

SMRT
HOLDINGS BERHAD

2025
ANNUAL REPORT

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CHAIRMAN'S STATEMENT

Dear Shareholders,

I am honoured to present my first Chairman's Statement as the newly appointed Independent Non-Executive Chairman of SMRT Holdings Berhad ("SMRT" or "the Group"), following my appointment on 8 September 2025. On behalf of the Board of Directors, I am pleased to report another year of steady performance and progress for the Group for the financial year ended 30 June 2025 ("FY2025").

Amid a year of political transitions, sharp currency fluctuations, and major weather disruptions across the region, SMRT remained resilient and adaptable, delivering steady earnings, healthy profitability, and continued progress as a regional IoT leader.

FY2025 marks another milestone in our ongoing transformation journey. The Group has continued to strengthen its business model as a pure-play provider of IoT-driven digital infrastructure and managed connectivity services, with a growing footprint across Malaysia, Indonesia, and the Philippines. Our focus remains clear: to build a scalable, sustainable business anchored on long-term recurring-revenue contracts across critical sectors such as power utilities, water utilities, financial services, and retail digitalisation.

Key Financial Highlights

For FY2025, SMRT delivered another year of strong financial and operational performance, underscoring the strength and resilience of its recurring-income business model. The Group recorded revenue of RM68.1 million, marking continued growth despite what was an exceptionally volatile year marked by currency fluctuations, inflationary pressures, and regional uncertainty. This steady performance was driven primarily by the expansion of managed service contracts with existing clients, particularly within the power utility and financial services sectors.

Overseas revenue rose to RM11.3 million, compared to RM9.9 million in FY2024, reflecting the continued momentum of our operations in Indonesia and the Philippines. Although the strengthening of the Malaysian Ringgit tempered the translated value of overseas earnings, the underlying operational performance of these markets remained robust and profitable, demonstrating the resilience of our regional strategy and the sound fundamentals of our international business.

Profit before tax increased to RM27.9 million, while profit after tax improved to RM27.7 million. After adjusting for a one-off disposal gain recognised in FY2024, the Group's underlying net profit rose by approximately 10.8% year-on-year, reflecting SMRT's operational efficiency, disciplined cost management, and a sustained focus on high-margin recurring income streams.

Operational Performance & Key Achievements

The fiscal year 2025 saw SMRT continued to expand its footprint in the IoT sector, with several key operational milestones achieved:

1. Growth in Managed Sites and Recurring Revenue

SMRT continued to expand its managed site portfolio, reaching a record high of over 28,000 active sites as at 30 June 2025. The steady growth in site deployments was supported by ongoing momentum in the power utility and financial services sectors — both core pillars of the Group's recurring-income business model.

As the site base expanded, recurring revenue increased as a share of total revenue, reinforcing the stability and predictability of the Group's earnings. Given the higher-margin nature of recurring income, this shift contributed positively to overall profitability, with improvements reflected in the Group's PAT performance. The Group continues to scale efficiently within its existing operational base, achieving stronger utilisation and margin leverage as volumes grow.

2. Expanding Regional Contributions

International operations in Indonesia and the Philippines continue to perform strongly, underscoring the scalability and regional strength of SMRT's business model. Both markets are

CHAIRMAN'S STATEMENT

(Continued)

now contributing more meaningfully to the Group's overall site count and recurring revenue base, reflecting growing operational maturity and execution consistency across the region.

In the Philippines, the Group achieved its first full year of revenue contribution, primarily from services within the financial services sector. This marks a major milestone in establishing our presence in the regional financial technology infrastructure space. Meanwhile, Indonesia remains a key focus for medium-term growth, supported by established relationships within the power utility and finance sectors.

Despite the appreciation of the Malaysian Ringgit, which moderated translated earnings, underlying performance in both markets remained robust and profitable - reaffirming the effectiveness of SMRT's regional expansion strategy and the long-term sustainability of its international portfolio.

3. Strong Cash Generation and Cost Discipline

The Group maintained a strong cash position throughout the financial year, reflecting effective cost discipline and the inherent strength of its recurring-income business model. The cash and cash equivalents together with short-term investments, increased to RM32.5 million as at 30 June 2025, supported by consistent collection efficiency, prudent expenditure, and a disciplined approach to working capital management.

This strong liquidity provides SMRT with the financial flexibility to reinvest in future growth areas, including product innovation, system automation, and regional expansion without relying heavily on external borrowings. The Group's balance sheet remains healthy, with minimal gearing, enabling it to capitalise on new strategic opportunities as they arise.

4. Strengthening Operational Efficiency through Digital Integration

During the year, SMRT successfully completed the implementation of phase 1 of its new Enterprise Resource Planning (ERP) system across its core business operations. This digital integration enhances visibility across project deployment, supply chain, and financial management functions - improving delivery efficiency, resource utilisation, and decision-making agility.

The ERP platform also enables closer alignment between field operations and corporate oversight, resulting in faster project turnaround times and better customer service performance. This milestone marks a significant step in SMRT's ongoing transformation toward a more data-driven, agile, and scalable organisation.

Acknowledgment

On behalf of the Board, I wish to express my sincere appreciation to the management team and all employees for their commitment, professionalism, and unwavering dedication throughout the year. I would also like to extend the Board's gratitude to Adjunct Professor Subramanian Amamalay, who was redesignated as Non-Independent Non-Executive Director on 8 September 2025. His leadership and foresight were instrumental in SMRT's transformation into a regional IoT leader.

To our shareholders, partners, and stakeholders - thank you for your continued trust and confidence in SMRT Holdings Berhad. Together, we will continue to build on our strong foundation and advance our vision of enabling a more connected, intelligent, and resilient Southeast Asia.

DIRECTORS' PROFILE



**TAN SRI DATUK SERI DR. MAZLAN BIN YUSOFF
("TAN SRI DR MAZLAN")**

B.A (Hons) Mal, M.A. Public Policy (Japan), PhD Mgmt, (UK)
PSM, SMW, PMW, DSDK

Independent Non-Executive Chairman

Tan Sri Dr Mazlan, a Malaysian, aged 62, male, was appointed to the Board on 8 September 2025.

Tan Sri Dr Mazlan has a Doctor of Philosophy (PhD) in Management from the University of Hull, United Kingdom, a Master in Public Policy from the University of Saitama, Japan, and a Bachelor of Arts (History) from the University of Malaya.

Tan Sri Dr Mazlan is a distinguished public administrator and educationist with over 35 years of experience in Malaysia's Administrative and Diplomatic Service. Beginning his career in 1988, he has held numerous senior government positions that shaped Malaysia's governance and higher education landscape. Among the key roles he has served include Director of the National Institute of Public Administration (INTAN) and Director-General of the Malaysian Administrative Modernisation and Management Planning Unit (MAMPU) under the Prime Minister's Department.

During his tenure as Secretary-General (KSU) of the Ministry of Higher Education (2020–2021), Tan Sri Dr. Mazlan spearheaded digital transformation to sustain learning during the COVID-19 pandemic, strengthened institutional governance, and introduced student welfare initiatives. He also advanced reforms to enhance the global competitiveness of Malaysian universities and fostered stronger collaboration between academia, industry, and government.

Following his retirement from the Public Service in 2021, Tan Sri Dr. Mazlan was appointed as Chairman of the Education Service Commission (SPC) from January 2022 to January 2025, where he oversaw the appointments, promotions, and discipline of teachers across Malaysia. During his tenure, he played a pivotal role in managing the recruitment of education officers, including a special nationwide intake in 2022 to address the national teacher shortage. In providing strategic direction to the Commission, he actively engaged with education and public sector stakeholders to enhance governance and the overall quality of Malaysia's Higher education system.

Tan Sri Dr. Mazlan has continued to contribute as a respected voice in public-sector leadership discourse during his post-retirement years. Notably, he delivered a lecture at Universiti Utara Malaysia, INTAN and Institut Aminuddin Baki where he highlighted the importance of visionary leadership, ethical conduct, and public trust in strengthening and advancing national institutions. Tan Sri Dr Mazlan is also currently working as a Professor of Practice at the Faculty of Economics and Management, National University of Malaysia.

Tan Sri Dr. Mazlan has no directorship in any other public listed company.

DIRECTORS' PROFILE

(Continued)



**TAN SRI DATO' DR PALANIAPPAN A/L RAMANATHAN CHETTIAR
("TAN SRI DATO' DR R PALAN")**

B.Sc., M.A., M.Sc., Ph.D., A.P.T., FBILD (UK),
P.S.M. (Federal), D.P.M.P. (Perak), J.B.K. (Kuching)

Non-Independent Non-Executive Director

Tan Sri Dato' Dr R Palan, a Malaysian, aged 69, male. He was appointed to the Board on 13 August 2004. He was redesignated from Executive Chairman to Non-Independent Non-Executive Chairman on 12 November 2021 and to Non-Independent Non-Executive Director on 4 January 2023.

Tan Sri Dato' Dr R Palan brings over four decades of leadership experience across the education, human capital, and corporate sectors.

An accomplished entrepreneur and educationist, he holds a PhD in Education from Federation University, Australia, and is a graduate of the Advanced Management Programme at Harvard Business School. He has founded and scaled multiple ventures in education and talent development that included two public listed corporations, and is the author of 21 books on leadership, education, and business – including *The Thought Leader's Playbook: Essential Business Lessons* (2024).

Tan Sri Dato' Dr R Palan currently serves as the Pro-Chancellor of the University of Cyberjaya and sits on the Board of Cyberjaya Education Group Berhad. He is also a Visiting Professor at Federation University and the Madras School of Social Work.

In the public sector, he was appointed by the Minister of Higher Education to the national advisory committee for the development of the Malaysian Higher Education Blueprint 2025–2035.

He is also the founder of Yayasan Palan, a foundation dedicated to corporate social responsibility and education access, and continues to contribute to various non-profit boards in both governmental and private sectors.

Further details are available at www.palan.org.

DIRECTORS' PROFILE*(Continued)*

MR MAHA RAMANATHAN PALAN ("MR MAHA")
Group Managing Director

Mr. Maha, a Malaysian, aged 31, was appointed to the Board on 23 July 2018. He currently serves as the Group Managing Director of SMRT Holdings Berhad ("SMRT").

Mr. Maha holds a Master's degree in Risk Management and Financial Engineering from Imperial College London and a Bachelor of Chemical Engineering (Hons) from the University of Manchester.

He joined the Board at a time when SMRT operated a diverse portfolio of businesses but remained loss-making, with a mandate to design and lead the Group's Strategic Turnaround Plan. Within three (3) years, and despite the challenges of the COVID-19 pandemic, he successfully transformed SMRT into a leading regional Internet of Things (IoT) solutions company, returning the Group to profitability in FY2021. Under his continued leadership, SMRT has achieved record performance, with both earnings and managed-site counts reaching all-time highs. He continues to steer the Group's growth and transformation strategy across its core sectors across ASEAN.

Mr. Maha also serves as the Group Managing Director of Cyberjaya Education Group Berhad ("CYBER"), one of Malaysia's largest health sciences higher education platforms offering accessible pathways to future careers. In addition, he is the co-founder of the Palan Foundation, a registered non-profit organisation dedicated to improving educational access and attainment for underprivileged youth.

DIRECTORS' PROFILE*(Continued)***MR CHU KHEH WEE, DANNY ("MR DANNY CHU")**

C.A.(M), ACMA, CGMA, MPMA

Executive Director

Mr Danny Chu, a Malaysian, aged 55, male, was appointed to the Board on 31 December 2019.

Mr Danny Chu received a diploma in cost accounting from the London Chamber of Commerce and Industry (LCCI) in 1990. Mr Chu was admitted as a registered accountant and a chartered accountant of the Malaysian Institute of Accountants (MIA) in December 1999 and June 2001, respectively, an associate member of the Chartered Institute of Management Accountants (CIMA) in August 1996 and a Chartered Global Management Accountant (CGMA) in May 2011.

Mr Danny Chu founded Executive Prosight Resources ("EPR") in February 2011 for the purpose of providing business, corporate advisory and employment services. He has recorded numerous successful corporate exercises in the country such as Corporate Structuring, Initial Public Offering ("IPO") and Merger & Acquisition ("M&A").

Mr Danny Chu also has vast experiences during his employment journey, specialising in finance and corporate reporting, corporate restructuring and various fund raising activities, covering various industries from manufacturing, property development and construction industries. From October 2007 to October 2008, Mr Danny Chu worked for D'Tiara Corp. Sdn. Bhd., being a company engaging in investment, development and sale of properties and resorts, as the chief financial officer and was responsible for the proposed listing application of such company on the Alternative Investment Market (currently known as AIM) of the London Stock Exchange. From October 2004 to September 2007, Mr Danny Chu worked for Oil-Line Engineering and Associates Sdn. Bhd., being a subsidiary of OilCorp Berhad, as a senior manager and was responsible for advising on corporate finance matters of the aforesaid company. From May 2002 to September 2004, Mr Danny Chu worked for Tenaga Nazar (M) Sdn. Bhd., being an affiliated company of OilCorp Berhad (a company engaging in the provision of engineering, procurement, construction, technical and contract related services in Malaysia, the Middle East and the ASEAN countries), as a senior manager of corporate finance and was responsible for managing corporate finance matters of the aforesaid company. Mr Danny Chu was also responsible for managing the financial affairs for other companies namely Worthy Builders Sdn. Bhd., Chase Perdana Berhad and Golden Plus Builders Sdn. Bhd.

Mr Danny Chu sits on the board of Heng Hup Holdings Limited, a Main Board listed company at Hong Kong Stock Exchange.

DIRECTORS' PROFILE*(Continued)***MS LIM KWEE YONG ("MS LIM")**

C.A.(M), Bsc Acc RMIT, Australia

Senior Independent Non-Executive Director

Ms Lim, a Malaysian, aged 54, female, was appointed to the Board on 10 March 2020. She was appointed as the Chairperson of the Audit and Risk Management Committee on 5 August 2020. She was redesignated as Chairperson of the Nomination Committee and Remuneration Committee of the Company on 27 September 2021 and redesignated as a member of Nomination Committee and Remuneration Committee on 30 October 2025.

Ms Lim received a Bachelor of Business, Major in Accounting from Royal Melbourne Institute of Technology ("RMIT"), Australia in November 1995. Subsequently, Ms Lim was admitted as a registered accountant and a chartered accountant of the Malaysian Institute of Accountants (MIA) in October 1999.

Ms Lim has vast experiences during her employment journey, specialising in financial management, treasury, internal control and risk management, covering various industries from renewable energy, waste management and Oil & Gas Pipe Coatings and Pipeline manufacturing industries. From January 2014 to August 2018, Ms Lim worked for Cenviro Sdn Bhd, being a company engaged in provision of integrated waste management treatment, as the chief finance officer and was responsible for the financial and treasury management, risk management, procurement and Management Information System departments of the Company. From October 2008 to December 2013, Ms Lim worked for Wasco Energy Group of Companies, being a subsidiary of Wah Seong Corporation Berhad, as a Head of Finance, Pipeline Services Division and was responsible for all financial management and reporting matters as well as investment appraisal matters of the aforesaid company. On March 1995, Ms Lim initiated her working career with Pricewaterhousecoopers ("PWC") as Audit Associate and she left PWC in April 2008 with her last position held as Senior Audit Manager.

Ms Lim is currently the Executive Director cum Chief Finance Officer of Econas Sdn Bhd, a company engaged in provision of consultancy services in waste management and renewable energy services. She is responsible for all financial strategies and management, internal control and corporate governance matters in the said company.

Ms Lim sits in the board of ES Sunlogy Berhad.

DIRECTORS' PROFILE

(Continued)



MS NG KIT CHING ("MS JASMINE NG")
Independent Non-Executive Director

Ms. Jasmine Ng, a Malaysian, aged 51, female, was appointed to the Board on 5 August 2020. She also serves as a member of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee of the Company on August 2020. She was redesignated as the Chairperson of the Nomination Committee on 30 October 2025.

Ms. Jasmine Ng holds a Master of Science in Blockchain and Digital Currency from the University of Nicosia, Cyprus, and a Bachelor of Commerce (Finance and Marketing) from Curtin University of Technology, Perth, Western Australia.

Ms. Jasmine Ng brings over 28 years of experience in financial services and technology, including senior leadership roles at Maybank Group, where she led strategic digital alliances, regional business programs, and acquiring operations. Her corporate experience also includes serving as CEO of NEM Malaysia, CEO of Razer Fintech, and Deputy CEO of ReGov Technologies, giving her deep insight into fintech, blockchain, and digital transformation across regulated industries.

She is currently a Director of the Institute of Corporate Directors Malaysia (ICDM), contributing to governance excellence and board leadership development in Malaysia.

A passionate advocate for social good, Ms. Jasmine Ng co-founded Women in Blockchain Asia and EPIC Homes and was named the Global Women Empowerment Icon 2023 for her exceptional contribution to women in technology and blockchain.

Ms. Jasmine Ng is the Co-Founder of a quantum-safe blockchain development company and a blockchain-based self-sovereign identity project.

Ms. Jasmine Ng has no directorship in any other public listed company.

DIRECTORS' PROFILE

(Continued)



IR HJH KAMALIAH BINTI ABDUL KADIR ("IR HJH KAMALIAH")
Independent Non-Executive Director

Ir Hjh Kamaliah, a Malaysian, aged 65, female, was appointed to the Board on 5 April 2024. She was appointed as the member of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee of the Company on 5 July 2024. She was redesignated as the Chairperson of the Remuneration Committee on 30 October 2025.

Ir Hjh Kamaliah embarked on her academic journey in the United Kingdom, earning an Ordinary National Diploma from Brighton Technical College in 1980. Subsequently, she graduated with a Bachelor of Science in Electrical Engineering & Applied Science from the University of Sussex, United Kingdom in 1983. Her commitment to lifelong learning continued with a Master's in Business Administration from the University of Malaya in 1997.

Ir Hjh Kamaliah's professional journey is complemented by a range of certifications and memberships, including being a Professional Engineer recognised by the Board of Engineers Malaysia (BEM) and Institution of Engineers Malaysia (IEM) in 1997, as well as a Certified Energy Manager recognized by ASEAN Energy Management Scheme ("AEMAS") in 2015. She also holds the ISO 9001 Lead Auditor certification in year 1999, showcasing her commitment to quality standards. Additionally, Ir Hjh Kamaliah has honed her leadership skills through the Boardroom Essentials Soft Skills and Board Simulation program by Lead Women Supporting Diversity Leadership.

Ir Hjh Kamaliah was conferred with the medal Johan Mahkota Wilayah by the King of Malaysia, in year 2010, being recognition of her contribution to society.

Ir Hjh Kamaliah an Electrical Engineering with a range of exposure in the country's power industry, previously served on the boards of TNB Research Sdn. Bhd. and TNBES Sdn. Bhd., wholly-owned subsidiaries of TNB, contributing to strategic decision-making and governance since March 2014 and April 2014, respectively. She was retired in February 2021. Her illustrious career has been marked by transformative leadership roles, strategic contributions, and a commitment to excellence in every facet of the utility sector.

Ir Hjh Kamaliah has no directorship in any other public listed company.

DIRECTORS' PROFILE

(Continued)



**ADJUNCT PROFESSOR SUBRAMANIAN AMAMALAY
("ADJUNCT PROFESSOR SUBRA")**

B.Soc.(USM); MBA (AMU); CIPD (UK)

Non-Independent Non-Executive Director

Adjunct Professor Subra, a Malaysian, aged 66, male, was appointed to the Board on 11 April 2022. He was redesignated from Non-Independent Non-Executive Director to Non-Independent Non-Executive Chairman on 4 January 2023 and to Non-Independent Non-Executive Director on 8 September 2025.

Adjunct Professor Subra has worked with the industry upon completing his studies from University Sains Malaysia and followed by a Master's and Doctorate in Business Administration from Asia Metropolitan University. He has also acquired professional qualifications such as Certificate in Training Practice from the Chartered Institute of Personnel and Development (CIPD), UK and has achieved membership with CIPD, UK. He has also obtained his Accredited Competency Professional from Institute of Leadership & Management (ILM) UK. Adjunct Professor Subra is a qualified auditor of the International Register of Certified Auditors (IRCA) and certified in Total Quality Management and Strategic Planning. He is also a certified Trainer with HRDF Malaysia and an SMR accredited trainer besides being qualified to use the Myers Briggs Type Indicator (MBTI). He has also joined Senior Management Leadership Development program at the Harvard Faculty Club, Harvard University, Boston, USA.

Adjunct Professor Subra has over thirty years of management and leadership experience in a wide range of organisations from Finance, Education to Consulting. He has travelled extensively in Asia on business assignments. He has led and delivered consulting assignments for large GLCs and MNCs in designing, developing and implementing competency framework as well as Talent Development across Asia and the Middle East, including Malaysia, Indonesia, India, Sudan, Qatar, Abu Dhabi, Dubai, Bahrain, Saudi Arabia, Oman, Singapore and Hong Kong.

Adjunct Professor Subra's working experience includes working at the then Ministry of Social Welfare, Government of Malaysia, MBf Finance, Taylors Education and the SMR Group. He was an Executive Director for Asiamet Education Group Berhad from 4 November 2015 to 21 September 2018. He is currently the Chairman and Director of N'osairis Technology Solutions Sdn Bhd.

Adjunct Professor Subra has no directorship in any other public listed company.

Notes to Director Profiles:

- (i) *Tan Sri Dato' Dr R Palan is the husband of Puan Sri Datin Kamatchi @ Valliammai A/P Malayandi, a substantial shareholder of the Company and the father of Mr Maha Ramanathan Palan, Group Managing Director of the Company.*
- (ii) *Save as disclosed above, none of the other Directors have any family relationship with any Director and/or major shareholder of the Company.*
- (iii) *None of the Directors have any conflict of interest with the Company.*
- (iv) *None of the Directors have been convicted of any offence within the past five (5) years (other than traffic offence, if any) nor imposed with any public sanction or penalties by the relevant regulatory bodies during the financial year ended 30 June 2025.*
- (v) *The attendance of the Directors at Board Meetings held during the financial year ended 30 June 2025 is disclosed in the Corporate Governance Overview Statement.*

KEY SENIOR MANAGEMENT'S PROFILES

AU WONG LIAN ("MR KIT AU") ***Group Chief Executive Officer***

Mr Kit Au a Malaysian, aged 53, male, was appointed as the Group Chief Executive Officer of the Company on 8 November 2024.

Mr Kit Au received a Bachelor of Science in Information Systems (Cum Laude), University of North Carolina, USA in 1994.

Mr. Kit Au is an accomplished business leader with over 30 years of experience in the technology and telecommunications sectors. His professional journey spans across software, information technology, data centres, cloud and managed services, and enterprise telecommunications. He has an excellent track record in leading large teams, driving business growth, and spearheading organisational transformation.

Prior to joining SMRT, Mr. Kit Au held senior leadership roles in several prominent multinational corporations. He began his career with Sime Darby in channel sales before progressing to Hewlett-Packard, where he assumed his first managerial position at the age of 28. He later served with Microsoft Malaysia for 12 years in various leadership capacities, followed by three years as the Managing Director of Logicalis Malaysia. His most recent role before joining SMRT was with Time dotCom Berhad as the Executive Vice President for the Enterprise Business.

