assessments at our operating sites on a periodic basis to identify potential sources of excessive noise. This allows us to put in place mitigation measures to prevent noise pollution.



EQUIPMENT SPECIFICATIONS

Whenever possible, we prioritise the use of equipment designed with noise-reducing features, minimising noise emissions at their source.



WORKER PROTECTION

We prioritise the health and safety of our employees. We provide appropriate hearing protection to workers in noise-prone areas, and machine operators undergo regular hearing tests to monitor their auditory health.



EXTERNAL ASSESSMENTS

We engage independent environmental consultants approved by the Department of Occupational Safety & Health ("DOSH") to conduct periodic noise level assessments. In FY2025, our operation site at Toyo Sho achieved 100% compliance with noise regulations. The third-party validation ensures that our noise control measures are effective.

SUSTAINABILITY STATEMENT

SOCIAL



TALENT ATTRACTION AND RETENTION

At MTAG Group, we recognise that our people are central to sustaining growth and driving performance. The Group's achievements are built on the dedication and contributions of our employees. To attract and retain talent, we adopt a holistic approach that covers recruitment, competitive compensation, and the cultivation of a supportive workplace culture.

We adopt a transparent and merit-based recruitment process to ensure we find the right fit for each role. Various channels are used to reach a diverse pool of candidates, including our corporate website, online job portals, social media platforms, and employee referrals. Selection is based on qualifications, skills, and experience, allowing us to attract candidates who can contribute effectively to the Group's resilience.

Once on board, employees are supported through competitive compensation and benefits packages that are benchmarked against industry standards and reviewed regularly for relevance.

Performance-based Bonus Payments

Annual Leave

Sick Leave

Maternity Leave

Group Personal Accident Coverage for Foreign Workers

Phone Allowance for Selected Employees

Employment benefits at MTAG Group

Equally important is the workplace culture we foster. MTAG is committed to creating a supportive and rewarding environment that values hard work and collective achievement. We organise employee engagement activities such as company trips designed to boost morale, enhance collaboration, and recognise contributions across the workforce.



Company trip to Melaka

SUSTAINABILITY STATEMENT

TRAINING AND DEVELOPMENT

We recognise that the growth of our employees is closely tied to the success of MTAG Group. For this reason, we invest in continuous learning and development, providing opportunities such as workshops, seminars, and on-the-job training to build skills and knowledge. Our training programmes are designed to keep pace with industry changes, with annual performance reviews used to assess training needs and identify areas for improvement.

In FY2025, we conducted various training and development activities covering a range of topics, including:

- **Team building exercises during the company trip to Melaka**, featuring an "Amazing Race"-style team-building activity was done in the heritage town of Melaka. The programme encouraged collaboration, problem-solving, and communication among employees through a series of interactive challenges set against the backdrop of Melaka's rich cultural landscape. Complementing this, workshops on team bonding and personal growth encouraged employees to reflect on aspirations and strengthen interpersonal connections; and
- **Electronic Scheduled Waste Information System ("eSWIS") platform training** to register, track, and report scheduled wastes.

Indicator	FY2023	FY2024	FY2025
Total training hours	64	349	246
- Executive	32	121	183
- Non-Executive	32	228	63
No. of training programmes	12	39	24

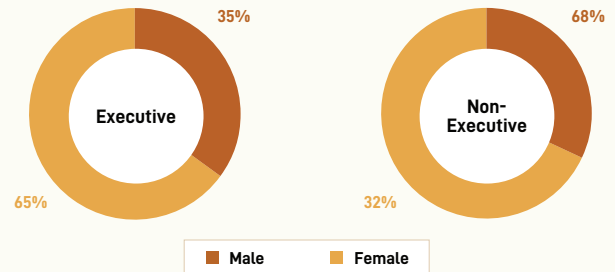
DIVERSITY AND EQUAL EMPLOYMENT OPPORTUNITY

At MTAG Group, we believe diversity brings strength and balance to our organisation. We seek to create a workplace where every individual is respected and empowered to achieve their potential. Our Diversity Policy guides us in offering equal opportunities to all, without distinction of age, gender, religion, race, or nationality.

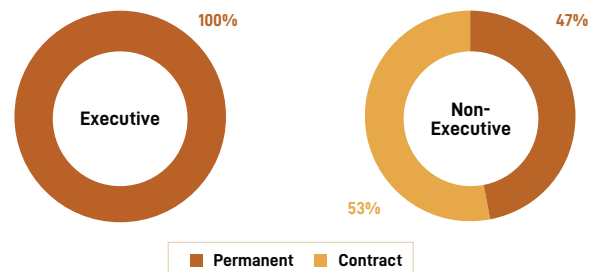


As of 30 June 2025, our workforce totalled 219 employees, of which 42% were women and 58% men. More than half, at 53%, are below the age of 35, providing the Group with a young, vibrant and dynamic talent pool to drive future growth.

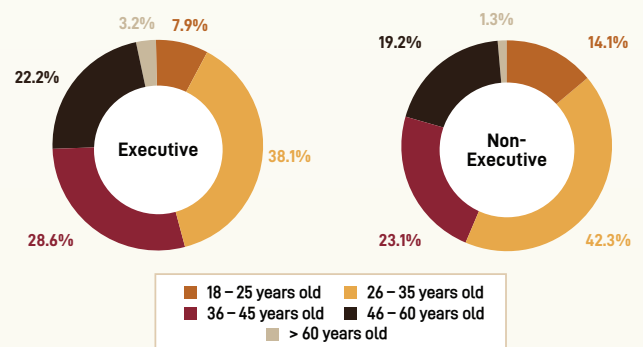
GENDER BY EMPLOYEE CATEGORY



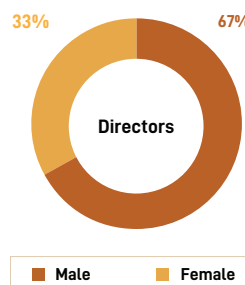
EMPLOYMENT TYPE BY EMPLOYEE CATEGORY



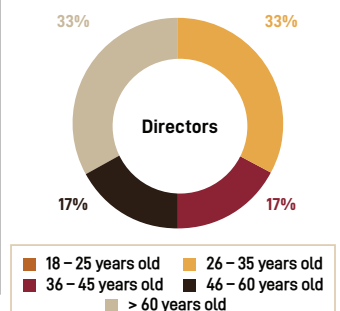
GENDER BY EMPLOYEE CATEGORY



DIRECTORS BY GENDER



DIRECTORS BY AGE GROUP



SUSTAINABILITY STATEMENT

FAIR EMPLOYMENT PRACTICES

Our workplace culture is built on fairness, dignity, and respect, regardless of nationality, race, religion, gender, or social status. These values form the foundation of our employment practices and extend across our value chain.

We maintain a zero-tolerance stance against discrimination and any form of unfair treatment. Our policies are designed to safeguard the rights and interests of all employees. In FY2025, we ensured compliance with all relevant labour laws and regulations, including the Employment (Amendment) Act 2022, which upholds fair wages and prohibits exploitative practices in line with international labour standards.

❖ ADHERENCE TO MINIMUM WAGE

❖ NO FORCED LABOUR

❖ PREVENTION OF CHILD LABOUR

❖ FAIR DISCIPLINARY PRACTICES

❖ PROHIBITION OF HARASSMENT

In FY2025, MTAG Group had zero (0) non-compliance cases with applicable labour standards, laws, and regulations, and recorded zero (0) substantiated complaints concerning human rights violations.

OCCUPATIONAL SAFETY AND HEALTH

MTAG Group places safety at the core of our operations. We aim to secure an injury-free workplace through robust safety measures and strict adherence to the Occupational Safety and Health Act 1994.

Our Occupational Safety and Health ("OSH") Policy, reviewed on a regular basis, defines our responsibilities in providing a safe and healthy work environment for all individuals engaged in our operations.

The OSH Committee oversees the implementation of safety initiatives, identifying potential hazards and cultivating a culture of prevention.

OSH POLICY

- Providing a healthy and safe environment for our employees and visitors.
- Ensuring personnel are properly trained and equipped with the appropriate safety gear and emergency equipment.
- Ensuring the work environment is free from hazards and pollution, and waste management is properly implemented.
- Complying with relevant environmental, health and safety laws for controlling hazardous chemical substances in products and materials.
- Reviewing and revising the policy as and when necessary at regular intervals.

Complementing this, our Emergency Response Team ("ERT") is structured into four section teams with members from various departments. These ERT teams are trained to manage emergencies ranging from chemical handling to firefighting and first aid.

In FY2025, we conducted targeted safety programmes including forklift handling training for relevant employees and fire drills at both our factory and staff hostel, strengthening preparedness and response capabilities.

Reflecting the effectiveness of these measures, we are pleased to report that we recorded zero (0) lost-time injuries ("LTI") in FY2025, with all 219 employees trained on health and safety standards during FY2025.

SUSTAINABILITY STATEMENT



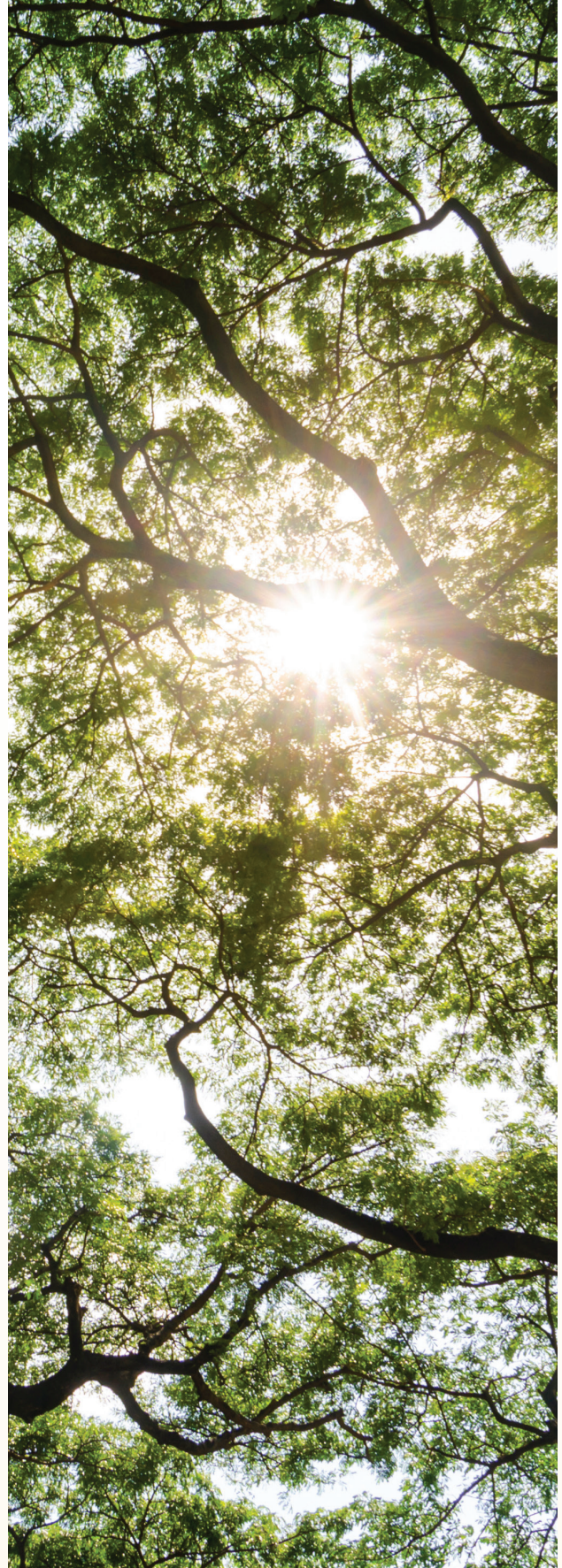
Fire drill exercises at our factory

COMMUNITY CONTRIBUTIONS

MTAG Group places importance on supporting the communities in which we operate as part of our broader sustainability journey. Over the years, the Group has contributed to initiatives that promote education and local community welfare.

At the same time, 90% of our suppliers are locally based, ensuring that our procurement activities support domestic businesses and strengthen the local supply chain. This not only provides operational reliability but also contributes to the growth of surrounding industries.

Meanwhile, the Group employs a 63% Malaysian workforce, creating jobs and making available income opportunities directly within the communities where we operate. By building our team locally, we help nurture homegrown talent and retain economic value within the country.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of MTAG Group Berhad ("MTAG" or "the Company") and its subsidiaries ("MTAG Group" or "the Group") remains committed to promoting greater internalisation of corporate governance culture and transparency across the Group, with the aim of enhancing the long-term value of the Group and maintaining shareholders' confidence.

This Corporate Governance Overview Statement ("CG Overview Statement") provides shareholders with an overview of the Board's commitment towards a high standard of corporate governance practices and ethical business conducts for the financial year ended 30 June 2025 ("FY2025"), in line with the principles and best practices set out in the Malaysian Code on Corporate Governance 2021 ("MCCG 2021"), where possible.

This statement is prepared in accordance with Rule 15.25 of the ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and is to be read together with the FY2025 Corporate Governance Report of the Group ("CG Report") which is available on the Group's website at www.mtaggroup.com.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Board is responsible for overseeing the Group's management, performance, and strategic direction. As the steward of the Group, the Board is entrusted to discharge its fiduciary duties, provide vigilant leadership as well as uphold good governance and ethical practices in order to safeguard stakeholders' interests and enhance long-term shareholders' value.

The Board's duties, among others, include overseeing the proper conduct of business, risk management and internal control, succession planning, management performance, stakeholders' communication, and corporate reporting.

The Board has delegated specific duties to four (4) subcommittees, namely the Audit Committee ("AC"), Nominating Committee ("NC"), Remuneration Committee ("RC"), and Risk Management Committee ("RMC"). Although the Board is regularly updated on the proceedings and recommendations of the Board Committees, the ultimate responsibility for final decisions remains with the Board.

Board Charter

The Board is guided by the Board Charter, which outlines the Board's composition, duties and responsibilities, as well as matters reserved for the Board. The Board Charter serves as primary guidance, detailing the roles and responsibilities of the Board in accordance with the principles of good corporate governance set out by regulatory authorities.

As defined in the Board Charter, the Board is accountable to the shareholders for the management and performance of the Group, including the following matters:

- To provide leadership and to oversee overall conduct of the Group's businesses;
- To review and adopt strategic initiatives, and to ensure these initiatives and the risks, performance, and sustainability are effectively integrated and appropriately balanced;
- To review and adopt corporate governance best practices in the areas of risk management, legal and compliance management, and internal control systems;
- To ensure the effectiveness of the Board Committees as required by the applicable laws and recommended by the MCCG 2021;
- To review and approve Annual Business Plans, Financial Statements, and Annual Reports;
- To monitor the relationship between the Board and the management, shareholders, and stakeholders;
- To enhance the Group's Investor Relations programme and communication with shareholders;
- To appoint the Board Committees and delegate powers, as well as to review the composition, performance, and effectiveness of the Committees through its reports and recommendations;
- To monitor the Group's sustainability strategies and ensure that its performance is communicated to stakeholders; and
- To ensure the Group's strategy as well as Anti-Corruption and Anti-Bribery Policy are aligned.

Aside from the core responsibilities listed above, significant matters requiring deliberation and approval from the Board are defined in the Board Charter as "Matters Reserved for the Board" for consideration and approval during Board meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board Charter is available on the Group's website at www.mtaggroup.com. It is reviewed annually to ensure its effectiveness and continued relevance to the Board's strategic intent, as well as to assist the Board in discharging its duties in line with updates in the corporate laws and regulations that may arise from time to time.

Code of Conduct & Ethics

The Board is aware that its leadership and stewardship are vital in creating an ethical corporate culture. The Board has formalised and adopted the Code of Conduct & Ethics that serves as the primary guidance on ethical and behavioural conduct of the Group.

The Code of Conduct & Ethics outlines the policies and procedures which includes, amongst others, the following:

- Conflict of interest;
- Confidential and proprietary information;
- Anti-bribery and anti-corruption;
- Accepting/providing gifts, entertainment, and other benefits;
- Money laundering; and
- Occupational safety and health.

The Board will review the Code of Conduct & Ethics from time to time to ensure it remains relevant and appropriate. The Code of Conduct & Ethics is available on the Group's website at www.mtaggroup.com.

Whistleblowing Policy

The Board has adopted a Whistleblowing Policy in line with the Group's commitment to upholding its values and the highest standards of work ethics for all Directors, managers, and employees. The policy provides an avenue for employees and members of the public to disclose any improper conduct committed or about to be committed, in accordance with the procedures outlined therein.

The Whistleblowing Policy sets out the protections afforded to the whistleblower(s), the safeguards and confidentiality measures in handling disclosures or reports, the communication channels, and the procedural flow for making such disclosures or reports. The whistleblower(s) may provide details of suspected misconduct or breaches of law by completing the Whistleblowing Policy Report Form, which can be downloaded from the Group's website.

The Board shall review the Whistleblowing Policy on an annual basis to ensure its effectiveness and alignment with best practice standards and needs of the Group. The Whistleblowing Policy is available on the Group's website at www.mtaggroup.com.

In FY2025, there were zero (0) cases reported via the Whistleblowing reporting channel.

Anti-Corruption and Anti-Bribery Policy

In compliance with the requirement of Section 17A of the Malaysian Anti-Corruption Commission Act 2009, an Anti-Corruption and Anti-Bribery Policy was adopted to set out the Group's guidelines and procedures for all Directors and employees to protect against bribery and corrupt acts in order to safeguard the integrity of the Group.

The Board shall review the Anti-Corruption and Anti-Bribery Policy from time to time to ensure it remains relevant and appropriate. The Anti-Corruption and Anti-Bribery Policy is available on the Group's website at www.mtaggroup.com.

Board Committees

The four (4) Board Committees, namely, the AC, the NC, the RC and the RMC operate within their respective Terms of Reference ("TOR") approved by the Board.

The TOR of each Board Committee are periodically reviewed and assessed to ensure the TOR remain relevant and adequate in governing the functions and responsibilities of the respective Committees. Notwithstanding the above, the Board Committees do not have executive powers but only serve to make recommendations to the Board, with the ultimate responsibility for decisions resting with the Board as a whole.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The following Board Committees with the respective functions have been established to assist the Board in discharging its responsibilities:

Board Committee	Principal Functions
AC	- Provides oversight on the Group's financial reporting - Reviews and approves quarterly and annual financial statements - Appoints and monitors the standard and quality of the internal and external auditor's service
NC	- Nominates new Directors - Evaluates the effectiveness of the Board and Board Committees - Ensures appropriate framework and succession planning for the Board
RC	- Establishes policy and framework for the remuneration of Directors and certain KSM - Ensures the Group's remuneration and incentive policies are appropriately established - Assesses, reviews, and recommends to the Board the remuneration and benefits package of the Directors
RMC	- Reviews the effectiveness of risk management - Sets up the risk appetite of the Group - Reviews the risk management framework, processes, and reports

Separation of Roles of Chairman and Group Managing Director ("GMD")

In order to ensure continual effective supervision and accountability of the Board and management, there is a clear division of responsibilities between the Chairman and the GMD. The roles of the Chairman and the GMD are separated and clearly defined to ensure that there is a balance of power and authority in the Board. The Board is led by an Independent Non-Executive Chairman, who acts independently in the best interest of the Group and is accountable for the stewardship and smooth functioning of the Board and its effectiveness on all aspects of its role.

Meanwhile, the GMD is responsible for the overall operations and managing the daily conduct of business, supervision, and management of the Group in line with the Board's direction and instructions, and effective implementation of the Group's strategies as well as policies set by the Board. The GMD is accountable to the Board for the achievement of MTAG Group's goals and objectives, as well as the observance of management's limits of authority.

Company Secretary

The Board is assisted by one (1) qualified and competent Company Secretary who possesses a valid Practising Certificate issued by the Companies Commission of Malaysia ("CCM") and is also a member of the professional body, namely, the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"). The individual has the requisite credentials and is qualified to act as company secretary under Section 235 of the Companies Act 2016.

The Company Secretary is present for all Board and Board Committee meetings and acts in an advisory role to the Board, particularly in regard to the Group's Constitution, Board policies and procedures, as well as compliance with regulatory requirements, codes, guidance, and legislations including the Companies Act 2016 ("the Act"), AMLR, MCGG 2021, and the Capital Markets and Services Act 2009 ("CMSA").

The Company Secretary also serves as the main point of contact for stakeholders and matters relating to corporate governance. The Board is updated by the Company Secretary from time to time on new statutory and regulatory requirements concerning their duties and responsibilities.

Board Meetings and Access to Information

The Board members have direct and unrestricted access to all relevant Group information and to the KSM to assist them in discharging their duties and responsibilities.

The Board convenes at least four (4) times a year, or at least once (1) every three (3) months, to facilitate the effective discharge of its responsibilities. At least seven (7) days before each Board or Board Committee meeting, every Director is provided with an agenda and a comprehensive set of Board papers, together with relevant proposal papers, if any. This allows sufficient time for the Directors to peruse the materials and seek further clarification, where necessary, before each meeting.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Meeting papers deemed urgent may still be submitted to the Company Secretaries for tabling at the Board and/or Board Committee meetings.

Apart from the Board members, KSM and external professionals may be invited to attend the meetings to furnish the Board with views and explanations on relevant agenda items tabled to the Board and to provide clarification on issues that may be raised by any Director.

The proceedings and resolutions of all Board meetings are minuted by the Secretary of the Board. After obtaining approval from the Board, the minutes of the meeting will be circulated to all Board members in a timely manner.

In FY2025, a total of five (5) Board meetings were conducted, with full attendance from the Directors. All five (5) Board meetings were conducted physically.

II. Board Composition

Throughout FY2025, the Board composition has complied with Rule 15.02 of the AMLR, whereby at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors, as well as Practice 5.2 of MCCG 2021, which stipulates that at least 50% of the Board comprises Independent Directors.

During the FY2025, there have been several changes to the Board composition as follows:

- Appointment of Elly Chaw as Executive Director ("ED") on 6 December 2024;
- Appointment of Tang Kok Lian as Independent Non-Executive Director ("INED") on 1 March 2025;
- Appointment of William Mak Ting Rui as INED on 15 April 2025;
- Resignation of Lau Cher Liang as ED on 30 October 2024; and
- Resignation of Jason Tan Kim Song as INED on 31 March 2025.