At Time dotCom, Mr. Kit Au led the transformation of the Enterprise Business beyond connectivity offerings to include cloud, cybersecurity, managed services, and industry vertical offerings. Under his leadership, the business achieved consistent growth annually and became a key revenue contributor to the Group.

Recognised for his integrity, discipline, and passion for people development, Mr. Kit Au is a strong advocate of a high-performance culture. With deep industry insights, strategic business acumen, and extensive regional experience, he continues to steer SMRT towards sustained growth and innovation.

Mr Kit Au has no directorship in any other public listed company. He has no family relationships with any other director and/or major shareholder of the Company and his position in SMRT does not give rise to any conflict of interest situation. He has no conflict of interest or potential conflict of interest, including interest in any competing business that he has with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years (other than traffic offence, if any) nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2025.

KEY SENIOR MANAGEMENT'S PROFILES

(Continued)

PARTHIBAN SEKARAN ("MR PARTHIBAN")

***Chief Operating Officer, Nosairis Technology Solutions Sdn Bhd ("NTS"),
A wholly-owned subsidiary of The Company***

Mr Parthiban, a Malaysian, aged 44, male, joined NTS as the Head of Operations on 3 March 2020 and was promoted as the Chief Operating Officer of NTS on 1 August 2022.

Mr Parthiban has a Higher Diploma in Information Technology from NIIT Malaysia and has spent more than 17 years working in the technology (and particularly telecommunications) industry.

Mr Parthiban joined NTS as the Head of Operations in 3 March 2020 and was promoted to his current role in 1 August 2022, and has played a critical role in Company's growth. Upon joining NTS, he successfully restructured the Company's regional operations and project management functions to ensure that they could keep up with the Company's strong growth. In doing so, he helped ensure that NTS consistently met delivery targets and improved customer satisfaction even as the Company underwent a period of rapid growth. He is currently responsible for all technical operations in the Company, overseeing the Operations, Project Management, and Engineering departments at NTS, and also plays a critical role in the Company's commercial functions.

Prior to joining NTS, Mr Parthiban spent time with various telecommunications companies but most notably, with Time Dot Com ("Time"). He served in various roles during his 13-year tenure and in his final role at Time, he served as the Head of Regional Operations, where he was primarily responsible for managing all technical operations at Time.

Mr Parthiban has no directorship in any other public listed company. He has no family relationships with any other director and/or major shareholder of the Company and his position in NTS does not give rise to any conflict of interest situation. He has no conflict of interest or potential conflict of interest, including interest in any competing business that he has with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years (other than traffic offence, if any) nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2025.

MANAGEMENT'S PROFILES

BAKHTIAR EFFANDI ("MR BAKHTIAR")

Director of Special Projects

Mr Bakhtiar, a Malaysian, aged 50, male, joined NTS as a Senior Project Manager on 30 July 2021 and was promoted as the Director of Special Projects of NTS on 23 March 2023.

Mr Bakhtiar holds a Bachelor of Engineering degree in electronics from Polytechnic University at Kanagawa Prefecture, Japan. He has over two decades of experience in the technology industry, during which time he predominantly worked at various multinational corporations.

As a Senior Project Manager, Mr Bakhtiar oversaw the Company's project deployments for all customers and the Company's internal transformation efforts. Following a successful stint in this role, during which he drove key automation initiatives and helped the Company's Service Operations Centre reduce its average first response time for customers from 14 minutes to 5 minutes, he was promoted to his current role as the Director of Special Projects – in this role, he now oversees the Company's regional expansion efforts, and continues to lead the Company's internal transformation efforts.

Before joining NTS, he was a Project Manager at Touch 'n Go Sdn Bhd ("TnG"), where he oversaw TnG's open payment initiatives. Prior to that, he spent six years at IBM, serving in various customer facing roles. In his career, he has also worked at Hewlett Packard, Freescale Semiconductor, and Matsushita Electronic Motor. Alongside his practical experience, he holds several valuable industry certifications – including ITIL Expert v3 and Scrum Master Certified (SMC) – and speaks Japanese fluently.

Mr Bakhtiar has no directorship in any other public listed company. He has no family relationships with any other director and/or major shareholder of the Company and his position in NTS does not give rise to any conflict of interest situation. He has no conflict of interest or potential conflict of interest, including interest in any competing business that he has with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years (other than traffic offence, if any) nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2025.

MUHAMMAD AL-THAHIRIE ("MR AL-THAHIRIE")

Director of Engineering

Mr Al-Thahirie, a Malaysian, aged 37, male, joined NTS as an Engineer on 18 September 2017 and was promoted as the Director of Engineering of NTS on 1 May 2021.

Mr Al-Thahirie holds a Diploma in Network Security from the German-Malaysian Institute. He has over a decade of dedicated service in the technology sector.

Since joining NTS as an Engineer, Mr Al-Thahirie has played a pivotal role in the organisation's growth. A specialist in network monitoring, Mr Al-Thahirie – who holds a Zabbix Certified Professional certification – was primarily responsible for designing and deploying NTS' monitoring infrastructure, which now reliably monitors over 21,000 remote sites today. Mr Al-Thahirie currently oversees the entire Engineering team and leads a dynamic team with expertise in systems engineering, network engineering, software development, information security, and also in operational technologies such as SCADA.

Prior to joining NTS, Mr Al-Thahirie worked in the telecommunications industry, with a Malaysian Internet Service Provider.

Mr Al-Thahirie has no directorship in any other public listed company. He has no family relationships with any other director and/or major shareholder of the Company and his position in NTS does not give rise to any conflict of interest situation. He has no conflict of interest or potential conflict of interest, including interest in any competing business that he has with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years (other than traffic offence, if any) nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2025.

MANAGEMENT'S PROFILES

(Continued)

MOHAMMED RIVAI ("MR RIVAI")

Principal Engineer

Mr Rivai, an Indonesian, aged 42, male, joined NTS on 1 August 2016 and was promoted as the Principal Engineer of NTS on 23 March 2023.

Mr Rivai holds a Bachelor of Engineering degree in Mechanical Engineering from University of Syiah Kuala, Indonesia. He has spent almost two decades in the IT industry in various roles, but specifically in network engineering and IT security.

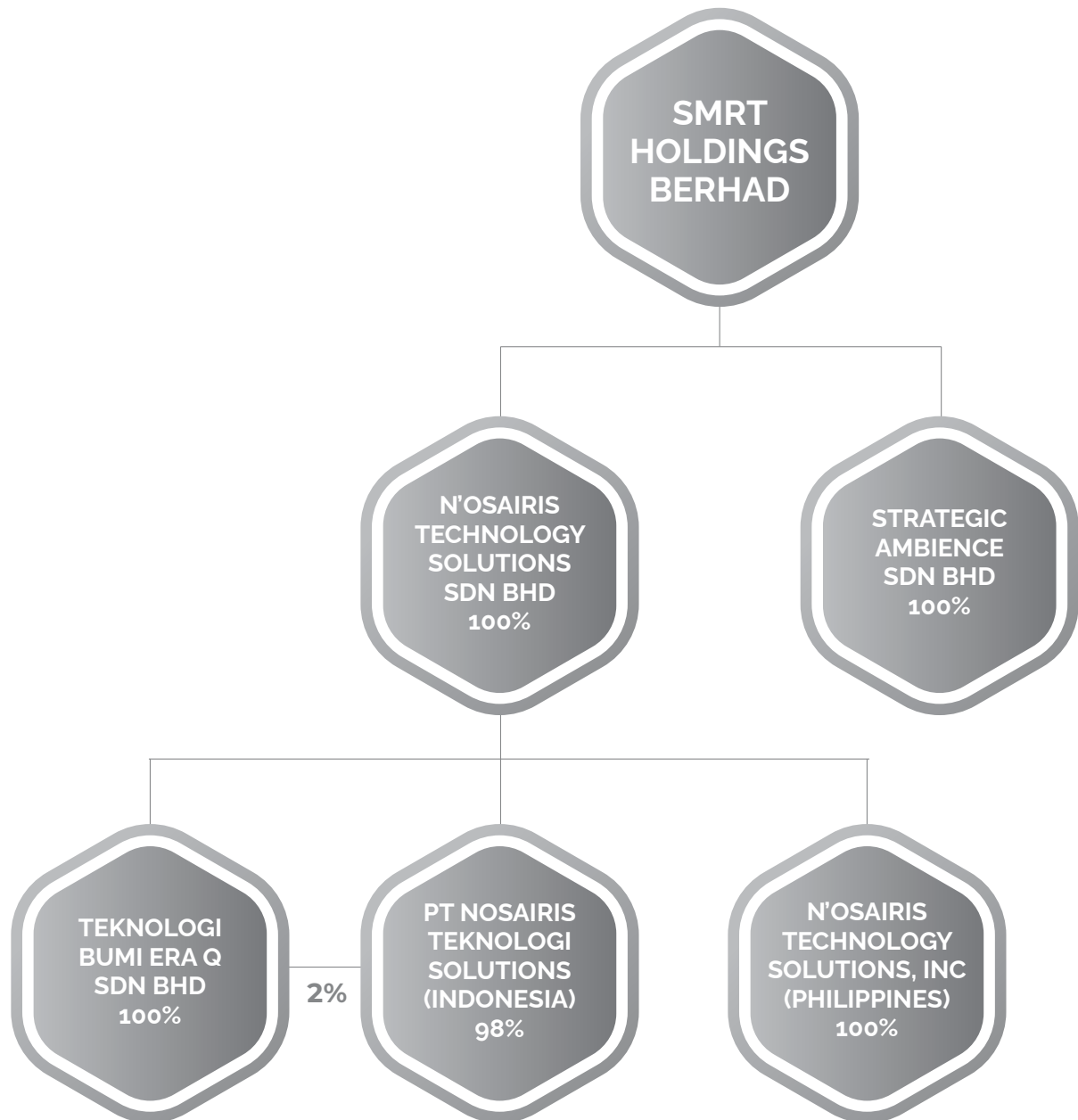
Mr Rivai was a key member of the team that developed NTS' product offerings for the power sector, which has been the bedrock of the Company's growth since 2017. As the Company's principal engineer, he leads the technical aspects of the Company's engineering and product development efforts and supports the development of engineering talent at NTS by mentoring younger engineers.

Mr Rivai also holds several industry certifications such as CCNP Service Provider, CCNP Enterprise, and JNCIS-SEC. Prior to joining NTS, he was attached to several financial service institutions in Indonesia where he led various teams and projects in the IT domain.

Mr Rivai has no directorship in any other public listed company. He has no family relationships with any other director and/or major shareholder of the Company and his position in NTS does not give rise to any conflict of interest situation. He has no conflict of interest or potential conflict of interest, including interest in any competing business that he has with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years (other than traffic offence, if any) nor imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year ended 30 June 2025.

GROUP CORPORATE STRUCTURE

As at 30 October 2025



MANAGEMENT DISCUSSION & ANALYSIS

This Management Discussion & Analysis ("MDA") provides shareholders with a clear understanding of SMRT Holdings Berhad's ("SMRT" or "the Group") operational and financial performance for the financial year ended 30 June 2025 ("FY2025"). It should be read together with the audited Financial Statements contained on pages 66 to 121 of this Annual Report.

The MDA is presented in the following sections:

- Overview
- Results of Operations
- Way Forward

Overview

Current Business Focus

The financial year ended 30 June 2025 marks another period of steady progress for SMRT Holdings Berhad, following its successful transformation into a pure-play Internet of Things ("IoT") solutions provider. Building on the foundation established in prior years, the Group continued to strengthen its recurring-income business model, deepen its service portfolio, and expand its regional footprint across Southeast Asia.

In Malaysia, the Group's core operations remained stable and resilient, supported by long-term managed service contracts with leading clients in the power, water, and financial services sectors. Regionally, both Indonesia and the Philippines contributed meaningfully to revenue and profitability, demonstrating the scalability and consistency of SMRT's IoT-driven managed services platform.

FY2025 also marked the first full year of profitable operations for the Philippines, validating SMRT's regional expansion strategy. The Group's initial success in the market was driven by its strong track record and proven reliability in other regions, which helped establish early confidence and accelerate project awards. These deployments continue to generate recurring income through the management of critical connectivity infrastructure, reflecting SMRT's ability to scale efficiently and execute consistently across Southeast Asia.

Key highlights for FY2025 Include:

1. Resilient Revenue Performance

The Group recorded total consolidated revenue of RM68.1 million, marking continued growth despite a highly volatile year characterised by fluctuating exchange rates, inflationary pressures, and varying market conditions across the region.

2. Strong Overseas Momentum

Overseas revenue grew to RM11.3 million from RM9.9 million in FY2024, driven by steady expansion in Indonesia and the Philippines. While the strengthening of the Malaysian Ringgit moderated the translated value of overseas earnings, underlying operational performance remained robust, highlighting the effectiveness of SMRT's regional strategy and the sustainability of its cross-border operations.

3. Strengthened Recurring Revenue Model

Over half of total revenue continues to be derived from long-term managed service contracts. This recurring-income foundation provides the Group with a high level of earnings visibility, cash flow stability, and resilience against cyclical market shifts.

4. Sustained Profitability

Profit Before Tax ("PBT") rose to RM27.9 million (FY2024: RM26.2 million), while Profit After Tax ("PAT") increased to RM27.7 million (FY2024: RM26.0 million). After adjusting for a one-off disposal gain recognised in the previous financial year, the Group's underlying net profit grew by approximately 10.8%, reflecting operational efficiency and disciplined cost management.

MANAGEMENT DISCUSSION & ANALYSIS

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Results of Operations

The Group's performance in FY2025 reflects the strength of its recurring revenue model and the scalability of its operations. Revenue improved to RM68.1 million, supported by the expansion of managed service contracts and a growing contribution from overseas markets.

The Group's profitability remained solid, with both PBT and PAT showing year-on-year improvement. The Philippines subsidiary achieved its first full-year profit, while Indonesia continued to deliver stable income from its managed connectivity services for clients in the power, industrial, and financial sectors.

Cash generation remained strong, supported by steady recurring income streams, low debtor risk, and efficient cost management. This operational resilience provides SMRT with a solid platform for reinvestment and growth across all key markets.

Way Forward

SMRT remains focused on steady and sustainable growth following its successful transformation into a leading IoT solutions provider. As the Group continues to expand across Southeast Asia, our priority will be to strengthen our position in key markets while deepening recurring income from core sectors such as utilities, financial services, and smart infrastructure.

We will continue to invest in proprietary R&D and advanced IoT technologies to enhance our service capabilities and long-term competitiveness, supported by disciplined execution and a strong operational foundation. The Group will also explore selective M&A opportunities that complement our technology portfolio and regional expansion.

With these priorities in place, SMRT is well-positioned to continue a sustainable growth path and deliver lasting value to our customers and stakeholders.

SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

At SMRT Holdings Berhad ("**SMRT**" or "**the Group**"), we view sustainability as an area of growing importance to our business and stakeholders. As we evolve as an Internet of Things ("**IoT**") solutions provider, we recognise that responsible growth must go hand in hand with environmental stewardship, social accountability, and strong governance. In the financial year ended 30 June 2025 ("**FY2025**"), we continued to integrate these principles across our operations and decision-making processes.

This Sustainability Statement ("**SS2025**") outlines our current sustainability-related practices and disclosures for FY2025, providing stakeholders insights of our present position, while outlining areas further improvement.

Reporting Period and Scope

Unless otherwise stated, this SS2025 presents sustainability data and information for the reporting period from 1 July 2024 to 30 June 2025 in line with SMRT's financial year. The scope of SS2025 covers the operations of SMRT, including its wholly-owned subsidiaries, N'osairis Technology Solutions Sdn. Bhd. ("**N'osairis**") and Strategic Ambience Sdn. Bhd.

Reporting Framework

This statement has been prepared in accordance with Bursa Malaysia Securities Berhad's ("**Bursa Securities**") ACE Market Listing Requirements ("**Listing Requirements**") and in reference to Bursa Securities' Sustainability Reporting Guide (3rd Edition).

Statement of Assurance

This SS2025 has not been subjected to an assurance process by an independent assurance provider. Nonetheless, information and data disclosed in this SS2025 have been verified for accuracy by respective data owners within the Group.

OUR SUSTAINABILITY COMMITMENT

Our sustainability agenda is guided by the principles set out in our Environmental, Social and Governance ("**ESG**") framework. As this is an ongoing process, we maintain our efforts to seek a balance between economic growth and the needs of our shareholders, communities, and the environment. This framework is anchored on three key ESG pillars, as illustrated in the diagram below.



SUSTAINABILITY STATEMENT

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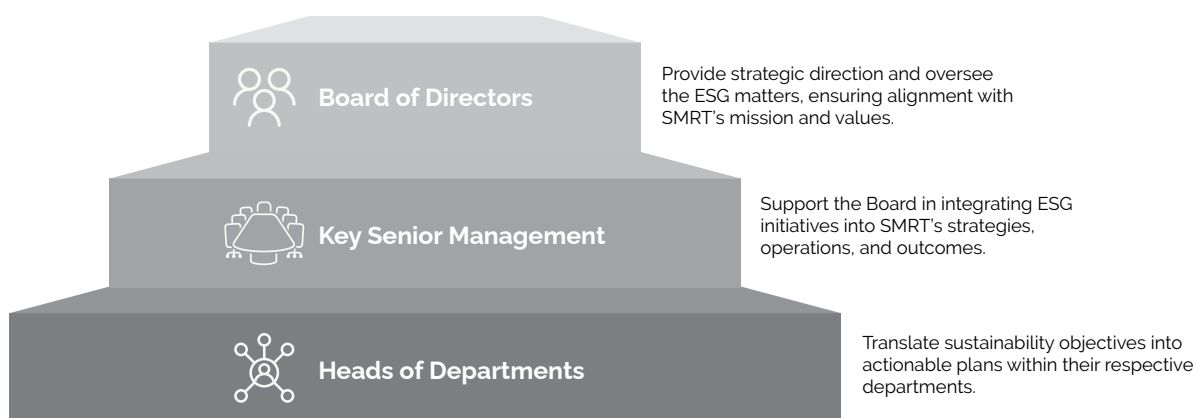
SUSTAINABILITY GOVERNANCE

Sustainability governance at SMRT is structured through a top-down approach, with defined roles and responsibilities at each level of the organisation.

The Board of Directors ("**the Board**") holds ultimate responsibility for ESG oversight within the Group. The Board sets the tone from the top and ensures that sustainable practices are aligned with the Group's mission and values.

Key Senior Management ("**KSM**") supports the Board by driving the integration of ESG considerations into business strategies and daily operations. This includes coordinating Group-wide initiatives, monitoring performance against set objectives, and driving continuous improvement in line with stakeholder expectations and regulatory requirements.

At the operational level, Heads of Departments ("**HODs**") and employees play a critical role in translating strategies into action. Within their areas of responsibility, they implement ESG efforts on the ground, translating sustainability into day-to-day activities and actions.



SMRT's Sustainability Governance Structure

STAKEHOLDER ENGAGEMENT

Stakeholder engagement provides valuable insights into the expectations and concerns of those who are directly or indirectly affected by our operations. The Group maintains communication with key stakeholders through existing business channels. These engagements help us strengthen relationships, address operational needs and identify areas for improvement. The table below outlines our key stakeholder groups, the channels of engagement, and the areas of interest.

Stakeholder Group	Forms of Engagement	Areas of Interest
Shareholders/ Investors	- Annual General Meetings - Bursa Malaysia announcements - Meetings and briefings - Media interviews - Press releases	- Business continuity - Economic performance - Shareholders' return - Corporate governance - Risk management
Customers	- Regular engagements - Products and services briefings - Customer satisfaction survey - Media announcements	- Customer service and satisfaction - Pricing - Product quality and safety - Quality assurance - Energy conservation

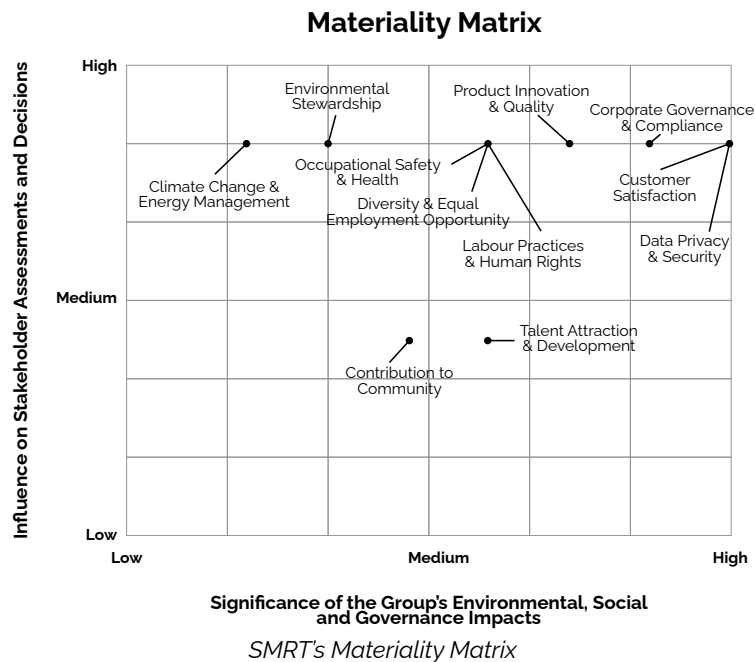
SUSTAINABILITY STATEMENT

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Stakeholder Group	Forms of Engagement	Areas of Interest
Suppliers/ Vendors/ Contractors	- Regular interactions - Procurement agreements - Feedback to suppliers - Audit on suppliers	- Supply chain management - Ethical and transparent procurement policies - Pricing - Payment arrangements
Employees	- Management meetings with employees - Memos and intranet - Annual performance reviews - Training and development sessions - Office events	- Fair Human Resources ("HR") policies and practices - Job security - Health and safety - Workplace satisfaction - Professional growth - Key Performance Indicators
Local Communities	- Corporate activities - Meetings	- Fair and ethical practices - Contribution toward socioeconomic growth
Government/ Regulatory Agencies	- Periodic site visits and meetings - Consultation on regulatory matters	- Compliance with regulations - Labour practices - Anti-corruption practices

MATERIALITY ASSESSMENT

In FY2025, we conducted an internal review of the Group's material sustainability matters to ensure continued alignment with regulatory requirements and business context. This review confirmed that the 12 material topics identified in FY2024 remain relevant for SMRT. The following materiality matrix shows the outcome of the assessment, illustrating the significance of each ESG topic from the perspective of SMRT and stakeholders.



SUSTAINABILITY STATEMENT

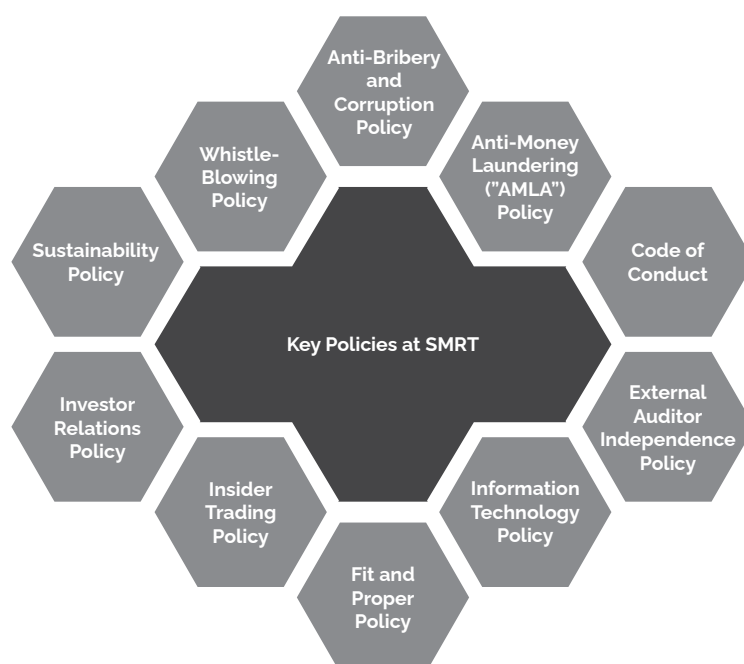
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ECONOMIC

Corporate Governance and Compliance

Creating sustainable growth requires robust governance structures and compliance. A sound governance structure is essential to maintaining stakeholder trust, providing clear guidance for directors, employees, and suppliers to act with integrity. Our corporate governance framework serves as a compass for ethical behaviour and decision-making, supported by established policies and procedures.

Our operations are governed by the laws of Malaysia, including the Malaysian Anti-Corruption Commission ("**MACC**") Act 2009, the MACC (Amendment) Act 2018, and any subsequent amendments or re-enactments issued by the relevant authorities.



We continue to strengthen our governance framework as we progress in our sustainability journey. In FY2025, the Group introduced an AMLA Policy, outlining measures to prevent the use of the Group's business for money laundering activities, reinforcing our commitment and resilience against financial crime risks.

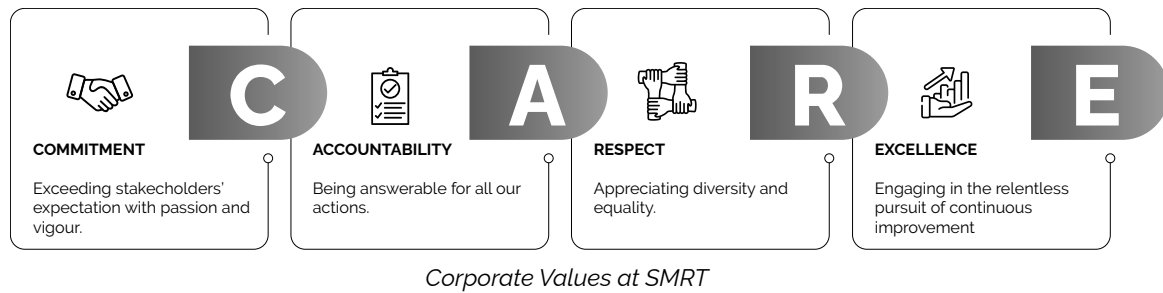
We remain steadfast in our stance against corruption in all its forms, including bribery, extortion, and fraud. During the year, we maintained adherence to applicable laws and regulatory requirements. We also aligned our practices with the recommended principles of the Malaysian Code on Corporate Governance ("**MCCG**") 2021, wherever possible to strengthen accountability.

Code of Conduct

The Group's Code of Conduct forms the foundation of our ethical business practices, which sets out the values and standards expected of all individuals at SMRT. It acts as a practical guide for responsible decision-making, handling business relationships with integrity, and maintaining professionalism in day-to-day operations. By embedding these principles across the organisation, the code strengthens a culture of Commitment, Accountability, Respect, and Excellence, which promotes our people to conduct themselves with integrity.

SUSTAINABILITY STATEMENT

(Continued)



Anti-Bribery and Corruption Policy

The Group upholds a zero-tolerance stance towards bribery and corruption, which is formalised in our Anti-Bribery and Corruption ("ABC") Policy. This policy applies to all directors, employees, and business associates, defining clear standards for lawful and ethical conduct. The ABC Policy is publicly accessible on SMRT's corporate website at <https://www.smrt.holdings/corporate-governance>.

The policy covers areas such as gifts and hospitality, entertainment, facilitation payments, donations and sponsorships, and conflicts of interest. It also establishes expectations for third parties performing work on behalf of the Group to comply with these standards.

Compliance is overseen by the Board and implemented through senior management and Heads of Departments, with all employees required to familiarise themselves with the policy. Breaches are regarded as serious offences and may result in disciplinary action, dismissal, financial penalties or legal consequences.

In FY2025, there were zero (0) reported instances of non-compliance with the ABC Policy or corruption.

Whistleblowing Policy

SMRT's Whistle-Blowing Policy provides a secure and confidential channel to raise concerns about misconduct or malpractices without fear of reprisal. It applies to all employees, contractors, consultants, vendors, suppliers and business associates who may encounter wrongdoing in the course of dealings with SMRT.

Concerns may relate to a wide range of issues, including fraud, financial improprieties, bribery and corruption, criminal offences, breaches of legal or regulatory obligations, sexual harassment, or attempts to conceal such matters.

Reports can be made through designated reporting channels, including directly to the Audit Committee Chairman, ensuring that concerns are handled confidentially and independently from management. All disclosures made in good faith are protected under the policy, with whistle-blowers safeguarded from victimisation and retaliation.

Data Privacy and Security

As a technology-driven solutions provider to the utilities and infrastructure sectors, SMRT relies on secure systems and reliable data to support our operations and services. Securing data privacy and maintaining robust cybersecurity practices are therefore critical to protecting business continuity and stakeholder trust.

In FY2025, the Group introduced a series of initiatives to strengthen cybersecurity and data privacy measures. These covered both operational safeguards and system-level enhancements.

At the operational level, we carried out cybersecurity awareness training for staff, rolled out multi-factor authentication, and established regular data backup processes to protect critical information. At the system level, we enhanced our Information Technology ("IT") Policy, implemented a network monitoring platform isolated from public hosting, and began adopting practices from the National

SUSTAINABILITY STATEMENT

(Continued)

Institute of Standards and Technology ("**NIST**") Cybersecurity Framework to improve resilience against evolving threats.

To further mitigate risks, SMRT maintains proactive systems and processes designed to detect, prevent and respond to potential threats. These included issuing phishing awareness reminders to employees, deploying an Endpoint Management System that scans files downloaded online or transferred via Universal Serial Bus ("**USB**"), and conducting post-incident reviews to address vulnerabilities and prevent recurrence.

In FY2025, there were zero (0) data breaches and zero (0) complaints related to customer privacy or data loss.

Supply Chain Management

An effective supply chain is key to sustaining SMRT's operations while upholding the quality and reliability standards.

SMRT sources a wide range of products and services critical to its operations, including cloud computing services, data servers, software, hardware devices, and site equipment, among others.

We engage with both domestic and foreign vendors, and strive to manage procurement processes responsibly and efficiently. In FY2025, purchases from local suppliers included electrical components, while international suppliers provided specialised equipment, thereby maintaining continuity of supply and access to quality materials.

The Group's supply chain is governed by a formal Group Procurement Policy, which establishes the principles and procedures for fair and accountable sourcing. During the year, this policy was updated to reflect the implementation of the Group's SAGE Procurement and Inventory Enterprise Resource Planning ("**ERP**") system, aimed at improving efficiency and traceability across the procurement cycle.

All business partners are expected to uphold the standards of ethics, labour rights, health and safety, and environmental responsibility, consistent with the principles set out in SMRT's Code of Conduct. To ensure compliance, all suppliers undergo an annual Vendor Evaluation Process as part of our due diligence. Our procurement process emphasises fair competition and objective assessment of commercial, technical, financial, and operational criteria, ensuring that suppliers meet both business needs and regulatory requirements.

To further safeguard operations, the Group also prioritises the use of non-hazardous materials. By reducing reliance on substances that could pose risks to health or the environment, SMRT minimises potential exposure throughout the product lifecycle.

Product Innovation and Quality

At SMRT, delivering reliable and high-quality solutions is the foundation of how we serve our customers and create sustainable value. The Group strives to meet customer requirements and regulatory expectations, while advancing innovation for long-term growth.

Innovation is a key enabler of competitiveness. SMRT fosters a culture of creativity and continuous improvement, empowering employees to contribute ideas that lead to practical solutions. Research and development ("**R&D**") is an integral part of this effort, providing the platform to develop new technologies and enhance existing capabilities.

In FY2025, R&D initiatives included the development of a Water Odour Pollution Sensor and Solutions to address environmental challenges, as well as an Integrated Remote Telemetry Unit designed specifically for the utilities sector. These projects demonstrate SMRT's approach of pursuing targeted and practical innovation that respond to emerging market needs.

Quality assurance underpins our product development and delivery. The Group operates a Quality Management System ("**QMS**") aligned with ISO 9001:2015, supported by structured processes

SUSTAINABILITY STATEMENT

(Continued)

for reliability and consistency. All products and services delivered are subject to a formal acknowledgement process, allowing us to verify receipt and report any dissatisfaction immediately, with vendors engaged for prompt rectification or replacement.

By combining innovation with robust quality management, SMRT delivers solutions that are reliable, safe and responsive to customer expectations.

Customer Satisfaction

Strong customer relationships are central to SMRT's ability to grow and remain competitive in the IoT industry. We aim to build long-term trust by delivering reliable solutions and ensuring our services meet our clients' needs.

We achieve this by equipping our teams with the expertise required to deliver consistent service quality, while keeping communication channels open for ongoing dialogue. To further strengthen engagement, we conduct customer satisfaction surveys to better understand client perspectives on areas such as solution quality, team capability, and operational responsiveness, among others. The insights gained are integrated into continuous improvement initiatives, guiding enhancements to our products, processes and service delivery.

ENVIRONMENTAL

Environmental Stewardship

At SMRT, we recognise our responsibility to minimise the environmental impact of our operations. As an IoT solutions provider, our footprint may be smaller than that of heavy industries, but we remain focused on managing resources responsibly and reducing any negative impacts arising from our activities.

Our approach is guided by the Group's Sustainability Policy, which sets out the principles and practices for embedding environmental responsibility across our operations.

We comply with all applicable environmental laws and regulations, including the Environmental Quality (Amendment) Act 2024. In FY2025, there were zero major incidents involving fines, penalties or non-monetary sanctions for non-compliance with environmental laws and regulations.

Waste Management

Our waste management practices span the full lifecycle — from collection and transport to treatment and final disposal — ensuring that all waste streams are managed responsibly. Guided by our Sustainability Policy, we seek to reduce waste generation, alongside emissions and energy use.

Electronic waste ("**e-waste**") is a relevant waste stream at SMRT, reflecting the nature of our business in IoT solutions. Retired devices and other electronic equipment are classified as scheduled waste under the Environmental Quality (Scheduled Wastes) Regulations 2005. These items are disposed of responsibly through licensed third-party contractors approved by the Department of Environment ("**DOE**"), to comply with regulatory requirements and minimising environmental risks.

Apart from that, the Group also generates non-scheduled wastes from our daily operations, such as packaging materials and office waste, among others. To reduce this, the Group promotes paperless practices and encourages recycling and reuse wherever possible.

By managing both scheduled and non-scheduled waste streams responsibly, we minimise the Group's environmental footprint and support the transition towards a more circular economy.

Water Management

SMRT operations are not water intensive, with usage largely limited to sanitary purposes and

SUSTAINABILITY STATEMENT

(Continued)

employee amenities at our offices and facilities. Nevertheless, we recognise water as a shared resource and strive to manage it responsibly in line with our Sustainability Policy, which guides our efforts to conserve water and minimise our water footprint.

To encourage efficient use, we implement awareness measures such as displaying water-saving signage in restrooms and break areas, and sharing good conservation practices with employees through internal newsletters and announcements. These initiatives embed responsible habits in daily routines and foster a culture of accountability.

We are currently strengthening our internal tracking process to support greater accuracy in future disclosures. With this, we aim to improve the capture of utility-related information across our operations, which will enable the Group to provide more complete disclosure moving forward.

Climate Change & Energy Management

At SMRT, we recognise the dual challenge of driving business growth while addressing the global impacts of climate change. Although our operations are not as energy-intensive as those of heavy industries, we acknowledge our responsibility to manage resources efficiently and reduce our environmental footprint.

As an IoT solutions provider, SMRT also contributes to climate action through the technologies we develop and deploy. Our solutions help clients and industries monitor resource consumption more effectively, optimise system performance and reduce unnecessary energy use. By enabling data-driven decision-making, IoT applications support wider efforts to minimise emissions and build more sustainable operations across sectors.

In addition to enabling efficiency for our clients, SMRT also applies the same principles within our own operations. Our energy efficiency initiatives include:

- **Smart monitoring:** Deployment of IoT-enabled sensors and monitoring devices at our premises to track energy consumption patterns and identify opportunities for efficiency.
- **Efficient infrastructure:** Replacement of traditional lighting and appliances with energy-saving alternatives, such as light emitting diode ("**LED**") lighting and Energy-Star-certified equipment.
- **Performance optimisation:** Conduct regular servicing and preventive maintenance of equipment to minimise energy waste and ensure peak performance, extending the lifespan of assets.
- **Employee awareness:** Encouraging employees to adopt simple but impactful habits, such as switching off lights and air-conditioning when not in use.

Through these measures, we strive to progressively reduce energy use and carbon emissions, while building climate resilience in our operations.

At the same time, we are refining our internal processes for managing electricity consumption data. This will help strengthen the accuracy of our reporting and provide better visibility of electricity usage across our operations.

SOCIAL

Labour Practices & Human Rights

SMRT is committed to fostering a workplace that respects human rights and upholds fair labour practices. We believe that protecting the dignity, safety, and well-being of employees is fundamental to building a resilient organisation.

Our approach is anchored in compliance with the Employment Act 1955 and the Employment (Amendment) Act 2022, which set out the minimum standards for employment and worker protection in Malaysia.

SUSTAINABILITY STATEMENT

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These principles are embedded through our company policies and the Employee Handbook, which serves as the key reference point for employees on employment practices, workplace conduct and entitlements.

In practice, our labour and human rights commitments are demonstrated through:

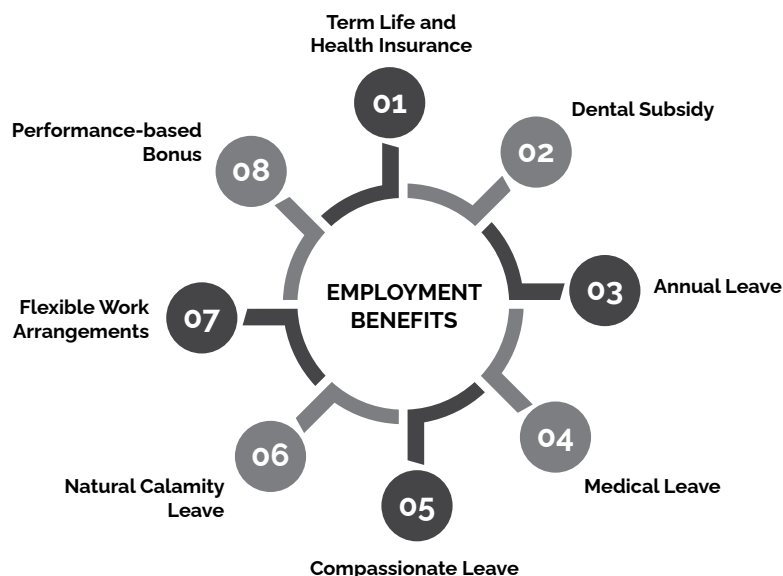
- **Fair Employment:** Providing equal opportunities for all through fair recruitment and promotion practices.
- **Safe and Healthy Workplace:** Maintaining a safe work environment and promoting a culture of well-being.
- **Diversity:** Valuing diversity and creating an inclusive workplace free from discrimination.
- **Employee Development:** Investing in employees' growth by equipping them with the necessary skills and knowledge to succeed in their roles.
- **Open Communication:** Encouraging feedback and enabling employees to raise concerns or suggestions without fear of retaliation.

During the year, we recorded zero (0) substantiated complaints of human rights violations, underscoring our focus to fair and responsible employment practices.

Talent Attraction & Development

People are at the heart of SMRT's business. Attracting capable talent and supporting their growth are key to sustaining competitiveness in the fast-evolving IoT industry. The Group aims to offer meaningful roles where employees can develop their skills while contributing to organisational success.

With the technical skills required in our operations, the Group emphasises fair and competitive remuneration to attract and retain talent. As a result, all employees earn well above the minimum wage threshold, ensuring compliance with Malaysia's Minimum Wages Order 2024 by default. SMRT also offers performance-based bonuses and benefits that recognise contribution. Benefits include allowances and incentives that enhance our workforce's overall well-being, helping to attract and retain talent in a competitive market.



Career progression at SMRT is supported through structured pathways that clarify opportunities for advancement. Employees are encouraged to take on new responsibilities or transitions across functions, enabling them to broaden their skillsets and experience.

SUSTAINABILITY STATEMENT

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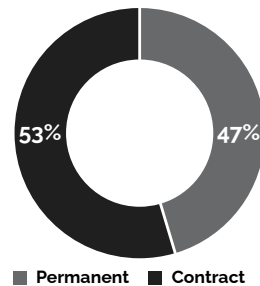
Developing talent is an ongoing priority at SMRT. In FY2025, our employees participated in nine training programmes, accumulating 236 training hours, more than double the 104 hours clocked in FY2024. These programmes covered technical competencies, such as system applications, project management and IoT-related skills, as well as soft skills including communication and leadership.

SMRT views talent development as a long-term investment. By combining fair rewards with meaningful career advancement and learning prospects, the Group is building a workforce that is motivated and resilient. These qualities are essential for navigating the rapid changes in the technology sector and for positioning SMRT as a trusted solutions provider in Malaysia.

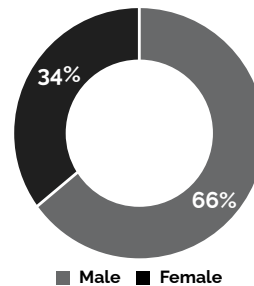
Diversity & Equal Employment Opportunity

SMRT endeavours to maintain a workplace that is inclusive and fair, where opportunities are accessible to all. We believe that diversity strengthens our workplace culture and encourages innovation across the Group.

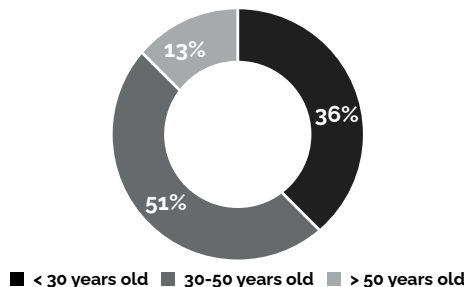
WORKFORCE BY EMPLOYMENT TYPE



EMPLOYEES BY GENDER



EMPLOYEES BY AGE GROUP



Our Equal Employment Opportunity ("EEO") Policy, as outlined in the Employee Handbook, sets expectations for fairness in employment practices. Decisions on recruitment, training, compensation, and promotion are based on an individual's qualifications, experience, and merit. The policy prohibits discrimination on the basis of race, colour, religion, sex, national origin, age, disability, sexual orientation, or marital status.

Fairness is applied from the start of the hiring process, and is upheld throughout the employee lifecycle. Employees are respected, valued for their contributions and provided equal access to opportunities for advancement.

SMRT enforces a zero-tolerance stance against any form of discrimination or bias, ensuring that the workplace remains safe and respectful. By embedding these principles, we aim to bring out the best in our people and strengthen long-term organisational growth.

Occupational Safety & Health

SMRT places strong emphasis on the safety, health, and well-being of our employees, recognising that a safe workplace is fundamental to productivity and morale.

SUSTAINABILITY STATEMENT

(Continued)

Our approach to occupational safety and health ("**OSH**") is anchored in preventive measures and ongoing monitoring, underpinned by established policies and procedures. We are guided by the Safety, Health, and Environmental ("**SHE**") Policy, which outlines the shared responsibility between management and employees in maintaining a secure work environment. Implementation is supported by the Group's Health and Safety Department which is accountable for conducting inspections, carrying risk assessments, and developing the Standard Operating Procedures ("**SOPs**") to address potential hazards.

Safety is further reinforced through employee participation. We organise OSH training sessions, awareness programmes, and safety drills to build knowledge and preparedness, embedding the principle that safety is a responsibility shared by everyone.

In the event of an incident, our Emergency Response Team ("**ERT**") is trained to take swift and effective action. Their responsibilities include managing emergency situations such as evacuations and fire safety, providing first aid and coordinating with external emergency services, and ensuring compliance with emergency preparedness protocols.

As a result of these measures, SMRT maintains compliance with the Occupational Safety and Health (Amendment) Act 2022 and other relevant regulations. In FY2025, SMRT recorded zero (0) lost-time injury and fatalities.



Zero

Lost-Time
Incidents



Zero

Fatalities

Contribution to Community

At SMRT, we understand our responsibility goes beyond business operations. We aim to deliver value not only to customers and shareholders, but also to the communities around us. Our community programmes focus on areas where we can make a difference, particularly in areas that foster health awareness, education, and inclusivity.

In FY2025, we continued to engage the community through meaningful CSR initiatives. One such initiative was a collaboration with dental students from *Universiti Malaya* to support the BRIGHTFuture International Academy, which provides care and education for autistic children. SMRT contributed a sum of RM1,500, which was utilised to provide educational materials that enhance the learning experience of the children, while also promoting oral health awareness under the "Tooth-Tastic" programme. This initiative not only benefited the children but also reflected SMRT's encouragement of employee volunteerism, as our people actively participated as well.



CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("**Board**") presents this statement to provide shareholders with an overview of the corporate governance practices of the Company and its subsidiaries (collectively referred to as "**Group**") which were based on the principles and best practices as set out in the Malaysian Code on Corporate Governance ("**MCCG**"), the governance standards prescribed in the ACE Market Listing Requirements ("**AMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the requirements under the Companies Act 2016 and applied under the leadership of the Board during the financial year ended 30 June 2025.

The Board is committed to the maintenance of high standard of corporate governance throughout the Group. The Board is supportive of the corporate governance framework and continues to enhance existing practices to achieve the corporate governance objectives of the Group.

This statement is to be read together with the Corporate Governance Report 2025 ("**2025 CG Report**") of the Company which is available on the Company's website at www.smrt.holdings. The detailed explanation on the application of the corporate governance practices is reported under the 2025 CG Report.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD LEADERSHIP

Board Duties and Responsibilities

The Board is primarily responsible for the stewardship and strategic direction of the Group including assessing and agreeing with the Group's corporate objectives and goals and targets to be met by management while management is responsible for the execution of the policies and attainment of the objectives of the Group.