As at 30 June 2025, the Board comprises six (6) members, as set out below:

No.	Board of Directors	Directorship
1.	Lee Ting Kiat	INED
2.	Chaw Kam Shiang	GMD
3.	Elly Chaw (Appointed on 6 December 2024)	ED
4.	Dyana Sofya Binti Mohd Daud	INED
5.	Tang Kok Lian (Appointed on 1 March 2025)	INED
6.	William Mak Ting Rui (Appointed on 15 April 2025)	INED

As stipulated in the Board Charter, the Board shall consist of qualified individuals with diverse experience, backgrounds, and perspectives. The Board believes that its current composition constitutes an optimal size for MTAG Group's business profile and facilitates the making of informed and critical decisions. It reflects a balanced mix of qualified, skilled, and experienced professionals from the field of legal and accounting, among others. The Directors bring diverse backgrounds and industry-specific knowledge, collectively possessing the expertise needed to effectively lead the Group and fulfil the Board's responsibilities. As such, the Group is led and guided by a skilled and capable Board.

The profile of each Director is presented under Directors' Profile on pages 8 to 10 of this FY2025 Annual Report.

All the INEDs have exercised their independent judgement, where issues were fully discussed and examined after taking into account the long-term interest of shareholders as well as other stakeholders such as employees, customers, and business associates.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The INEDs do not participate in the daily operations and management of the Group and there are no relationships or circumstances which are likely to affect, or could appear to affect, the Independent Directors' judgment. They are pivotal in bringing impartiality and scrutiny to the Board's deliberation and decision-making process, providing effective check and balance in the functioning of the Board to safeguard the interests of all stakeholders.

Tenure of Independent Directors

Under the MCGG 2021, the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. Upon completion of the nine (9) years, an Independent Director may continue to serve on the Board as a Non-Independent Director upon the recommendation of the NC to the Board for approval. If the Board intends to retain an Independent Director beyond nine (9) years, the Board should justify and seek annual shareholders' approval through a two-tier voting process.

Appointment and Re-Election of Directors

The Board is responsible for the appointment and re-election of the Directors to the Board. In accordance with MTAG Group's Constitution, one-third (1/3) of the Directors are subject to retirement by rotation such that each Director shall retire from office once (1) in every three (3) years at the Annual General Meeting ("AGM") but shall be eligible for re-election. This ensures that the tenure of INEDs do not exceed a cumulative term limit of nine (9) years in accordance with Practice 5.3 of MCGG 2021. Currently, all members of the Board have served for less than eight (8) years on the Board.

The details of the Director(s) seeking re-election at the forthcoming Eighth (8th) AGM are disclosed in the Notice of AGM on page 120 of this FY2025 Annual Report.

The Group has established a Directors' Fit and Proper Policy to guide the appointment and re-election of Directors. In recommending suitable candidates for directorships and Board Committees to the Board, the NC assesses the suitability of a candidate based on criteria that include, among others, experience, skill, competency, time commitment, diversity, professionalism, and potential contribution to the Group. The policy has been designed as a practical guide to assist the NC in carrying out its duties and functions in relation to the nomination and re-election process of Directors.

During FY2025, this process was applied in the appointment of new Directors to the Board. On the recommendation of the NC and with the approval of the Board, Elly Chaw was appointed as an ED, while Tang Kok Lian and William Mak Ting Rui were appointed as INEDs. These appointments broaden the mix of skills, perspectives, and experience represented on the Board, and further strengthen its capacity to provide effective oversight and strategic guidance.

Time Commitment

There were five (5) Board meetings held during the FY2025, and details of the Directors' attendance are set out below:

No.	Board of Directors	Attendance
1.	Lee Ting Kiat	5/5
2.	Chaw Kam Shiang	5/5
3.	Elly Chaw (Appointed on 6 December 2024)	2/2
4.	Dyana Sofya Binti Mohd Daud	5/5
5.	Tang Kok Lian (Appointed on 1 March 2025)	1/1
6.	William Mak Ting Rui (Appointed on 15 April 2025)	1/1
7.	Lau Cher Liang (Resigned on 30 October 2024)	2/2
8.	Jason Tan Kim Song (Resigned on 31 March 2025)	4/4

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of the Group. This was reflected in the attendance record of the Directors at Board meetings.

Directors' Training

The Board is mindful of the importance for its members to undergo continuous training to ensure they are equipped to carry out their duties effectively. Ongoing development enables the Directors to keep abreast of changes in regulatory and business environments, sustainability-related matters, and new developments within the industry in which the Group operates.

During the FY2025, the Directors attended various external training programmes and seminars as follows:

Director	Training / Conference / Forum / Seminar / Webinar / Workshop	Date
Lee Ting Kiat	Conflict of Interest and Governance of Conflict of Interest	10 July 2024
	Enhancing AMLA Compliance: Key Practices for Legal Professionals	3 Sept 2024
Chaw Kam Shiang	No training attended.	-
Elly Chaw (Appointed on 6 December 2024)	Bursa Malaysia Mandatory Accreditation Programme (MAP)	26 – 27 February 2025
Dyana Sofya Binti Mohd Daud	No training attended.	-
Tang Kok Lian (Appointed on 1 March 2025)	Bursa Malaysia Mandatory Accreditation Programme (MAP)	13 – 14 May 2025
William Mak Ting Rui (Appointed on 15 April 2025)	Transfer Pricing Conference 2024	24 Sep 2024
	Budget 2025: Key Updates and Changes for Corporate Accountants	25 Oct 2024
	Bursa Malaysia Mandatory Accreditation Programme (MAP)	13 – 14 May 2025
Lau Cher Liang (Resigned on 30 October 2024)	Not Applicable	-
Jason Tan Kim Song (Resigned on 31 March 2025)	Not Applicable	-

Effectiveness of Board, Board Committees, and Individual Directors

The Board, through the NC, assesses the effectiveness and performance of the Board, including reviewing the required mix of skills and experience of the Board, on an annual basis.

The NC currently comprises three (3) members, all of whom are INEDs:

No.	Director	Designation
1.	Dyana Sofya Binti Mohd Daud	Chairman
2.	Tang Kok Lian	Member
3.	William Mak Ting Rui	Member

During the FY2025, seven (7) NC meetings were held and attended by all NC members. The TOR of the NC is available on the Group's website at www.mtaggroup.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

No.	Board of Directors	Attendance
1.	Dyana Sofya Binti Mohd Daud	7/7
2.	Tang Kok Lian (Appointed on 1 March 2025)	4/4
3.	William Mak Ting Rui (Appointed on 15 April 2025)	3/3
4.	Lee Ting Kiat (Cessation of office with effect from 1 March 2025)	3/3
5.	Jason Tan Kim Song (Resigned on 31 March 2025)	3/3

In FY2025, the NC conducted annual assessments in the following areas:

- (i) Reviewed the compatibility and suitability of prospective candidates and recommended their appointment as new Directors to the Board, namely Elly Chaw as an ED, as well as Tang Kok Lian and William Mak Ting Rui as INEDs;
- (ii) Reviewed and recommended to the Board the re-election of Directors retiring at the forthcoming AGM;
- (iii) Undertook assessments on the performance of Individual Directors (self and peer evaluation), the Board as a whole, Board Committees, and the independence of Independent Directors.

The assessments were based on various criteria, including the Individual Directors' contribution to the Group's performance, tenure, roles and responsibilities, participation and attendance at meetings, and independence, among others.

The responses were then collated by the Company Secretary, and a summary of the findings were submitted to the NC for deliberation. The NC would then review the findings and make recommendations to the Board.

During FY2025, the Board has appointed Elly Chaw as an ED, as well as Tang Kok Lian and William Mak Ting Rui as INEDs of the Company. The recommendation was proposed by the existing Board members.

The annual review that was carried out in FY2025 concluded that the Board, the Board Committees, and the individual Directors had continued to operate effectively towards fulfilling their duties and responsibilities throughout the FY2025.

The Board has stipulated specific TOR for the NC, covering inter-alia, overseeing the selection and assessment of Directors to ensure Board composition meets the needs of the Group. While the Board considers that its composition and size remain balanced and able to reinforce effective oversight and independent review function, the Board, through the NC, continues to identify suitable and qualified individuals in meeting the Group's future needs, taking into consideration diverse perspectives and insights. The Board will utilise a variety of approaches and sources available to identify suitable candidates, which may include sourcing from existing Board members, the management or major shareholders, as well as independent sources.

Diversity Policy

The Board supports gender diversity at all levels, including within the Board. In this respect, the Board has adopted a Diversity Policy setting out the approach to diversity to encourage equality, diversity, and inclusion throughout the organisation, including the selection of Board members and KSM to eliminate unlawful discrimination. At present, the Board comprises six (6) Directors, of whom two (2) are women, translating to 33.3% of women representation on the Board.

The Board strives to provide timely and transparent disclosures to shareholders. Any changes in the Board are communicated to shareholders via announcements to Bursa Securities' Listing Information Network ("Bursa LINK").

CORPORATE GOVERNANCE OVERVIEW STATEMENT

III. Remuneration

The Board believes in a remuneration package that fairly supports the Directors' responsibilities and fiduciary duties in steering and growing the Group to achieve its long-term goals and to enhance its shareholders' value.

The Board's objective, in this respect, is to offer competitive remuneration packages in order to attract, develop, and retain directors of such calibre to provide the necessary skills and experience to commensurate with the responsibilities of an effective Board.

To this end, the Board delegates to the RC the responsibility of setting out the principles, parameters, and framework relating to the Group's remuneration matters. Each Director is to be fairly remunerated for his or her contribution, taking into account corporate and individual performance.

The RC currently comprises three (3) members, all of whom are INEDs:

No.	Director	Designation
1.	Tang Kok Lian	Chairman
2.	Dyana Sofya Binti Mohd Daud	Member
3.	William Mak Ting Rui	Member

The TOR of the RC is available on the Group's website at www.mtaggroup.com.

During the FY2025, three (3) RC meetings were held and attended by all RC members. At these meetings, the RC reviewed and recommended the remuneration packages of the Directors and KSM for the FY2025.

No.	Board of Directors	Attendance
1.	Tang Kok Lian (Appointed on 1 March 2025)	3/3
2.	Dyana Sofya Binti Mohd Daud	2/2
3.	William Mak Ting Rui (Appointed on 15 April 2025)	1/1
4.	Lee Ting Kiat (Cessation of office with effect from 1 March 2025)	1/1
5.	Jason Tan Kim Song (Resigned on 31 March 2025)	1/1

In FY2025, the RC reviewed and recommended the following:

- (i) The remuneration packages of new Directors and recommended them to the Board for approval;
- (ii) The Directors' fees and benefits from the period from 1 July 2025 until conclusion of the 9th AGM to be held in year 2026 and recommended them to the Board for approval;
- (iii) The remuneration packages of the EDs and KSM for the financial year ending 30 June 2026 and recommended them to the Board for approval.

The Board has adopted a Remuneration Policy & Procedure for Directors and KSM, taking into account factors such as qualifications, skills, competency, and experience of the Directors and KSM, the demands and complexities of the Group's businesses, performance of the Group, market competitiveness, and benchmarking, to determine the remuneration of each Director and KSM.

The policy shall be reviewed by the Board from time to time to ensure it remains relevant and appropriate. It is available on the Group's website at www.mtaggroup.com.

The remuneration packages of the EDs and KSM includes fixed salaries, bonuses, and other emoluments. The EDs do not play a part in deciding the remuneration packages and shall refrain from discussions relating to their remuneration. The RC will recommend the remuneration packages to the Board for its review.

Meanwhile, INEDs, shall be paid fixed fees and meeting allowances. The INEDs' annual fees reflect the diverse experience, skillsets, and roles and responsibilities of the INED concerned.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Directors' remuneration for the FY2025 are set out below:

The Group

Director	Fees RM'000	Salary RM'000	Bonus RM'000	Other emoluments ⁽¹⁾ RM'000	Benefits-in-kind ⁽²⁾ RM'000	Total RM'000
Executive Directors						
Chaw Kam Shiang	-	1,047	853	231	-	2,131
Elly Chaw (Appointed on 6 December 2024)	-	176	160	44	-	380
Lau Cher Liang (Resigned on 30 October 2024)	-	271	168	53	-	492
Non-Executive Directors						
Lee Ting Kiat	65	-	-	-	11	76
Dyana Sofya Binti Mohd Daud	52	-	-	-	11	63
Tang Kok Lian* (Appointed on 1 March 2025)	17	-	-	-	5	22
William Mak Ting Rui* (Appointed on 15 April 2025)	11	-	-	-	2	13
Jason Tan Kim Song (Resigned on 31 March 2025)	39	-	-	-	9	48

The Company

Director	Fees RM'000	Salary RM'000	Bonus RM'000	Other emoluments ⁽¹⁾ RM'000	Benefits-in-kind ⁽²⁾ RM'000	Total RM'000
Executive Directors						
Chaw Kam Shiang	-	-	-	-	-	-
Elly Chaw (Appointed on 6 December 2024)	-	-	-	-	-	-
Lau Cher Liang (Resigned on 30 October 2024)	-	-	-	-	-	-
Non-Executive Directors						
Lee Ting Kiat	65	-	-	-	11	76
Dyana Sofya Binti Mohd Daud	52	-	-	-	11	63
Tang Kok Lian* (Appointed on 1 March 2025)	17	-	-	-	5	22
William Mak Ting Rui* (Appointed on 15 April 2025)	11	-	-	-	2	13
Jason Tan Kim Song (Resigned on 31 March 2025)	39	-	-	-	9	48

Note:

- (1) Other emoluments include Employees Provident Fund ("EPF"), Social Security Organisation ("SOCSO"), and Employment Insurance System ("EIS");
- (2) Benefits-in-kind consists of meeting allowances for INEDs attendance in Board and Board Committee meetings.
- * Directors' Fees are subject to the shareholders' approval.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Directors have abstained from the deliberation and voting on the agenda item in relation to their individual remuneration.

The KSM's remuneration, who are not EDs of the Company, for the FY2025 are set out below (in the band of RM50,000):

Remuneration Band Per Annum	No. of Key Senior Management
Below RM50,000	1*
RM50,001 – RM100,000	1*
RM100,001 – RM150,000	-
RM150,001 – RM200,000	-
RM200,000 – RM250,000	2
RM250,001 – RM300,000	1

Note:

* Salary represents remuneration earned from the date of appointment during the FY2025, as the tenure was less than 12 months.

The Board has considered the recommendation by MCCG 2021 to disclose the detailed remuneration of top five (5) KSM on a named basis.

The Board is of the opinion that the disclosure of the remuneration of the MTAG Group's KSM shall not be on a named basis as it is imperative for the Group to maintain our employees' remuneration private and confidential and avoid discontentment among employees and to further address talent retention issues.

The Group will consider disclosing the remuneration of individual KSM in detail as and when it is deemed appropriate.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. The AC

The Board has established an AC, which assists and supports the Board in fulfilling its fiduciary responsibilities in reviewing the audit, as well as recurring audit-related and non-audit services provided by the external auditor.

The AC currently comprises three (3) members, all of whom are INEDs:

No.	Director	Designation
1.	William Mak Ting Rui	Chairman
2.	Dyana Sofya Binti Mohd Daud	Member
3.	Tang Kok Lian	Member

During the FY2025 year under review, five (5) meetings were held and attended by all members of the AC. The TOR of the AC is available on the Group's website at www.mtaggroup.com.

No.	Board of Directors	Attendance
1.	William Mak Ting Rui (Appointed on 15 April 2025)	1/1
2.	Dyana Sofya Binti Mohd Daud	5/5
3.	Tang Kok Lian (Appointed on 1 March 2025)	1/1
4.	Lee Ting Kiat (Cessation of office with effect from 1 March 2025)	4/4
5.	Jason Tan Kim Song (Resigned on 31 March 2025)	4/4

CORPORATE GOVERNANCE OVERVIEW STATEMENT

To ensure the overall effectiveness and independence of the AC, the positions of the Chairman of the Board and Chairman of the AC are held by different Board members.

Collectively, the AC members possess a wide range of necessary skills to discharge their duties and responsibilities. All AC members are financially literate and have carried out their duties in accordance with the TOR of the AC.

The AC members are expected to continuously update their knowledge and enhance their skillsets by attending training programmes from time to time, to keep themselves abreast of the latest developments in accounting and auditing standards, practices, and rules and regulations.

None of the AC members were former partners of the Group's existing auditing firm within the previous three (3) years, as stipulated in the TOR of the AC.

Under the TOR, the AC is accountable for the evaluation of the capabilities and independence of the external auditors and their conduct during the annual statutory audit of the financial statements, as well as the engagement of the external auditors for other related services.

The external auditors report to the AC in respect of their audit on each year's statutory financial statements on matters that require the attention of the AC. At least once (1) a year, the AC would have a separate session with the external auditors without the presence of the EDs and KSM.

During FY2025, the external auditors had confirmed to the members of the AC of their independence throughout the conduct of the audit engagement for FY2025 with MTAG Group in accordance with the independence criteria set out under the By Laws (*on Professional Ethics, Conduct and Practice*) of the Malaysian Institute of Accountants and the *International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants*.

The AC had assessed the objectivity, independence, and service quality of the external auditors for the FY2025 and was satisfied that they were adequately resourced and demonstrated their objectivity, independence, and proficiency in carrying out the audit according to the audit scope and plan. With recommendation from the AC, the Board is agreeable and satisfied with the suitability and independence of the external auditors.

Further information on the AC is detailed in the AC Report on pages 49 to 54 of this FY2025 Annual Report.

II. Risk Management and Internal Control Framework

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

The RMC currently comprises four (4) members, of whom three (3) are INEDs:

No.	Director	Designation
1.	William Mak Ting Rui	Chairman
2.	Dyana Sofya Binti Mohd Daud	Member
3.	Chaw Kam Shiang	Member
4.	Tang Kok Lian	Member

During the FY2025 year under review, one (1) meeting was held and attended by all RMC members. The TOR of the RMC is available on the Group's website at www.mtaggroup.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

No.	Board of Directors	Attendance
1.	William Mak Ting Rui (Appointed on 15 April 2025)	1/1
2.	Dyana Sofya Binti Mohd Daud	1/1
3.	Chaw Kam Shiang	1/1
4.	Tang Kok Lian (Appointed on 1 March 2025)	1/1

To maintain total independence in the management of internal control environment and to remain in compliance with the AMLR, the Group has outsourced its internal audit function to a professional consulting firm, namely, Sterling Business Alignment Consulting Sdn. Bhd. ("Internal Auditors"), to assist the AC in the discharge of its duties.

The Internal Auditors reports directly to the AC and is given full access to documents relating to the Group's governance, financial statements, and operational assessments. The Internal Auditors are free from any relationships or conflicts of interest which could impair their objectivity and independence of the internal audit function and does not have any direct operational responsibility or authority over any of the activities audited.

The Statement on Risk Management and Internal Control is set out on pages 55 to 58 of this FY2025 Annual Report, providing an overview of the state of risk management and internal controls within the Group.

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

I. Communication with Stakeholders

The Board recognises the importance of effective dialogue with its stakeholders and is committed to utilise various channels to provide transparent and regular communication with shareholders and other stakeholders on various matters regarding the business, operations, and financial performance of the Group.

In line with best practices, the Board strives to disclose relevant information to stakeholders while being mindful of the legal and regulatory frameworks governing the release of material and price-sensitive information. The Board abides by the Corporate Disclosure Guide as issued by Bursa Securities, which is calibrated in line with the disclosure requirements stipulated in the AMLR of Bursa Securities.

The Group maintains various methods of communication with its stakeholders through the following channels:

Bursa Malaysia Securities Berhad

The Group strives to provide all material information publicly through Bursa Securities' website on a timely basis, which include quarterly results and full year financial results announcements, Annual Reports, and other relevant material transactions undertaken by the Group.

Corporate website

Information on the Group is also accessible through the Group's corporate website at www.mtaggroup.com, which has a dedicated Investor Relations section, providing updates on the Group that are easily accessible to stakeholders.

Annual General Meetings

The AGM also serves as a platform and principal forum for dialogue with shareholders, where they will be given the opportunity to clarify any matters on proposed resolutions. The status of all resolutions tabled at the AGM shall be made public and announced to Bursa Securities at the end of the meeting day. The key matters discussed will be summarised and published on the corporate website at www.mtaggroup.com.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

II. Conduct of General Meetings

The AGM is the principal forum for dialogue and interaction with shareholders. Shareholders are able to participate, engage with the Board and KSM effectively, and make informed voting decisions at general meetings.

On 29 November 2024, MTAG conducted its fully virtual Seventh (7th) AGM through live streaming using the Remote Participation and Voting ("RPV") facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("TIIH"), via its TIIH Online Website at <https://tiih.online>. The RPV facilities provided by TIIH enables voting in absentia and remote participation by shareholders. A total of seventy-four (74) shareholders and proxies logged in for the AGM.

As part of our efforts to encourage meaningful engagement, shareholders and proxies may submit questions prior to the AGM via TIIH Online Portal at <https://tiih.online>, or during the AGM itself using the "Query Box". Shareholders' questions are made visible on the portal for enhanced transparency. The Chairman, with the KSM, addressed the questions raised by shareholders and proxies during the AGM pertaining to the resolutions being proposed, financial performance, business operations, corporate governance matters, and other matters that are of shareholders' concerns.

The Group endeavours to circulate the Notice of AGM at least twenty-eight (28) days before the AGM to enable shareholders to make adequate preparations to attend and participate in the AGM. In addition, the Notice of AGM will be advertised in the newspapers. Notifications were sent to all shareholders by way of letter or e-mail to inform that the Notice of AGM, Proxy Form, and Administrative Guide have been published on MTAG Group's corporate website. The Notice of AGM was also made available via an announcement to Bursa Securities.

The outcome of the AGM is announced to Bursa Securities after 5.00 pm of the AGM date upon being reviewed by the Board and is also accessible on the Group's corporate website. The minutes of the Seventh (7th) AGM were made available on MTAG Group's corporate website within 30 business days after the AGM.

STATEMENT BY THE BOARD ON CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Group shall continue to refine and seek to build upon the enhanced corporate governance practices and procedures in the best interest of our stakeholders. The Group has, in all material aspects, satisfactorily complied with the principles and practices set out in the MCCG 2021, except for the departures set out in the Corporate Governance Report.

This Corporate Governance Overview Statement is made in accordance with the resolution of the Board dated 8 October 2025.