The respective roles and responsibilities of the Board and management are clearly set out and understood by both parties to ensure accountability.

The Executive Directors hold the principal obligations in guiding, regulating, managing and communicating the Group's goals and objectives as well as all significant corporate matters, corporate restructuring plans, business extension plans and proposals. The Executive Directors assisted by the management are responsible for proposing, developing and implementing applicable and relevant new policies and procedures.

The Independent Non-Executive Directors are responsible for providing impartial and independent opinions, advice and contributing their knowledge and experience to the formulation of policies and the decision-making process. The Board structure ensures that no individual or group of individuals dominates the Board's decision-making process.

The Board had assumed the following duties and responsibilities during the financial year ended 30 June 2025:

- (a) Evaluated the conduct of the Group's business based on the monthly and quarterly financial and other reports prepared by management and concluded that the business is being managed sustainably.
- (b) Reviewed the interim financial statements and the annual report and was satisfied that the financial statements and the contents of the annual report reflected the true and fair view of the financial position and results of the Group and presented its activities accurately.
- (c) Reviewed the Sustainability Report of the Group and was satisfied that the report reflects the sustainability of its business and the environment it operates in.
- (d) Reviewed succession planning including appointing, training and fixing of compensation of Executive Directors and senior management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

- (e) Reviewed the efficiency and quality of the Group's financial reporting process and the adequacy and integrity of the Group's internal control and management information systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines and was satisfied that the internal control systems and information systems were adequate in all material aspects and that the Group complied with applicable laws and regulations.
- (f) Monitoring and reviewing compliance with internal control policies and risk management systems.
- (g) Identified principal risks of all aspects of the business and ensured that appropriate systems were implemented to manage these risks.
- (h) Ensured continuing education or training for Directors to keep abreast of relevant changes in laws and regulations and the development of the industry.
- (i) Ensured that the Company's investor relation programmes and shareholders' communication policy were implemented effectively.

Board and Board Committees

The Board has delegated specific duties to three (3) main board committees in discharging its fiduciary duties, namely the Audit and Risk Management Committee ("**ARMC**"), the Remuneration Committee and the Nomination Committee (collectively referred to as "**Board Committees**"). The Board Committees are guided by their respective terms of reference approved by the Board. All the Board Committees report to the Board with the necessary recommendations and the ultimate responsibility for final decisions on all matters is governed by the Board.

Chairman

During the financial year under review, the Board was led by a Non-Independent Non-Executive Chairman, Mr Subramanian A/L Amamalay. The Board, notwithstanding that the Chairman is a Non-Independent Non-Executive Director, is of the opinion that the element of independence which currently exists is adequate to provide assurance that there is a balance of power and authority of the Board. In addition, the Chairman is not involved in the day-to-day management of the Group's business. The Chairman is not a member of the Board Committees in line with Practice 1.4 of MCCG.

On 8 September 2025, Mr Subramanian A/L Amamalay was re-designated as a Non-Independent Non-Executive Director following the appointment of Tan Sri Datuk Seri Dr. Mazlan Bin Yusoff as the Independent Non-Executive Chairman.

Separation of Position of Chairman and Group Managing Director

During the financial year ended 30 June 2025, the Company has complied with the recommendation of the MCCG where the positions of chairman and chief executive officer are held by different individuals and that the chairman is a non-executive member of the board. The Board is chaired by the Non-Independent Non-Executive Chairman, Mr Subramanian A/L Amamalay and the Group Managing Director is Mr Maha Ramanathan Palan.

On 8 September 2025, Mr Subramanian A/L Amamalay was re-designated as a Non-Independent Non-Executive Director following the appointment of Tan Sri Datuk Seri Dr. Mazlan Bin Yusoff as the Independent Non-Executive Chairman.

Roles and Responsibilities of Chairman and Group Managing Director

The roles of the Chairman and the Group Managing Director are clearly defined and segregated to ensure an appropriate balance of power and authority, increased accountability and enhanced capacity of the Board for independent decision-making. The Chairman is responsible for leading the Board in the oversight and supervision of the Group's management while the Group

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

Managing Director together with the Executive Directors are responsible for the day-to-day management of the business and operations of the Group, making strategic business decisions and implementing Board's policies and decisions. They are supported by a management team and other committees established under the Group's management framework. The relevant members of the management attended Board meetings by invitation to support the Group Managing Director and the Executive Directors in presenting the updates on the progress of key initiatives, business targets and achievements to-date, and to provide clarification on significant operational issues and queries raised by the Board.

Key Senior Management

The Group Managing Director and the Executive Directors are responsible for the identification and development of the key senior management as well as to review the succession planning for key senior management team from time to time. Potential candidates are identified from within and outside the Company and groomed to take more responsibilities in due course. On 8 November 2024, Mr Au Wong Lian has been appointed as the Group Chief Executive Officer. He is not a member of the Board, and his profile can be found under the "Key Senior Management's Profiles" section on page 12 to 13 of the Company's 2025 Annual Report.

Company Secretary

The Board is supported by qualified and competent Company Secretaries who are both members of the Malaysian Institute of Chartered Secretaries and Administrators and the Companies Commission of Malaysia for practising company secretaries. They are responsible for ensuring that the Company's Constitution, procedures and policies and regulations are complied with. The Board is regularly updated by the Company Secretaries on any new statutory and regulatory requirements that affect the duties and responsibilities of the Directors. In this respect, the Company Secretaries have attended relevant continuous professional development programmes to keep themselves abreast with the regulatory requirements and corporate governance development. The Board recognises that the Company Secretaries are suitably qualified and capable of carrying out the duties required. The Board is satisfied with the services and support rendered by the Company Secretaries in the discharge of their duties. The Company Secretaries attended all the Board's meetings and Board Committees' meetings held in the financial year of 30 June 2025.

Board Charter

The Board is guided by the Board Charter which sets out the duties and responsibilities and matters reserved for the Board in discharging its fiduciary duties. The Board reviews the Board Charter periodically to ensure that it continues to remain relevant and appropriate. The Board Charter is published on the Company's website at www.smrt.holdings.

Code of Conduct and Ethics for Directors

The Company has put in place a Code of Conduct and Ethics for Directors which governs the standards of ethics and good conduct expected of Directors. The Board reviews the Code of Conduct and Ethics for Directors periodically to ensure that it continues to remain relevant and appropriate. The Code of Conduct and Ethics for Directors is published on the Company's website at www.smrt.holdings.

Whistle Blowing Policy

The Board has formalised a Whistle Blowing Policy with the aim to provide an avenue for raising concerns related to a possible breach of business conduct, any actual or potential fraud or breach of trust involving employees, management and Directors of the Group, non-compliance with laws and regulatory requirements as well as other malpractices. The Group's Whistle Blowing Policy seeks to foster an environment of integrity and ethical behaviour and to expose any illegal or improper action in the Group. In the financial year ended 30 June 2025, no complaints were received by the Board. The Whistle Blowing Policy is accessible by the public through the Company's website at www.smrt.holdings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

Anti-Bribery and Anti-Corruption Policy ("ABAC Policy")

In line with the amendments to the Malaysian Anti-Corruption Commission Act 2009 to incorporate a new Section 17A on corporate liability for corruption which took effect on 1 June 2020, the Group had adopted the ABAC Policy which set out the Group's responsibilities in providing principles, guidelines and recommendations to the employees on the procedures to deal with solicitation, bribery and corruption that could possibly arise on the business dealing and operation activities. The Company had also conducted briefings and trainings to all employees of the Group to create awareness on the ABAC Policy to foster the commitment of the employees in instilling the spirit of integrity and to avoid all forms of corruption practices within the organisation. The ABAC Policy is accessible by the public through the Company's website at www.smrt.holdings.

Fit and Proper Policy

In line with the new rule of the AMLR of Bursa Securities on 19 January 2022, the Board had on 30 May 2022 adopted the Fit and Proper Policy to ensure a formal and transparent process for the appointment and re-election of Directors and key senior management of the Group. The execution is delegated to the Nomination Committee and to be reviewed and approved by the Board. The Fit and Proper Policy shall be reviewed periodically by the Board and be revised at any time as it may deem necessary in accordance with the needs of the Company. The Fit and Proper Policy is published on the Company's website at www.smrt.holdings.

Promote Sustainability

The Board has formalised and adopted a Sustainability Policy which is posted on the Company's website at www.smrt.holdings. The Sustainability Policy sets out the way the Group operates its business, which is conducted in a socially responsible, trustworthy and ethical manner while accepting responsibility for impact on the environment, social and governance areas. The Sustainability Policy focuses on social awareness and betterment, environmental preservation and effective corporate governance. The details of the sustainability efforts are set out in the Sustainability Statement of the 2025 Annual Report.

Access to Information and Advice

The Board is supplied with all meeting materials in a timely manner. The Company Secretaries and the management are responsible for ensuring that the Board receives the agenda and board papers at least seven (7) days prior to the meetings to ensure that the Directors have sufficient time to go through the board papers before the meeting. The proceedings of meetings are properly recorded by the Company Secretary and circulated to the Board members in a timely manner. The decisions made at the Board meetings are communicated to the management in a timely manner too to ensure appropriate execution. The Board has access to the services and the advice of the Company Secretaries and professional advice from third parties. The non-executive Directors also have access to information from the management.

II. BOARD COMPOSITION

Current Board Composition

The current Board consists of eight (8) Directors, comprising of one (1) Independent Non-Executive Chairman, two (2) Non-Independent Non-Executive Directors, one (1) Group Managing Director, one (1) Executive Director and three (3) Independent Non-Executive Directors. The Board members are as follows:

Board Members	Directorship
Tan Sri Datuk Seri Dr. Mazlan Bin Yusoff (Appointed as Director on 8 September 2025)	Independent Non-Executive Chairman

CORPORATE GOVERNANCE OVERVIEW STATEMENT*(Continued)*

Board Members	Directorship
Tan Sri Dato' Dr Palaniappan A/L Ramanathan Chettiar	Non-Independent Non-Executive Director
Mr Subramanian A/L Amamalay	Non-Independent Non-Executive Director
Mr Maha Ramanathan Palan	Group Managing Director
Mr Chu Kheh Wee	Executive Director
Ms Lim Kwee Yong	Senior Independent Non-Executive Director
Ms Ng Kit Ching	Independent Non-Executive Director
Ir Hj Kamaliah Binti Abdul Kadir	Independent Non-Executive Director

Pursuant to Rule 15.02 of the AMLR of Bursa Securities, a listed corporation must ensure that at least two (2) directors or one-third (1/3) of the board of directors, whichever is the higher, are independent directors and one (1) director of the listed corporation is a woman. If the number of directors of the listed corporation is not three (3) or a multiple of three (3), then the number nearest one-third (1/3) must be used. In the event of any vacancy in the board of directors resulting in non-compliance with the above, a listed corporation must fill the vacancy within three (3) months.

The Company complies with Rule 15.02 of the AMLR of Bursa Securities as the current Board consists of eight (8) Directors, of whom four (4) are Independent Non-Executive Directors and three (3) are women Directors. The composition and size of the Board is reviewed from time to time to ensure its appropriateness and effectiveness.

Independence

The current Board comprises of eight (8) Directors, of whom four (4) are Independent Non-Executive Directors. They constitute 50% of the Board and this is in line with the MCCG's recommendation which states at least half (1/2) of the board shall comprise of independent directors.

The Independent Non-Executive Directors satisfy the independence test under the AMLR of Bursa Securities. All Independent Directors of the Company are independent of management and have no family or business relationships with the Executive Directors and major shareholders which could interfere with the exercise of their independent judgement. The presence of the Senior Independent Non-Executive Director provides an additional channel for Independent Non-Executive Directors to voice any opinion or concern that they believe have not been properly considered or addressed by the Board or which they feel may not be appropriate to raise in the open forum.

Tenure of Independent Directors

The Company does not have a policy on the tenure for independent directors as the Board is of the view that by imposing a fix term of limit for independent directors may not necessarily guarantee the independence and judgement of a director. Therefore, the Board believes it not necessary to impose a fixed term of limit for Independent Non-Executive Directors of the Company at this juncture.

Pursuant to MCCG, the tenure of an independent director must not exceed a cumulative term limit 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. If the board intends to retain an

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

independent director beyond nine (9) years, the board must justify its decision and seek annual shareholders' approval through a two-tier voting process.

On 19 January 2022, Bursa Securities had enhanced the listing requirements, among others, to further strengthen the board independence where a person can serve as an independent director for not more than a cumulative tenure of twelve (12) years and all long-serving independent directors impacted by this enhancement must resign or be redesignated as non-independent directors by 1 June 2023.

As present, none of the Independent Non-Executive Directors of the Company serves beyond nine (9) years.

Board Diversity

The Company has put in place the Gender Diversity Policy for Board. The Board acknowledges the importance of diversity and is supportive of the recommendation of MCCG to the establishment of boardroom and workforce gender diversity policy. The Board is committed to ensure that the appointments made to the Board are based on objective criteria, merit and with due regard for diversity in terms of skills, experience, age, gender, cultural background and ethnicity.

Appointment of new Directors is undertaken by the Board after considering the recommendations from the Nomination Committee. In searching for suitable candidates, the Nomination Committee may receive suggestions from existing Board Members, the management and/or major shareholders. The Nomination Committee is also open to referrals from external sources such as industry and professional associations as well as independent search firms.

At present, there are three (3) female Directors in the Board which represents 37.5% women directors on Board. This is in line with the MCCG's recommendation of at least 30% representations of women directors on Board.

Time Commitment and Directorship in Other Public Listed Companies

The directorships in other public listed companies in Malaysia held by any Board member at any one time shall not exceed any number as may be prescribed by the relevant authorities. In addition, at the time of appointment, the Board shall obtain the Director's commitment to devote sufficient time to carry out his/her roles and responsibilities. Directors are required to notify the Chairman before accepting any new directorship. Any Director is, while holding office, at liberty to accept other board appointments in other companies so long as the appointment is not in conflict with the Company's business and does not affect the discharge of his/her duty as a Director of the Company.

Each Board member is expected to achieve at least 50% attendance of total board meetings in any applicable financial year with appropriate leave of absence be notified to the Chairman and/or Company Secretaries, where applicable.

During the financial year ended 30 June 2025, the Directors have demonstrated their ability to devote sufficient time and commitment to their roles and responsibilities as Directors of the Company. This is evidenced by the attendance records of the Directors at all Board meetings held during the financial year under review. The Board is satisfied with the level of time and commitment given by the Directors of the Company towards fulfilling their duties and responsibilities.

Board Meetings

The Board met five (5) times during the financial year ended 30 June 2025. Details of the Directors' attendance at the Board meetings held are as follows:

CORPORATE GOVERNANCE OVERVIEW STATEMENT*(Continued)*

Board Members	Board Meetings Attended
Tan Sri Datuk Seri Dr. Mazlan Bin Yusoff (Appointed as Director on 8 September 2025)	N/A
Mr Subramanian A/L Amamalay	5/5
Tan Sri Dato' Dr Palaniappan A/L Ramanathan Chettiar	5/5
Mr Maha Ramanathan Palan	5/5
Mr Chu Kheh Wee	5/5
Ms Lim Kwee Yong	5/5
Ms Ng Kit Ching	5/5
Ir Hj Kamaliah Binti Abdul Kadir	5/5

All the Directors have complied with the minimum 50% attendance requirement in respect of the Board meetings held during the financial year ended 30 June 2025.

The Board meets on a quarterly basis to review the operations, financial performance, reports from the various Board Committees and other significant matters of the Group. Where any direction or decisions are required expeditiously or urgently from the Board between the regular meetings, special Board meetings will be convened by the Company Secretaries, after consultation with the Chairman. Additionally, in between Board meetings, the Directors may also approve various matters requiring the approval of the Board by means of circular resolutions.

Directors' Training

Although the Board does not have a policy requiring each Director to attend a specific number and types of training sessions each year, the Directors are encouraged to attend continuous education programmes/seminars/conferences and shall as such receive further training from time to time to keep themselves abreast of the latest development in statutory laws, regulations and best practices, where appropriate, in line with the changing business environment and enhance their business acumen and professionalism in discharging their duties to the Group.

The new Director, Tan Sri Datuk Seri Dr. Mazlan Bin Yusoff, who was appointed to the Board on 8 September 2025 had informed that he will attend the Mandatory Accreditation Program ("MAP") prescribed by Bursa Securities within the required timeframe.

On 6 June 2023, the Securities Commission Malaysia and Bursa Securities had announced the roll out of a new MAP for directors of public listed companies known as MAP Part II. The existing MAP is now known as MAP Part I. Except for the newly appointed Director, Tan Sri Datuk Seri Dr. Mazlan Bin Yusoff, all current Directors have completed the MAP Part II.

During the financial year ended 30 June 2025, the Directors have attended the following training:

Board Members	Courses Attended
Mr Subramanian A/L Amamalay	• Senior Management Leadership programme • The Asia HRD Congress 2024
Tan Sri Dato' Dr Palaniappan A/L Ramanathan Chettiar	• The Asia HRD Congress 2024 • Asia Pacific Family Business Summit • Mandatory Accreditation Programme Part II: Leading for Impact (LIP)

CORPORATE GOVERNANCE OVERVIEW STATEMENT*(Continued)*

Board Members	Courses Attended
Mr Maha Ramanathan Palan	• HBR Webinar: How to Assess True Macroeconomic Risk • HBR Webinar: How To Create A System For Consistent Growth • The Asia HRD Congress 2024 • Selangor State Public Health Conference • The Future of IoT @ Wireless Logic
Mr Chu Kheh Wee	• User Training for EPR System
Ms Lim Kwee Yong	• Updates in Transfer Pricing Recent Developments, TP Planning and Compliance Strategy for Taxpayers • Taxation – A strategic view on Recent Developments • Influencing and Negotiation Skills for Accounting and Finance Professionals • E – Invoicing
Ms Ng Kit Ching	• Industry Roundtable: Adoption and Implementation of Digital Trade Standards in ASEAN • U.S. Embassy's Cyber Security Panel Discussion – The Future of Cryptocurrency in Malaysia • Business Integrity Alliance – Blockchain and Governance • Stablecoin Leadership - with StraitsX, Failsafe + Polygon • ICDM BRMC Dialogue: Tech, Risk & Talent • China, US & the Ringgit: Balancing global and local opportunities • Resource Global Conference • Malaysia Leadership Summit (2025) • HR Tech & Innovation Conference 2025 • BURSA MALAYSIA - Cybersecurity Power Play: How Leaders Can lead the Digital Defense
Ir Hj Kamaliah Binti Abdul Kadir	• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)

During the financial year ended 30 June 2025, the Directors were updated on the recent developments in the areas of statutory and regulatory requirements from the briefing by the external auditors, the internal auditors and the Company Secretaries during the Board's and Board Committees' meetings. The Directors will continue to undergo relevant training programmes to enhance their skills and knowledge.

Nomination Committee

The current Nomination Committee consists of three (3) members, all of whom are Independent Non-Executive Directors. The members of the Nomination Committee are as follows:

Nomination Committee Members	Position	Directorship
Ms Ng Kit Ching	Chairperson	Independent Non-Executive Director
Ms Lim Kwee Yong	Member	Senior Independent Non-Executive Director
Ir Hj Kamaliah Binti Abdul Kadir	Member	Independent Non-Executive Director

The Board has established the Nomination Committee with the responsibilities of assessing the balanced composition of the Board members, nominating the proposed Board member by looking into his/her skills and expertise for contribution to the Company on an ongoing basis.

The summary of activities undertaken by the Nomination Committee during the financial year ended 30 June 2025 were as follows:

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

- (a) Reviewed the effectiveness of the Board as a whole, the Board Committees and the individual Directors and made appropriate recommendations to the Board.
- (b) Reviewed and recommended the retirement and re-election of Directors at the forthcoming Annual General Meeting ("**AGM**") in accordance with the Company's Constitution.
- (c) Reviewed and recommended to the Board the appointment of Group Chief Executive Officer in accordance with the fit and proper criteria outlined in the Fit and Proper Policy.

The annual evaluation of the Company for the financial year ended 30 June 2025 was conducted internally by the Nomination Committee on 18 August 2025. Based on the assessment conducted, the Board was satisfied with the size, composition as well as the mixture of qualifications, skills and experience among the Directors and the members of the Board Committees and the independence of its Independent Non-Executive Directors. The Nomination Committee found the individual Directors to be consistently good in discharging their duties and responsibilities. Additionally, there was mutual respect among individual Directors who contributed to a healthy environment for constructive deliberation and a robust decision-making process.

Pursuant to the Company's Constitution, all Directors who are appointed by the Board during the year shall retire by casual vacancy at the Company's AGM following his/her appointment. The Company's Constitution also provides for at least one-third (1/3) of the remaining Directors who do not retire as aforesaid shall retire by rotation at every AGM. The Company's Constitution further provides for every Director to retire once in every three (3) calendar years. All retiring Directors are eligible for re-election by shareholders at the AGM.

The Nomination Committee had on 18 August 2025 reviewed the annual re-election of Directors based on the characteristic, integrity, competency and time commitment of the Directors in discharging their duties and responsibilities and recommended to the Board, the re-election of the retiring Directors pursuant to the Company's Constitution before tabling the same at the Company's Twenty-First (21st) AGM for shareholders' approval. The details of Directors seeking re-election at the forthcoming 21st AGM and a statement which supports the re-election of the retiring Directors are set out in the Notice of 21st AGM and the Statement Accompanying Notice of 21st AGM in the 2025 Annual Report.

The Nomination Committee met twice during the financial year ended 30 June 2025. Details of the attendance of the Nomination Committee members at the Nomination Committee meeting held are as follows:

Nomination Committee Members	Nomination Committee Meeting Attended
Ms Ng Kit Ching	2/2
Ms Lim Kwee Yong	2/2
Ir Hj Kamaliah Binti Abdul Kadir	2/2

The terms of reference of the Nomination Committee are reviewed by the Board in accordance with the needs of the Group and is published on the Company's website at www.smrt.holdings.

Remuneration Committee

The current Remuneration Committee consists of three (3) members, all of whom are Independent Non-Executive Directors. The members of the Remuneration Committee are as follows:

Remuneration Committee Members	Position	Directorship
Ir. Hj Kamaliah Binti Abdul Kadir	Chairperson	Independent Non-Executive Director
Ms Ng Kit Ching	Member	Independent Non-Executive Director

CORPORATE GOVERNANCE OVERVIEW STATEMENT*(Continued)*

Ms Lim Kwee Yong	Member	Senior Independent Non-Executive Director
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The Company has put in place a formalised remuneration policies and procedures for Directors and senior management. The Board believes in a remuneration package that fairly supports the Directors' responsibilities and fiduciary duties in steering the Group to achieve its long-term goals and enhance shareholders' value. The Board offers a competitive remuneration package for senior management to attract, motivate and retain high calibre talents.

The determination of the remuneration for Non-Executive Directors is a matter of the Board as a whole. The level of remuneration for Non-Executive Directors reflects the amount paid by other comparable organisations, adjusted based on the experience and level of responsibilities undertaken by the Non-Executive Director concerned. The remuneration package of Non-Executive Directors will be a matter to be deliberated by the Board based on the recommendation of the Remuneration Committee, with the Director concerned abstaining from deliberations and voting in respect of his/her remuneration. The aggregate annual Directors' fees and other benefits payable are to be approved by shareholders at the AGM based on the recommendations of the Board.

The level of remuneration for Executive Directors is fairly guided by market norms and industry practice. The Remuneration Committee recommends the Executive Directors' remuneration and benefits based on their individual performances and that of the Group.

The remuneration of the senior management is evaluated annually by the Group Managing Director and/or Executive Directors against the set targets to determine the recommendation on their remuneration levels. The Group Managing Director and/or Executive Directors would ensure that the Company offers fair compensation and is able to attract and retain talent who can add value to the Company.

The Remuneration Committee met once during the financial year ended 30 June 2025. Details of the attendance of the Remuneration Committee members at the Remuneration Committee meeting are as follows:

Remuneration Committee Members	Remuneration Committee Meetings Attended
Ms Lim Kwee Yong	1/1
Ms Ng Kit Ching	1/1
Ir Hj Kamaliah Binti Abdul Kadir	1/1

During the meeting held on 19 August 2024, the Remuneration Committee reviewed and recommended the Directors' remuneration in respect of the financial year ended 30 June 2025 to the Board for approval. It is then decided by the Board, with the respective Directors abstaining from any deliberation or decision in determining their own remuneration.

The terms of reference of the Remuneration Committee are reviewed by the Board in accordance with the needs of the Group and is published on the Company's website at www.smrt.holdings.

III. REMUNERATION

The details of the Directors' remuneration for the financial year ended 30 June 2025 are as follows:

CORPORATE GOVERNANCE OVERVIEW STATEMENT*(Continued)***Company (RM'000)**

No	Name	Fee	Allowance	Salary	Bonus	Benefit-in-kind	Other Emoluments	Total
1.	Tan Sri Datuk Seri Dr Mazlan Bin Yusoff Independent Non-Executive Chairman <i>(Appointed as Independent Non-Executive Chairman on 8 September 2025)</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2.	Tan Sri Dato' Dr Palaniappan A/L Ramanathan Chettiar Non-Independent Non-Executive Director	480.0	3.0	-	-	-	-	483.0
3.	Mr Maha Ramanathan Palan Group Managing Director	120.0	-	-	-	-	-	120.0
4.	Mr Chu Kheh Wee Executive Director	-	-	-	-	-	-	-
5.	Mr Subramanian A/L Amamalay Non-Independent Non-Executive Director <i>(Redesignated as Non-Independent Non-Executive Director on 8 September 2025)</i>	36.0	5.5	-	-	-	-	41.5
6.	Ms Lim Kwee Yong Senior Independent Non-Executive Director	36.0	9.5	-	-	-	-	45.5
7.	Ms Ng Kit Ching Independent Non-Executive Director	36.0	6.2	-	-	-	-	42.2
8.	Ir Hj Kamaliah Binti Abdul Kadir Independent Non-Executive Director	36.0	6.2	-	-	-	-	42.2

CORPORATE GOVERNANCE OVERVIEW STATEMENT*(Continued)***Group (RM'000)**

No	Name	Fee	Allowance	Salary	Bonus	Benefit-in-kind	Other Emoluments	Total
1.	Tan Sri Datuk Seri Dr Mazlan Bin Yusoff Independent Non-Executive Chairman <i>(Appointed as Independent Non-Executive Chairman on 8 September 2025)</i>	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2.	Tan Sri Dato' Dr Palaniappan A/L Ramanathan Chettiar Non-Independent Non-Executive Director	480.0	3.0	240.4	-	-	20.1	743.5
3.	Mr Maha Ramanathan Palan Group Managing Director	120.0	-	128.7	-	-	15.7	264.4
4.	Mr Chu Kheh Wee Executive Director	-	-	400.2	-	-	48.9	449.1
5.	Mr Subramanian A/L Amamalay Non-Independent Non-Executive Director <i>(Redesignated as Non-Independent Non-Executive Director on 8 September 2025)</i>	36.0	5.5	120.0	-	-	15.3	176.8
6.	Ms Lim Kwee Yong Senior Independent Non-Executive Director	36.0	9.5	-	-	-	-	45.5
7.	Ms Ng Kit Ching Independent Non-Executive Director	36.0	6.2	-	-	-	-	42.2
8.	Ir Hj Kamaliah Binti Abdul Kadir Independent Non-Executive Director	36.0	6.2	-	-	-	-	42.2

The Board has opted not to disclose the detailed remuneration of senior management on a named basis as it considers such information to be sensitive and proprietary, given the competitive nature of the human resource market.

The Board believes that the existing disclosure on an aggregate basis is sufficient to provide transparency on senior management remuneration, while maintaining confidentiality to support the Company's efforts in attracting and retaining key executives. The total remuneration paid to senior management is commensurate with their responsibilities, experience, and the Group's overall performance.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT AND RISK MANAGEMENT COMMITTEE

The Board had on 11 April 2017 resolved to have the risk management of the Company to be under the purview of the audit committee. The audit committee was renamed the "Audit and Risk Management Committee". The ARMC assumes the role in overseeing the risk management functions of the Group in addition to overseeing the integrity of the financial statements and compliance with relevant accounting standards.

Composition of ARMC

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

ARMC Members	Position	Directorship
Ms Lim Kwee Yong	Chairperson	Senior Independent Non-Executive Director
Ms Ng Kit Ching	Member	Independent Non-Executive Director
Ir Hj Kamaliah Binti Abdul Kadir	Member	Independent Non-Executive Director

The Chairman of the ARMC is not the Chairman of the Board.

The primary objective of the ARMC is to establish a documented, formal and transparent procedure to assist the Board in fulfilling its fiduciary responsibilities relating to corporate accounting, financial reporting practices, a system of risk management and internal control, the audit process and the process of monitoring compliance with laws and regulations.

Independence of the ARMC

The Company recognises the need to uphold the independence of its external auditors and that no possible conflict of interest whatsoever should arise. As a measure to safeguard the independence and objectivity of the audit process, the ARMC has incorporated a policy specification that governs the appointment of a former key audit partner to the audit committee. The policy, which is codified in the terms of reference of the ARMC, requires a former key audit partner to observe a cooling-off period of at least three (3) years before he/she can be considered for appointment as a member of the audit committee.

At present, none of the ARMC members are former key audit partners of the external auditors appointed by the Group.

Financial Literacy of the ARMC Members

The ARMC members have the relevant experience and expertise in finance and accounting and have carried out their duties in accordance with the terms of reference of the ARMC. The ARMC Chairperson, Ms Lim Kwee Yong is a member of the Malaysian Institute of Accountants, thus fulfilling Rule 15.09(1)(c) of the AMLR of Bursa Securities, which requires at least one (1) member of the audit committee to be a member of a professional accountancy body.

During the financial year ended 30 June 2025, the ARMC members have attended relevant training programmes to keep themselves abreast of the latest development in accounting and auditing standards, statutory laws, regulations and best practices to enable them to discharge their duties effectively. The training attended by the ARMC members is disclosed under "Directors' Training" in this statement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

ARMC Meetings

The ARMC met five (5) times during the financial year ended 30 June 2025. Details of the attendance of the ARMC members at the ARMC meetings are as follows:

ARMC Members	ARMC Meetings Attendance
Ms Lim Kwee Yong	5/5
Ms Ng Kit Ching	5/5
Ir Hj Kamaliah Binti Abdul Kadir	5/5

The terms of reference of the ARMC are reviewed by the Board in accordance with the needs of the Group and is published on the Company's website at www.smrt.holdings.

Compliance with Applicable Financial Reporting Standards

The ARMC exercises professional oversight of the integrity of the financial statements and reports before presenting them to the Board for approval. The ARMC provides assurance to the Board, with support and clarifications from the external auditors, that the financial statements and reports presented are prepared in accordance with the Malaysian Financial Reporting Standards, the Listing Requirements and the Companies Act 2016 and give a true and fair view of the Group's performance and financial position.

Assessment of Suitability and Independence of External Auditors

The ARMC has a formal and transparent relationship with the external auditors to meet their professional requirements. The ARMC is responsible for reviewing the audit, recurring audit-related and non-audit services provided by the external auditors. The ARMC ensures that the external auditors are independent of the activities they audit and reviews the contracts for non-audit services by the external auditors. The amount of non-audit fees charged by external auditors for the financial year ended 30 June 2025 was RM6,000.

The external auditors, Messrs Baker Tilly Monteiro Heng PLT ("BTMH") had provided assurance that they have been independent throughout the engagement for the financial year ended 30 June 2025.

The ARMC had on 18 August 2025 discussed and was satisfied with the suitability of the external auditors, BTMH based on the quality of services and sufficiency of resources provided by them to the Group in terms of the firm and the professional staff assigned to the audit. In view of the above, the ARMC recommended to the Board the re-appointment of BTMH as the auditors of the Company which is subject to approval of shareholders at the 21st AGM whilst their remuneration is to be determined by the Board. The external auditors will be invited to attend the 21st AGM to respond to the shareholders' enquiries on the conduct of the statutory audit and the contents of the audited financial statements.

The ARMC meets with the external auditors without the presence of the Executive Directors and the management to ensure that the independence and objectivity of the external auditors are not compromised and matters of concern expressed by the ARMC are duly recorded. During the financial year ended 30 June 2025, the ARMC met with the external auditors twice in the absence of the Executive Directors and the management on 19 August 2024 and 15 October 2024.

Directors' Responsibilities Statement

The Directors are required by the Companies Act 2016 to prepare the financial statements for each financial year in accordance with the applicable approved accounting standards to give a true and fair view of the state of affairs of the Company and of the Group at the end of the financial year.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

The Directors are satisfied that in preparing the financial statements of the Group for the financial year ended 30 June 2025, the Group has used the appropriate accounting policies and applied them consistently and supported by reasonable and prudent judgments and estimates. The Directors have ensured that all applicable approved accounting standards and the provisions of the Companies Act 2016 have been complied with and further confirm that the financial statements have been prepared on a going concern basis.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Risk Management and Internal Control

The Board recognises that risk management is an integral part of the Group's business objectives and is critical for the Group to achieve sustainable growth in shareholders' value. A Registry of Risk and a Risk Management Handbook are adopted. The Registry of Risk is maintained to identify principal business risks and the corresponding actions taken by the management to manage the identified risks. The Risk Management Handbook summarises the risk management methodology, approach and processes, roles and responsibilities and various risk management concepts. Enhancements are made, where necessary, in line with the Board's commitment to improve the Group's governance, risk management and control framework.

The Board believes that the Group's system of internal control, financial or otherwise, should provide reasonable assurance regarding the achievement of the Group's objectives in ensuring efficiency and effectiveness of operations, reliability and transparency of financial information and compliance with laws and regulations. Accordingly, the system of internal control can only provide reasonable and not absolute assurance against material misstatement, fraud and loss.

The ARMC assists the Board in maintaining a sound and effective system of risk management and internal control to safeguard shareholders' investments and the Group's assets, as well as reviewing the adequacy and effectiveness of these systems to support the Group's strategy and operations to achieve its business objectives. The internal control system is designed to access current and emerging risks and respond appropriately to the risks of the Group.

As an effort to enhance the system of internal control, the Executive Directors and the management are responsible for the identification and evaluation of key risks applicable to the Group's business activities on a continuous basis. Risks identified are reported on a timely manner during the periodic management meetings and is regularly updated to the ARMC. The ARMC reviews the risks identified regularly and ensure corrective actions are taken.

As an ongoing process, significant business risks faced by the Group are identified and evaluated and consideration is given to the potential impact of achieving the business objectives. This includes examining principal business risks in critical areas, assessing the likelihood of material exposures and identifying the measures taken to mitigate, avoid or eliminate these risks.

The Statement on Risk Management and Internal Control which provides an overview on the state of risk management and internal control of the Group is disclosed in the Company's 2025 Annual Report.

Internal Audit Activities

The Group has outsourced its internal audit functions to an independent consulting company as part of its strategy to assure the Board on its adequacy and effectiveness of the internal control system of the Group. The professional company will carry out internal audits to review the adequacy and effectiveness of the internal control system and to identify areas of risks and report their findings and recommendations to the ARMC. The ARMC Chairman would then report to the Board. The Board is of the view that the system of internal control and risk management are in place and sufficient in safeguarding the Group's assets and shareholders' investments and the interest of all stakeholders.

During the financial year ended 30 June 2025, the Group's internal audit functions was carried out by an outsourced internal audit company, Messrs Sterling Business Alignment Consulting

CORPORATE GOVERNANCE OVERVIEW STATEMENT

(Continued)

Sdn Bhd ("**Sterling Business**"). Sterling Business has a total of four (4) professional staff and is led by Dr. So Hsien Ying as the Head of Internal Audit. Dr. So Hsien Ying is a professional member of the Institute of Internal Auditors Malaysia.

Sterling Business remains independent and has no direct operational responsibility or authority over any of the activities audited and is free from any relationship or conflict of interest which could impair their objectivity and independence. The internal auditors assign different audit teams for each audit review to maintain an independent view and approach to the internal audit review.

The internal auditors perform its duties in accordance with the standards set by the relevant professional body, namely the Institute of Internal Auditors Malaysia and conduct the internal audit activities in accordance with a recognised framework.

The ARMC had on 19 August 2024 reviewed and approved the Group's internal audit plan for the financial year ending 30 June 2025 as proposed by the internal auditors and the management.

During the financial year ended 30 June 2025, the internal auditors have performed and reviewed the internal audit findings on Procurement of N'osairis Technology Solutions Sdn Bhd and Finance and Accounts of N'osairis Technology Solutions Sdn Bhd. The internal auditors have also reviewed the follow-up audit status on previously reported audit findings on Procurement of N'osairis Technology Solutions Sdn Bhd and Finance and Accounts of N'osairis Technology Solutions Sdn Bhd.

The ARMC and the Board agreed that the internal audit review was done in accordance with the internal audit plan and the coverage is adequate.

The ARMC and the Board are satisfied with the performance and independence of the internal auditors and have decided to continue with the outsourcing of the internal audit functions.

The cost incurred by the Group for the internal audit functions during the financial year ended 30 June 2025 was RM39,330.47.

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

I. COMMUNICATION WITH STAKEHOLDERS

The Board believes that a constructive and effective investor relationship is essential in enhancing stakeholders' value. As such, the Board endeavours to ensure that communication with stakeholders is conducted in a regular manner.

The Company aims to ensure that stakeholders and investors are kept informed of all major corporate developments, financial performance and other relevant information by promptly disseminating such information to them via announcements to Bursa Securities, its website, circulars and press releases.

The Company also leverages on several other formal channels for effective dissemination of information to stakeholders and investors, particularly through the annual report, media releases, quarterly financial results, AGM and the Company's website at www.smrt.holdings.

The Company endeavours to provide additional disclosure of information on a voluntary basis, where necessary. The Board believes that maintaining a high level of disclosure consistently and extensive communication is vital to stakeholders and investors in making informed investment decisions.

II. CONDUCT OF GENERAL MEETINGS

The Company is of the view that general meetings are an important platform to engage with its shareholders and to address their concerns. The Chairman chaired the Twentieth (20th) AGM

CORPORATE GOVERNANCE OVERVIEW STATEMENT*(Continued)*

of the Company which was held on 10 December 2024 in an orderly manner and allowed the shareholders and proxies to speak at the meeting. The voting at the 20th AGM was conducted by way of manual polling.

The 20th AGM of the Company was held at the University of Cyberjaya, Selangor Darul Ehsan. To ensure effective participation of and engagement with shareholders at the 20th AGM of the Company, the Chairman, the Board members, the senior management and the Company Secretary were present at the 20th AGM to respond to questions from the shareholders during the Question-and-Answer ("Q&A") Session. The external auditors were also present at the 20th AGM to provide their professional and independent clarification on the conduct of the audit and the contents of the audit report.

At the 20th AGM, the Chairman ensured that all the resolutions set out in the notice of meeting were properly moved and voted by poll. The Company has appointed a poll administrator to conduct the manual polling and an independent scrutineer to verify the poll results.

The 21st AGM of the Company is scheduled to be held on 4 December 2025 and notice for the upcoming 21st AGM will be sent to the shareholders on 31 October 2025, giving shareholders at least twenty-eight (28) days' notice in advance.

COMPLIANCE STATEMENT

Other than as disclosed and explained in the 2025 Annual Report and 2025 CG Report, the Board is of the view that the Group has complied with and shall remain committed to ensure the continuous adoption of the principles and best practices as set out in the MCCG and all other applicable laws, where applicable.

This Corporate Governance Overview Statement was approved by the Board on 30 October 2025.

AUDIT & RISK MANAGEMENT COMMITTEE REPORT

The Audit and Risk Management Committee ("**ARMC**") is pleased to present the ARMC Report for the financial year ended 30 June 2025 pursuant to Rule 15.15 of the ACE Market Listing Requirements ("**AMLR**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**") and the Malaysian Code of Corporate Governance ("**MCCG**").

The Board of Directors ("**Board**") had on 11 April 2017 resolved to have the risk management of the Company to be under the purview of the audit committee. In view of this, the audit committee was renamed as the "Audit and Risk Management Committee". The ARMC assumes the role in overseeing the risk management functions of the Company and its subsidiaries (collectively referred to as "**Group**") in addition to overseeing the integrity of the financial statements and compliance with relevant accounting standards.

COMPOSITION OF ARMC

The ARMC is appointed by the Board from among the Directors and shall consist of not fewer than three (3) members. The ARMC comprises wholly of Independent Non-Executive Directors.

The current ARMC consists of three (3) members as follows:

ARMC Members	Designation	Directorship
Ms Lim Kwee Yong	Chairperson	Senior Independent Non-Executive Director
Ms Ng Kit Ching	Member	Independent Non-Executive Director
Ir Hj Kamaliah Binti Abdul Kadir	Member	Independent Non-Executive Director

The ARMC Chairman is not the Chairman of the Board. The ARMC Chairman is appointed from among its members who is an Independent Non-Executive Director. In the absence of the ARMC Chairman, the remaining members present shall elect one (1) of their members as Chairman of the meeting. No alternate director is appointed as ARMC member.

The ARMC Chairperson, Ms Lim Kwee Yong is a member of the Malaysian Institute of Accountants, thus fulfilling Rule 15.09(1)(c) of the AMLR of Bursa Securities, which requires at least one (1) member of the audit committee to be a member of the professional accounting body.

MEETING OF ARMC

The ARMC shall meet at least four (4) times in a financial year although additional meetings may be called at any time at the discretion of the ARMC Chairman.

During the financial year ended 30 June 2025, the ARMC met five (5) times and details of the attendance of the ARMC members at the meetings are set out below:

ARMC Members	Position	Attendance
Ms Lim Kwee Yong	Chairperson	5/5
Ms Ng Kit Ching	Member	5/5
Ir Hj Kamaliah Binti Abdul Kadir	Member	5/5

In addition to the ARMC members, the representatives from Finance shall normally attend the meetings as invitees. The external auditors shall attend meetings where matters concerning the audit of the statutory accounts, annual financial statements, and/or the external auditors are to be discussed. The internal auditors shall attend meetings to present their internal audit plan and internal audit reports which encompass findings, recommendations and management's responses and action plans. Other Board members, senior management and employees may attend the meeting as invited by the ARMC Chairman.

Notice of the meeting shall be sent to all the ARMC members and any other person who may be required or invited to attend. All unaudited quarterly results, annual financial statements and any other related financial reports and announcements shall be reviewed and discussed by the ARMC

AUDIT & RISK MANAGEMENT COMMITTEE REPORT

(Continued)

members in the meeting before recommending the same to the Board for approval. The ARMC Chairman shall report on each meeting to the Board.

The Company Secretary shall be the secretary of the ARMC meeting and will be responsible for sending out notice of meetings, preparing and keeping minutes of meetings and circulating minutes of meetings to all the ARMC members. Notice of meeting and supporting documents are to be circulated to the ARMC members at least seven (7) days prior to the meeting to provide the ARMC members with relevant and timely information for effective discussions during the meeting.

SUMMARY OF ARMC ACTIVITIES

In line with the terms of reference of the ARMC, the following activities were carried out by the ARMC during the financial year ended 30 June 2025:

1. Financial Reporting

(a) Review of Quarterly Results

The ARMC reviewed the financial positions, quarterly results and announcements for the respective financial quarters prior to submission to the Board for consideration and approval.

During the financial year ended 30 June 2025, there were four (4) quarterly results tabled at the ARMC meetings which were held on 19 August 2024, 8 November 2024, 17 February 2025 and 19 May 2025.

(b) Audited Financial Statements

The ARMC reviewed the audited financial statements together with the Directors' Report and Auditors' Report and recommended the same to the Board for approval. The ARMC ensures the reports are prepared in compliance with the Malaysian Financial Reporting Standards, the applicable accounting standards and the Companies Act 2016 prior to submission to the Board for approval.

On 15 October 2024, the ARMC reviewed the audited financial statements for the financial year ended 30 June 2024 duly audited by the auditors, Messrs Baker Tilly Monteiro Heng PLT ("BTMH").

(c) Statement on Risk Management and Internal Control ("SORMIC")

The ARMC reviewed the SORMIC together with the internal auditors and external auditors and received assurance from the Chairman and the Executive Director that the Group's risk management and internal control systems are operating adequately and effectively in all aspects before recommending the same to the Board for approval.

On 15 October 2024, the ARMC reviewed the SORMIC for publication in the 2024 Annual Report.

2. External Auditors

The ARMC had on 19 August 2024 considered the findings presented by the external auditors in their Audit Committee Memorandum for the financial year ended 30 June 2024 and the responses from the management.

The ARMC had on 19 August 2024 discussed and was satisfied with the suitability of BTMH as the external auditors of the Group based on their independence, the quality of services and sufficiency of resources provided by them to the Group in terms of the firm and the professional staff assigned to the audit and recommended to the Board the re-appointment of BTMH as the auditors of the Company at the 20th Annual General Meeting.

AUDIT & RISK MANAGEMENT COMMITTEE REPORT

(Continued)

The ARMC had on 19 May 2025 reviewed the Audit Planning Memorandum for the financial year ending 30 June 2025 which outlined the audit scope, audit process and areas of emphasis based on the presentation of the audit plan of the external auditors.

The ARMC reviewed the fees and types of non-audit services provided by the external auditors. The non-audit fees incurred for the financial year ended 30 June 2025 were in respect of the review of the SORMIC.

3. Internal Audit

The Group engaged internal auditors to conduct regular reviews and appraisals on the effectiveness of the internal control process, governance and risk management within the Group. The internal auditors are given full access to all the documents relating to the governance, financial statements and operational assessments of the Group.

The ARMC had on 19 August 2024 reviewed and approved the Group's internal audit plan and scope of work for the financial year ending 30 June 2025.

On 8 November 2024, the ARMC reviewed the internal audit findings on Procurement of N'osairis Technology Solutions Sdn Bhd, the recommendations from the internal auditors and the management's responses.