ADDITIONAL COMPLIANCE INFORMATION

1. STATEMENT OF DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 to prepare the financial statements for each financial year, which give a true and fair view of the state of affairs, the results, and cash flows of MTAG Group Berhad ("MTAG" or "the Company") and its subsidiaries (collectively known as "MTAG Group" or "the Group").

The Directors are satisfied that in preparing the financial statements of the Company and of the Group for the financial year ended 30 June 2025 ("FY2025"), the Company and the Group have used the appropriate accounting policies and applied them consistently and prudently. The Directors also consider that all relevant approved accounting standards have been followed in the preparation of these financial statements.

2. UTILISATION OF PROCEEDS RAISED FROM THE LISTING EXERCISE

The Company was listed on the ACE Market of Bursa Malaysia Securities Berhad ("Listing") on 25 September 2019. In conjunction with the Listing, the Company undertook a public issue of 136,323,500 new ordinary shares at an issue price of RM0.53 per share, raising gross proceeds of RM72.3 million ("IPO Proceeds"). The status of the utilisation of the gross proceeds for the financial period/year ended 30 June 2025 is as follows:

Details of utilisation	Proposed Utilisation RM'000	Revision of Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised	Estimated Timeframe for Utilisation upon Listing on 25 September 2019	Revised Timeframe for Utilisation from 25 August 2022	Revised Timeframe for Utilisation from 25 August 2023	Revised Timeframe for Utilisation from 23 August 2024	Revised Timeframe for Utilisation from 23 August 2025
Land acquisition and construction of manufacturing plant	33,000	(18,000)	5,442	9,558	36 months	12 months	12 months	12 months	12 months
Capital expenditure	13,000	-	7,538	5,462	36 months	12 months	12 months	12 months	12 months
Factory acquisition	-	10,000	10,000	-	-	-	12 months	-	-
Merger and acquisition	-	8,000	8,000	-	-	-	12 months	-	-
Repayment of bank borrowings	10,000	-	10,000	-	12 months	-	-	-	-
Working capital	12,451	-	12,451	-	18 months	-	-	-	-
Listing expenses	3,800	-	3,800	-	1 month	-	-	-	-
Total	72,251	-	57,231	15,020					

The utilisation of the proceeds as disclosed above should be read in conjunction with the prospectus of the Company dated 19 August 2019.

ADDITIONAL COMPLIANCE INFORMATION

3. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid and payable to the external auditors and its local affiliate by the Group and the Company for the FY2025 are as follows:

	Audit Fees		Non-audit Fees	
	Group RM'000	Company RM'000	Group RM'000	Company RM'000
Grant Thornton Malaysia PLT	178,000	70,000	3,500	-
Local affiliate of Grant Thornton Malaysia PLT	-	-	62,880	4,000
Other auditors	36,831	-	21,682	-
	214,831	70,000	88,062	4,000

4. MATERIAL CONTRACTS OR LOANS INVOLVING DIRECTORS AND/OR MAJOR SHAREHOLDERS

Save as disclosed in Note 29 of the audited financial statements for the FY2025, there were no material contracts (not being contracts entered into in the ordinary course of business) which had been entered into by the Company and its subsidiaries involving the interest of the directors, chief executive or major shareholders, either still subsisting at the end of the financial year ended 30 June 2024 ("FY2024") or entered into since the end of the previous period.

5. RECURRENT RELATED PARTY TRANSACTIONS

There were no recurrent related party transactions entered by the Company and its subsidiaries during the FY2025.

6. EMPLOYEES SHARE SCHEME

The Company did not issue any Employees Share Scheme during the FY2025.

AUDIT COMMITTEE REPORT

This Report has been reviewed by the Audit Committee ("AC") and approved by the Board of Directors ("Board") for inclusion in this Annual Report.

The AC is guided by written Terms of Reference ("TOR") which deal with the AC's authorities and duties. The TOR of AC are made available on the Company's website at www.mtaggroup.com.

MEMBERSHIP AND MEETINGS

The AC comprises the following Directors during the financial year ended 30 June 2025 ("FY2025") and as at the date of this report. The attendance details of each member at the AC meetings held during the year are as follows: -

Composition of Committee	Designation	Directorship
William Mak Ting Rui (Member of MIA) (Appointed on 15 April 2025)	Chairman	INED
Dyana Sofya Binti Mohd Daud	Member	INED
Tang Kok Lian (Appointed on 1 March 2025)	Member	INED
Jason Tan Kim Song (Resigned on 31 March 2025)	Member	INED
Lee Ting Kiat (Cessation of Office w.e.f. 1 March 2025)	Member	Independent Non-Executive Chairman

During the financial year, a total of five (5) meetings were held on the following dates: -

Meeting No.	Date
3/2024	30 August 2024
4/2024	26 September 2024
5/2024	29 November 2024
1/2025	28 February 2025
2/2025	30 May 2025

The details of attendance for each member at the AC meetings for the financial year ended 30 June 2025 are as follows: -

Composition of Committee	No. of Meeting Held	Attendance
William Mak Ting Rui (Appointed on 15 April 2025)	5	1
Dyana Sofya Binti Mohd Daud	5	5
Tang Kok Lian (Appointed on 1 March 2025)	5	1
Jason Tan Kim Song (Resigned on 31 March 2025)	5	4
Lee Ting Kiat (Cessation of Office w.e.f. 1 March 2025)	5	4

The AC meetings are appropriately structured through the use of agendas and board papers containing information relevant to the matters for deliberation and are distributed to members prior to such meetings with sufficient notification.

AUDIT COMMITTEE REPORT

The AC was established on 24 October 2018 and its composition complies with the ACE Market Listing Requirements. The AC's TOR are set out below: -

Terms of Reference ("TOR")

I. PURPOSE

The AC was established by the Board known to assist the Board in discharging its roles and responsibilities as set out below in its TOR, which is a requirement under the Malaysian Code on Corporate Governance 2021 ("MCCG 2021") and Rules 15.11 and 15.12 of the ACE Market Listing Requirements ("AMLR").

The TOR will not only help the AC members to focus on their roles and responsibilities but the disclosure of such will also enable shareholders to be apprised of the roles and responsibilities of the AC.

II. ROLES AND RESPONSIBILITIES

The roles and responsibilities of the AC shall be: -

- (i) To consider the appointment of the External Auditors ("EA") and any questions of resignation or dismissal. To discuss with the EA before the audit commences, the nature and scope of the audit, and the assistance given by the Company's officers to the auditors and ensure coordination where more than one audit firm is involved;
- (ii) To assess the performance, suitability, objectivity and independence of EA and to recommend to the Board for their re-appointments;
- (iii) To observe a cooling-off period of at least 3 years for a former key audit partner prior to the appointment as a member of the AC;
- (iv) To discuss on the Audit Plan and on the problems and reservations arising from the interim and final audits, and any matter the EA may wish to discuss in the absence of management;
- (v) To review the EA management letter and management responses;
- (vi) To review the quarterly results and year end financial statements before submission to the Board, focusing particulars on:
 - any changes in accounting policies and practice;
 - major judgmental areas;
 - significant adjustments resulting from the audit;
 - any significant transactions which are outside the ordinary and usual course of the Group's business;
 - the going concern assumptions;
 - compliance with the accounting standards;
 - compliance with stock exchange and legal requirements;
 - assess the quality and effectiveness of the internal control system and the efficiency of the Company operations;
 - the quality and effectiveness of the entire accounting, management information and internal control systems; and
 - the adequacy of the disclosure of information essential to a fair and full presentation of the financial affairs of the Group.
- (vii) To assist the Board to review the Statement of Risk Management and Internal Control ("SORMIC");
- (viii) To review any related party transactions entered into by the Company and its Subsidiaries (collectively, "MTAG Group") and any conflict of interest situations that may arise within MTAG Group;

AUDIT COMMITTEE REPORT

- (ix) To do the following, in relation to the internal audit and risk management's functions:-
- establish an internal audit function which is independent of the activities it audits and to ensure its internal audit function reports directly to the AC.
 - review the adequacy of the scope, competency and resources of the internal audit functions and with the necessary authority to carry out the work.
 - review the internal audit programmes and results of the internal audit processes, and where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit and risk management functions.
 - review any appraisal or assessment of the performance of members of the internal audit functions.
 - ensure that the internal audit and risk management functions are reported directly to the AC.
 - discuss any matters and reservations arising from the internal audits, that the Internal Auditors ("IA") may wish to discuss with or without prior knowledge of Management.
- (x) To consider any related party transaction that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- (xi) To establish an internal audit function which is independent of the activities it audits and to ensure its internal audit function reports directly to the AC;
- (xii) To review and consider major findings of internal audit investigations and management's responses, areas requiring improvements for internal control procedures and workflow processes deficiencies and including follow-up actions and ensure that appropriate actions are taken on the recommendations of the internal audit functions;
- (xiii) To review on the scope and results of internal audit addressing internal controls over operations, financial, compliance and information technology processes relating to the Group based on the approved Internal Audit Plan;
- (xiv) To discuss and review the overall adequacy and effectiveness of system of internal controls and to ensure adequacy of resources, competencies and coverage of auditable entities with significant high risks;
- (xv) To ensure the Management has adequate procedures and appropriate resources needed for effective operations as required under the Malaysian Anti-Corruption Commission Act ("MACC Act") 2009 and to maintain up to date or with relevant changes to be made as and when needed for the procedures;
- (xvi) To discuss any matters and reservations arising from the internal audits, that the IA may wish to discuss with or without prior knowledge of Management; and
- (xvii) To review and receive Reporting of Internal Auditor in regards to Enterprise Risk Management matters of MTAG Group.

III. MEMBERS AND CHAIRMAN

1. The AC shall consist of at least three (3) members, all of whom shall be appointed by the Board amongst its Directors. The AC shall comprise exclusively Non-Executive Directors, with a majority being INEDs.
2.
 - a) The AC shall have at least one (1) member of the Malaysian Institute of Accountants ("MIA"); or
 - b) If the member of the AC is not a member of the MIA, he must have at least three (3) years' working experience and:
 - i) he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act 1967; or
 - ii) he must be a member of one of the associations of accountants specified in Part II of the First Schedule of the Accountants Act 1967; or
 - iii) fulfil such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("Bursa Securities").

AUDIT COMMITTEE REPORT

3. A former key audit engagement partner of the external auditors of the Company must first observe a cooling-off period of at least three (3) years before he/she being appointed as a member of the AC (as defined in Practice 9.2 of the MCCG 2021).
4. The Chairman of the AC shall be appointed by the Board and shall be an INED and shall not be the Chairman of the Board. In the absence of the Chairman and/or a deputy appointed by the Board in any meeting, the remaining members present shall elect one (1) of themselves to chair the meeting.
5. All members of the AC, including the Chairman, will hold office only so long as they serve as Directors of the Company. Should any member of the AC cease to be a Director of the Company, his membership in the AC will cease forthwith.
6. No Alternate Director of the Board shall be appointed as a member of the AC.
7. The terms of office and performance of the AC and each of its members shall be reviewed by the Nominating Committee annually.
8. All members of the AC should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

IV. MEETINGS

1. The AC shall meet regularly and hold at least four (4) meetings in a year. In addition, the Chairman of the AC may call for additional meetings at any time at his/her discretion.
2. To form a quorum in respect of a meeting, the majority of the AC members present must be INEDs.
3. The Chairman of the AC shall chair the AC's meetings. If he is not present at any meeting within fifteen (15) minutes of the time appointed for holding the same, the members of the AC present shall choose one of their members who shall be an INEDs to be the Chairman of the meeting.
4. Other Directors and employees may attend any particular meetings upon the invitation of the AC. The AC shall convene meetings with the EA or the Internal Auditors or both, without the attendance of Executive Directors and Key Senior Management, whenever deemed necessary and such meetings shall be held at least once (1) a year with the EA.
5. The minutes of the AC meeting shall be signed by the Chairman of the meeting at which the proceedings were held or by the Chairman of the next succeeding meeting.
6. A resolution in writing, signed by all members of the AC, shall be as effectual as if it has been passed at a meeting of the AC duly convened and held. Any such resolution may consist of several documents in like form, each signed by one or more AC members.

V. REPORTING

The AC, through its Chairman, shall report a summary of significant matters to the Board at the next Board meeting after each AC meeting. When presenting any recommendation to the Board, the AC will provide such background and supporting information as may be necessary for the Board to make an informed decision.

VI. SECRETARY

The Company Secretary shall act as Secretary of the AC and shall be responsible, with the concurrence of the Chairman of the AC, for drawing up and circulating the agenda and the notices of meetings together with the supporting explanatory documentation to members prior to each meeting and shall be entrusted to record all proceedings and minutes of all meetings of the AC.

The minutes of the AC meetings, when approved and signed by the Chairman of the AC, should be circulated to the Board.

AUDIT COMMITTEE REPORT

VII. REVIEW

The TOR of the AC shall be reviewed as and when necessary, at least once (1) every year and to be recommended to the Board for approval.

SUMMARY OF ACTIVITIES OF THE AC

During the FY2025, the AC held a total of five (5) meetings. The principal activities undertaken by the AC were summarised as follows:-

a) Financial Reporting

Reviewed and approved the quarterly unaudited financial results for the 4th quarter of 2024, 1st, 2nd and 3rd quarters of 2025 at its meetings held on 30 August 2024, 29 November 2024, 28 February 2025 and 30 May 2025 respectively together with the Management before recommending them for the Board's consideration and approval and for their announcements to the public through Bursa Link.

b) External Auditors

1. Reviewed the audited financial statements for FY2025 to ensure the financial reports presented a true and fair view;
2. Reviewed and recommended to the Board the re-appointment of external auditors and reviewed their audit plan;
3. Reviewed and approved the external auditors' reports, audit timetable and audit fees in relation to the FY2025 and had recommended to the Board for approval; and
4. Reviewed the results and issues arising from the external audit and discussed the areas of concern with the EA in the absence of management.

c) Internal Auditors

Reviewed and approved the internal audit report in relation to the audit scope as below and had recommended to the Board for approval:-

1. Internal Audit Report focusing on Inventory Management, Procurement, Operation/Production, Maintenance and Other Observation functions of Super Gold Industrial Sdn. Bhd. in November 2024;
2. Follow Up Status Report focusing on Inventory Management, Procurement, Operation/Production, Maintenance, Other Observation, Finance and Accounts functions; Follow Up Status Report focusing on Inventory Compliance with Local Manufacturing Warehouse ("LMW") Exemptions and Follow Up Status Report focusing on Management Information System in February 2025;
3. Internal Audit Report focusing on Finance and Accounts of Toyo Sho Industrial Products Sdn. Bhd., Intag Industrial Supplies Sdn. Bhd., Intag Steel Hardware Sdn. Bhd. and Jostar Sdn. Bhd. in May 2025.

d) Reviewed the suitability and independence of EA

The AC assessed the performance of the EA. In conducting the assessment, the AC had taken the following into consideration, among other criteria:-

- Independence and objectivity and professional skepticism;
- Competency, quality of service and non-audit services rendered by the EA;
- Rigor and quality of the audit;
- Effectiveness and timeliness of communicating and reporting to the AC;
- Adequacy of resources used; and
- Appropriateness of audit fees and non-audit fees to support a quality audit.

Having assessed and deliberated on the matter, the AC was satisfied that the EA continued to possess the competency, objectivity, independence, skill and experience required to fulfil their duties effectively and agreed to recommend that the Board table the re-appointment of the EA at the coming Eighth (8th) Annual General Meeting.

AUDIT COMMITTEE REPORT

e) Related Party Transaction

Reviewed and discussed on any related party transaction of the company that had been reported and recommended to the Board for approval.

f) Review of Statements to be Made in Annual Report

Reviewed the AC Report, Corporate Governance Overview Statement, Corporate Governance Report and SORMIC to be disclosed in the Annual Report for the FY2025.

g) Other matters considered by the AC

During the FY2025, the AC also undertook the following:-

1. Reviewed the proposed interim dividends as well as the solvency tests undertaken by management before making a dividend recommendation to the Board.

RISK MANAGEMENT AND INTERNAL AUDIT ACTIVITIES AND FUNCTIONS

The Company has outsourced its internal audit functions, risk management review and Anti-Corruption and Anti-Bribery Management System review to Sterling Business Alignment Consulting Sdn. Bhd. [Registration No. 200401015607 (654110-P)] which was tasked with the aim of providing assurance and assistance to the AC and the Board in reviewing the adequacy and effectiveness of the risk management and internal control systems of the Company. The internal auditors also act as a source to assist the AC and the Board to strengthen and improve current management and operating procedures in pursuit of best practices.

The risk management and internal audit activities carried out for the FY2025 were stated in the SORMIC and particularly the following:-

1. Prepared the annual internal audit plan for review by the AC;
2. Prepared and presented the internal audit reports with the areas of concern, comments, recommendations and responses of management to the AC for review;
3. Updated internal audit follow-up status reports for the attention, consideration and improvement of the management and the AC; and
4. Reviewed and presented the Enterprise Risk Management System Reporting to the Risk Management Committee and the AC for review.

The AC held one (1) private session with Internal Auditors without the presence of Management in August 2024 in connection with IA's audit for financial year ended 30 June 2025.

The cost incurred for the internal audit function in respect of the financial year ended 30 June 2025 was RM35,760.

This Report was reviewed and approved by the AC and Board on 8 October 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors ("the Board") of MTAG Group Berhad ("MTAG" or "the Company") is pleased to report on its Statement on Risk Management and Internal Control, which provides an overview of the nature and state of risk management and internal controls of MTAG and its subsidiaries ("the Group") for the financial year ended 30 June 2025. This statement has been prepared in accordance to the Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and Statement on Risk Management & Internal Control- Guidelines for Directors of Listed Issuers and Practice 10.2 of the Malaysian Code on Corporate Governance 2021 ("MCCG").

BOARD RESPONSIBILITY

The Board recognises that it is ultimately responsible to upholding a sound risk management practices and robust internal controls across the Group. The Board acknowledges its overall responsibility for maintaining an effective and adequate system of risk management and internal control of the Group.

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

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

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

RISK MANAGEMENT

Risk management is an integral part of the Group's business operations and is subject to regular review by the Board. Throughout the year, discussions were conducted with management at all levels to identify and address risks. These risks were summarised and recorded in the Group's risk register. The Group maintains an ongoing process for identifying, evaluating, and managing significant risks. This process covers the financial year under review and continues up to the date of this statement's approval by KSM for inclusion in the annual report. This ensures that all high-risk areas are adequately addressed at various levels across the Group.

The roles and responsibilities of the RMC in relation to risk management of the Group, are as follows:

1. To oversee and recommend the risk management policies and procedures;
2. To review and recommend changes to the risk management policy to ensure it continuously addresses strategic, operational, financial, and compliance risks;
3. To implement and maintain a sound risk management framework that identifies, assesses, manages and monitors the business risks;
4. To establish reporting guidelines for the KSM on the effectiveness of its business risks controls;
5. To review the Group's risk profile and evaluate the effectiveness of risk mitigation measures;
6. To review the adequacy of management's responses to the risks in the registers, ensuring they are managed within the Group's risk appetite;
7. To identify corporate liability risks, including bribery risks, corruption risks and compliance risks with the Malaysian Anti-Corruption Commission Act ("MACC Act") 2009;
8. To monitor the control measures of identified corporate liability risks;
9. To review the effectiveness and efficiency of operations in protecting the Group from bribery and encouraging legal and regulatory compliance; and
10. To ensure adequate and appropriate resources are allocated for the effective operation of the Anti-Corruption and Anti-Bribery Management System ("ABMS") and that the responsible person has the necessary status, authority, and resources to fulfil their duties.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises that risk management is an integral part of the Group's culture and is embedded into day-to-day management of operations, processes and structures. Thus, it should be extensively applied in all decision-making and strategic planning. KSM is responsible for managing risks related to their functions or departments. The RMC relies on KSM to support in terms of:

1. Managing the inherent risk of business processes under his/her control;
2. Identifying risks, evaluating and executing risk control measures;
3. Reporting significant risks to the RMC and the Board at scheduled meetings in a proactive, responsible and accountable manner; and
4. Providing oversight on the establishment, implementation and review of the effectiveness of the risk management framework and internal control systems to the RMC and the Board.

The Board adopted a Risk Management Handbook which entails the following chapters: -

1. Risk Management - Objectives and Type of Risks;
2. Principles and Reporting Structure;
3. Roles and Responsibilities;
4. Risk Management Framework; and
5. Risk Measurement Criteria.

The Board regards risk management as an integral part of the Group's business operations and provides oversight over the critical areas. The RMC, supported by the IA, independently assesses the effectiveness of the Group's risk management framework and reports its findings to the Board. This process helps reduce uncertainties in the Group's internal and external environment, thereby maximising opportunities and minimising potential adverse events. The risk categories considered by the Group include strategic, financial, compliance, operational, reputational, and sustainability risks, as well as corporate liability risks. During the financial year ended 30 June 2025, the RMC deliberated on and reviewed the Risk Profile presented by KSM on 30 May 2025.

INTERNAL AUDIT

The Board is fully aware of the importance of the internal audit function. The Group has engaged an independent professional firm, Sterling Business Alignment Consulting Sdn. Bhd. (the "IA Firm"), to provide the Board and the AC with its opinion through an independent assessment of the Group's internal control system's adequacy, efficiency, and effectiveness.

The IA Firm acts as IA and reports directly to the AC at its quarterly meetings. The IA Firm is free from any relationships or conflicts of interest that could impair its objectivity and independence of the internal audit function. The IA Firm does not have any direct operational responsibility or authority over any of the activities it audits. The AC is of the opinion that the internal audit function is effective and operates independently.

Scheduled internal audits are conducted in accordance to the annual audit plan approved by the AC. The IA align their practices with the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Controls - Integrated Framework. All internal control assessments performed by the IA are based on this framework's elements, scope, and coverage. On a quarterly basis, the IA Firm presents its internal audit report to the AC. During the financial year under review, the IA conducted reviews to address necessary internal control improvements. Identified control gaps and corresponding corrective actions to strengthen the internal control environment were reported accordingly.