The ARMC had on 19 May 2025 reviewed the internal audit findings on Finance and Accounts of N'osairis Technology Solutions Sdn Bhd, the recommendations from the internal auditors and the management's responses. The ARMC also reviewed and approved the follow-up audit status review on previously reported audit findings on IT Managed Services of N'osairis Technology Solutions Sdn Bhd and Procurement of N'osairis Technology Solutions Sdn Bhd.

The ARMC ensured appropriate actions were taken to safeguard the effectiveness of the internal control systems based on feedback received from the internal auditors.

4. Risk Management and Internal Control

The ARMC reviewed the operational and financial performance of the Group to ensure that appropriate measures are taken to address any significant risk.

The ARMC reviewed the ARMC Report and SORMIC and received assurance from the Chairman and the Executive Director that the Group's risk management and internal control systems are operating adequately and effectively in all material aspects.

5. Related Party Transaction ("RPT") and Conflict of Interest ("COI")

At each quarterly meeting, the ARMC reviewed the RPT and COI situations that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity.

The ARMC reviewed whether the RPT and COI situations determined by the Executive Directors and the management are fair, reasonable and on normal commercial terms and in the best interest of the Company prior to the Company entering such transaction.

During the financial year ended 30 June 2025, there was no COI situation reported. The RPT for the financial year ended 30 June 2025 is as disclosed in Note 31 to the financial statements.

EXTERNAL AUDIT FUNCTIONS

The Company's independent external auditors, BTMH plays an essential role in enhancing the Company's reliability in its financial reporting. The external auditors have an obligation to highlight any significant weakness in the Company's control and compliance systems and bring the same to the attention of the management, the ARMC and the Board.

AUDIT & RISK MANAGEMENT COMMITTEE REPORT*(Continued)*

The ARMC has a formal and transparent relationship with the external auditors. The ARMC shall meet with the external auditors without the presence of the Executive Directors and the management at least twice a year. During the financial year ended 30 June 2025, the ARMC met with BTMH twice (2) without the presence of the Executive Directors and the management to discuss their audit findings and the level of co-operation and assistance rendered by the management to the audit personnel during their audit. The ARMC met with BTMH on 19 August 2024 and 15 October 2024. The ARMC is pleased to report that there was no significant matter of disagreement that arose between the external auditors and the management.

During the financial year ended 30 June 2025, the external auditors provided both the audit and non-audit related services as follows:

	Audit Related Fees RM'000	Non-Audit Related Fees RM'000
Company	121	6
Group	212	6

INTERNAL AUDIT FUNCTIONS

During the financial year ended 30 June 2025, the Group had outsourced its internal audit functions to an independent professional company to assist the ARMC in discharging its duties and responsibilities.

The internal auditors report directly to the ARMC and provide an independent and objective assessment of the adequacy and effectiveness of the risk management, internal control and governance processes within the Group. The internal auditors adopt a risk-based approach in planning and conducting audits. The internal auditors have organised their work in accordance with the principles of the internal auditing standards covering the conduct of the audit planning, execution, documentation, communication of findings and consultation with key stakeholders on the audit concerns.

The scope and plan of the internal audit activities are identified annually and approved by the ARMC. The ARMC receives report of the findings of the internal audit with recommendations from the internal auditors and responses from the management. The ARMC reviews the findings with the management to ensure that the necessary corrective actions are implemented. Thereafter, the ARMC Chairman will report to the Board.

The total cost incurred for the internal audit functions of the Group for the financial year ended 30 June 2025 was RM39,330.47.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board affirms its commitment in maintaining a sound system of internal control and risk management practices within the Group in accordance with the MCCG 2021. The Board is pleased to present the Statement on Risk Management and Internal Control ("**the Statement**") which outlines the Group's risk management framework and the internal control system of the Group during the financial year ended 30 June 2025 and up to the date of this Statement. The Statement has been prepared in accordance to Paragraph 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("**AMLR**"), MCCG and Statement on Internal Control and Risk Management: Guidelines for Directors of Listed Issuers.

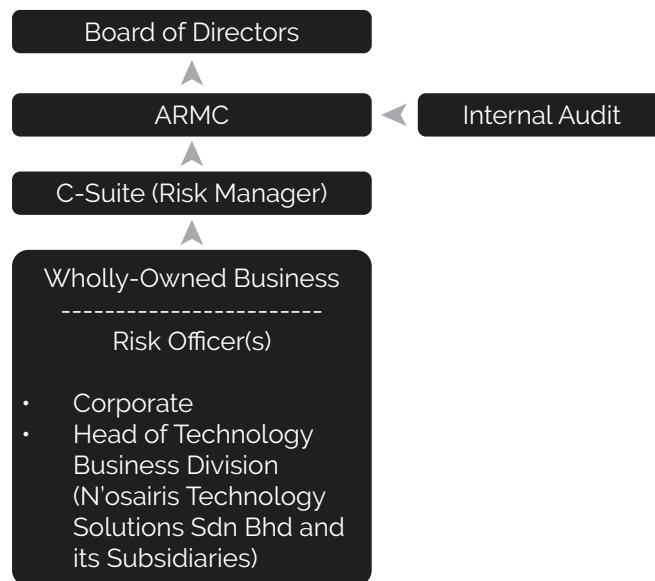
BOARD RESPONSIBILITY

The Board's responsibility includes the establishment of appropriate systems of control as well as reviewing the adequacy and integrity of the system in managing the Group's business risks. A sound system of internal control is important to safeguard the shareholders' investments and the Group's assets. The system of internal control, due to its inherent limitations is designed to manage and control risk rather than eliminate the risk of failure to achieve business objectives. Accordingly, the system can only provide reasonable and not absolute assurance against material misstatement or loss.

RISK MANAGEMENT

The Board recognises that risk management is an integral part of the Group's business objectives and is critical for the Group to achieve sustainable growth in shareholders' value.

Risk Management Structure



A Registry of Risk and a Risk Management Handbook are adopted. The Registry of Risk is maintained to identify principal business risks and the corresponding actions for the Executive Management team to objectively manage the identified risks which is updated for on-going changes. The Risk Management Handbook summarises the risk management methodology, approach and processes, roles and responsibilities, and various risk management concepts. Enhancements are made, where necessary, in line with the Board's commitment to improve the Group's governance, risk management and control framework.

The Executive Management team assists the Audit and Risk Management Committee ("**ARMC**") and the Board in the process of identifying, measuring, controlling, monitoring, and reporting significant risks affecting the achievement of the Group's business objectives. It provides the Board with the

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

framework to anticipate and manage both the existing and potential risks, taking into consideration the changing risk profiles as dictated by changes in the business and regulatory environment and the Group's strategies and functional activities throughout the year.

Significant business risks, financial risks and operations risks and mitigating action plans are discussed and addressed during the ARMC meeting. The Board is aware of the importance of identifying potential threats to the organization and the impact such threats may have on business operations.

During the year, the Board considered all key risks that have been highlighted, and how these had been addressed. Some of the key risks and mitigating action plans considered include the following:

- In relation to susceptibility to potential external business uncertainties and reliance on major clients, the Group is focused on expanding its clientele base, including in non-government related markets.
- The effects of an economic slowdown are being mitigated by periodical business strategic reviews with continuous assessment of its existing products and services, the positioning, target customers and markets.
- The impact of any changes in government policy and regulatory requirements are addressed by the rationalisation of programme portfolio and an effective marketing strategy.
- The Group's business divisions operate in competitive environments. Regular evaluations of business strategy are performed as a counter to competition.
- The increasing trend in costs is mitigated by the implementation of cost reduction exercises and strict cost control measures.

INTERNAL CONTROL

The Board recognises that reviewing the Group's system of internal control is a concerted and continuous process, designed to manage rather than eliminate the risk of failure to achieve business objectives. Accordingly, the system of internal control can only provide reasonable and not absolute assurance against material misstatement, fraud and loss.

The Board believes that the Group's system of internal control, financial or otherwise, should provide reasonable assurance regarding the achievement of the Group's objectives in ensuring efficiency and effectiveness of operations, reliability and transparency of financial information and compliance with laws and regulations.

The key internal control elements that the Board has established in facilitating the adequacy and integrity of the system of internal controls are as follows:

- The Group has its Board Committees and Management team to assist the Board in discharging its responsibilities. They comprise individuals with high integrity and caliber who meet regularly in the discharge of their duties. Terms of Reference have been written for the Board Committee namely the ARMC, Nomination Committee and Remuneration Committee. The Committees have the authority to examine all matters within their scope and report to the Board with their recommendations.
- The ARMC works independently with the outsourced internal audit team to ensure further corporate governance and internal controls are in place and ensure systems and processes meet the required standards.
- The Group maintains a formal and clearly defined organisation structure with delineated lines of authority, responsibility and accountability within the Group. The Board has put in place suitably qualified and experienced Management personnel to head the Group's diverse Business Divisions to deliver results and their performance is measured against Key Performance Indicators (KPIs).

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

- The Group implements a budgeting process where budgets for key operating business divisions are prepared and approved by the Management and the Board and monthly monitoring of results against budget with major variances highlighted and management action taken where necessary.
- The Board monitors the Group's performance by reviewing the quarterly financial and operational performance and examines the announcement to Bursa Securities. These are reviewed by the ARMC before they are tabled to the Board.
- Financial, operating and business risks are managed by ensuring appropriate controls, systems and people are in place throughout the Group's businesses. Key organisational controls employed in managing operating risks include segregation of duties, transactions verification and authorisation, financial performance tracking and management reporting.
- Internal operating procedures and guidelines are documented and easily accessible by all staff on the Microsoft One Drive. The Group periodically reviews and updates these to ensure that they continue to support the Group's business activities.
- Necessary actions are taken on the weaknesses identified in the internal control systems with the implementation of improved control measures and processes.
- Proper guidelines are in place for hiring and termination of employees, formal training programmes, training needs analysis, performance appraisals and other relevant procedures within the Group to ensure employees are competent and are adequately trained in performing their responsibilities.
- The Group conducts a Succession Planning programme (Senior Leadership and Young Leadership Program) that trains the selected talent-pool management employees with the necessary experience, skills and leadership for key management roles.
- In line with the Malaysian Anti-Corruption Commission Act 2009 ("**MACC Act**") was amended in 2018 to incorporate Section 17A on corporate liability for corruption, the Group have implemented the Anti-Bribery and Anti-Corruption Policy, the Group must prove that adequate procedures were in place to prevent its employee(s) and/or associated persons from undertaking corrupt practices in relation to its business activities.

INTERNAL AUDIT FUNCTION

The Board, through the ARMC, endorsed and approved the scope of work for the Internal Audit function through the review of its one-year detailed audit plan.

The Group has outsourced its internal audit function to an independent professional firm of consultants, Sterling Business Alignment Consulting, which is a corporate member of The Institute of Internal Auditors Malaysia (IIAM), to provide the Board with the assurance it requires regarding the adequacy and integrity of the system of internal control. With the engagement, the internal auditors have disclosed that there are no relationships or conflicts of interest in the discharge of their responsibilities and that they remained independent and have no direct operational responsibility or authority over any of the activities audited.

The internal audit exercises are carried out based on the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control – Integrated Framework in assessing the effectiveness of the Group's internal control system.

During the financial year, the internal auditor reviewed critical business processes, identified risks and internal control gaps, assessed the effectiveness and adequacy of the existing state of internal control of the Company and its major business divisions and recommended improvements to the internal control process.

The Internal Auditors report directly to the ARMC on improvement measures pertaining to internal controls, including subsequent follow-up to determine the extent that their recommendations have

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL*(Continued)*

been implemented by the Management. The status of implementation is monitored through follow up audits which are reported at quarterly Executive Management meetings and Quarterly ARMC meetings. The Management is responsible in ensuring that corrective actions to control weaknesses are implemented within a defined time frame. The ARMC keeps track and addresses any issues that relates to this matter at every quarterly meeting and its members are constantly being updated on any activities that relates to the above. For the financial year ended 30 June 2025, the total costs incurred for the outsourced internal audit function is RM39,330.47.

For the financial year ended 30 June 2025, the Internal Auditor audited and reviewed various subsidiaries/Business Divisions of the Group and also presented their status report comprising follow-up actions on previously reported audited findings, details of which are set out below :-

Audit Period	Reporting Month	Name of Entity Audited	Audited Areas
January 2024 to August 2024	November 2024	N'osairis Technology Solutions Sdn Bhd	<u>Procurement</u> • Procurement processes and procedures • Purchase planning processes and procedures • Purchase requisition processes and procedures • Purchase control policies and procedures • Follow up on goods-receiving processes and procedures • Supplier management, evaluation and control processes • Purchase on behalf and back charging processes and procedures • Urgent purchase handling processes and procedures • Outsource services evaluation and control processes • Recurrent related third-party transactions (for purchases), if any
July 2024 to February 2025	May 2025	N'osairis Technology Solutions Sdn Bhd	<u>Finance and Accounts</u> • Billing processes and procedures • Collection processes and procedures • Accounts receivable management (including allowance and written-off bad debts policies.) • Payment processes and procedures (including identifying penalty and/or compound cases.) • Credit application and evaluation processes and procedures • Cash flow management • Banking facilities management • Staff claims processes and procedures • Debit note and credit note control procedures • Capital asset management • Pricing determination process, if applicable • Costing and revised costing approval procedures • Procedures for the Related Party Transactions / Recurrent Related Party Transactions • Sampling Test on the Recurrent Related Party Transactions • Compliance with transfer pricing documentation requirements • Compliance with statutory contributions and requirements

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

(Continued)

Audit Period	Reporting Month	Name of Entity Audited	Audited Areas
-	May 2025 & August 2025	N'osairis Technology Solutions Sdn Bhd	Follow-up actions on previously reported audited findings. • IT Managed Services • Procurement • Finance and Accounts

REVIEW OF THE STATEMENT BY THE BOARD OF DIRECTORS

This Statement on Risk Management and Internal Control is made in accordance with the MCGG 2021, "Statement on Internal Control and Risk Management: Guidance for Directors of Public Listed Companies" and the Bursa Malaysia Securities Berhad Listing Requirements.

In making this Statement, the Board has received assurance from the Group Managing Director and the Executive Director who are also responsible for the Group's financial matters, that the risk management and internal control systems of the Group are operating effectively, in all material aspects.

The Board is of the view that the risk management and internal control systems in place during the period under review up to the date of approval of the annual report is adequate and effective to safeguard the shareholders' investment, the interests of employees and the Group's assets. The Board is satisfied that there is an ongoing process of identifying, evaluating and managing significant risks faced by the Group in its achievement of objectives and strategies. The existing system of internal control is adequate and properly implemented and there are no major weaknesses within the businesses of the Group. For the financial year under review, there were no material losses incurred as a result of weaknesses in the internal control system that would require disclosure in this Annual Report.

The Board recognises that the risk management and internal control systems must continuously improve to meet the challenging business environment and will continue to take appropriate action plans to strengthen the Group's systems.

REVIEW BY EXTERNAL AUDITORS

As required by paragraph 15.23 of the Bursa's Listing Requirements, the External Auditors have performed a limited assurance engagement on this Statement on Risk Management and Internal Control for inclusion in the Annual Report for the financial year ended 30 June 2025. Their engagement was performed in accordance with the Audit and Assurance Practice Guide 3 ("AAPG 3") issued by the Malaysian Institute of Accountants which does not require the auditors to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system.

Based on their procedures performed, the External Auditors reported that nothing has come to their attention that would cause them to believe that the Statement is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers nor is the same factually inaccurate.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

There were no proceeds raised from any corporate proposal during the financial year ended 30 June 2025.

2. AUDIT AND NON-AUDIT SERVICES

During the financial period under review, the total audit and non-audit fees paid to external auditors by the Company and Group are set out below:-

	Company	Group
	RM'ooo	RM'ooo
Audit fees	121	212
Non-audit fees	6	6
- Review of Statement of Risk Management and Internal Control		

3. MATERIAL CONTRACTS

Save as disclosed below, there were no other material contracts entered into by the Company and its subsidiaries involving the current Directors' and major shareholders' interests which were subsisting at the end of the financial year ended 30 June 2025.

4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

On 10th December 2024, the Company obtained a shareholders' mandate for the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature ("RRPT") with related parties. The aggregate value of recurrent transactions entered into by the Group during the financial year was as follows:

Transacting party within our Group	Transacting Related Party	Nature of transaction	Total Transacted Amount (RM'ooo)
NTS, a wholly owned subsidiary of SMRT	UOC ⁽¹⁾	Provision of wide-area network infrastructure within the campus and networking uptime by NTS to UOC.	83
		Provision of general IT and networking solutions at students' studies centers by NTS to UOC.	29
		Provision of server upgrade project at the campus by NTS to UOC.	-
		Provision of local area network upgrade and remediation at the campus by NTS to UOC.	-
		Provision of centralized managed services for UOC by NTS.	290
NTS, a wholly owned subsidiary of SMRT	Cyber Group	Provision of IT solutions and managed connectivity services to Cyber Group by NTS.	-

5. SHARE GRANT PLAN ("SGP")

On 17 April 2023, the Company announced that Bursa Securities had approved the listing and quotation for the SGP Shares, representing up to 20.0% of the total number of issued Shares (excluding treasury shares) to be issued pursuant to the SGP. The Company obtained the

ADDITIONAL COMPLIANCE INFORMATION

(Continued)

approval from the shareholders for the Proposed SGP at the extraordinary general meeting of the Company held on 18 April 2023. The effective date for the implementation of the Proposed SGP was 28 June 2023.

On 30 June 2023, the Company has offered a total of 15,150,640 shares to eligible directors, employees of the Company and its subsidiaries (excluding dormant subsidiaries). The SGP shares offered, where applicable, are subject to the achievement of certain performance criteria by the eligible holders over a performance period determined by the SGP Committee.

There were no new offers of SGP shares during the financial year ended 2025. The details of the SGP shares are outlined below:-

	Number of SGP shares (Units)
Balance as at 1 July 2024	7,430,364
Total number of shares granted during the year	-
Total number of shares vested during the year	2,395,046
SGP shares granted as at 30 June 2025	5,035,318

The actual allocation of SGP shares to the Directors and Senior Management since the commencement of the SGP is 73%.

There were no new offers of SGP shares to the Independent Non-Executive Directors of the Company during the financial year ended 2025. The numbers of options offered and vested by the Independent Non-Executive Directors of the Company during the FYE 2025 are as follows:-

Board Members	Directorship	As of 1 July 2024	Number of shares offered	Number of shares vested	As of 30 June 2025
Ms Lim Kwee Yong	Senior Independent Non-Executive Director	-	-	-	-
Ms Ng Kit Ching	Independent Non-Executive Director	-	-	-	-
Ir Hj Kamaliah Binti Abdul Kadir	Independent Non-Executive Director	N/A	N/A	N/A	N/A

CONSOLIDATED FINANCIAL STATEMENTS

DIRECTORS' REPORT

The directors hereby submit 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. The principal activities of the subsidiaries include investment holdings and IT solutions related telecommunication.

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

RESULTS

	Group RM'000	Company RM'000
Profit for the financial year, net of tax	27,676	13,428
Attributable to: Owners of the Company	27,676	13,428

DIVIDENDS

No dividend had been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial year ended 30 June 2025.

RESERVES OR PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and have satisfied themselves that there were no known bad debts and that no allowance need to be made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which render it necessary to write off any bad debts or to make any allowance for doubtful debts in the financial statements of the Group and of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

DIRECTORS' REPORT (CONTINUED)

CURRENT ASSETS

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

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***DIRECTORS' REPORT (CONTINUED)****AUDITORS' REMUNERATION**

The auditors' remuneration of the Group and of the Company during the financial year were RM218,000 and RM127,000 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company issued 2,395,046 new ordinary shares for cash pursuant to the exercise of the Company's Share Grant Plan ("SGP") at exercise price of RM0.31 per ordinary share.

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

During the financial year, no new issue of debentures was made by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up the unissued shares of the Company during the financial year other than the issue of options pursuant to the SGP.

At an Extraordinary General Meeting held on 18 April 2023, the Company's shareholders approved the establishment of SGP which is governed by the by-laws to eligible directors and/or employees of the Group. The SGP shall be in force for a minimum period of 10 years from the date of implementation.

The details of the options over ordinary shares of the Company are as follows:

Grant date	Expiry date	Option price	Number of options			
			At 1 July 2024 '000	Granted '000	Exercised '000	At 30 June 2025 '000
28 June 2023	27 June 2033	RM0.31	3,716	-	(2,395)	1,321
28 June 2023	27 June 2033	RM0.30	3,715	-	-	3,715
			7,431	-	(2,395)	5,036

TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirement of Section 127 of the Companies Act 2016 in Malaysia.

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

As at 30 June 2025, the Company held a total of 2,283,100 of its 457,638,397 issued ordinary shares as treasury shares. Such treasury shares are held at a carrying amount of RM294,252.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***DIRECTORS' REPORT (CONTINUED)****DIRECTORS**

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

Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar

Maha Ramanathan Palan*

Chu Kheh Wee*

Lim Kwee Yong

Ng Kit Ching

Subramanian A/L Amamalay*

Ir Hj Kamaliah Binti Abdul Kadir

Tan Sri Datuk Seri Dr. Mazlan Yusoff

Arthur Jack Hogarth

(Appointed on 8 September 2025)

(Resigned on 5 July 2024)

* Directors of the Company and certain subsidiaries

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of the report are:

Novi Mardiyansa

Datuk Ahmad Shalimin Bin Ahmad Shaffie

Parthiban A/L Sekaran

Bakhtiar Effendi

Muhammad Al-Thahirie Bin Abd Rahman

Ow Yin Lee

Ong Ai Chin

Malayandi Subu Palan

Fazyanie Binti Fadzil

Russaliza Binti Yaakop

(Appointed on 26 August 2024)

(Appointed on 29 November 2024)

(Appointed on 27 March 2025)

(Resigned on 30 November 2024)

(Resigned on 18 December 2024)

(Resigned on 28 March 2025)

(Resigned on 28 March 2025)

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	At 1 July 2024	Bought	Sold	At 30 June 2025
The Company				
SMRT Holdings Berhad				
<u>Direct Interests</u>				
Tan Sri Dato' Dr. Palaniappan				
A/L Ramanathan Chettiar	60,704,515	-	-	60,704,515
Subramanian A/L Amamalay	1,367,033	200,000	-	1,567,033
Maha Ramanathan Palan	2,985,138	895,046	-	3,880,184
Lim Kwee Yong	50,000	-	-	50,000
Ng Kit Ching	50,000	-	-	50,000
Chu Kheh Wee	500,000	250,000	-	750,000
<u>Indirect Interest</u>				
Tan Sri Dato' Dr. Palaniappan				
A/L Ramanathan Chettiar #	71,589,272	-	-	71,589,272

	Number of shares granted under SGP				
	At 1 July 2024	Granted	Exercised	Forfeited	At 30 June 2025
The Company					
SMRT Holdings Berhad					
Maha Ramanathan Palan	1,790,092	-	(895,046)	-	895,046
Subramanian A/L Amamalay	400,000	-	(200,000)	-	200,000
Lim Kwee Yong	-	-	-	-	-
Ng Kit Ching	-	-	-	-	-
Chu Kheh Wee	500,000	-	(250,000)	-	250,000

Deemed interested as per Section 8 and 197 of the Companies Act 2016, by virtue of his shareholding and his spouse, Puan Sri Datin Kamatchi @ Valliammai A/P Malayandi's shareholding in Special Flagship Holdings Sdn. Bhd.

By virtue of his interests in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar is deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in ordinary shares of the Company and its related corporations during the financial year.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***DIRECTORS' REPORT (CONTINUED)****DIRECTORS' BENEFITS**

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

	Group 2025 RM'000	Company 2025 RM'000
Directors of the Company:		
Salaries, bonus and allowances	920	31
Fees	744	744
Contribution to Employees' Provident Fund	96	-
Other emoluments	4	-
	1,764	775

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

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity insurance coverage effected and insurance premium paid for the directors and officers of the Company were RM20,000,000 and RM24,850 respectively.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***DIRECTORS' REPORT (CONTINUED)****SUBSIDIARIES**

The details of the Company's subsidiaries are as follows:

Name of company	Principal place of business/ Country of incorporation	Effective ownership interest 2025 %	Principal activities
Direct subsidiaries			
Strategic Ambience Sdn. Bhd.	Malaysia	100	Investment holdings
N'osairis Technology Solutions Sdn. Bhd.	Malaysia	100	Investment holding and IT solutions related telecommunication
Subsidiaries of N'osairis Technology Solutions Sdn. Bhd.			
Teknologi Bumi Era Q Sdn. Bhd.	Malaysia	100	IT solutions related to telecommunication
PT Nosairis Teknologi Solutions	Indonesia	100	IT solutions related to telecommunication
N'osairis Technology Solutions, Inc	Philippines	100	IT solutions related to telecommunication

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***DIRECTORS' REPORT (CONTINUED)****AUDITORS**

The auditors, Messrs. Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors.

.....
TAN SRI DATO' DR. PALANIAPPAN
A/L RAMANATHAN CHETTIAR
Director

.....
SUBRAMANIAN A/L AMAMALAY
Director

Date: 30 October 2025

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)
STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025

		Group		Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	5	4,076	4,899	-	-
Right-of-use assets	6	172	-	-	-
Investment properties	7	13,941	14,235	-	-
Investment in subsidiaries	8	-	-	84,164	82,909
Other investment	9	660	-	660	-
Goodwill on consolidation	10	2,822	2,822	-	-
Deferred tax assets	11	36	75	-	-
Total non-current assets		21,707	22,031	84,824	82,909
Current assets					
Inventories	12	2,241	2,575	-	-
Trade and other receivables	13	37,389	17,282	15,039	1,054
Contract assets	14	17,510	20,873	-	-
Current tax assets		259	268	-	-
Short-term investments	15	18,980	10,382	-	-
Fixed deposits placed with licensed banks	16	990	968	-	-
Cash and bank balances		12,564	10,918	1,034	204
Total current assets		89,933	63,266	16,073	1,258
TOTAL ASSETS		111,640	85,297	100,897	84,167

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2025 (CONTINUED)**

		Group		Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	17	95,393	94,662	95,393	94,662
Treasury shares	18	(294)	(294)	(294)	(294)
Share grant reserve	19	404	1,135	404	1,135
Foreign currency translation reserve	20	(2,142)	(406)	-	-
Retained earnings/(Accumulated losses)		1,127	(26,549)	719	(12,709)
TOTAL EQUITY		94,488	68,548	96,222	82,794
Non-current liabilities					
Term loan	21	9,016	9,800	-	-
Lease liability	22	90	-	-	-
Deferred tax liabilities	11	18	-	-	-
Total non-current liabilities		9,124	9,800	-	-
Current liabilities					
Trade and other payables	23	7,082	6,165	704	866
Amounts due to subsidiaries	24	-	-	3,971	507
Term loan	21	784	784	-	-
Lease liability	22	83	-	-	-
Current tax liabilities		79	-	-	-
Total current liabilities		8,028	6,949	4,675	1,373
TOTAL LIABILITIES		17,152	16,749	4,675	1,373
TOTAL EQUITY AND LIABILITIES		111,640	85,297	100,897	84,167

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

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

		Group		Company	
	Note	2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
		(Restated)			
Revenue	25	68,097	66,126	15,000	34,269
Cost of sales		(27,735)	(25,057)	-	-
Gross profit		40,362	41,069	15,000	34,269
Other income		807	1,541	-	1,308
Administrative expenses		(13,204)	(15,335)	(1,574)	(2,463)
Other expenses		(54)	-	-	(696)
Net impairment losses on financial assets		2	(600)	2	1,387
Operating profit		27,913	26,675	13,428	33,805
Finance income	26	632	183	-	-
Finance costs	27	(621)	(654)	-	-
Profit before tax	28	27,924	26,204	13,428	33,805
Income tax expense	29	(248)	(165)	-	-
Profit for the financial year		27,676	26,039	13,428	33,805
Other comprehensive loss, net of tax					
<i>Items that may be reclassified subsequently to profit or loss</i>					
- Foreign currency translation		(1,736)	(223)	-	-
Other comprehensive loss for the financial year		(1,736)	(223)	-	-
Total comprehensive income for the financial year		25,940	25,816	13,428	33,805

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025 (CONTINUED)**

	Note	Group		Company	
		2025 RM'000	2024 RM'000 (Restated)	2025 RM'000	2024 RM'000
Profit attributable to:					
Owners of the Company		27,676	26,039	13,428	33,805
Total comprehensive income attributable to:					
Owners of the Company		25,940	25,816	13,428	33,805
	Note	Group			
		2025	2024		
Earnings per share attributable to ordinary equity holders of the Company (sen):					
Basic earnings per ordinary share	30(a)			6.07	5.75
Diluted earnings per ordinary share	30(b)			6.00	5.65

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

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

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

Group	Share capital RM'000	Treasury shares RM'000	Share grant reserve RM'000	Foreign currency translation reserve RM'000	(Accumulated losses)/ Retained earnings RM'000	Total equity RM'000
At 1 July 2024	94,662	(294)	1,135	(406)	(26,549)	68,548
Total comprehensive income/(loss) for the financial year	-	-	-	-	27,676	27,676
Profit for the financial year	-	-	-	(1,736)	-	(1,736)
Other comprehensive loss for the financial year	-	-	-	(1,736)	27,676	25,940
Total comprehensive income/(loss)	-	-	-	(1,736)	27,676	25,940
Transaction with owners	731	-	(731)	-	-	-
Issuance of ordinary shares pursuant to exercise of SGP, representing total transaction with owners	95,393	(294)	404	(2,142)	1,127	94,488
At 30 June 2025						

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2025 (CONTINUED)

Group	Share capital RM'000	Treasury shares RM'000	Share grant reserve RM'000	Foreign currency translation reserve RM'000	Accumulated losses RM'000	Sub-total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 July 2023	88,795	(294)	5,867	(183)	(52,588)	41,597	(2,112)	39,485
Total comprehensive income/(loss) for the financial year								
Profit for the financial year	-	-	-	-	26,039	26,039	-	26,039
Other comprehensive loss for the financial year	-	-	-	(223)	-	(223)	-	(223)
Total comprehensive income/(loss)	-	-	-	(223)	26,039	25,816	-	25,816
Transactions with owners								
Disposal of subsidiaries	-	-	-	-	-	-	2,112	2,112
Issuance of ordinary shares pursuant to exercise of SGP	5,867	-	(5,867)	-	-	-	-	-
Employee's Share Grant Contributions	-	-	1,135	-	-	1,135	-	1,135
Total transactions with owners	5,867	-	(4,732)	-	-	1,135	2,112	3,247
At 30 June 2024	94,662	(294)	1,135	(406)	(26,549)	68,548	-	68,548

8(a)

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025 (CONTINUED)**

				(Accumulated losses)/	
	Share capital	Treasury shares	Share grant reserve	Retained earning	Total equity
Note	RM'000	RM'000	RM'000	RM'000	RM'000
Company					
At 1 July 2024	94,662	(294)	1,135	(12,709)	82,794
Total comprehensive income for the financial year					
Profit for the financial year	-	-	-	13,428	13,428
Transaction with owners					
Issuance of ordinary shares pursuant to exercise of SGP, representing total transaction with owners	731	-	(731)	-	-
At 30 June 2025	95,393	(294)	404	719	96,222
At 1 January 2023					
	88,795	(294)	5,867	(46,514)	47,854
Total comprehensive income for the financial year					
Profit for the financial year	-	-	-	33,805	33,805
Transactions with owners					
Issuance of ordinary shares pursuant to exercise of SGP	5,867	-	(5,867)	-	-
Employee's Share Grant Contributions	-	-	1,135	-	1,135
Total transactions with owners	5,867	-	(4,732)	-	1,135
At 30 June 2024	94,662	(294)	1,135	(12,709)	82,794

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

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL ENDED 30 JUNE 2025**

		Group		Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities					
Profit before tax		27,924	26,204	13,428	33,805
Adjustments for:					
Depreciation of:					
- property, plant and equipment		1,767	1,847	-	2
- right-of-use assets		80	103	-	-
- investment properties		294	294	-	-
(Gain)/Loss on disposal of subsidiaries	8(a)	-	(1,059)	-	110
Loss on derecognition and termination of lease		-	65	-	-
Impairment loss for:					
- investment in subsidiaries		-	-	-	696
- other receivables		-	600	-	600
Inventories written down		20	60	-	-
Property, plant and equipment written off		-	4	-	-
Share based payment expenses		-	1,135	-	510
Interest expense		621	654	-	-
Interest income		(632)	(183)	-	-
Dividend income		-	-	(15,000)	(34,269)
Waiver of debt on amount owing to former subsidiaries		-	-	-	(2,687)
Reversal of impairment loss no longer required for:					
- investment in subsidiaries		-	-	-	(110)
- amount due from subsidiaries		-	-	-	(1,387)
- other receivables		(2)	-	(2)	-
Operating profit before changes in working capital		30,072	29,724	(1,574)	(2,730)
Changes in working capital:					
Inventories		314	(546)	-	-
Payables		917	636	(162)	(3,855)
Receivables		(20,105)	(2,054)	4,481	(31,319)
Contract assets		3,363	(16,136)	-	-
Contract liabilities		-	(1,724)	-	-
Net cash generated from/(used in) operations		14,561	9,900	2,745	(37,904)

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***STATEMENTS OF CASH FLOWS****FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025 (CONTINUED)**

		Group		Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
Net cash generated from/ (used in) operations (Continued)		14,561	9,900	2,745	(37,904)
Income tax paid		(103)	(362)	-	-
Interest received		632	183	-	-
Interest paid		(19)	-	-	-
Net cash from/(used in) operating activities		15,071	9,721	2,745	(37,904)
Cash flows from investing activities					
Additional investment in a subsidiary		-	-	(1,255)	(120)
Dividend income		-	-	-	34,269
Placement of short-term investments		(8,598)	(18,976)	-	-
Purchase of property, plant and equipment	(a)	(1,159)	(2,560)	-	-
Purchase of other investment		(660)	-	(660)	-
Proceeds from disposal of:					
- subsidiaries, net of cash outflows	8(a)	-	(1)	-	-
- short-term investments		-	8,594	-	-
Net cash (used in)/from investing activities		(10,417)	(12,943)	(1,915)	34,149
Cash flows from financing activities					
Interest paid		(602)	(654)	-	-
Placement of fixed deposit pledged to licensed banks		(22)	(379)	-	-
Repayments of:	(c)				
- term loan		(784)	(784)	-	-
- lease liability		(99)	(116)	-	-
Net cash used in financing activities		(1,507)	(1,933)	-	-

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025 (CONTINUED)**

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Net change in cash and cash equivalents		3,147	(5,155)	830	(3,755)
Cash and cash equivalents at the beginning of the financial year		10,918	16,296	204	3,959
Effect on foreign exchange rate change		(1,501)	(223)	-	-
Cash and cash equivalents at the end of the financial year		12,564	10,918	1,034	204
Analysis of cash and cash equivalents					
Cash and bank balances		12,564	10,918	1,034	204
Fixed deposits placed with licensed banks		990	968	-	-
		13,554	11,886	1,034	204
Less: Deposits pledged to financial institution		(990)	(968)	-	-
		12,564	10,918	1,034	204

- (a) During the financial year, the Group made the following cash payment to purchase property, plant and equipment:

	Group	
	2025 RM'000	2024 RM'000
Cash payments on purchase of property, plant and equipment	1,159	2,560

- (b) Total cash outflows for leases

During the financial year, the Group had total cash outflows for leases of RM534,000 (2024: RM308,000).

CONSOLIDATED FINANCIAL STATEMENTS
(Continued)
STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025 (CONTINUED)

(c) Reconciliation of liabilities arising from financing activities:

Group

			Non-cash		
	1 July 2024 RM'000	Cash flows RM'000	Acquisition RM'000	Others RM'000	30 June 2025 RM'000
Term loan	10,584	(784)	-	-	9,800
Lease liability	-	(99)	262	10	173
	10,584	(883)	262	10	9,973

	1 July 2023 RM'000	Cash flows RM'000	30 June 2024 RM'000
Term loan	11,368	(784)	10,584
Lease liability	116	(116)	-
	10,584	(900)	10,584

Company

Changes in liabilities arising from financing activities are changes arising from cash flows.

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

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE 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 Level 8, Tower Block, University of Cyberjaya, Persiaran Bestari, Cyber 11, 63000, Cyberjaya, Selangor. The principal place of business of the Company is located at Level 8, Tower Block, University of Cyberjaya, Persiaran Bestari, Cyber 11, 63000 Cyberjaya, Selangor Darul Ehsan.

The Company is principally engaged in investment holding. The principal activities of the subsidiaries are disclosed in Note 8 to the financial statements.

There have been no significant changes in the nature of these principal activities 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 30 October 2025.

2. BASIS OF PREPARATION

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"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Adoption of amendments to MFRSs

The Group and the Company have adopted the following applicable amendments to MFRSs for the current financial year:

Amendments to MFRSs

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 107	Statement of Cash Flows

The adoption of the above amendments to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective

- (a) The Group and the Company have not adopted the following new MFRSs and amendments to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosure	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
MFRS 7	Financial Instruments: Disclosures	1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 107	Statement of Cash Flows	1 January 2026
MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
MFRS 128	Investments in Associates and Joint Ventures	Deferred

- (b) The Group and the Company plan to adopt the above applicable new MFRSs and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below.

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 *Presentation of Financial Statements*. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including “operating profit”, which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

MFRS 18 requires disclosure of explanations of the entity’s company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures (“MPMs”). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communication about the entity’s financial performance, and any changes made to the MPMs in the year.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective (Continued)

- (b) The Group and the Company plan to adopt the above applicable new MFRSs and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (Continued)

MFRS 18 Presentation and Disclosure in Financial Statements (Continued)

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the “operating” category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as “other” to be labelled and/or described in as faithfully representative and precise a way as possible.

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate (“the functional currency”). The consolidated financial statements are presented in Ringgit Malaysia (“RM”), which is also the Company’s functional currency, and has been rounded to the nearest thousand, unless otherwise stated.

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared under the historical cost basis, except as otherwise disclosed.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries are measured at cost less any accumulated impairment losses.

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

3.3 Financial instruments

Financial assets - subsequent measurement and gains and losses

Financial assets at fair value through profit or loss

The Group and the Company subsequently measure these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses, interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt instruments at fair value through other comprehensive income

The Group and the Company subsequently measure these assets at fair value. Interest income calculated under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit and loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Financial liabilities - subsequent measurement and gains and losses

The Group and the Company classify the financial liabilities at amortised cost or fair value through profit or loss. Financial liabilities are classified as fair value through profit or loss if it is classified as held for trading, it is a derivative, it is contingent considerations of an acquirer in a business combination or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expenses, are recognised in profit or loss.

The Group and the Company subsequently measure other financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.4 Property, plant and equipment

Property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

Computer	20%
Office equipment	20% - 25%
Furniture and fittings	10% - 20%
Renovation	20% - 33%
Router	20%
Testing equipment	20%

3.5 Leases

(a) Lessee accounting

The Group presents right-of-use assets and lease liabilities as separate lines in the statements of financial position.

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases and leases of low value assets. The Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(b) Lessor accounting

The Group recognises leases payments received from investment properties under operating leases as income on a straight-line basis over the lease term as part of revenue. Rental income from sublease properties which recognise as other income.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)****3.6 Investment properties**

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

Investment properties are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives as follows:

Buildings	2%
-----------	----

3.7 Inventories

Inventories are measured at the lower of cost and net realisable value. Inventories cost is determined on a first-in-first-out method.

3.8 Revenue and other incomeFinancing components

The Group and the Company have applied the practical expedient for not to adjust the promised amount of consideration for the effects of a significant financing components as the Group and the Company expect that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

(a) Income from consultancy, training and software development

Income from consultancy, training and software development is recognised upon services rendered to customers and customers' acceptance, net of discounts.

(b) Technical supports

Revenue from technical supports is recognised when services are rendered because the customer receives and uses the benefits simultaneously. This is determined on the time elapsed method (output method).

(c) Sales of hardware

Revenue from sales of hardware are recognised upon delivery of products and customer's acceptance and when the significant risks and rewards of ownership have been transferred to the buyer.

(d) Interest income

Interest income is recognised using the effective interest method.

(e) Rental income

Rental income is recognised on a straight-line basis over the term of the lease.

(f) Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.9 Share-based compensation

The Company's share grant plan ("SGP"), an equity-settled, share based compensation plan, allows eligible employees and directors of the Group to be entitled to ordinary shares of the Company. The total fair value of shares granted to employees and directors are recognised as an employee cost with a corresponding increase in the share grant reserve within equity over the vesting period while taking into account the probability that the shares will vest. The fair value of shares are measured at grant date, taking into account, if any, the market vesting conditions upon which the shares were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in the assumptions in respect of the number of shares that are expected to be granted on vesting date.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

(a) Impairment of trade receivables and contract assets (Notes 13 and 14)

The provisions of expected credit losses for trade receivables and contract assets are based on assumptions about risk of default and expected loss rate. The Group uses judgement in making these assumptions and selecting inputs to the expected credit losses ("ECL") calculation which is, based on the Group's past history and existing market conditions at the end of each reporting period.

The assessment of the correlation between historical observed default rates and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and of forecast economic conditions over the expected lives of the trade receivables and contract assets.

(b) Impairment assessment of investment in subsidiaries (Note 8)

As at reporting date, the Company determines whether there is any indications of impairment on its investment in subsidiaries. Where there is indication of impairment, the Company carries out the impairment test based on value-in-use of the cash-generating unit. Significant judgement is required in the estimation of the present value of future cash flows generated by the subsidiaries, which involve uncertainties and are significantly affected by assumptions used and judgement made regarding estimates of future cash flows and discount rates. Changes in assumptions could significantly affect the results of the Company's tests for impairment of investment in subsidiaries.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

5. PROPERTY, PLANT AND EQUIPMENT

	Computer RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Router RM'000	Testing equipment RM'000	Total RM'000
Group							
2025							
Cost							
At 1 July 2024	753	7,268	170	1,813	1,086	-	11,090
Additions	14	1,115	13	-	12	5	1,159
Written off	-	(189)	-	-	-	-	(189)
Translation difference	-	(620)	-	-	-	-	(620)
At 30 June 2025	767	7,574	183	1,813	1,098	5	11,440
Accumulated depreciation and impairment							
At 1 July 2024	699	3,736	135	662	959	-	6,191
Depreciation for the financial year	48	1,424	11	253	31	-	1,767
Written off	-	(189)	-	-	-	-	(189)
Translation difference	-	(405)	-	-	-	-	(405)
At 30 June 2025	747	4,566	146	915	990	-	7,364
Carrying amount							
At 30 June 2025	20	3,008	37	898	108	5	4,076

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Computer RM'000	Office equipment RM'000	Furniture and fittings RM'000	Renovation RM'000	Router RM'000	Total RM'000
Group						
2024						
Cost						
At 1 July 2023	736	6,038	148	651	964	8,537
Additions	17	1,237	22	1,162	122	2,560
Written off	-	(7)	-	-	-	(7)
At 30 June 2024	753	7,268	170	1,813	1,086	11,090
Accumulated depreciation and impairment						
At 1 July 2023	623	2,183	126	579	836	4,347
Depreciation for the financial year	76	1,556	9	83	123	1,847
Written off	-	(3)	-	-	-	(3)
At 30 June 2024	699	3,736	135	662	959	6,191
Carrying amount						
At 30 June 2024	54	3,532	35	1,151	127	4,899

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

	Furniture and fittings RM'000	Total RM'000
Company		
2025		
Cost		
At 1 July 2024/30 June 2025	12	12
Accumulated depreciation		
At 1 July 2024/30 June 2025	12	12
Carrying amount		
At 30 June 2025	-	-
2024		
Cost		
At 1 July 2023/30 June 2024	12	12
Accumulated depreciation		
At 1 July 2023	10	10
Depreciation for the financial year	2	2
At 30 June 2024	12	12
Carrying amount		
At 30 June 2024	-	-

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***6. RIGHT-OF-USE ASSETS**

The Group leases several right-of-use assets including office and building.

Information about leases for which the Group is lessee is presented below:

	Office RM'000
Group Cost	
At 1 July 2024	-
Additions	262
Translation difference	(14)
At 30 June 2025	<u>248</u>
Accumulated depreciation	
At 1 July 2024	-
Depreciation charge for the financial year	80
Translation difference	(4)
At 30 June 2025	<u>76</u>
Carrying amount	
At 30 June 2025	<u>172</u>
	Buildings RM'000
Group Cost	
At 1 July 2023	261
Derecognition and termination of lease	(261)
At 30 June 2024	<u>-</u>
Accumulated depreciation	
At 1 July 2023	93
- Depreciation charge for the financial year	103
- Derecognition and termination of lease	(196)
At 30 June 2024	<u>-</u>
Carrying amount	
At 30 June 2024	<u>-</u>

The lease of office generally has a lease terms of 3 years. In the previous financial year, the buildings were derecognised.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***7. INVESTMENT PROPERTIES**

	2025 RM'000	2024 RM'000
Buildings		
Cost		
At 1 July/30 June	14,700	14,700
Accumulated depreciation		
At 1 July/30 June	465	171
Depreciation for the financial year	294	294
At 30 June	759	465
Carrying amount		
At 30 June	13,941	14,235
Fair value	17,200	17,200

The Group's investment properties comprise of a number of commercial properties that are leased to a former subsidiary.

The valuation of Level 3 of the investment properties of the Group as at 30 June 2025 and 30 June 2024 were determined by directors' estimation based on indicative market price of similar properties in the vicinity.

There are no Level 1 investment properties during the financial years ended 30 June 2025 and 30 June 2024. There was no transfer between Level 2 and Level 3 during the financial years ended 30 June 2025 and 30 June 2024.