The IA assists the Board and KSM by providing an independent assessment of the effectiveness and adequacy of the Group's internal control system. This assessment is carried out through interviews and discussions with representatives from various departments, a review of established policies and procedures, and the observation and testing of internal controls on a sampling basis. The internal audit reviews result in an action plan for the Group to address the control gaps identified. These findings and enhancement opportunities are reported to the AC, which in turn reports them to the Board. The IA follows up on all highlighted areas to monitor the implementation of recommendations by KSM.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

For the financial year ended 30 June 2025, two (2) internal audit reviews and three (3) follow-up internal audit review had been carried out and reported by IA:-

Audit Period	Reporting Month	Name of Entity Audited	Audit Areas
July 2023 - August 2024	November 2024	Super Gold Industrial Sdn. Bhd.	- Inventory Management - Procurement - Operation/ Production - Maintenance
October 2024 - December 2024	February 2025	Super Gold Industrial Sdn. Bhd.	Follow up actions on previously reported internal audit findings
October 2024 - December 2024	February 2025	Toyo Sho Industrial Products Sdn. Bhd. Intag Industrial Supplies Sdn. Bhd.	Follow up actions on previously reported internal audit findings
October 2024 - December 2024	February 2025	Toyo Sho Industrial Products Sdn. Bhd. Intag Industrial Supplies Sdn. Bhd. Intag Steel Hardware Sdn. Bhd.	Follow up actions on previously reported internal audit findings
January 2024 - March 2025	May 2025	Toyo Sho Industrial Products Sdn. Bhd. Intag Industrial Supplies Sdn. Bhd. Intag Steel Hardware Sdn. Bhd. Jostar Sdn. Bhd.	Finance and Accounts

All internal audit reports were submitted and presented to the AC. These reports included feedback and agreed-upon corrective actions to be undertaken by KSM. The IA subsequently monitored and verified the progress of these actions on a regular basis and reported its findings to the AC. The IA Firm is committed to equipping its IA with the knowledge, skills, and competencies required to discharge their duties effectively.

INTERNAL CONTROL

The Board acknowledges that a sound system of internal control serves to reduce, but not eliminate, the possibility of poor judgement in decision-making, human error, the deliberate circumvention of controls by employees, management override of controls, and the occurrence of unforeseeable circumstances.

KSM receives and reviews quarter reports on key financial data, performance indicators, and regulatory matters. These reports ensure that matters requiring the Board's attention are promptly highlighted for review, deliberation, and decision-making. The Board will approve the appropriate responses and/or amendments to the Group's policies.

Internal control matters are reviewed quarterly, and the Board is updated on any significant control gaps for its attention and action. Business operations' issues are also highlighted during Board meetings and any significant fluctuation or exception noted will be acted on a timely manner.

Other key elements of the Group's internal control system include: -

- An organisational structure with formally defined lines of reporting, responsibilities and delegation of authority;
- Clearly defined terms of reference, authorities and responsibilities of the various Board Committees including the AC, RMC, Nominating Committee and Remuneration Committee;
- Well-defined organisational structure with clear lines of authority, accountability and responsibilities of KSM;
- Formalised internal policies and procedures that support the achievement of business objectives, ensure compliance with applicable laws and regulations, and provide a framework for internal controls.
- Quarterly review of financial results by the Board and the AC;
- The active involvement by the Group Managing Director ("GMD") and Executive Director ("ED") in the day-to-day operations of the major businesses and along with regular discussions with the KSM of smaller business units on operational issues;
- Review of internal audit reports and findings by the AC; and
- Quarterly review of Group management accounts by the GMD, ED and KSM.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Group is committed to fostering a risk-aware culture in all decision-making processes and to managing risks proactively and effectively. This commitment enables the Group to respond adeptly to a changing business and competitive environment.

ASSURANCE

The Board has obtained assurance from the GMD, ED, and KSM that the Group's risk management and internal control system has operated adequately and effectively throughout the financial year under review and up to the date of this statement.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

This Statement has been reviewed by the External Auditors, pursuant to Rule 15.23 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, for inclusion in the Annual Report for the financial year ended 30 June 2025 and the review was conducted in accordance with the Audit and Assurance Practice Guide 3 ("AAPG 3"): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control issued by the Malaysian Institute of Accountants. Based on their review and reported to the Board that nothing has come to their attention that caused them to believe that the Statement intended to be included in the Annual Report, in all material respects, has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management & Internal Control: Guidelines for Directors of Listed Issuers, or is factually inaccurate.

CONCLUSION

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

This Statement on Risk Management and Internal Control was approved by the Board on 8 October 2025.

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 30 June 2025.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding activities.

The principal activities of the subsidiary companies are disclosed in Note 5 to the Financial Statements.

There are no changes in the nature of these activities of the Company and its subsidiary companies during the financial year.

RESULTS

	Group RM	Company RM
Profit for the financial year	12,348,613	33,412,218
Attributable to:- Owners of the Company	12,348,613	33,412,218

DIVIDENDS

The amount of dividends paid and declared since the end of the last financial year were as follows:-

	RM
Interim single tier dividend of 2.0 sen per ordinary share in respect of the financial year ended 30 June 2025 and paid on 24 July 2025	13,593,824

The Directors have not proposed, declared, or paid any final dividend in respect of the financial year ended 30 June 2025.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

DIRECTORS

The Directors who held office during the financial year and up to the date of this report are as follows:-

Chaw Kam Shiang* (Group Managing Director)
 Elly Chaw* (Executive Director) (Appointed on 6 December 2024)
 Lau Cher Liang* (Executive Director) (Resigned on 30 October 2024)
 Lee Ting Kiat (Independent Non-Executive Chairman)
 Dyana Sofya Binti Mohd Daud (Independent Non-Executive Director)
 Tang Kok Lian (Independent Non-Executive Director) (Appointed on 1 March 2025)
 William Mak Ting Rui (Independent Non-Executive Director) (Appointed on 15 April 2025)
 Jason Tan Kim Song (Independent Non-Executive Director) (Resigned on 31 March 2025)

* Directors of the Company and its subsidiary companies.

DIRECTORS' REPORT

DIRECTORS (CONT'D)

The Directors of the subsidiary companies who held office during the financial year and up to the date of this report, not including those Directors listed above are as follows:-

Ang Yam Fung
Choo Jack Kie
Ng Jia Wen

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, the beneficial interests of those who were Directors at the end of the financial year in shares of the Company are as follows:-

	Number of ordinary shares			
	As at 1 July 2024	Bought	Sold	As at 30 June 2025
<i>Direct interest</i>				
Chaw Kam Shiang	347,001,970	7,998,030	-	355,000,000
Elly Chaw	-	10,225,000	-	10,225,000
Lee Ting Kiat	888,600	150,000	-	1,038,600
Lau Cher Liang (Resigned on 30 October 2024)	90,355,144	-	(90,355,144)	-
<i>Indirect interest</i>				
Chaw Kam Shiang*	14,446,110	82,985,614	-	97,431,724
Elly Chaw^	361,448,080	80,758,644	-	442,206,724

* Deemed interest by virtue of his spouse's and children's interest pursuant to Section 8 of the Companies Act 2016.

^ Deemed interest by virtue of her parents' and sibling's interest pursuant to Section 8 of the Companies Act 2016.

Except as disclosed above, none of the Directors of the Company, who were Directors at the end of the financial year, held any interest in shares of the Company or its related corporations during the financial year.

DIRECTORS' REMUNERATION

During the financial year, the fees and other benefits received and receivable by the Directors of the Company are as follows:-

	Incurred by the Company RM	Incurred by the Subsidiaries RM	Total RM
Directors of the Company:-			
<u>Executive directors</u>			
Salaries	-	1,494,600	1,494,600
Defined contribution plans	-	322,890	322,890
Bonus	-	1,180,917	1,180,917
Social security costs	-	5,143	5,143
<u>Non-executive directors</u>			
Fees	183,600	-	183,600
Other benefits	39,500	-	39,500
	223,100	3,003,550	3,226,650

DIRECTORS' REPORT

INDEMNITY AND INSURANCE FOR DIRECTORS AND OFFICERS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling the Directors of the Company to acquire any benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

The Company maintains Directors' and Officers' liability insurance for purposes of Section 289 of the Companies Act 2016, throughout the financial year, which provides appropriate insurance cover for the Directors and Officers of the Company. During the financial year, the Directors and Officers of the Company and its subsidiaries are covered for a total amount of indemnity coverage of RM5,000,000 and insurance premium paid for the Directors and Officers of the Company is RM20,000.

ISSUE OF SHARES AND DEBENTURES

There were no issuance of shares or debentures during the financial year.

TREASURY SHARES

The shareholders of the Company, through the Annual General Meeting held on 24 November 2023, approved the Company's plan to repurchase up to 5% of the issued and paid-up shares capital of the Company ("Share Buy Back"). The authority granted by the shareholders was subsequently renewed in the Annual General Meeting held on 29 November 2024.

During the financial year ended 30 June 2025, the Company repurchased 1,926,200 of its issued shares from the open market for total consideration paid, including transaction costs of RM589,211. The average price paid for the shares repurchased was approximately RM0.3059 per share and was financed by internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirements of Section 127 of the Companies Act 2016.

As at 30 June 2025, the Company held 1,926,200 treasury shares out of the total 681,617,400 issued ordinary shares. Further relevant details are disclosed in Note 13 to the financial statements.

OTHER STATUTORY INFORMATION

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

- (a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

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

- (a) which would render the amounts written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; 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 the financial statements which would render any amount stated in the financial statements misleading.

DIRECTORS' REPORT

OTHER STATUTORY INFORMATION (CONT'D)

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 liability of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:-

- (a) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
- (b) the results of operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (c) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of operations of the Group and of the Company for the current financial year in which this report is made.

AUDITORS

The Auditors, Grant Thornton Malaysia PLT have expressed their willingness to continue in office.

The amount of audit and other fees paid and payable to the Auditors and its local affiliate by the Group and the Company for the financial year ended 30 June 2025 amounted to RM244,380 and RM74,000 respectively. Further details are disclosed in Note 25 to the Financial Statements.

The Group and the Company have agreed to indemnify the Auditors, Grant Thornton Malaysia PLT to the extent permissible under the provision of the Companies Act 2016 in Malaysia. However, no payment has been made arising from this indemnity for the financial year.

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

.....	)	
CHAW KAM SHIANG	)	
	)	
	)	
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	)	DIRECTORS
	)	
	)	
	)	
.....	)	
ELLY CHAW	)	

Johor Bahru
Date: 8 October 2025

STATEMENT BY DIRECTORS

In the opinion of the Directors, the accompanying financial statements together with the notes thereto are properly drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025 and of their financial performance and cash flows for the financial year then ended.

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

CHAW KAM SHIANG

ELLY CHAW

Johor Bahru

Date: 8 October 2025

STATUTORY DECLARATION

I, Chaw Kam Shiang, being the Director primarily responsible for the financial management of MTAG Group Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements together with the notes thereto are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by)
the abovenamed at Johor Bahru in the)
State of Johor this day of)
8 October 2025)

CHAW KAM SHIANG

Before me:

Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MTAG GROUP BERHAD

(INCORPORATED IN MALAYSIA)

REGISTRATION NO: 201801000029 (1262041 V)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MTAG Group Berhad ("the Company"), which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 68 to 116.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards ("MFRSs"), IFRS Accounting Standards and the requirements of the Company 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 ("ISAs"). 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"), 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 for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of inventories

The risk

Refer to Note 6 to the Financial Statements. The Group holds significant inventories and records allowance for impairment of inventories. As at 30 June 2025, the Group's inventories amounted to RM7,570,146. The Group's inventories are subject to a risk that the inventories become slow-moving or obsolete and rendering it not saleable or can only be sold for selling prices that are less than the carrying value. There is inherent subjectivity and estimation involved in determining the accuracy of inventory obsolescence provision and in making and assessment of its adequacy due to risks of inventory prices not valid and inventory not stated at the lower of cost or net realisable value.

Our response

We have performed the following procedures during the audit:-

- Obtained an understanding of the nature of the inventories and factors for obsolescence such as shelf-life, expiry date and potential use and customers;
- Discussed with management on the basis applied to assess the recoverability of inventories, focusing especially on slow-moving inventories. We evaluated the significant judgements involved and assumptions used to determine impairment of inventories;
- Reviewed subsequent events for orders placed and evidence of demand and its impact on net realisable value; and
- Assessed the adequacy of the disclosures in the financial statements.

The basis of management's judgement over the impairment of inventories are disclosed in Notes 2.6.1 and 6 to the Financial Statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MTAG GROUP BERHAD

(INCORPORATED IN MALAYSIA)

REGISTRATION NO: 201801000029 (1262041 V)

Report on the Audit of the Financial Statements (cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of 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, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MTAG GROUP BERHAD

(INCORPORATED IN MALAYSIA)
REGISTRATION NO: 201801000029 (1262041 V)

Report on the Audit of the Financial Statements (cont'd)

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

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

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

We communicated 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 identified during our audit.

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

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

Report on Other Legal and Regulatory Requirements

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

Other Matter

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.

GRANT THORNTON MALAYSIA PLT
(201906003682 & LLP0022494-LCA)
CHARTERED ACCOUNTANTS (AF 0737)

WONG WEN TAK
(NO: 03043/04/2027 J)
CHARTERED ACCOUNTANT

Johor Bahru
Date: 8 October 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-current assets					
Property, plant and equipment	3	34,163,988	36,815,061	-	-
Investment properties	4	17,780,112	10,592,025	-	-
Investment in subsidiary companies	5	-	-	138,833,047	130,470,910
Total non-current assets		51,944,100	47,407,086	138,833,047	130,470,910
Current assets					
Inventories	6	7,570,146	13,989,994	-	-
Trade receivables	7	14,830,104	23,962,790	-	-
Other receivables	8	1,953,846	919,391	14,012,582	205,010
Amount due from a subsidiary company	5	-	-	124,998	-
Tax recoverable		2,434,035	1,032,592	24,234	-
Other investments	9	127,456,713	112,899,167	12,583,120	3,266,300
Fixed deposits with licensed banks	10	29,702,475	25,910,764	15,000,000	15,000,000
Cash and bank balances	11	8,578,646	9,155,133	924,552	129,437
Total current assets		192,525,965	187,869,831	42,669,486	18,600,747
Total assets		244,470,065	235,276,917	181,502,533	149,071,657
EQUITY AND LIABILITIES					
EQUITY					
Share capital	12	146,565,776	146,565,776	146,565,776	146,565,776
Treasury shares	13	(589,211)	-	(589,211)	-
Merger deficit	14	(73,775,201)	(73,775,201)	-	-
Revaluation reserve	15	6,469,408	6,624,157	-	-
Exchange translation reserve	16	(32,897)	-	-	-
Unappropriated profit	17	139,667,709	140,758,171	21,784,575	1,966,181
Total equity		218,305,584	220,172,903	167,761,140	148,531,957
LIABILITIES					
Non-current liabilities					
Deferred tax liabilities	18	4,607,105	4,854,786	-	-
Lease liabilities	19	149,366	379,143	-	-
Total non-current liabilities		4,756,471	5,233,929	-	-
Current liabilities					
Trade payables	21	5,467,160	5,900,851	-	-
Other payables	22	15,575,628	2,350,358	13,741,393	539,698
Amount due to related parties	23	1,672	-	-	-
Amount due to a subsidiary company	5	-	-	-	2
Lease liabilities	19	363,550	409,045	-	-
Borrowings	20	-	380,591	-	-
Tax payable		-	829,240	-	-
Total current liabilities		21,408,010	9,870,085	13,741,393	539,700
Total liabilities		26,164,481	15,104,014	13,741,393	539,700
Total equity and liabilities		244,470,065	235,276,917	181,502,533	149,071,657

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	24	73,387,667	105,956,489	33,233,333	15,632,349
Cost of sales		(49,566,638)	(68,521,523)	-	-
Gross profit		23,821,029	37,434,966	33,233,333	15,632,349
Other income		5,319,003	4,224,272	374,576	169,633
Finance income		1,250,100	1,634,828	562,115	798,311
(Allowance for)/Reversal of impairment loss of trade receivables		(79,240)	25,450	-	-
Selling and distribution expenses		(2,005,695)	(2,204,251)	-	-
General and administrative expenses		(12,859,078)	(14,496,612)	(628,940)	(663,939)
Other expense		-	-	-	(1,964,751)
Finance cost		(55,326)	(96,738)	-	-
Profit before tax	25	15,390,793	26,521,915	33,541,084	13,971,603
Tax expense	26	(3,042,180)	(6,236,652)	(128,866)	(215,758)
Profit for the financial year		12,348,613	20,285,263	33,412,218	13,755,845
Other comprehensive income/(loss), net of tax :-					
Items that will not be reclassified subsequently to profit or loss					
Realisation of revaluation reserve upon depreciation of revalued assets		154,749	161,044	-	-
Transfer of revaluation reserve to unappropriated profit		(154,749)	(161,044)	-	-
Foreign currency translation differences for foreign operations, net of tax		(32,897)	-	-	-
Other comprehensive loss for the financial year		(32,897)	-	-	-
Total comprehensive income for the financial year		12,315,716	20,285,263	33,412,218	13,755,845
Profit attributable to:-					
Owners of the Company		12,348,613	20,285,263	33,412,218	13,755,845
Profit for the financial year		12,348,613	20,285,263	33,412,218	13,755,845
Total comprehensive income attributable to:-					
Owners of the Company		12,315,716	20,285,263	33,412,218	13,755,845
Total comprehensive income for the financial year		12,315,716	20,285,263	33,412,218	13,755,845
Earnings per share attributable to owners of the Company					
Earnings per ordinary share - Basic/Diluted (Sen)	34	1.81	2.98	-	-

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Share capital RM	Treasury shares RM	Merger deficit RM	Revaluation reserve RM	Exchange translation reserve RM	Unappropriated profit RM	Total equity RM
Group							
Balance at 1 July 2023	146,565,776	-	(73,775,201)	6,785,201	-	133,944,212	213,519,988
Transactions with owners:-							
First interim single tier dividend of 1.0 sen per ordinary share for the financial year ended 30 June 2024	-	-	-	-	-	(6,816,174)	(6,816,174)
Second interim single tier dividend of 1.0 sen per ordinary share for the financial year ended 30 June 2024	-	-	-	-	-	(6,816,174)	(6,816,174)
Total transactions with owners	-	-	-	-	-	(13,632,348)	(13,632,348)
Profit for the financial year	-	-	-	-	-	20,285,263	20,285,263
Other comprehensive income for the financial year	-	-	-	(161,044)	-	161,044	-
Total comprehensive income for the financial year	-	-	-	(161,044)	-	20,446,307	20,285,263
Balance at 30 June 2024	146,565,776	-	(73,775,201)	6,624,157	-	140,758,171	220,172,903

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Group	Share capital RM	Treasury shares RM	Merger deficit RM	Revaluation reserve RM	Exchange translation reserve RM	Unappropriated profit RM	Total equity RM
Balance at 30 June 2024	146,565,776	-	(73,775,201)	6,624,157	-	140,758,171	220,172,903
Transactions with owners:-							
First interim single tier dividend of 2.0 sen per ordinary share for the financial year ended 30 June 2025	-	-	-	-	-	(13,593,824)	(13,593,824)
Acquisition of treasury shares	-	(589,211)	-	-	-	-	(589,211)
Total transactions with owners	-	(589,211)	-	-	-	(13,593,824)	(14,183,035)
Profit for the financial year	-	-	-	-	-	12,348,613	12,348,613
Other comprehensive income for the financial year	-	-	-	(154,749)	(32,897)	154,749	(32,897)
Total comprehensive income for the financial year	-	-	-	(154,749)	(32,897)	12,503,362	12,315,716
Balance at 30 June 2025	146,565,776	(589,211)	(73,775,201)	6,469,408	(32,897)	139,667,709	218,305,584

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Share capital RM	Treasury shares RM	Unappropriated profit RM	Total equity RM
Company				
Balance at 1 July 2023	146,565,776	-	1,842,684	148,408,460
Transactions with owners:-				
First interim single tier dividend of 1.0 sen per ordinary share for the financial year ended 30 June 2024	-	-	(6,816,174)	(6,816,174)
Second interim single tier dividend of 1.0 sen per ordinary share for the financial year ended 30 June 2024	-	-	(6,816,174)	(6,816,174)
Total transactions with owners	-	-	(13,632,348)	(13,632,348)
Profit for the financial year	-	-	13,755,845	13,755,845
Other comprehensive income for the financial year	-	-	-	-
Total comprehensive income for the financial year	-	-	13,755,845	13,755,845
Balance at 30 June 2024	146,565,776	-	1,966,181	148,531,957
Transactions with owners:-				
First interim single tier dividend of 2.0 sen per ordinary share for the financial year ended 30 June 2025	-	-	(13,593,824)	(13,593,824)
Acquisition of treasury shares	-	(589,211)	-	(589,211)
Total transactions with owners	-	(589,211)	(13,593,824)	(14,183,035)
Profit for the financial year	-	-	33,412,218	33,412,218
Other comprehensive income for the financial year	-	-	-	-
Total comprehensive income for the financial year	-	-	33,412,218	33,412,218
Balance at 30 June 2025	146,565,776	(589,211)	21,784,575	167,761,140

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Note	Group		Company	
	2025 RM	2024 RM (Restated)	2025 RM	2024 RM (Restated)
OPERATING ACTIVITIES				
Profit before tax	15,390,793	26,521,915	33,541,084	13,971,603
Adjustments for:-				
Allowance for impairment loss on investment in a subsidiary company	-	-	-	2,097,293
Allowance for/(Reversal of) impairment loss of trade receivables	79,240	(25,450)	-	-
Bad debts written off	62	-	-	-
Depreciation of property, plant and equipment	2,856,579	3,160,358	-	-
Depreciation of right-of-use assets	641,773	674,634	-	-
Depreciation of investment property	355,227	68,807	-	-
Gain on disposal of property, plant and equipment	(38,669)	(156,252)	-	-
Impairment loss on goodwill	-	1,961,260	-	-
Interest income	(1,250,100)	(1,634,828)	(562,115)	(798,311)
Inventories written down	51,338	925,301	-	-
Lease liabilities interest expenses	29,244	47,874	-	-
Property, plant and equipment written off	3,754	1,322	-	-
Reversal of inventories written down	(612,294)	(1,343,957)	-	-
Reversal of impairment loss on investment in a subsidiary company	-	-	-	(132,542)
Interest expenses	17,006	39,828	-	-
Unrealised loss on foreign exchange	836,262	426,230	-	-
Operating profit before working capital changes	18,360,215	30,667,042	32,978,969	15,138,043
Changes in working capital:-				
Inventories	6,980,804	13,669,860	-	-
Receivables	7,998,987	2,090,632	(13,932,570)	66,895
Payables	12,757,585	(2,559,655)	(392,131)	(343,034)
Cash generated from operations	46,087,591	43,867,879	18,654,268	14,861,904
Tax refunded	1,781	885,316	-	54,128
Tax paid	(5,522,325)	(8,260,790)	(153,100)	(263,435)
Net cash flows from operating activities	40,567,047	36,492,405	18,501,168	14,652,597

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

		Group		Company	
	Note	2025 RM	2024 RM (Restated)	2025 RM	2024 RM (Restated)
INVESTING ACTIVITIES					
Acquisition of subsidiary, net of cash acquired		-	(8,481,007)	-	-
Interest received		1,258,790	2,059,731	562,115	983,504
Increase in investment in subsidiary companies	A	-	-	(8,362,137)	(18,234,000)
Purchase of property, plant and equipment	B	(796,897)	(991,674)	-	-
Purchase of investment property		(7,543,407)	(10,660,832)	-	-
Proceeds from disposal of property, plant and equipment		190,300	156,252	-	-
Net (placement)/withdrawal of fixed deposits with licensed banks		(47,682)	52,924,590	-	18,000,000
Net cash flows (used in)/from investing activities		(6,938,896)	35,007,060	(7,800,022)	749,504
FINANCING ACTIVITIES					
Lease interest paid		(29,244)	(47,874)	-	-
Term loan interest paid		(17,006)	(39,828)	-	-
Dividend paid		(13,593,824)	(13,632,348)	-	(13,632,348)
Purchase of treasury shares		(589,211)	-	(589,211)	-
Repayment of bank overdraft		(380,591)	(613,122)	-	-
Repayment to a related party		-	(239)	-	-
Repayment of principal portion of lease liabilities		(452,884)	(505,865)	-	-
Repayment of term loan		-	(107,584)	-	-
Net cash flows used in financing activities		(15,062,760)	(14,946,860)	(589,211)	(13,632,348)
CASH AND CASH EQUIVALENTS					
Net changes		18,565,391	56,552,605	10,111,935	1,769,753
Effect of exchange rate changes		(840,303)	(82,876)	-	-
At beginning of financial year		131,223,640	74,753,911	3,395,737	1,625,984
At end of financial year	E	148,948,728	131,223,640	13,507,672	3,395,737

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

A. INVESTMENT IN SUBSIDIARY COMPANIES

In financial year ended 30 June 2024, the Company acquired 100% equity interest in Jostar Sdn. Bhd. and made additional investment in MTAG Land Sdn. Bhd..

During the financial year, the Company incorporated a new subsidiary, namely MTAG Industrial Pte Ltd.. Details of the investments are as follows:-

	Company	
	2025 RM	2024 RM
Cash payment	8,362,137	18,234,000
Deposit paid	-	850,000
Amount due to vendor	-	176,826
Total cost of investment (Note 5.1)	8,362,137	19,260,826

B. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	Group	
	2025 RM	2024 RM
Cash payment	796,897	991,674
Addition to right-of-use in exchange for increased lease liabilities	139,578	423,441
Amount due to vendor	28,155	23,950
Total purchase of property, plant and equipment	964,630	1,439,065

C. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Lease liabilities RM	Term loan RM	Bank overdraft RM	Total RM
Group				
At 1 July 2023	755,071	107,584	-	862,655
Addition	423,441	-	-	423,441
Addition through acquisition of a subsidiary company	25,421	-	993,713	1,019,134
Repayment	(505,865)	(107,584)	(613,122)	(1,226,571)
Modification of lease	90,120	-	-	90,120
At 30 June 2024/1 July 2024	788,188	-	380,591	1,168,779
Addition	139,578	-	-	139,578
Repayment	(452,884)	-	(380,591)	(833,475)
Modification of lease	38,034	-	-	38,034
At end of financial year	512,916	-	-	512,916

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

D. CASH OUTFLOWS FOR LEASES AS A LESSEE

	Group	
	2025 RM	2024 RM
Included in net cash from operating activities		
- Payment relating to variable leases	172,785	162,579
Included in net cash used in financing activities		
- Interest paid in relation to lease liabilities	29,244	47,874
- Payment of principal portion of lease liabilities	452,884	505,865
At end of financial year	654,913	716,318

E. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:-

	Group		Company	
	2025 RM	2024 RM (Restated)	2025 RM	2024 RM (Restated)
Cash and bank balances	7,378,646	8,555,133	924,552	129,437
Short-term deposits with a licensed bank	1,200,000	600,000	-	-
Fixed deposits with licensed banks	12,913,369	9,169,340	-	-
Investment in money market instruments	127,456,713	112,899,167	12,583,120	3,266,300
	148,948,728	131,223,640	13,507,672	3,395,737

Material accounting policy information

Cash and cash equivalents are short-term, highly liquid investment that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Management adopted the policy to classify fixed deposits with maturity of three months or less from the date of acquisition and investment in money market instruments and deposits as cash and cash equivalents. The policy has been adopted retrospectively and the comparative balance has been restated.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

1. GENERAL INFORMATION

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

The registered office of the Company is located at L2-02, 1 Medini Hub, Persiaran Medini Utara 3, Medini Iskandar, 79000 Nusajaya, Johor. The principal place of business of the Company is located at PLO 226, Jalan Kencana Mas, Kawasan Perindustrian Tebrau III, 81100 Johor Bahru, Johor.

The Company is principally engaged in investment holding activities.

The principal activities of the subsidiary companies are disclosed in Note 5.1 to the Financial Statements. There are no changes in the nature of these activities of the Company and its subsidiary companies during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 8 October 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Statement of Compliance

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

2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under historical cost convention, except for a building and a leasehold land that are measured at revalued amount at the end of each reporting period as indicated in the summary of significant accounting policies.

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 and its measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group and the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Company use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.2 Basis of Measurement (cont'd)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to their fair value measurement as a whole:-

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to their fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Company determine whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to their fair value measurement as a whole) at the end of each reporting period.

The Group and the Company have established control framework in respect to the measurement of fair values of financial instruments. The Board of Directors has overall responsibility for overseeing all significant fair value measurements. The Board of Directors regularly reviews significant unobservable inputs and valuation adjustments.

For the purpose of fair value disclosures, the Group and the Company have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy as explained above.

2.3 Functional and Presentation Currency

The financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.4 Basis of Consolidation

The Group's financial statements consolidated those of the parent company and all of its subsidiaries as at 30 June 2025. All subsidiaries have a reporting date of 30 June.

2.5 MFRSs

2.5.1 Adoption of Amendments to MFRSs

At the beginning of the current financial year, the Group and the Company adopted amendments to MFRSs which are mandatory for the financial periods beginning on or after 1 July 2024:-

Initial application of the amendments to the standards did not have material impact to the financial statements. The details of the amendments are disclosed below:-

- Amendments to MFRS 101 Presentation of Financial Statements - *Non-Current Liabilities with Covenants and Classification of Liabilities as Current or Non-Current*
- Amendments to MFRS 16 Leases - *Lease Liability in a Sale and Leaseback**
- Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures - *Supplier Finance Arrangements**

* Not applicable to the Group's and the Company's operations.

The adoption of the above amendments to MFRSs does not have any material impact on the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.5 MFRSs (cont'd)

2.5.2 Standards Issued But Not Yet Effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's and of the Company's financial statements are disclosed below. The Group and the Company intend to adopt these new and amended standards and interpretations, if applicable, when they become effective in the respective financial period.

Effective for financial period beginning on or after 1 January 2025

- Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates – *Lack of Exchangeability*

Effective for financial period beginning on or after 1 January 2026

- Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures – *Amendments to the Classification and Measurement of Financial Instruments*
- Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures – *Contracts Referencing Nature-dependent Electricity*
- Amendments that are part of Annual Improvement – Volume 11:
 - Amendments to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 7 Financial Instruments: Disclosures
 - Amendments to MFRS 9 Financial Instruments
 - Amendments to MFRS 10 Consolidated Financial Statements
 - Amendments to MFRS 107 Statement of Cash Flow

Effective for financial period beginning on or after 1 January 2027

- MFRS 18 Presentation and Disclosure in Financial Statements
- MFRS 19 Subsidiaries without Public Accountability: Disclosures*

Deferred to a date to be determined by the MASB

- Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**

* Not applicable to the Group's and the Company's operations.

The initial application of the above amendments to MFRSs are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company upon their first adoption, except for:-

MFRS 18 – Presentation and Disclosure in Financial Statements

MFRS 18 Presentation and Disclosure in Financial Statements introduces three sets of new requirements to improve companies' reporting of financial performance:

- Improved comparability in the statement of profit or loss (income statement)
- Enhanced transparency of management-defined performance measures
- More useful grouping of information in the financial statements

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It carries forward many requirements from MFRS 101 unchanged. MFRS 18 is effective for annual reporting periods beginning on or after 1 January 2027, but companies can apply it earlier.

The Group and the Company are currently assessing the impact of this MFRS 18 to determine the impact they will have on the Group's and the Company's financial statements' disclosures.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

2.6 Significant Accounting Estimates and Judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

2.6.1 Estimation uncertainty

Information about significant estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses are discussed below.

Useful lives of depreciable assets other than right-of-use assets

The management estimates the useful lives of the property, plant and equipment other than right-of-use assets to be within 3 to 37 years and reviews the useful lives of depreciable assets at each reporting date. At each reporting periods, the management assesses that the useful lives represent the expected utility of the assets to the Group. The carrying amounts are analysed in Note 3 to the Financial Statements. Actual results, however, may vary due to change in the expected level of usage and technological developments, which may result in adjustments to the Group's assets.

Management anticipates that the expected useful lives of the property, plant and equipment other than right-of-use assets would not have material difference from their estimates and hence it would not result in material variance in the Group's profit for the financial year.

Impairment of inventories

The management reviews inventories to identify damaged, obsolete or slow-moving inventories which require judgement and changes in such estimates could result in revision to valuation of inventories.

The carrying amount of the Group's inventories at the end of the reporting period is disclosed in Note 6 to the Financial Statements.

Provision for expected credit losses ("ECL") for trade receivables

The Group undergoes a specific review of its trade receivables through an analysis of the customers' credit risk and the ageing of the trade receivables balances. Further details of how the credit risk is determined and managed is described in Note 30(c) to the Financial Statements.

The information about the ECL on the Group's trade receivables is disclosed in Note 7 to the Financial Statements.

Income taxes/Deferred tax liabilities

Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognised tax liabilities based on estimates of whether additional taxes will be due. Where the final tax outcome is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

2.6.2 Significant management judgements

There is no significant management judgement in applying the accounting policies of the Group that has the most significant effect on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

3. PROPERTY, PLANT AND EQUIPMENT

Group

	Freehold land RM	Leasehold land RM	Freehold buildings RM	Leasehold building RM	Hostel premises RM	Equipment, furniture and fittings RM	Plant and machineries RM	Renovation and electrical installation RM	Forklift and motor vehicles RM	Total RM
Cost/Valuation										
At 1 July 2023	5,072,084	7,500,000	-	10,500,000	652,087	2,090,872	26,004,957	2,895,323	3,543,827	58,259,150
Addition through acquisition of a subsidiary company	-	-	-	-	-	45,179	3,219,205	47,055	4,554	7,915,993
Additions	2,540,000	-	2,060,000	-	255,255	89,752	1,084,798	2,490	-	1,439,065
Disposal	6,770	-	-	-	-	-	(599,995)	-	(350,972)	(950,967)
Lease modification	-	-	-	-	90,120	-	-	-	-	90,120
Written off	-	-	-	-	-	(8,180)	-	-	(17,000)	(25,180)
At 30 June 2024	7,618,854	7,500,000	2,060,000	10,500,000	997,462	2,217,623	29,708,965	2,944,868	3,180,409	66,728,181
Representing:-										
At cost	7,618,854	-	-	-	997,462	2,217,623	29,708,965	2,944,868	3,180,409	48,728,181
At valuation	-	7,500,000	2,060,000	10,500,000	-	-	-	-	-	18,000,000
At 30 June 2024	7,618,854	7,500,000	2,060,000	10,500,000	997,462	2,217,623	29,708,965	2,944,868	3,180,409	66,728,181
At 1 July 2024	7,618,854	7,500,000	2,060,000	10,500,000	997,462	2,217,623	29,708,965	2,944,868	3,180,409	66,728,181
Additions	127,006	-	-	-	139,578	65,057	436,645	30,844	165,500	964,630
Disposal	-	-	-	-	-	-	(570,310)	-	(578,203)	(1,148,513)
Lease modification	-	-	-	-	38,034	-	-	-	-	38,034
Written off	-	-	-	-	-	(5,015)	(57,261)	-	-	(62,276)
Fully settlement of lease	-	-	-	-	(169,937)	-	-	-	-	(169,937)
At 30 June 2025	7,745,860	7,500,000	2,060,000	10,500,000	1,005,137	2,277,665	29,518,039	2,975,712	2,767,706	66,350,119

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Group (cont'd)

	Freehold land RM	Leasehold land RM	Freehold buildings RM	Leasehold building RM	Hostel premises RM	Equipment, furniture and fittings RM	Plant and machineries RM	Renovation and electrical installation RM	Forklift and motor vehicles RM	Total RM
Cost/Valuation (cont'd)										
Representing:-										
At cost	7,745,860	-	2,060,000	-	1,005,137	2,277,665	29,518,039	2,975,712	2,767,706	48,350,119
At valuation	-	7,500,000	-	10,500,000	-	-	-	-	-	18,000,000
At 30 June 2025	7,745,860	7,500,000	2,060,000	10,500,000	1,005,137	2,277,665	29,518,039	2,975,712	2,767,706	66,350,119
Accumulated depreciation										
At 1 July 2023	-	-	-	-	236,002	1,619,755	21,078,517	1,339,981	2,778,698	27,052,953
Charge for the financial year	-	166,667	34,866	210,000	297,967	151,071	2,498,620	223,070	252,731	3,834,992
Disposal	-	-	-	-	-	-	(599,995)	-	(350,972)	(950,967)
Written off	-	-	-	-	-	(6,858)	-	-	(17,000)	(23,858)
At 30 June 2024/1 July 2024	-	166,667	34,866	210,000	533,969	1,763,968	22,977,142	1,563,051	2,663,457	29,913,120
Charge for the financial year	-	166,667	85,282	210,000	265,106	145,802	2,153,902	223,618	247,975	3,498,352
Disposal	-	-	-	-	-	-	(418,679)	-	(578,203)	(996,882)
Written off	-	-	-	-	-	(4,461)	(54,061)	-	-	(58,522)
Fully settlement of lease	-	-	-	-	(169,937)	-	-	-	-	(169,937)
At 30 June 2025	-	333,334	120,148	420,000	629,138	1,905,309	24,658,304	1,786,669	2,333,229	32,186,131
Net carrying amount										
At 30 June 2025	7,745,860	7,166,666	1,939,852	10,080,000	375,999	372,356	4,859,735	1,189,043	434,477	34,163,988
At 30 June 2024	7,618,854	7,333,333	2,025,134	10,290,000	463,493	453,655	6,731,823	1,381,817	516,952	36,815,061

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The leasehold land is amortised over the leasehold period of 46 years (2024: 46 years) that is revalued on 30 June 2023 once every five years after the last revaluation was performed on 30 June 2018.

On 30 June 2023, the Group revalued the leasehold land and building erected on it based on professional revaluation made by Cheston International (Johor) Sdn. Bhd. on the market value basis. The valuation was incorporated in the financial statements for the financial year ended 30 June 2023.

In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change to the valuation technique during the year. The revaluation surplus net of applicable deferred tax was credited to other comprehensive income and is shown in "Revaluation Reserve" under the equity.

Leasehold land and building at valuation are categorised at Level 2 fair value.

Level 2 Fair Value

Level 2 fair value of leasehold land and building have been generally derived using the comparison method approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties.

At the reporting date, had the revalued leasehold land and building of the Group been carried under the cost model, the net carrying amount would have been as follows:-

	Leasehold land RM	Leasehold building RM
<u>2025</u>		
Cost	3,367,418	8,539,940
Accumulated depreciation	(846,534)	(2,575,518)
Net carrying amount	2,520,884	5,964,422
<u>2024</u>		
Cost	3,367,418	8,539,940
Accumulated depreciation	(790,410)	(2,404,719)
Net carrying amount	2,577,008	6,135,221

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Included in the property, plant and equipment are right-of-use assets as follows:-

Group

	Leasehold land RM	Leasehold building RM	Hostel premises RM	Plant and machinery RM	Motor vehicle RM	Total RM
Net carrying amount						
At 1 July 2023	7,500,000	10,500,000	416,085	233,333	-	18,649,418
Addition	-	-	255,255	-	199,440	454,695
Depreciation charges	(166,667)	(210,000)	(297,967)	(100,000)	(39,888)	(814,522)
Lease modification	-	-	90,120	-	-	90,120
At 30 June 2024/1 July 2024	7,333,333	10,290,000	463,493	133,333	159,552	18,379,711
Addition	-	-	139,578	-	-	139,578
Depreciation charges	(166,667)	(210,000)	(265,106)	(100,000)	(39,888)	(781,661)
Lease modification	-	-	38,034	-	-	38,034
At 30 June 2025	7,166,666	10,080,000	375,999	33,333	119,664	17,775,662

Material accounting policy information

(a) Recognition and measurement

Property, plant and equipment

All property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment losses, other than leasehold land and building as described in right-of-use assets below. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefit associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Right-of-use assets

The Group and the Company recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying assets is available for use). Right-of-use assets, except for leasehold land, are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. For leasehold land and building, the revaluation model is applied.

Revaluation is performed at least once in every five years based on valuation by an independent valuer on an open market value basis. Any revaluation increase is credited to equity as a revaluation surplus, except to the extent that it reverses a revaluation decrease for the same asset previously recognised as an expense, in which case, the increase is recognised in profit or loss to the extent of the decrease previously recognised. A revaluation decrease is first offset against an increase on unutilized revaluation surplus in respect of the same asset and is thereafter recognised as an expense. Upon the disposal of revalued assets, the attributable revaluation surplus remaining in the revaluation reserve is transferred to unappropriated profit.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

3. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Material accounting policy information (cont'd)

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Freehold land is not depreciated.

The estimated useful lives for the current and comparatives periods are as follows:-

<u>Property, plant and equipment</u>	<u>Depreciation rate</u>
Freehold buildings	2.7% - 3.5%
Equipment, furniture and fittings	10% - 33%
Plant and machineries	10% - 20%
Renovation and electrical installation	10% - 20%
Forklift and motor vehicles	10% - 20%
<u>Right-of-use assets</u>	<u>Estimated useful lives</u>
Leasehold land	46 years
Freehold building	50 years
Hostel premises	1 to 5 years

4. INVESTMENT PROPERTIES

Group

	Leasehold land RM	Leasehold building RM	Freehold building RM	Total RM
Cost				
As at 1 July 2023	-	-	-	-
Additions	3,198,249	7,462,583	-	10,660,832
As at 30 June 2024/1 July 2024	3,198,249	7,462,583	-	10,660,832
Additions	-	-	7,543,407	7,543,407
As at 30 June 2025	3,198,249	7,462,583	7,543,407	18,204,239
Accumulated depreciation				
As at 1 July 2023	-	-	-	-
Charge for the year	22,140	46,667	-	68,807
As at 30 June 2024/1 July 2024	22,140	46,667	-	68,807
Charge for the year	70,810	170,217	114,200	355,227
Currency translation difference	-	-	93	93
As at 30 June 2025	92,950	216,884	114,293	424,127
Net carrying amount				
As at 30 June 2025	3,105,299	7,245,699	7,429,114	17,780,112
As at 30 June 2024	3,176,109	7,415,916	-	10,592,025

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

4. INVESTMENT PROPERTIES (CONT'D)

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

	Group	
	2025 RM	2024 RM
Rental income	942,071	260,800
Direct operating expenses:- Income generating investment property	122,174	17,646

Material accounting policy information

(a) Recognition and measurement

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

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives. The leasehold land and building are depreciated over their lease term of 45 years, and freehold buildings are depreciated over 33 years.

Fair value disclosures

The Directors represented that the fair value of the Group's investment properties is approximately at RM20,270,000 (2024: RM12,000,000).

Fair value measurement of investment properties were categorised as follows:-

	Level 1 RM	Level 2 RM	Level 3 RM
2025			
Freehold building	-	-	7,270,000
Leasehold land and building	-	-	13,000,000
	-	-	20,270,000
2024			
Leasehold land and building	-	-	12,000,000

There were no transfers between level 2 and level 3 fair value measurements during the financial year.

Level 3 Fair Value

Level 3 fair value for investment properties had been generally derived using the comparison method approach. This approach is based on the principle of substitution, which a potential buyer would not pay for the property more than it would cost as if to buy a comparable substitute property. In theory, the best comparable sale would be an exact duplicate of the subject property and would indicate, by the known selling price of the duplicate, the price for which the subject property could be sold. The investment properties are valued by reference to the transactions of similar lands and buildings, with adjustments made for depreciation and property size.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

5. SUBSIDIARY COMPANIES

5.1 Investment in subsidiary companies

	Company	
	2025 RM	2024 RM
<u>Unquoted shares</u>		
At cost:-		
At beginning of financial year	132,568,203	113,307,377
Additional investments made	-	10,584,000
Acquisition of a subsidiary company	-	8,676,826
Incorporation of a subsidiary company	8,362,137	-
	140,930,340	132,568,203
Less: Accumulated impairment loss	(2,097,293)	(2,097,293)
At end of financial year	138,833,047	130,470,910

The movement of accumulated impairment loss during the financial year is as follow:-

	Note	Company	
		2025 RM	2024 RM
At beginning of financial year		(2,097,293)	(132,542)
Impairment loss during the financial year	5.2	-	(2,097,293)
Reversal of impairment loss during the financial year	5.2	-	132,542
At end of financial year		(2,097,293)	(2,097,293)

The particulars of the subsidiary companies are as follows:-

Name of company	Country of incorporation	Effective equity interest		Principal activities
		2025 %	2024 %	
Intag Industrial Supplies Sdn. Bhd.	Malaysia	100	100	Manufacturing mesh, filter media, glass filter, tapes, label sticker, adhesive and other products
Intag Steel Hardware Sdn. Bhd.	Malaysia	100	100	Converting and distribution of metal products
Toyo Sho Industrial Products Sdn. Bhd.	Malaysia	100	100	Printing of label and stickers and die-cutting services
MTAG Land Sdn. Bhd.	Malaysia	100	100	Property holding and investment holding
Super Gold Industrial Sdn. Bhd. #	Malaysia	100	100	Manufacturing and trading of labels, stickers and related industrial supplies
Jostar Sdn. Bhd. #	Malaysia	100	100	Operation of a printing factory
MTAG Industrial Pte. Ltd. #	Singapore	100	-	Property holding and investment holding

Audited by a firm other than member firms of Grant Thornton International Ltd and Grant Thornton Malaysia PLT.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

5. SUBSIDIARY COMPANIES (CONT'D)

5.2 Impairment loss on investment in subsidiary

As at the reporting date, the Company assessed there is an indication of impairment on the carrying amount of investment in one of the subsidiaries. The Company conducted impairment assessment of its investment in a subsidiary by comparing its carrying amount with its recoverable amount.

5.3 Amount due from/to subsidiary companies

The amounts due from/to subsidiary companies are non-trade in-nature, unsecured, bear no interest and repayable upon demand.

The entire amounts due from/to subsidiary companies are denominated in Ringgit Malaysia.

	Company	
	2025 RM	2024 RM
Amount due from a subsidiary company		
Non-trade	124,998	-
Amount due to a subsidiary company		
Non-trade	-	2

6. INVENTORIES

	Group	
	2025 RM	2024 RM
Raw materials	6,249,590	11,568,559
Finished goods	903,181	982,547
Trading goods	109,780	1,192,549
Goods-in-transit	67,932	144,759
Work in progress	239,663	101,580
Total inventories	7,570,146	13,989,994
Recognised in profit or loss:-		
Inventories written down	51,338	925,301
Reversal of inventories written down	(612,294)	(1,343,957)
Inventories recognised in cost of sales	47,161,028	66,019,082

The allowance for inventories written down are included in cost of sales.

Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of raw materials and finished goods are calculated using first-in-first-out method.

Cost of raw materials refers to invoiced cost of goods purchased plus incidental handling and freight charges.

Cost of finished goods include raw materials, direct labour, other direct costs and an appropriate proportion of manufacturing overheads.

NOTES TO THE FINANCIAL STATEMENTS

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7. TRADE RECEIVABLES

	Group	
	2025 RM	2024 RM
Trade receivables	14,909,344	23,962,790
Less: Allowance for impairment loss of trade receivables	(79,240)	-
	14,830,104	23,962,790

Movement in allowance for impairment loss of trade receivables:-

	Group	
	2025 RM	2024 RM
At beginning of financial year	-	(25,450)
Charge for the financial year	79,240	-
Reversal of impairment – payment received	-	25,450
At end of financial year	79,240	-

Trade receivables comprise amounts receivable from sales of goods. The credit terms granted to the customers ranged from cash terms to 90 days (2024: cash term to 90 days). Trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition.

An impairment analysis is performed at each reporting date to measure ECLs. Information regarding the Group's and the Company's exposure to the credit risk and ECLs for trade receivables is disclosed in Note 30(c) to the Financial Statements.

8. OTHER RECEIVABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-trade receivables	38,686	61,781	-	-
Advance payments to supplier	54,371	78,847	-	-
Deposits for purchase of property, plant and equipment	1,134,866	50,000	-	-
Deposits	283,425	255,299	1,000	1,000
Dividend receivables	-	-	13,800,000	-
Interest receivables	268,511	295,437	192,082	185,193
Prepayments	173,987	178,027	19,500	18,817
	1,953,846	919,391	14,012,582	205,010

NOTES TO THE FINANCIAL STATEMENTS

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9. OTHER INVESTMENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At fair value through profit or loss:-				
<u>Trust fund</u>				
At beginning of financial year	112,899,167	51,003,712	3,266,300	1,506,700
Addition	127,503,767	158,748,230	40,281,672	23,368,267
Disposal	(116,787,359)	(100,035,136)	(31,228,452)	(21,765,926)
Fair value gain	3,841,138	3,182,361	263,600	157,259
At end of financial year	127,456,713	112,899,167	12,583,120	3,266,300
Recognised in profit or loss:-				
Distribution income from other investments	133,200	50,822	35,842	5,222
Gain on disposal of other investments	113,186	92,272	27,377	7,119
Gain on fair value of other investments	3,841,138	3,182,361	263,600	157,259

The fair value measurement of trust fund is categorised within Level 2 of the fair value hierarchy.

10. FIXED DEPOSITS WITH LICENSED BANKS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fixed deposits with licensed banks	29,702,475	25,910,764	15,000,000	15,000,000

The fixed deposits of the Group and of the Company are on fixed rate basis that are placed with licensed banks and with maturity tenure from 3 months to 12 months and 6 months (2024: 3 months to 12 months and 6 months) period respectively.

The effective interest rate on fixed deposits with licensed banks of the Group and of the Company ranged from 2.00% to 4.35% and at 3.80% (2024: 1.85% to 5.45% and at 3.65%) per annum respectively.

The fixed deposits of the Group with a licensed bank amounting to RM1,789,106 (2024: RM1,741,424) are pledged to licensed bank as security for bank guarantee facilities granted to subsidiary companies.

NOTES TO THE FINANCIAL STATEMENTS

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11. CASH AND BANK BALANCES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash on hand and at banks	7,378,646	8,555,133	924,552	129,437
Short-term deposits with a licensed bank	1,200,000	600,000	-	-
	8,578,646	9,155,133	924,552	129,437

The interest rates and the maturity of short term deposits were as follows:-

	Group		Company	
	2025	2024	2025	2024
Interest rate (%)	1.90 - 2.00	1.90 - 1.95	-	-
Maturity (days)	6 - 32	7 - 35	-	-

12. SHARE CAPITAL

	2025 Unit	2025 RM	2024 Unit	2024 RM
Group and Company				
Issued and fully paid-up with no par value:-				
Ordinary shares				
At beginning and end of the financial year	681,617,400	146,565,776	681,617,400	146,565,776

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company residual assets. In respect of the Company's treasury shares that are held by the Group, all rights are suspended until those shares are reissued.

13. TREASURY SHARES

Group and Company

The shareholders of the Company, by an ordinary resolution passed at an Annual General Meeting held on 24 November 2023, approved the Company's plan to repurchase up to 5% of the issued and paid-up share capital of the Company ("Share Buy Back"). The authority granted by the shareholders was subsequently renewed in the last Annual General Meeting held on 29 November 2024. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the purchase plan can be applied in the best interest of the Company and its shareholders.

During the financial year, the Company purchased 1,926,200 ordinary shares of its issued share capital from the open market at the average price paid of RM0.3059 per share. The purchase transactions were financed by internally generated funds. These repurchased shares were held as treasury shares and treated in accordance with the requirements of Section 127 of the Companies Act 2016.

The shares purchased were retained as treasury shares. The Company has the right to re-issue these shares and/or distribute as dividends at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

13. TREASURY SHARES (CONT'D)

Group and Company (cont'd)

No treasury shares were sold during the current and previous financial year.

As at the end of the reporting period, the Company held 1,926,200 of the Company's shares and the number of outstanding shares in issue after setting treasury shares off against equity is 679,691,200 (2024: 681,617,400).

14. MERGER DEFICIT

Group

The merger deficit arose from the acquisition of subsidiary companies.

15. REVALUATION RESERVE

Group

The revaluation reserve arose from the revaluation of land and building and is not available for distribution as dividends.

16. EXCHANGE TRANSLATION RESERVE

Group

The exchange translation reserve represents the foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group.

17. UNAPPROPRIATED PROFIT

The entire unappropriated profit of the Company is available for distribution as single tier dividends to the shareholders of the Company.

18. DEFERRED TAX LIABILITIES

	Group	
	2025 RM	2024 RM
At beginning of financial year	4,854,786	3,813,332
Transferred to profit or loss (Note 26)	(198,813)	(272,518)
Addition through acquisition of a subsidiary company	-	1,364,828
Realisation of deferred tax liabilities upon depreciation of revalued assets (Note 26)	(48,868)	(50,856)
At end of financial year	4,607,105	4,854,786

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

18. DEFERRED TAX LIABILITIES (CONT'D)

The balance in the deferred tax liabilities is made up of temporary differences arising from:-

	Group	
	2025 RM	2024 RM
Carrying amount of qualifying property, plant and equipment in excess of their tax base	2,984,676	2,823,343
Unrealised gain on foreign exchange	(13,487)	(25,196)
Inventories written down	-	8,000
Revaluation of land and building	1,635,916	2,048,639
	4,607,105	4,854,786

Deferred tax assets not recognised

As at financial year end, the estimated amount of deferred tax assets which has not been recognised in the financial statements are as follows (stated at gross amount):-

	Group	
	2025 RM	2024 RM
Unabsorbed reinvestment allowances	2,534,000	2,344,000
Other temporary differences	1,202,000	1,487,000
	3,736,000	3,831,000

Deferred tax assets have not been recognised in respect of unabsorbed reinvestment allowances because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom. Deferred tax assets have not been recognised in respect of deductible temporary differences as the Directors do not consider the tax effects to be significant.

19. LEASE LIABILITIES

19.1 Group as lessee

The Group has lease contracts for various items of land, hostel premises, plant and machinery, and motor vehicles used in its operations. Leases of hostel premises generally have lease terms of 1 to 5 years (2024: 1 to 5 years) with extension options of 1 to 3 years (2024: 1 to 3 years). Leases of plant and machinery and motor vehicle relate to assets acquired under hire purchase agreements with lease terms of 3 to 5 years (2024: 3 to 5 years). The Group also has right-of-use assets relating to leasehold land and building under long-term leasehold of 46 years. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

19.1.1 Lease liabilities are presented in the statements of financial positions as follows:-

	Group	
	2025 RM	2024 RM
Current	363,550	409,045
Non-current	149,366	379,143
	512,916	788,188

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

19. LEASE LIABILITIES (CONT'D)

19.1 Group as lessee (cont'd)

19.1.2 Set out below are the carrying amounts of lease liabilities and the movements during the year:-

	Group	
	2025 RM	2024 RM
At beginning of financial year	788,188	755,071
Addition	139,578	423,441
Addition through acquisition of a subsidiary company	-	25,421
Accretion of interest	29,244	47,874
Modification of lease	38,034	90,120
Lease payments		
- principal portion	(452,884)	(505,865)
- interest portion	(29,244)	(47,874)
At end of financial year	512,916	788,188

19.1.3 Lease payments not recognized as a liability

The expense relating to payments not included in the measurement of the lease liabilities is as follows:-

	Group	
	2025 RM	2024 RM
Lease payments not recognised as liability:-		
- Variable lease payments	9,285	9,579
- Short-term lease payments	163,500	153,000
Total amount recognised in profit or loss	172,785	162,579

Material accounting policy information

Variable lease payments are not permitted to be recognised as lease liabilities and are expensed as incurred including excess use charges on photocopier machine. Variable payment terms are used for a variety of reasons, including minimising costs for equipment with infrequent use. Variable lease payments are expensed in the period they are incurred.

The Group has elected not to recognise a lease liability for short-term leases that have a lease term of 12 months or less and leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

19. LEASE LIABILITIES (CONT'D)

19.2 Group as lessor

The Group has entered an operating lease on its investment property. This lease has a term of 2 to 3 years (2024: 7 months) with a further term of 1 year (2024: 6 months).

Future minimum rentals receivable under non-cancellable leases as at 30 June are as follows:-

	Group	
	2025 RM	2024 RM
Within 1 year	1,205,712	412,800
After 1 year but not more than 5 years	1,907,719	-
	3,113,431	412,800

20. BORROWINGS

	Group	
	2025 RM	2024 RM
Secured:-		
Current		
Bank overdraft	-	380,591

Bank overdraft

The bank overdraft of the Group with a limit of RM600,000 obtained from a licensed bank is for working capital purpose. Interest is charged at 0.40% above the bank's base lending rate per annum on daily rests.

The bank overdraft was secured by:-

- A first party legal charge over certain freehold land and buildings as disclosed in Note 3 to the Financial Statements; and
- Jointly and severally guaranteed by previous directors of a subsidiary of the Group.

Bank overdraft of the Group was an addition through acquisition of a subsidiary, which was fully settled during the financial year.

21. TRADE PAYABLES

Trade payables comprise amounts outstanding for trade purchases. The credit terms granted to the Group ranged from cash terms to 90 days (2024: cash terms to 90 days).

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

22. OTHER PAYABLES

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
<u>Current</u>					
Non-trade payables		246,437	727,085	-	387,578
Deposit received		288,537	197,500	-	-
Accrual of expenses		1,446,830	1,424,173	147,569	152,120
Advance received from tenant		-	1,600	-	-
Dividend payable		22.1	13,593,824	13,593,824	-
		15,575,628	2,350,358	13,741,393	539,698

22.1 Dividend payable

Dividend payable relates to the single tier interim dividend of RM0.02 per share in respect of the financial year ended 30 June 2025. The dividend was declared on 24 June 2025, with the entitlement date on 10 July 2025 and the payment made on 24 July 2025.

23. AMOUNT DUE TO RELATED PARTIES

Related party is a company in which certain Directors have substantial financial interests.

The amount due to related parties is unsecured, bears no interest and repayable upon demand.

24. REVENUE

24.1 Revenue for the Group

Revenue for the Group comprise of revenue from contract with customers.

Disaggregation of revenue from contract with customers

Revenue from contracts with customers is disaggregated by major products, primary geographical markets and timing of revenue recognition as follows:-

Group	2025 RM	2024 RM
Major products and services		
Filter media and mesh	18,238,271	35,463,188
General merchandise goods	14,593,769	23,732,736
Hardware products	11,165,405	10,317,958
Printing of labels and stickers and customised converting services	29,390,222	36,442,607
	73,387,667	105,956,489

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

24. REVENUE (CONT'D)

24.1 Revenue for the Group (cont'd)

Disaggregation of revenue from contract with customers (cont'd)

Revenue from contracts with customers is disaggregated by major products, primary geographical markets and timing of revenue recognition as follows (cont'd):-

Group	2025 RM	2024 RM
Primary geographical markets of the customers		
Northern region	590,186	497,495
Central region	1,036,771	1,617,040
Southern region	62,727,284	87,595,442
Overseas	9,033,426	16,246,512
	73,387,667	105,956,489
Timing of revenue recognition		
Products transferred at a point in time	73,387,667	105,956,489

24.2 Revenue for the Company

Revenue for the Company comprise the following:-

Company	2025 RM	2024 RM
Dividend income	33,233,333	15,632,349

24.3 Nature of goods and services

The following information reflects the typical transactions of the Group and of the Company:-

<u>Nature of goods</u>	<u>Timing of recognition or method used to recognize revenue</u>
Group	
Manufacturing sticker and label and customized material converting	Revenue is recognised when the goods are delivered and accepted by customer.
Manufacturing mesh, filter media, glass filter, tapes, label sticker, adhesive and other products	Revenue is recognised when the goods are delivered and accepted by customer.
Ferrous and non-ferrous metal products including sheets, coils, bars, rods, angles, channels, tubes, and pipes	Revenue is recognised when the goods are delivered and accepted by customer.
Company	
Dividend	Dividend is recognised upon declaration of the subsidiaries.

Transaction prices allocated to the remaining obligations

The Group and the Company apply the practical expedient for exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

25. PROFIT BEFORE TAX

Profit before tax has been determined after charging/(crediting), amongst others, the following items:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration related to:				
Statutory audits - current year				
- Grant Thornton Malaysia PLT	168,000	171,000	60,000	68,000
- Other auditors	36,831	31,536	-	-
Assurance-related services				
- Grant Thornton Malaysia PLT	10,000	10,000	10,000	10,000
Other services				
- Grant Thornton Malaysia PLT	3,500	-	-	-
- Local affiliate of Grant Thornton Malaysia PLT	62,880	31,900	4,000	3,300
- Other auditors	21,682	16,740	-	13,500
Allowance for impairment loss on investment in a subsidiary company	-	-	-	2,097,293
Bad debt written off	62	-	-	-
Depreciation of property, plant and equipment	2,856,579	3,160,358	-	-
Depreciation of right-of-use assets	641,773	674,634	-	-
Depreciation of investment property at cost	355,227	68,807	-	-
Impairment loss on goodwill	-	1,961,260	-	-
Short term lease payment	163,500	153,000	-	-
Variable lease payment	9,285	9,579	-	-
Distribution income from other investments	(133,220)	(50,822)	(35,842)	(5,222)
Gain on fair value of other investments	(3,841,138)	(3,182,361)	(263,600)	(157,259)
Gain on disposal of other investments	(113,186)	(92,272)	(27,377)	(7,119)
Gain on disposal of property, plant and equipment	(38,669)	(156,252)	-	-
Property, plant and equipment written off	3,754	1,322	-	-
Realised loss/(gain) on foreign exchange	890,756	(372,667)	(47,745)	-
Reversal of impairment loss on investment in a subsidiary company	-	-	-	(132,542)
Unrealised loss on foreign exchange	836,262	426,230	-	-

NOTES TO THE FINANCIAL STATEMENTS

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26. TAX EXPENSE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current year's tax expense	3,385,357	6,700,973	153,100	216,090
Over provision of current tax expense in prior financial year	(95,496)	(140,947)	(24,234)	(332)
Transferred from deferred tax liabilities (Note 18)	(198,813)	(272,518)	-	-
Realisation of deferred tax liabilities upon depreciation of revalued assets (Note 18)	(48,868)	(50,856)	-	-
	3,042,180	6,236,652	128,866	215,758

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

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

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	15,390,793	26,521,915	33,541,084	13,971,603
Tax expense at Malaysian statutory tax rate of 24% (2024: 24%)	3,693,789	6,365,260	8,049,860	3,353,185
Tax effects in respect of:-				
Effect of differential tax rate	10,990	-	-	-
Expenses not deductible for tax purposes	184,698	279,128	169,138	655,381
Income not subject to tax	(452,462)	(165,331)	(8,065,898)	(3,792,476)
Deferred tax not recognised	(36,840)	(32,812)	-	-
Realisation of deferred tax liabilities upon depreciation of revalued assets	(48,868)	(50,856)	-	-
Utilisation of deferred tax asset previously not recognised	(10,986)	(9,183)	-	-
Over provision of tax expense in prior financial year	(95,496)	(140,947)	(24,234)	(332)
Over provision of deferred tax liabilities in prior financial year	(202,645)	(8,607)	-	-
	3,042,180	6,236,652	128,866	215,758

NOTES TO THE FINANCIAL STATEMENTS

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27. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Staff costs	14,386,707	15,763,882	-	-

Employee benefits expense of the Group and of the Company consists of, amongst others, the following items:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Directors' remuneration:-				
<u>Executive directors</u>				
- Salary	1,494,600	1,857,000	-	-
- Defined contribution plan	322,890	382,490	-	-
- Employment Insurance Scheme ("EIS")	401	304	-	-
- Bonus	1,180,917	1,323,779	-	-
- Social Security Contribution ("SOCSO")	4,742	3,814	-	-
<u>Non-executive directors</u>				
- Fee	183,600	168,480	183,600	168,480
- Other benefits	39,500	33,000	39,500	33,000
Other remuneration:-				
Defined contribution plan				
- Staff	834,769	880,736	-	-
Other key management personnel remuneration				
- Salary, allowance and commission	1,115,143	1,094,603	-	-
- Defined Contribution plan, SOCSO and EIS	157,650	158,792	-	-
- Bonus	161,263	129,125	-	-

28. RELATED PARTY DISCLOSURES

(a) The transactions of the Group and of the Company with the related parties were as follows:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Transactions with Directors' related companies:-				
- Sales of goods	4,998	417	-	-
- Services received	6,615	1,895	-	-
- Other expenses charged by	-	512	-	-
- Rental expenses charged by	163,500	153,000	-	-

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

28. RELATED PARTY DISCLOSURES (CONT'D)

- (a) The transactions of the Group and of the Company with the related parties were as follows (cont'd):-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Transactions with subsidiary companies:-				
- Advance to	-	-	8,173,340	15,000
- Advance from	-	-	715,882	-
- Dividend income	-	-	33,233,333	15,632,349
- Expenses paid on behalf for	-	-	551,052	2,788
- Expenses paid on behalf by	-	-	-	584,000
- Payment on behalf for purchase of property, plant and equipment	-	-	-	10,584,000
- Share capitalised	-	-	8,314,392	-
Transaction with a former Director:-				
- Disposal of motor vehicle	120,000	-	-	-
Transaction with key management personnel:-				
- Rental of hostel charged by	102,000	90,000	-	-

- (b) The outstanding balances arising from related party transactions as at the reporting date are disclosed in Notes 5 and 23 to the Financial Statements.
- (c) The remuneration of key management personnel is disclosed in Note 27 to the Financial Statements. Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly and entity that provides key management personnel services to the Group and the Company. Other key management personnel comprise persons other than the Directors of the Group, having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly.

29. COMMITMENTS AND CONTINGENT LIABILITIES

- (a) Capital commitments in respect of the following is not provided for in the Financial Statements:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Authorised and contracted for:-				
- Freehold land and building	11,828,858	-	-	-

- (b) The corporate guarantees are as follows:-

	Company	
	2025 RM	2024 RM
Unsecured:-		
Corporate guarantees given to licensed financial institutions for credit facilities granted to subsidiary companies - limit	21,315,000	21,315,000

NOTES TO THE FINANCIAL STATEMENTS

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29. COMMITMENTS AND CONTINGENT LIABILITIES (CONT'D)

(b) The corporate guarantees are as follows (cont'd):-

The corporate guarantees do not have determinable effect on the terms of the credit facilities due to the banks requiring guarantee as a pre-condition for approving the credit facilities granted to the subsidiary companies. The actual terms of the credit facilities are likely to be the best indicator of "at market" terms and hence the fair value of the credit facilities are equal to the credit facilities and contract bond amount received by the subsidiary companies. As such, there is no value on the corporate guarantee to be recognised in the financial statements.

30. FINANCIAL INSTRUMENTS

Categories of financial instruments

The table below provides an analysis of the financial instruments categorised as follows:-

(a) Financial assets and financial liabilities measured at amortised cost ("AC")

(b) Financial assets measured at fair value through profit or loss ("FVTPL")

	Carrying amount RM	FVTPL RM	AC RM
Group			
2025			
Financial assets			
Trade receivables	14,830,104	-	14,830,104
Other receivables	553,876	-	553,876
Other investments	127,456,713	127,456,713	-
Fixed deposits with licensed banks	29,702,475	-	29,702,475
Cash and bank balances	8,578,646	-	8,578,646
	181,121,814	127,456,713	53,665,101
Financial liabilities			
Trade payables	5,467,160	-	5,467,160
Other payables	15,551,834	-	15,551,834
Amount due to related parties	1,672	-	1,672
	21,020,666	-	21,020,666
2024			
Financial assets			
Trade receivables	23,962,790	-	23,962,790
Other receivables	552,236	-	552,236
Other investments	112,899,167	112,899,167	-
Fixed deposits with licensed banks	25,910,764	-	25,910,764
Cash and bank balances	9,155,133	-	9,155,133
	172,480,090	112,899,167	59,580,923
Financial liabilities			
Trade payables	5,900,851	-	5,900,851
Other payables	2,335,010	-	2,335,010
Borrowings	380,591	-	380,591
	8,616,452	-	8,616,452

NOTES TO THE FINANCIAL STATEMENTS

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30. FINANCIAL INSTRUMENTS (CONT'D)

Categories of financial instruments (cont'd)

The table below provides an analysis of the financial instruments categorised as follows (cont'd):-

- (a) Financial assets and financial liabilities measured at amortised cost ("AC")
 (b) Financial assets measured at fair value through profit or loss ("FVTPL")

	Carrying amount RM	FVTPL RM	AC RM
Company			
2025			
Financial assets			
Other receivables	13,993,082	-	13,993,082
Other investments	12,583,120	12,583,120	-
Amount due from a subsidiary company	124,998	-	124,998
Fixed deposits with licensed banks	15,000,000	-	15,000,000
Cash and bank balances	924,552	-	924,552
	42,625,752	12,583,120	30,042,632
Financial liability			
Other payables	13,741,393	-	13,741,393
2024			
Financial assets			
Other receivables	186,193	-	186,193
Other investments	3,266,300	3,266,300	-
Fixed deposits with licensed banks	15,000,000	-	15,000,000
Cash and bank balances	129,437	-	129,437
	18,581,930	3,266,300	15,315,630
Financial liabilities			
Other payables	539,698	-	539,698
Amount due to a subsidiary company	2	-	2
	539,700	-	539,700

Net gains/(losses) arising from financial instruments

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Net gains/(losses) on:-				
- Financial assets categorised as AC	(699,727)	1,586,871	562,115	798,311
- Financial assets categorised as FVTPL	4,087,545	3,325,455	326,820	169,600
- Financial liabilities categorised as AC	77,781	(36,057)	-	-
	3,465,599	4,876,269	888,935	967,911

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

30. FINANCIAL INSTRUMENTS (CONT'D)

Included in gains/(losses) on financial instruments categorised as amortised cost are:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Total interest income for financial assets at AC	1,250,100	1,634,828	562,115	798,311
Total interest expenses for financial liabilities at AC	(17,006)	(39,828)	-	-

Risk management objectives and policies

The Group and the Company are exposed to various risks in relation to financial instruments. The main types of risks are foreign currency risk, interest rate risk, credit risk and liquidity risk.

Financial risk management policy is established to ensure that adequate resources are available for the development of the Group's business whilst managing its foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group operates within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

(a) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group is exposed to foreign currency risk on those transactions that are denominated in a currency other than the functional currency of the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD"), Singapore Dollar ("SGD") and Swiss Franc ("CHF").

Based on carrying amounts as at the reporting date, foreign currency denominated financial assets and financial liabilities which expose the Group to currency risk are disclosed below:-

	USD RM	SGD RM	CHF RM
Group			
2025			
Financial assets			
Trade receivables	2,179,671	3,654	-
Fixed deposit with licensed banks	12,913,369	-	-
Cash and bank balances	2,407,525	810,302	-
	17,500,565	813,956	-
Financial liabilities			
Trade payables	(65,546)	(29,155)	(168,935)
Other payables	-	(59,575)	-
	(65,546)	(88,730)	(168,935)
Net exposure	17,435,019	725,226	(168,935)

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

30. FINANCIAL INSTRUMENTS (CONT'D)

Risk management objectives and policies (cont'd)

(a) Foreign currency risk (cont'd)

Based on carrying amounts as at the reporting date, foreign currency denominated financial assets and financial liabilities which expose the Group to currency risk are disclosed below (cont'd):-

	USD RM	SGD RM	CHF RM
2024			
Financial assets			
Trade receivables	4,576,479	9,322	-
Fixed deposit with licensed banks	9,169,340	-	-
Cash and bank balances	1,509,623	8,970	-
	15,255,442	18,292	-
Financial liability			
Trade payables	(198,676)	(51,839)	(201,306)
Net exposure	15,056,766	(33,547)	(201,306)

The Company has no foreign currency risk as at 30 June 2025 and 30 June 2024 as all its financial instruments are denominated in Ringgit Malaysia.

Foreign currency sensitivity analysis

The following table illustrates the sensitivity of profit in regards to the Group's financial assets and financial liabilities and the RM/USD exchange rate, RM/SGD exchange rate and RM/CHF exchange rate with 'all other things are being equal'.

It assumes a +/- 11.79% (2024: 6.46%) change of the RM/USD, RM/SGD and RM/CHF exchange rates respectively. The percentage has been determined based on the average market volatility in exchange rates in the previous 12 months. The sensitivity analysis is based on the Group's foreign currency denominated financial instruments held at each reporting date.

If the RM had strengthened against the USD, SGD and CHF by 11.79% (2024: 6.46%) respectively, this would have the following impact:-

	USD RM	SGD RM	CHF RM	Total RM
Group				
2025	(2,055,853)	(85,515)	19,920	(2,121,448)
2024	(973,386)	2,169	13,014	(958,203)

If the RM had weakened against the USD, SGD and CHF by 11.79% (2024: 6.46%) respectively, then the impact to profit for the financial year would be the opposite effect.

Exposures to foreign exchange rates vary during the financial year depending on the volume of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposures to foreign currency risk.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

30. FINANCIAL INSTRUMENTS (CONT'D)

Risk management objectives and policies (cont'd)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's fixed rate borrowings are exposed to a risk of change in their fair values due to changes in interest rates. The Group's variable rate borrowing is exposed to the risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

The Group's and the Company's interest rate management objective is to manage interest expenses consistent with maintaining an acceptable level of exposure to interest rate fluctuation.

Interest rate sensitivity

The Group and the Company are exposed to changes in market interest rates through borrowings at variable interest rates. Other borrowings are at fixed interest rates. The exposure to interest rates for the Group's short term placement is considered immaterial.

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

	Group RM	Company RM
2025		
Fixed rate instruments		
<u>Financial assets</u>		
Fixed deposits with licensed banks	29,702,475	15,000,000
Short-term deposits with licensed banks	1,200,000	-
	30,902,475	15,000,000
2024		
Fixed rate instruments		
<u>Financial assets</u>		
Fixed deposits with licensed banks	25,910,764	15,000,000
Short term deposits with a licensed bank	600,000	-
	26,510,764	15,000,000
Floating rate instrument		
<u>Financial liability</u>		
Bank overdraft	(380,591)	-

There is no interest rate sensitivity analysis presented as the Group's and the Company's financial instruments held at reporting date as there was no movement in the interest rate of the bank overdraft, and the other financial instruments were not sensitive to change in interest rates.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

30. FINANCIAL INSTRUMENTS (CONT'D)

Risk management objectives and policies (cont'd)

(c) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligation.

The Group's and the Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below:-

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Classes of financial assets				
- carrying amount:-				
Trade receivables	14,830,104	23,962,790	-	-
Other receivables	553,876	552,236	13,993,082	186,193
Amount due from a subsidiary company	-	-	124,998	-
Fixed deposits with licensed banks	29,702,475	25,910,764	15,000,000	15,000,000
Cash and bank balances	8,578,646	9,155,133	924,552	129,437
	53,665,101	59,580,923	30,042,632	15,315,630

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that all the above financial assets that are not impaired or past due for each of the reporting dates under review are of good credit quality.

None of the Group's financial assets are secured by collateral or other credit enhancements and none of the carrying amount of financial assets whose terms have been renegotiated that would otherwise be past due or impaired.

Receivables

Trade receivables are monitored on an ongoing basis to mitigate risk of bad debts. The Group's and the Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry in which customers operate.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

30. FINANCIAL INSTRUMENTS (CONT'D)

Risk management objectives and policies (cont'd)

(c) Credit risk (cont'd)

Receivables (cont'd)

The ageing analysis of trade receivables of the Group is as follows:-

		← Allowance for impairment loss →			
	Gross RM	Expected credit loss (individually impaired) RM	Expected credit loss (collectively impaired) RM	Total RM	Net RM
2025					
Within terms	7,879,338	-	-	-	7,879,338
Past due 1 to 30 days	3,621,677	-	-	-	3,621,677
Past due 31 to 60 days	2,736,289	-	-	-	2,736,289
Past due 61 to 90 days	468,110	-	-	-	468,110
Past due 91 to 120 days	81,408	-	-	-	81,408
Past due more than 120 days	122,522	(79,240)	-	(79,240)	43,282
	14,909,344	(79,240)	-	(79,240)	14,830,104
2024					
Within terms	12,103,187	-	-	-	12,103,187
Past due 1 to 30 days	5,297,779	-	-	-	5,297,779
Past due 31 to 60 days	4,480,743	-	-	-	4,480,743
Past due 61 to 90 days	1,671,413	-	-	-	1,671,413
Past due 91 to 120 days	381,988	-	-	-	381,988
Past due more than 120 days	27,680	-	-	-	27,680
	23,962,790	-	-	-	23,962,790

Based on historical information about customer default rates, the management consider the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk concentration profile of the Group's trade receivables as at the reporting date are as follows:-

	2025		2024	
	RM	%	RM	%
Top 3 receivables	2,495,076	17	8,235,551	34

In respect of other receivables, the Group and the Company are not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

For other receivables, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

30. FINANCIAL INSTRUMENTS (CONT'D)

Risk management objectives and policies (cont'd)

(c) Credit risk (cont'd)

Receivables (cont'd)

The credit risk for cash and bank balances and fixed deposits with licensed banks are considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Intercompany loans and advances

The maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position. The Company provides unsecured loans and advances to subsidiaries and monitors the results of the subsidiaries regularly. As at the end of the reporting period, there was no indication that the loans and advances to the subsidiaries were not recoverable.

Financial guarantee contracts

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowance was identified based on 12 months ECL.

	Company	
	2025 RM	2024 RM
Corporate guarantee given to licensed financial institutions for the credit facilities granted to subsidiary companies	21,315,000	21,315,000

The Company is exposed to credit risk arising from financial guarantee contracts given to banks for bank guarantee where the maximum credit risk exposure is the amount of bank guarantee utilised by the subsidiary companies. As at the end of the reporting period, there was no indication that the subsidiary companies would default in payment.

(d) Liquidity risk

Liquidity risk is the risk that the Group and the Company will not being able to meet their financial obligations as they fall due to shortage of funds.

In managing their exposures to liquidity risk, the Group and the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities as and when they fall due.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

30. FINANCIAL INSTRUMENTS (CONT'D)

Risk management objectives and policies (cont'd)

(d) Liquidity risk (cont'd)

The following table shows the areas where the Group and the Company are exposed to liquidity risk:-

	Group		Company	
	Current Less than 1 year RM	Non-current Between 1 to 5 years RM	Current Less than 1 year RM	Non-current Between 1 to 5 years RM
<u>2025</u>				
Non-derivative financial liabilities and lease liabilities				
Trade payables	5,467,160	-	-	-
Other payables	15,551,834	-	13,741,393	-
Amount due to a related party	1,672	-	-	-
Lease liabilities	377,475	153,763	-	-
Total financial liabilities and lease liabilities	21,398,141	153,763	13,741,393	-
Financial guarantees*	-	-	21,315,000	-
<u>2024</u>				
Non-derivative financial liabilities and lease liabilities				
Trade payables	5,900,851	-	-	-
Other payables	2,335,010	-	539,698	-
Amount due to a subsidiary company	-	-	2	-
Lease liabilities	375,754	452,603	-	-
Borrowings	380,591	-	-	-
Total financial liabilities and lease liabilities	8,992,206	452,603	539,700	-
Financial guarantees*	-	-	21,315,000	-

* This exposure is included in liquidity risk for illustration only. No financial guarantee was called upon by the holders as at the end of the reporting period.

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the financial liabilities at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

31. CAPITAL MANAGEMENT OBJECTIVE

The primary capital management objective of the Group is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to sustain future development of the business. There is no change to the objectives in the financial years ended 2025 and 2024.

The Group manages its capital by regularly monitoring its current and expected liquidity requirement and modify the combination of equity and borrowings from time to time to meet the needs. Shareholders' equity and gearing ratio of the Group and of the Company are as follows:-

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Total equity		218,305,584	220,172,903	167,761,140	148,531,957
Lease liabilities	19	512,916	788,188	-	-
Borrowings	20	-	380,591	-	-
Total debt		512,916	1,168,779	-	-
Debt-to-equity ratio		0.002	0.005	-	-

32. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of financial assets and financial liabilities of the Group and of the Company as at the reporting date are approximately at their fair values due to their short term nature, insignificant impact of discounting or they are floating rate instruments that are re-priced to market interest rates on or near the reporting date.

Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:-

	Quoted in active markets for identical instruments Level 1 RM	Significant other observable inputs Level 2 RM	Significant unobservable inputs Level 3 RM	Total RM
Group 2025				
Financial asset				
Other investments	-	127,456,713	-	127,456,713

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

32. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONT'D)

	Quoted in active markets for identical instruments Level 1 RM	Significant other observable inputs Level 2 RM	Significant unobservable inputs Level 3 RM	Total RM
Company 2025				
Financial asset				
Other investments	-	12,583,120	-	12,583,120
Group 2024				
Financial asset				
Other investments	-	112,899,167	-	112,899,167
Company 2024				
Financial asset				
Other investments	-	3,266,300	-	3,266,300

33. OPERATING SEGMENT - GROUP

For management purpose, the Group is organised into business units based on their products and has 3 reportable segments, as follows:-

<u>Operating segments</u>	<u>Business activities</u>
Converting	Printing of labels and stickers and customised converting services
Distribution	Distribution of industrial tapes, adhesives and other products
Investment holding	Investment holding

Directors monitor the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss which land is measured consistently with profit or loss in the consolidated Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

33. OPERATING SEGMENT - GROUP (CONT'D)

Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation. Transfer prices between business segments are established on terms and conditions that are mutually agreed upon.

The Group has aggregated certain operating segments to form a reportable segment due to the similar nature and operational characteristics of the products.

Business segments

	Converting			Distribution			Investment holding			Consolidation adjustments			Consolidated	
	2025 RM	2024 RM	(Restated)	2025 RM	2024 RM	(Restated)	2025 RM	2024 RM	(Restated)	2025 RM	2024 RM	(Restated)	2025 RM	2024 RM
Revenue:-														
External customers	57,560,791	81,003,684		15,826,876	24,952,805		-	-	-	-	-	-	73,387,667	105,956,489
Inter-companies	1,734,714	2,187,399		360	14,737		33,233,333	15,632,349	(34,968,407)	(17,834,485)	-	-	-	-
	59,295,505	83,191,083		15,827,236	24,967,542		33,233,333	15,632,349	(34,968,407)	(17,834,485)			73,387,667	105,956,489
Results:-														
Interest income	619,138	681,164		127,177	176,188		562,115	798,311	(58,330)	(20,835)			1,250,100	1,634,828
Interest expense	(139,260)	(163,649)		(17,708)	(23,570)		(76)	(36)	101,718	90,517			(55,326)	(96,738)
Depreciation of property, plant and equipment	(2,393,445)	(2,843,536)		(127,721)	(116,916)		-	-	(335,413)	(199,906)			(2,856,579)	(3,160,358)
Depreciation of right-of-use assets	(981,137)	(1,025,675)		(118,761)	(107,084)		-	-	458,125	458,125			(641,773)	(674,634)
Depreciation of investment properties	-	-		-	-		(355,227)	(68,807)	-	-			(355,227)	(68,807)
Tax expense	(1,932,523)	(4,526,111)		(966,091)	(1,564,035)		(349,891)	(215,758)	206,325	69,252			(3,042,180)	(6,236,652)
Other non-cash income / (expenses)	1,284,395	2,636,193		1,124,512	1,020,857		338,722	164,378	-	-			2,747,629	3,821,428
Segment profit	8,027,023	16,305,097		4,250,627	5,869,281		33,623,722	13,907,083	(33,552,759)	(15,796,198)			12,348,613	20,285,263

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

33. OPERATING SEGMENT – GROUP (CONT'D)

Business segments (cont'd)

	Converting RM	Distribution RM	Investment holding RM	Consolidation adjustments RM	Notes	Consolidated RM
2025						
Assets						
Segment assets	142,345,648	46,017,332	206,406,880	(152,733,830)	C	242,036,030
Additions to non-current assets other than financial instruments	778,720	96,938	127,006	-	D	1,002,664
Liabilities						
Segment liabilities	16,310,114	6,056,830	14,181,278	(15,503,762)	E	21,044,460
2024						
Assets						
Segment assets	156,357,824	42,854,645	165,063,590	(130,031,734)	C	234,244,325
Additions to non-current assets other than financial instruments	1,450,863	71,552	6,770	-	D	1,529,185
Liabilities						
Segment liabilities	7,842,401	803,189	750,706	(1,145,087)	E	8,251,209

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:-

- Inter-segment revenues are eliminated on consolidation.
- Other non-cash income/(expenses) consist of the following items:-

	2025 RM	2024 RM
(Allowance for)/Reversal of impairment loss of trade receivables	(79,240)	25,450
Bad debts written off	(62)	-
Gain on disposal of property, plant and equipment	38,669	156,252
Gain on disposal of other investments	113,186	92,272
Gain on fair value of other investments	3,841,138	3,182,361
Inventories written down	(51,338)	(925,301)
Reversal of inventories written down	612,294	1,343,957
Realised (loss)/gain on foreign exchange	(890,756)	372,667
Unrealised loss on foreign exchange	(836,262)	(426,230)
	2,747,629	3,821,428

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

33. OPERATING SEGMENT – GROUP (CONT'D)

Business segments (cont'd)

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements (cont'd):-

- C. The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position:-

	2025 RM	2024 RM
Segment assets	242,036,030	234,244,325
Tax recoverable	2,434,035	1,032,592
Total assets	244,470,065	235,276,917

- D. Additions to non-current assets other than financial instruments consist of:-

	2025 RM	2024 RM
Property, plant and equipment	1,002,664	1,529,185

- E. The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:-

	2025 RM	2024 RM
Segment liabilities	21,044,460	8,251,209
Lease liabilities	512,916	788,188
Borrowings	-	380,591
Tax payable	-	829,240
Deferred tax liabilities	4,607,105	4,854,786
Total liabilities	26,164,481	15,104,014

Geographical information

The Group's operation is predominantly carried out in Malaysia as disclosed in Note 24 to the Financial Statements.

Information about major customers

The following is major customers with revenue equal or more than 10% of the Group's total revenue:-

	Segment	Revenue	
		2025 RM	2024 RM
Customer A	Converting	5,547,749	17,976,194

NOTES TO THE FINANCIAL STATEMENTS

30 JUNE 2025

34. EARNINGS PER ORDINARY SHARE

Group

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share was based on Group's profit for the financial year attributable to owners of the Company and weighted average number of ordinary shares calculated as follows:-

	Group	
	2025	2024
Profit after tax for the financial year attributable to owners of the Company (RM)	12,348,613	20,285,263
Weighted average number of ordinary shares in issue	680,762,466	681,617,400
Basic earnings per ordinary share (Sen)	1.81	2.98

Diluted earnings per ordinary share

Diluted earnings per share is not disclosed as there are no potentially dilutive ordinary shares.

LIST OF PROPERTIES OWNED BY GROUP

AS AT 30 JUNE 2025

No.	Location	Land Area (sq.m.)	Built-up Area (sq. m.)	Existing Use	Tenure	Year of Expiry (for Leasehold)	Approximate Age of Building	Net Book Value as at 30 June 2025 RM'000	Date of Last Revaluation(R)/ Acquisition (A)
1	PLO 226, Jalan Kencana Mas, Kawasan Perindustrian Tebrau III, 81100, Johor Bahru, Johor Darul Takzim	10,000	7,757	Head office, warehouse and manufacturing activities (1-storey detached factory with a 2-storey office annexed)	Leasehold	31-May-69	16 years	17,247	30-Jun-23 (R)
2	No.5, Jalan Bukit 7, Bandar Seri Alam, 81750, Masai, Johor Darul Ta'zim	1,115	892.72	Office and production area (Intermediate 1 1/2 storey semi-detached factory)	Freehold	-	14 years	1,975	12-May-23 (R)
3	No.7, Jalan Bukit 7, Bandar Seri Alam, 81750, Masai, Johor Darul Ta'zim	1,115	892.72	Office and production area (Intermediate 1 1/2 storey semi-detached factory)	Freehold	-	22 years	1,976	12-May-23 (R)
4	No.37, Jalan Bulit 9, Bandar Seri Alam, 81750, Masai, Johor Darul Ta'zim	201	254.18	Accommodation area, utility area, shop area, store room, and loading bay (Intermediate 1 1/2 storey terraced workshop)	Freehold	-	18 years	596	12-May-23 (R)
5	PLO 228, Jalan Kencana Mas, Kawasan Perindustrial III, 81100, Johor Bahru	8,000	5,061.55	Office, production area, and lorry bay (2-storey office annexed with 1-storey factory and guard house)	Leasehold	27-Apr-69	16 years	10,351	26-Apr-24 (A)
6	Lot 61355, Mukim of Plentong, District Of Johor Bahru, Johor	8,213	N/A	A parcel of land zoned for industrial use	Freehold	-	-	5,206	3-Feb-23 (R)
7	63 Hillview Avenue #03-13 Lam Soon Industrial Building Singapore 669569	235	N/A	A flatted factory unit located within an industrial development	Freehold	-	35 years	7,429	10-Jan-25 (A)

ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2025

Total Number of Issued Shares : 678,137,800
 Class of Shares : Ordinary Shares
 Voting Rights : One vote for each ordinary share held
 Number of Shareholders : 6,246

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	5	0.080	169	0.000
100 - 1,000	674	10.791	394,500	0.058
1,001 - 10,000	2,832	45.341	16,815,900	2.480
10,001 - 100,000	2,392	38.297	80,311,931	11.843
100,001 - 34,080,869 (*)	340	5.443	168,857,576	24.900
34,080,870 AND ABOVE (**)	3	0.048	411,757,724	60.719
TOTAL	6,246	100.000	678,137,800	100.000

REMARK : * - LESS THAN 5% OF ISSUED SHARES

** - 5% AND ABOVE OF ISSUED SHARES

DIRECTORS' INTERESTS IN SHARES AS AT 30 SEPTEMBER 2025

NAME OF DIRECTORS	NO. OF SHARES HELD			
	DIRECT	%	INDIRECT	%
CHAW KAM SHIANG	355,000,000	52.349	97,431,724 ⁽¹⁾	14.368
ELLY CHAW	10,225,000	1.508	442,206,724 ⁽²⁾	65.209
LEE TING KIAT	1,038,600	0.153	-	-
DYANA SOFYA BINTI MOHD DAUD	-	-	-	-
WILLIAM MAK TING RUI	-	-	-	-
TANG KOK LIAN	-	-	-	-

SUBSTANTIAL SHAREHOLDERS AS AT 30 SEPTEMBER 2025

NAME	NO. OF SHARES HELD			
	DIRECT	%	INDIRECT	%
CHAW KAM SHIANG	355,000,000	52.349	97,431,724 ⁽¹⁾	14.368
ANG YAM FUNG	66,757,724	9.844	385,674,000 ⁽¹⁾	56.873
ELLY CHAW	10,225,000	1.508	442,206,724 ⁽²⁾	65.209
CHAW WEI KAI	20,449,000	3.015	431,982,724 ⁽²⁾	63.701

⁽¹⁾ Deemed interest by virtue of his/her spouse's and children's interest pursuant to Section 8 of the Companies Act 2016.

⁽²⁾ Deemed interest by virtue of his/her parents' and sibling's interest pursuant to Section 8 of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2025

LIST OF TOP 30 SHAREHOLDERS AS AT 30 SEPTEMBER 2025

(WITHOUT AGGREGATING SECURITIES FROM DIFFERENT SECURITIES ACCOUNTS BELONGING TO THE SAME REGISTERED HOLDER)

NO.	NAME	NO. OF SHARES HELD	%
1	CHAW KAM SHIANG	305,000,000	44.976
2	ANG YAM FUNG	52,311,614	7.714
3	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHAW KAM SHIANG	40,000,000	5.898
4	CHAW WEI KAI	20,449,000	3.015
5	ANG YAM FUNG	14,446,110	2.130
6	ELLY CHAW	10,225,000	1.508
7	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHAW KAM SHIANG (E-TSA)	10,000,000	1.475
8	TAN KIM SENG	8,236,200	1.214
9	LAW XIN YEE	3,658,900	0.539
10	TOH SIEW PAT	3,200,000	0.471
11	LAW KIING KIU	2,754,300	0.406
12	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR SEE HOCK CHUAN (E-BPT)	2,520,000	0.371
13	ONG KENG SENG	2,422,900	0.357
14	ONG CHEE JOON	2,280,000	0.336
15	TAN KIM SUN	2,000,000	0.294
16	HSBC NOMINEES (ASING) SDN. BHD. JPMSE LUX FOR BUMA-UNIVERSAL-FONDS I	1,972,900	0.290
17	DB (MALAYSIA) NOMINEE (ASING) SDN. BHD. SSBT FUND 0MK4 FOR TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS	1,648,400	0.243
18	PHUN CHIN TUNG	1,580,000	0.232
19	KOH AH KUAN	1,535,000	0.226
20	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM KHEK KENG (E-TAI)	1,480,100	0.218
21	KENANGA NOMINEES (TEMPATAN) SDN. BHD. RAKUTEN TRADE SDN. BHD. FOR ER SOON PUAY	1,380,000	0.203
22	ADRIAN GAN CHIA SHUNG	1,260,000	0.185
23	LAU WAI KOK	1,234,100	0.181
24	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOW WEI NGEE	,178,400	0.173
25	JEANETTE GOH II-SAN	1,100,000	0.162
26	ONG CHIN KANG	1,100,000	0.162
27	NG YIN CHEN	1,085,076	0.160
28	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB FOR LEE TING KIAT (PB)	1,038,600	0.153
29	EUGENE TAN YONG JIE	1,000,000	0.147
30	HLIB NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR WANG FOOK WENG	1,000,000	0.147
TOTAL		498,246,600	73.586

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 8th Annual General Meeting ("8th AGM") of MTAG Group Berhad ("MTAG" or "the Company") and its subsidiaries ("MTAG Group" or "the Group") will be held at Renaissance Hotel, 2, Jalan Permas 11, Bandar Baru Permas Jaya, 81750 Johor Bahru, Johor Darul Takzim on **Friday, 28 November 2025 at 10.00 a.m.** or any adjournment thereof, for the following businesses:

AGENDA

ORDINARY BUSINESS

Resolution on Proxy Form

- | | | |
|-----|---|--|
| 1. | To receive the Audited Financial Statements of the Company and of the Group for the financial year ended 30 June 2025 and the Reports of the Directors and Auditors thereon. | <i>(Please refer Explanatory Note 1)</i> |
| 2. | To confirm and ratify the payment of Directors' fees of RM17,280 to Mr. Tang Kok Lian, the Independent Non-Executive Director for the financial year ended 30 June 2025. | <i>Ordinary Resolution 1
(Please refer Explanatory Note 2)</i> |
| 3. | To confirm and ratify the payment of Directors' fees of RM10,800 to Mr. William Mak Ting Rui, the Independent Non-Executive Director for the financial year ended 30 June 2025. | <i>Ordinary Resolution 2
(Please refer Explanatory Note 2)</i> |
| 4. | To approve the payment of Directors' fees of RM360,000 to the Directors of the Company from the period from 1 July 2025 until conclusion of the 9 th AGM to be held in year 2026. | <i>Ordinary Resolution 3
(Please refer Explanatory Note 3)</i> |
| 5. | To approve the payment of Directors' benefits payable to the Directors of the Company up to an amount of RM45,000 from the close of the 8 th AGM until conclusion of the 9 th AGM in the year 2026. | <i>Ordinary Resolution 4
(Please refer Explanatory Note 4)</i> |
| 6. | To re-elect the following Directors who retire by rotation pursuant to the Company's Constitution: - | |
| 6.1 | Mr. Lee Ting Kiat – Clause 128 | <i>Ordinary Resolution 5
(Please refer Explanatory Note 5)</i> |
| 6.2 | Ms. Elly Chaw – Clause 134 | <i>Ordinary Resolution 6
(Please refer Explanatory Note 5)</i> |
| 6.3 | Mr. Tang Kok Lian – Clause 134 | <i>Ordinary Resolution 7
(Please refer Explanatory Note 5)</i> |
| 6.4 | Mr. William Mak Ting Rui – Clause 134 | <i>Ordinary Resolution 8
(Please refer Explanatory Note 5)</i> |
| 7. | To re-appoint Messrs. Grant Thornton Malaysia PLT as Auditors of the Company for the financial year ending 30 June 2026 and to authorise the Board of Directors to fix their remuneration. | <i>Ordinary Resolution 9
(Please refer Explanatory Note 6)</i> |

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

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

8. AUTHORITY TO ISSUE AND ALLOT SHARES OF THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

*Ordinary Resolution 10
(Please refer Explanatory Note 7)*

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act"), ACE Market Listing Requirements ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding twelve (12) months does not exceed ten percent (10%) of the total number of issued shares (excluding any treasury shares) of the Company for the time being ("Proposed General Mandate").

THAT such approval on the Proposed 10% General Mandate shall continue to be in force until:

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

whichever is the earlier.

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

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

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

NOTICE OF ANNUAL GENERAL MEETING

9. PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK

Ordinary Resolution 11
(Please refer Explanatory Note 8)

"THAT subject always to the Act, the Constitution of the Company, the Act, and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such number of issued shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that:

- i. the aggregate number of issued shares in the Company ("Shares") purchased ("Purchased Shares") and/or held as treasury shares pursuant to this ordinary resolution does not exceed five per centum (5%) of the total number of issued shares of the Company as quoted on Bursa Securities as at point of purchase; and
- ii. the maximum fund to be allocated by the Company for the purpose of purchasing the shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited financial statements and/or the latest management accounts (where applicable) available at the time of the purchase,

("Proposed Share Buy-Back").

AND THAT the authority to facilitate the Proposed Share Buy-Back will commence immediately upon passing of this Ordinary Resolution and will continue to be in force until:

- a. the conclusion of the next AGM of the Company following at which time the authority shall lapse unless by ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions;
- b. the expiration of the period within which the next AGM of the Company is required by law to be held; or
- c. revoked or varied by ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever occurs first, but shall not prejudice the completion of purchase(s) by the Company of its own Shares before the aforesaid expiry date and, in any event, in accordance with the AMLR and any applicable laws, rules, regulations, orders, guidelines and requirements issued by any relevant authorities.

AND THAT the Directors of the Company be and are hereby authorised, at their discretion, to deal with the Purchased Shares until all the Purchased Shares have been dealt with by the Directors in the following manner as may be permitted by the Act, AMLR applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force:

- i. To cancel all or part of the Purchased Shares;
- ii. To retain all or part of the Purchased Shares as treasury shares as defined in Section 127 of the Act;
- iii. To distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- iv. To resell all or part of the treasury shares;
- v. To transfer all or part of the treasury shares for the purposes of or under the employees' share scheme established by the Company and/or its subsidiaries;
- vi. To transfer all or part of the treasury shares as purchase consideration;
- vii. To sell, transfer or otherwise use the shares for such other purposes as the Minister may by order prescribe; and/or

NOTICE OF ANNUAL GENERAL MEETING

To deal with the treasury shares in any other manners as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

10. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

By Order of the Board
MTAG GROUP BERHAD

WONG CHEE YIN (f) (MAICSA 7023530)
(SSM Practicing Certificate No. 202008001953)
Company Secretary

Johor Bahru
Date: 30 October 2025

NOTES:

1. *The 8th AGM of the Company will be held in a physical mode in accordance with Rule 8.29A of the AMLR of Bursa Securities. This format allows shareholders, proxies, corporate representatives, and/or attorneys to attend in person. For further details, please refer to the Administrative Guide for complete instructions on how to attend the 8th AGM.*
2. *For the purpose of determining who shall be entitled to attend 8th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 21 November 2025. Only a member whose name appears on this Record of Depositors shall be entitled to attend this 8th AGM, or appoint a proxy to attend, speak and vote on his/her/its behalf.*
3. *A member entitled to attend and vote at this 8th AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her/its place. A proxy may but need not be a member of the Company.*
4. *A member of the Company who is entitled to attend and vote at the 8th AGM of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote in his/her/its place.*
5. *Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
6. *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 SICDA which is exempted from compliance with the provisions of Section 25A(1) of the SICDA.*
7. *Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.*
8. *The appointment of a proxy may be made in a hard copy form or by electronic form. In the case of an appointment made in hard copy form, the proxy form must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or the designated drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. In the case of electronic appointment, the proxy form must be deposited via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com>. Please refer to the Administrative Guide for the 8th AGM for further information on electronic submission. All proxy forms submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote.*
9. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or the designated drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*

NOTICE OF ANNUAL GENERAL MEETING

10. For a corporate member who has appointed an authorised representative, please deposit the *ORIGINAL* certificate of appointment of authorised representative with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. The certificate of appointment of authorised representative should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a Director; or
 - (b) any Director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
11. Please ensure *ALL* the particulars as required in the proxy form are completed, signed and dated accordingly.
12. Last date and time for lodging the proxy form is **Wednesday, 26 November 2025 at 10.00 a.m.**

EXPLANATORY NOTES:

Ordinary Business:-

1. Item 1 of the Agenda - Audited Financial Statements for the year ended 30 June 2025

This Audited Financial Statements is meant for discussion only as the provision of Section 340(1) of the Act does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item on the Agenda is not put forward for voting.

2. Items 2 and 3 of the Agenda

Ordinary Resolutions 1 and 2: Ratification of Payment of Directors' Fees

Pursuant to Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The Ordinary Resolutions 1 to 2 are proposed to seek shareholders' approval to confirm and ratify the payment of Directors' fees for the two newly appointed Independent Non-Executive Directors for the financial year ended 30 June 2025.

3. Item 4 of the Agenda

Ordinary Resolution 3: Payment of Directors' Fees

Pursuant to Section 230(1) of the Act, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

The Ordinary Resolution 3 is proposed to seek shareholders' approval on the payment of Directors' fees for the Independent Non-Executive Directors for the period from 1 July 2025 until the conclusion of the 9th AGM in November 2026.

4. Item 5 of the Agenda

Ordinary Resolution 4 - Payment of Directors' Benefits

The estimated amount of Directors' Benefits under Ordinary Resolution 4 payable to the Directors from the close of 8th AGM and until conclusion of the 9th AGM 2026, amounting to RM45,000 comprises of meeting allowances for Non-Executive Directors which was calculated based on the number of scheduled Board's and Board Committees' meetings from the close of 8th AGM until the 9th AGM in year 2026.

5. Items 6.1 to 6.4 of the Agenda

Ordinary Resolutions 5 to 8 - Re-Election of Directors

Please refer to the Statement Accompanying the Notice of AGM for information.

NOTICE OF ANNUAL GENERAL MEETING

6. **Item 7 of the Agenda**

Ordinary Resolution 9 - Re-Appointment of Auditors

The Board has, through the Audit Committee, considered the re-appointment of Messrs. Grant Thornton Malaysia PLT as the Auditors of the Company. The factors considered by the Audit Committee in making the recommendation to the Board to table their re-appointment at the 8th AGM are disclosed in the Audit Committee Report of the 2025 Annual Report.

Special Business:-

7. **Item 8 of the Agenda**

Ordinary Resolution 10 - Authority to Directors to Allot Shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016

Ordinary Resolution 10 proposed under item 8 of the Agenda is for the purpose of granting a renewal of the general mandate and if passed, will provide flexibility to the Company to issue new securities without the need to convene separate general meetings to obtain its shareholders' approval so as to avoid incurring additional costs and time. The purpose of this general mandate is for possible fundraising exercise including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration. This authority will commence from the date of this AGM and unless earlier revoked or varied by the shareholders of the Company at a subsequent general meeting, shall expire at the conclusion of the next AGM of the Company.

As at the date of this Notice, no new shares of the Company have been issued pursuant to the general mandate obtained at the 7th AGM of the Company held on 29 November 2024, and which will lapse at the conclusion of the 8th AGM.

8. **Item 9 of the Agenda**

Ordinary Resolution 11 - Proposed Authority for Share Buy-Back

The proposed Ordinary Resolution 11 if passed, will empower the Directors of the Company to purchase up to five per centum (5%) of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the 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.

For further information, please refer to the Statement to Shareholders dated 30 October 2025.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

PURSUANT TO RULE 8.29(2) OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD.

1. Further details of individuals who are standing for election as directors (excluding directors standing for re-election):

No individual is seeking election as a Director at the 8th AGM of the Company.

2. Further details of individuals who are standing for re-election as directors:

Mr. Lee Ting Kiat, Ms. Elly Chaw, Mr. Tang Kok Lian and Mr. William Mak Ting Rui ("Retiring Directors") are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 8th AGM. Their profiles can be found on pages 8 - 10 of the Annual Report 2025.

The Nominating Committee ("NC") conducts a Board Evaluation once a year to determine whether the Board of Directors ("the Board") of MTAG Group Berhad ("MTAG" or "the Company"), Board Committees and Directors are performing and discharging their duties effectively. The Board was satisfied with the overall results of the Board Evaluation conducted for the financial year ended 30 June 2025.

The Retiring Directors meet the criteria prescribed under Rule 2.20A of the ACE Market Listing Requirement ("AMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities") on character, experience, integrity, competence and time commitment to effectively discharge their roles as Directors. None of the Retiring Directors has any conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries.

The NC has conducted a review and assessment of the Retiring Directors in accordance with the Directors' Fit and Proper Policy and is satisfied that they have met the criteria prescribed by the said Policy.

The NC and the Board have also conducted assessment on the independence of Mr. Lee Ting Kiat, Mr. Tang Kok Lian and Mr. William Mak Ting Rui, being Independent Directors of the Company and are satisfied that they have complied with the criteria prescribed by the AMLR.

The Board (save for the Retiring Directors who have abstained from deliberation on discussions relating to their own re-election) believes that the contribution, commitment and performance of the Retiring Directors continue to be valuable and effective, and strongly supports their re-election as Directors of the Company.

3. A statement relating to general mandate for issue of securities in accordance with Rule 6.04(3) of the AMLR of Bursa Securities:

The general mandate for issue of shares is for the renewal of the general mandate obtained from the members at the 7th Annual General Meeting held on 29 November 2024 and no new shares of the Company have been issued pursuant to the said general mandate.

The purpose of this general mandate is for possible fundraising exercises including but not limited to further placement of shares for the purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or for issuance of shares as settlement of purchase consideration.

CDS Account No.	
No. of shares held	

I/We _____ Contact Number: _____
(FULL NAME IN BLOCK LETTERS)

NRIC No./Passport No./Company No. _____ of _____

(FULL ADDRESS)

being a member of MTAG GROUP BERHAD Registration No. 201801000029 (1262041-V) hereby appoint:

Full Name	NRIC No./ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or * (*delete as appropriate)

Full Name	NRIC No./ Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him, the Chairman of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the 8th Annual General Meeting ("8th AGM") of MTAG Group Berhad will be held at Renaissance Hotel, 2, Jalan Permas 11, Bandar Baru Permas Jaya, 81750 Johor Bahru, Johor Darul Takzim on Friday, 28 November 2025 at 10.00 a.m. or any adjournment thereof, and to vote as indicated below:

Item	Agenda			
1.	To receive the Audited Financial Statements for the financial year ended 30 June 2025 and the Reports of the Directors and Auditors thereon.			
Ordinary Business		Resolution	For*	Against*
2.	Confirm and ratify the payment of Directors' fees of RM17,280 to Mr. Tang Kok Lian, the Independent Non-Executive Director for the financial year ended 30 June 2025 .	Ordinary Resolution 1		
3.	Confirm and ratify the payment of Directors' fees of RM10,800 to Mr. William Mak Ting Rui, the Independent Non-Executive Director for the financial year ended 30 June 2025.	Ordinary Resolution 2		
4.	Payment of Directors' fees of RM360,000 to the Directors of the Company from the period from 1 July 2025 until conclusion of the 9 th AGM to be held in the year 2026.	Ordinary Resolution 3		
5.	Payment of Directors' benefits up to an amount of RM45,000 from the close of the 8 th AGM until conclusion of the 9 th AGM of the Company.	Ordinary Resolution 4		
6.	Re-election of the following Directors who retire by rotation in accordance with the Company's Constitution: -			
	6.1 Mr. Lee Ting Kiat – Clause 128	Ordinary Resolution 5		
	6.2 Ms. Elly Chaw – Clause 134	Ordinary Resolution 6		
	6.3 Mr. Tang Kok Lian – Clause 134	Ordinary Resolution 7		
	6.4 Mr. William Mak Ting Rui – Clause 134	Ordinary Resolution 8		
7.	Re-appointment of Messrs. Grant Thornton Malaysia PLT as Auditors of the Company for the financial year ending 30 June 2026 and to authorise the Directors to fix their remuneration.	Ordinary Resolution 9		
Special Business				
8.	Authority for Directors to allot and issue shares pursuant to Section 75 and 76 of the Companies Act 2016.	Ordinary Resolution 10		
9.	Proposed Renewal of Authority for Share Buy Back.	Ordinary Resolution 11		

* Please indicate with an "X" in the space provided how you wish your votes to be cast on the resolutions specified in the notice of meeting. If you do not do so, the *proxy/proxies will vote, or abstain from voting on the resolutions as he/she/they may think fit.

Signed this _____ day of _____

- ** Manner of execution:
- If you are an individual member, please sign where indicated.
 - If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
 - If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - at least two (2) authorised officers, of whom one shall be a director; or
 - any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.
- NOTES:**
- The 8th AGM of the Company will be held in a physical mode in accordance with Rule 8.29A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. This format allows shareholders, proxies, corporate representatives, and/or attorneys to attend in person.
For further details, please refer to the Administrative Guide for complete instructions on how to attend the 8th AGM.
 - For the purpose of determining who shall be entitled to attend this 8th AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, a Record of Depositors as at 21 November 2025. Only a member whose name appears on this Record of Depositors shall be entitled to attend this 8th AGM or appoint a proxy to attend, speak and vote on his/her/its behalf.
 - A member entitled to attend and vote at this 8th AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her/its place. A proxy may but need not be a member of the Company.
 - A member of the Company who is entitled to attend and vote at the 8th AGM of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote in his/her/its place.
 - Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("SICDA"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
 - 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 SICDA which is exempted from compliance with the provisions of Section 25A(1) of the SICDA. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholdings to be represented by each proxy.
 - The appointment of a proxy may be made in a hard copy form or by electronic form. In the case of an appointment made in hard copy form, the proxy form must be deposited with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur the designated drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. In the case of electronic appointment, the proxy form must be deposited via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmy.vistra.com>. Please refer to the Administrative Guide for the 8th AGM for further information on electronic submission. All proxy forms submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote.
 - Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd., at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or the designated drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

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AFFIX
STAMP

The Share Registrar
MTAG GROUP BERHAD
Registration No. : 201801000029 (1262041-V)
Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32
Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur

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- For a corporate member who has appointed an authorised representative, please deposit the ORIGINAL certificate of appointment of authorised representative with the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur. The certificate of appointment of authorised representative should be executed in the following manner:
 - If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - at least two (2) authorised officers, of whom one shall be a Director; or
 - any Director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
- Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
- Last date and time for lodging the proxy form is **Wednesday, 26 November 2025 at 10.00 a.m.**

Fold This Flap For Sealing

MTAG

MTAG GROUP BERHAD

Registration No. : 201801000029 (1262041-V)

PLO 226, Jalan Kencana Mas,
Kawasan Perindustrian Tebrau III,
81100 Johor Bahru, Johor, Malaysia.

Tel : +607-351 3333

Email : ir@mtaggroup.com

mtaggroup.com