The fair value of the investment properties is categorised as follows:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group				
2025				
- Buildings	-	-	17,200	17,200
2024				
- Buildings	-	-	17,200	17,200

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***7. INVESTMENT PROPERTIES (CONTINUED)****(a) Security**

The investment properties has been pledged to secure a term loan as disclosed in Note 21 to the financial statements.

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

	Group	
	2025	2024
	RM'000	RM'000
Rental income	1,260	360
Direct operating expenses:		
- income generating expenses	(645)	(648)

8. INVESTMENT IN SUBSIDIARIES

	Company	
	2025	2024
	RM'000	RM'000
At cost		
Unquoted shares		
At 1 July	80,168	80,278
Less: Disposal of the subsidiaries	-	(110)
At 30 June	80,168	80,168
Capital contributions to subsidiaries	38,575	37,320
	118,743	117,488
Less: Accumulated impairment losses		
At 1 July	(34,579)	(33,993)
Charge for the financial year	-	(696)
Reversal of disposal of the subsidiary	-	110
At 30 June	(34,579)	(34,579)
	84,164	82,909

Capital contributions represent unsecured, interest free, non-trade balances with subsidiaries. The settlement of these balances is neither planned nor likely to occur in the foreseeable future as it is the intention of the Company to treat them as long-term source of capital to the subsidiaries.

Included in the capital contribution is an amount of RM2,520,000 (2024: RM2,741,000) representing the share grant to the eligible directors and/or employees of a subsidiary.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Impairment loss

In the previous financial year, an impairment loss of RM696,000 was recognised in profit or loss as a result of the recoverable amounts of certain subsidiaries were lower than their carrying amount.

Details of the subsidiaries are as follows:

Name of company	Principal place of business/ Country of incorporation	Effective ownership interest		Principal activities
		2025 %	2024 %	
Direct subsidiaries				
Strategic Ambience Sdn. Bhd.	Malaysia	100	100	Investment holdings
N'osairis Technology Solutions Sdn. Bhd.	Malaysia	100	100	Investment holding and IT solutions related telecommunication
Indirect subsidiaries				
Subsidiaries of N'osairis Technology Solutions Sdn. Bhd.				
Teknologi Bumi Era Q Sdn. Bhd.	Malaysia	100	100	IT solutions related to telecommunication
PT Nosairis Teknologi Solutions # *	Indonesia	100	100	IT solutions related to telecommunication
N'osairis Technology Solutions, Inc	Philippines	100	100	IT solutions related to telecommunication

Audited by an independent member firm of Baker Tilly International.

* 2% held through Teknologi Bumi Era Q Sdn. Bhd.

(a) Disposal of Talentoz Sdn. Bhd. ("Talentoz")

On 29 March 2024, the Company entered into an agreement with Cekal Akasia Sdn. Bhd. to dispose of 110,000 ordinary shares, representing 55% equity interest in Talentoz for a total consideration of RM1.

In the previous financial year, the disposal of Talentoz has been completed on 8 April 2024.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***8. INVESTMENT IN SUBSIDIARIES (CONTINUED)****(a) Disposal of Talentoz Sdn. Bhd. ("Talentoz") (Continued)**

The summary of effects of disposal of Talentoz are as follows:

	2024 RM'000
Recognised:	
Cash consideration received	#
Derecognised:	
Property, plant and equipment	#
Trade and other receivables	55
Cash and cash equivalents	1
Trade and other payables	(25)
Amount owing to holding company	(3,202)
Non-controlling interest	2,112
	(1,059)
Loss on disposal of Talentoz	1,059

Effects of disposal on cash flows:

	2024 RM'000
Consideration received in cash	#
Less: Cash and cash equivalents of subsidiary disposed	1
Net cash outflows on disposal	(1)

represents RM1.

9. OTHER INVESTMENT

	Group and Company 2025 RM'000
Financial asset at fair value through other comprehensive income	
Unquoted equity investment	660

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***10. GOODWILL ON CONSOLIDATION**

	Technology unit RM'000
Group	
2025	
At 1 July 2024/30 June 2025	2,822
2024	
At 1 July 2023/30 June 2024	2,822

Goodwill is assessed at each reporting date regardless of any indication of impairment by comparing the carrying amount with the recoverable amount of each cash generating units ("CGUs").

The recoverable amount of CGUs has been determined based on value-in-use calculations using cash flows projection from forecasts approved by the Group covering a five-year period. The same method has been used in the previous financial period.

Technology unit

The calculation of value-in-use for the CGU is most sensitive to the following key assumptions:

- Cash flows were projected over 5 years based on past experience and actual operating results;
- Revenue is projected based on existing and future expected sales of hardware and maintenance contracts; and
- The 15% (2024: 19%) pre-tax discount rate is the weighted average cost of capital which reflects the risk relating to the information technology business.

The values assigned to the above key assumptions represent the Group's assessment of future trends in the industry and are based on both external sources and internal sources of information.

The estimated recoverable amounts exceed the carrying amounts of the CGUs. Based on the sensitivity analysis performed, the Group believes that no reasonably possible change in base case key assumptions would cause the carrying value of the CGUs to exceed their recoverable amount.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***11. DEFERRED TAX ASSETS/(LIABILITIES)**

	Group	
	2025 RM'000	2024 RM'000
At beginning of the financial year	75	71
Recognised in profit or loss (Note 29)	(57)	4
At end of the financial year	<u>18</u>	<u>75</u>

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

	As at 1 July 2024 RM'000	Recognised in profit or loss RM'000	As at 30 June 2025 RM'000
Group			
Deferred tax assets			
Other deductible temporary differences	6	-	6
Unabsorbed capital allowances	69	(39)	30
	<u>75</u>	<u>(39)</u>	<u>36</u>

Deferred tax liabilities

Differences between the carrying amounts of property, plant and equipment and their tax base

	-	(18)	(18)
	<u>75</u>	<u>(57)</u>	<u>18</u>

	As at 1 July 2023 RM'000	Recognised in profit or loss RM'000	As at 30 June 2024 RM'000
Group			
Deferred tax assets			
Other deductible temporary differences	2	4	6
Unabsorbed capital allowances	69	-	69
	<u>71</u>	<u>4</u>	<u>75</u>

The estimated temporary differences for which no deferred tax assets have been recognised in the financial statements are as follows:

	Group	
	2025 RM'000	2024 RM'000
Unutilised tax losses	<u>130</u>	<u>130</u>

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***11. DEFERRED TAX ASSETS/(LIABILITIES)**

The unutilised tax losses are available for offset against future taxable profits of the subsidiaries which will expire in the following financial year:

	Group	
	2025 RM'000	2024 RM'000
2028	130	130

12. INVENTORIES

	Group	
	2025 RM'000	2024 RM'000
At cost		
Consumable inventories	2,241	2,575

During the financial year, the cost of inventories recognised as an expense in cost of sales of the Group is RM22,841,000 (2024: RM23,956,000).

The amount recognised as an expense in other expense in respect of write down of inventories to net realisable value amounting to RM20,000 (2024: RM60,000).

13. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Note				
Trade				
External parties	30,537	10,960	-	-
Non-trade				
External parties	676	1,685	614	1,630
Prepayments	807	1,057	20	21
Dividend receivable	-	-	15,000	-
Deposits	5,967	4,180	3	3
	7,450	6,922	15,637	1,654
Less: Impairment losses	(598)	(600)	(598)	(600)
	6,852	6,322	15,039	1,054
	37,389	17,282	15,039	1,054

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***13. TRADE AND OTHER RECEIVABLES (CONTINUED)****(a) Trade receivables**

Trade receivables are non-interest bearing and normal credit terms offered by the Group range from 30 to 90 days (2024: 30 to 90 days) from date of invoices. Other credit terms are assessed and approved on a case-by-case basis.

Included in the trade receivables is retention sum of RM5,580,000 (2024: RM4,804,000) which is non-interest bearing and are normally settled on 30 days from the date of final project account certified as follows:

	Group	
	2025	2024
	RM'000	RM'000
Within one year	2,460	3,177
Later than one year	3,120	1,627
	5,580	4,804

(b) Other receivablesReceivables that are impaired

The Group's and the Company's other receivables that are impaired at the reporting date and the reconciliations of movement in the impairment allowance of other receivables are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
At 1 July	600	-	600	-
Charge for the financial year				
- individually assessed	-	600	-	600
Reversal of impairment loss	(2)	-	(2)	-
At 30 June	598	600	598	600

(c) Deposits

Included in deposits of the Group are:

- (i) rental deposits amounting to RM124,000 (2024: RM108,000); and
- (ii) bank guarantee for the purpose of bidding new projects amounting to RM5,426,000 (2024: RM4,007,000).

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***13. TRADE AND OTHER RECEIVABLES (CONTINUED)****(d) Foreign currency exposure profile**

The Group's foreign currency exposure profiles on trade and other receivables are as follows:

	Group	
	2025	2024
	RM'000	RM'000
Philippine Peso	642	96
Indonesian Rupiah	1,178	933
	<u>1,820</u>	<u>1,029</u>

14. CONTRACT ASSETS

	Group	
	2025	2024
	RM'000	RM'000
Contract assets		
Accrued income	17,510	20,873

(a) Contract assets

The contract assets represent the Group's right to consideration for the work performed for the construction contracts but yet to be billed. Contract assets are transferred to receivables when the Group issues progress billings to the customers. Typically, the amount will be billed within 30 days and payments is expected within 30 days.

(b) Significant changes in contract assets:

	Group	
	2025	2024
	RM'000	RM'000
Contract assets		
Increased due to revenue recognised for unbilled goods or services transferred to customers	17,510	20,873
Transfer from contract assets recognised at the beginning of the financial year to receivables	(20,873)	(4,737)

15. SHORT-TERM INVESTMENTS

The short-term investments are in respect of investments in unit trust funds placed with fund management companies. These short-term investments are readily convertible to cash and have insignificant risk of changes in value.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

16. FIXED DEPOSITS PLACED WITH LICENSED BANKS

Included in the fixed deposits placed with licensed banks of the Group is an amount of RM990,000 (2024: RM968,000), which is pledged to a financial institution for bank guarantee facility.

The interest rates of the deposits placed with licensed banks of the Group range from 2.10% to 2.40% (2024: 1.00% to 2.30%) per annum at the end of the reporting period. All deposits have maturity periods of 30 to 365 days (2024: 30 to 365 days).

17. SHARE CAPITAL

Group and Company

	Number of ordinary shares		Amounts	
	2025	2024	2025	2024
	Units ('000)	Units ('000)	RM'000	RM'000
Issued and fully paid up (no par value):				
At 1 July	455,243	447,523	94,662	88,795
Issuance of shares pursuant to share options exercised	2,395	7,720	731	5,867
At 30 June	457,638	455,243	95,393	94,662

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

During the financial year, the Company issued 2,395,046 new ordinary shares for cash pursuant to the exercise of the Company's SGP at exercise price of RM0.31 per ordinary share.

In the previous financial year, the Company issued 7,720,276 new ordinary shares for cash pursuant to the exercise of the Company's SGP at exercise price of RM0.76 per ordinary share.

The new ordinary shares issued ranked pari passu in all respects with the existing ordinary shares of the Company.

18. TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company. The amount consists of the acquisition costs of treasury shares net of the proceeds received on their subsequent sale or issuance.

As at 30 June 2025, the Company held as treasury shares a total of 2,283,100 (2024: 2,283,100) of its 457,638,397 (2024: 455,243,351) issued ordinary shares. Such treasury shares are held at a carrying amount of RM294,252 (2024: RM294,252).

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***19. SHARE GRANT RESERVE**

At an Extraordinary General Meeting held on 18 April 2023, the Company's shareholders approved the establishment of a SGP which is governed by the by-laws to eligible directors and/or employees of the Group. The SGP shall be in force for a period of 10 years from the date of implementation.

The salient terms of the SGP are as follows:

- (a) The aggregate maximum number of SGP shares which may be made available under the SGP whether in the form of new shares to be issued under the plan or the aggregate number of new shares together with existing shares made available for the purposes of the SGP, shall not in aggregate exceed 20% of the total number of issued shares of the Company (excluding treasury shares) at any point of time during the duration of the SGP.
- (b) The aggregate maximum number of SGP shares that may be granted to any 1 category/designation of employment of the SGP grantees shall be determined entirely at the discretion of the SGP (subject to the by-laws and any applicable law).
- (c) Employees and directors of the Group and of the Company who fulfil the following conditions as at the award date shall be eligible to participate in the SGP:
 - (i) he/she is at least eighteen (18) years of age on the award date and is not an undischarged bankrupt;
 - (ii) he/she is employed and is on the payroll or has been appointed as a director of any company in the Group;
 - (iii) his/her employment has been confirmed by any company in the Group; and
 - (iv) such employee or director falls within any other eligibility criteria that may be determined by the SGP Committee from time to time at its sole discretion, whose decision shall be final and binding.
- (d) All new ordinary shares issued pursuant to the SGP will rank pari passu in all respects with the existing ordinary shares of the Company, save and except that the new ordinary shares so issued will not be entitled to any dividends, rights, allotments or other distributions, which may be declared, made or paid to shareholders date of allotment of such new ordinary shares.

The movement in the total number of share grants during the financial year is as follows:

	Group and Company			
	At 1 July 2024 '000	Granted '000	Vested '000	At 30 June 2025 '000
2025				
SGP	7,431	-	(2,395)	5,036
	At 1 July 2023 '000	Granted '000	Vested '000	At 30 June 2024 '000
2024				
SGP	15,151	-	(7,720)	7,431

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***19. SHARE GRANT RESERVE (CONTINUED)**

The fair value SGP shares granted on 30 June 2025 were measured at grant date and the assumptions were as follows:

- (i) The fair value of 2,395,046 SGP shares was valued by reference to the market price at the grant date of RM0.31.
- (ii) The performance conditions for the remaining 5,035,138 SGP shares (2024: 7,430,184 SGP shares) include non-market conditions and market conditions. The non-market conditions were estimated based on the Binomial Option Pricing Model. The key assumptions used in these models are as follows:

	2025	2024
Grant date		
Fair value of share options at grant date (RM)		
- Tranche 1	0.7600	0.7600
- Tranche 2	0.3053	0.3053
- Tranche 3	0.2950	0.2950
Expected dividend yield	Nil	Nil
Expected volatility (%)	70.72	70.72
Risk free rate (%)	3.22 - 3.36	3.22 - 3.36

20. FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

21. TERM LOAN

	Group	
	2025	2024
	RM'000	RM'000
Secured		
Non-current		
Term loan (Islamic)	9,016	9,800
Current		
Term loan (Islamic)	784	784
Total term loan	9,800	10,584

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***21. TERM LOAN (CONTINUED)**

Term loan (Islamic) represents the term loan of a subsidiary which bears a profit rate of 4.86% (2024: 4.86%) per annum and is repayable by 180 monthly instalments over 15 years commencing from the following month after the date of first drawdown and is secured and supported as follows:

- (i) First party first legal charge over the investment properties as disclosed in Note 7 to the financial statements;
- (ii) Corporate guarantee by the Company;
- (iii) Upfront 3-month principal and profit obligations to be maintained in Finance Service Reserve Account ("FSRA"); and
- (iv) Deed of Assignment in respect of all rental proceeds derived from the property to be channelled into customer's collection accounts.

22. LEASE LIABILITY

	Group 2025 RM'000
Non-current	
Lease liability	90
Current	
Lease liability	83
	173

The incremental borrowing rate applied to the lease liability is 8.23% per annum.

Future minimum lease payments under leases together with the present value of net minimum lease payments are as follows:

	Group 2025 RM'000
Minimum lease payments:	
- not later than one year	94
- later than one year but not later than five years	94
	188
Less: Future interest charges	(15)
Present value of minimum lease payables	173
Present value of minimum lease payments:	
- not later than one year	90
- later than one year but not later than five years	83
	173
Less: Amount due within 12 months	(90)
Amount due after 12 months	83

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***23. TRADE AND OTHER PAYABLES**

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade					
Trade payables	(a)	959	2,096	-	-
Non-trade					
Other payables		517	828	419	456
Deposits		595	623	-	-
Accruals		3,067	2,417	285	410
SST payables		1,944	201	-	-
		6,123	4,069	704	866
Total trade and other payables		7,082	6,165	704	866

(a) Trade payables

The normal trade credit terms granted to the Group range from 30 to 90 days (2024: 30 to 90 days).

(b) Foreign currency exposure profile

The Group's foreign currency exposure profile on the trade and other payables is as follows:

	Group	
	2025 RM'000	2024 RM'000
Philippine Peso	39	8
Indonesian Rupiah	87	2,069
	126	2,077

24. AMOUNTS DUE TO SUBSIDIARIES

	Company	
	2025 RM'000	2024 RM'000
Amounts due to subsidiaries	(3,971)	(507)

The amounts due to subsidiaries are non-trade in nature, unsecured, interest free and repayable on demand and are expected to be settled in cash.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***25. REVENUE**

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
		(Restated)		
Revenue from contract with customers:				
IT solutions	66,837	65,766	-	-
Revenue from other sources:				
Dividend income	-	-	15,000	34,269
Rental income	1,260	360	-	-
	68,097	66,126	15,000	34,269

(a) Disaggregation of revenue

The Group reports the following technology segment comprise operation related to investment holding and non-active companies in accordance with MFRS 8 *Operating Segments*. For the purpose of disclosure for disaggregation of revenue, it disaggregates revenue into primary, major goods or services and timing of revenue recognition.

	Group	
	2025	2024
	RM'000	RM'000
		(Restated)
Revenue from contract with customers:		
IT solutions	66,837	65,766
	66,837	65,766
Timing of revenue recognition:		
At a point in time	25,857	21,099
Over time	40,980	44,667
	66,837	65,766

(b) Transaction price allocated to remaining performance obligations

The Group applies the practical expedient in paragraph 121(a) of MFRS 15 and do not disclose information about remaining performance obligation that have original expected durations of one year or less.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***26. FINANCE INCOME**

	Group	
	2025	2024
	RM'000	RM'000
Interest income	632	183

27. FINANCE COSTS

	Group	
	2025	2024
	RM'000	RM'000
Interest expenses		
- borrowings	602	648
- lease liabilities	19	6
	621	654

28. PROFIT BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit before tax:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Auditors' remuneration				
- statutory audit:				
- Baker Tilly Monteiro Heng PLT	135	119	81	68
- Member firms of Baker Tilly International	37	-	-	-
- other auditors	-	12	-	-
- other services:				
- Baker Tilly Monteiro Heng PLT	46	6	46	6
- Member firms of Baker Tilly International	4	4	2	-
Impairment loss for:				
- other receivables	-	600	-	600
- investment in subsidiaries	-	-	-	696
Depreciation of:				
- property, plant and equipment	1,767	1,847	-	2
- investment properties	294	294	-	-
- right-of-use assets	80	103	-	-
Loss on disposal of:				
- investment in subsidiaries	-	-	-	110
Inventories written down	20	60	-	-
Property, plant and equipment written off	-	4	-	-
Expenses relating to short-term leases	416	186	-	3

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***28. PROFIT BEFORE TAX (CONTINUED)**

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Staff costs (including directors' remuneration):				
- salary, wages, allowances and bonus	7,523	7,079	-	-
- Employees' Provident Fund and SOCSO	866	848	-	-
- other staff related expenses	1,479	3,416	-	-
- share-based payment expense	-	1,135	-	510
Dividend income	-	-	(15,000)	(34,269)
Waiver of debt on:				
- amount due from subsidiaries	-	-	-	(2,687)
Grant reimbursement	(506)	(250)	-	-
Loss on derecognition and termination of lease	-	65	-	-
Net of realised (gain)/loss on foreign exchange	(39)	451	-	-
Reversal of impairment loss no longer required for:				
- investment in subsidiaries	-	-	-	(110)
- amount due from subsidiaries	-	-	-	(1,987)
- other receivables	(2)	-	(2)	-

29. INCOME TAX EXPENSE

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Current income tax:				
- current year	181	164	-	-
- prior years	10	5	-	-
	191	169	-	-
Deferred tax (Note 11):				
- current year	(29)	(103)	-	-
- prior years	86	99	-	-
	57	(4)	-	-
Income tax expense recognised in profit or loss	248	165	-	-

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

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***29. INCOME TAX EXPENSE (CONTINUED)**

The reconciliation from the tax amounts at the statutory income tax rate to the Group's and the Company's tax expense are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit before tax	27,924	26,204	13,428	33,805
Tax at Malaysian statutory income tax rate of 24% (2024: 24%)	6,702	6,289	3,223	8,113
Adjustments:				
- non-deductible expenses	940	1,285	377	589
- income not subject to tax	(122)	(129)	(3,600)	(8,702)
- tax exempt income	(7,367)	(7,384)	-	-
- deferred tax assets not recognised during the financial period	-	-	-	-
- under provision of deferred tax in prior years	86	99	-	-
- under provision of current tax in prior years	9	5	-	-
Income tax expense	248	165	-	-

N'osairis Technology Solutions Sdn. Bhd., a subsidiary of the Company was granted pioneer status (100% tax exemption on taxable statutory income relating to approved business activities by Malaysian Investment Development Authority ("MIDA") effective from 5 November 2015 to 4 November 2025.

30. EARNINGS PER SHARE**(a) Basic earnings per ordinary shares**

Basic earnings per share is calculated by dividing the profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding, excluding treasury shares during the financial year, calculated as follows:

	Group	
	2025	2024
	RM'000	RM'000
Profit attributable to owners of the Company	27,676	26,039

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***30. EARNINGS PER SHARE (CONTINUED)****(a) Basic earnings per ordinary shares (Continued)**

	Number of shares Unit ('000)	Number of shares Unit ('000)
Weighted average number of ordinary shares in issue At 1 July 2023/30 June 2024/30 June 2025	455,924	453,092
Basic earnings per share (sen)	6.07	5.75

(b) Diluted earnings per ordinary share

Diluted earnings per share are based on the profit for the financial year attributable to ordinary equity holders of the Company and the weight average number of ordinary shares outstanding, excluding treasury shares during the financial period plus the weight average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	Group	
	2025 RM'000	2024 RM'000
Profit attributable to owners of the Company	27,676	26,039
	Number of shares Unit ('000)	Number of shares Unit ('000)
Weighted average number of ordinary shares in issue	455,924	453,092
Effect of dilution for:		
- Share Grant Plan (Note 19)	5,036	7,431
Adjusted weighted average number of ordinary shares in issue and issuable	460,960	460,523
Diluted earnings per share (sen)	6.00	5.65

There have been no transactions involving ordinary shares or potential ordinary shares since the reporting date and before the authorisation of these financial statements.

31. RELATED PARTIES**(a) Identification of related parties**

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***31. RELATED PARTIES (CONTINUED)****(a) Identification of related parties (Continued)**

Related parties of the Group include:

- (i) Subsidiaries;
- (ii) Entities in which directors have substantial financial interests; and
- (iii) Key management personnel of the Group and of the Company comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions and balances

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Dividend Income				
Subsidiaries	-	-	(15,000)	(34,269)
Rental Income				
Related parties	(1,260)	(1,260)	-	-
Rental Expenses				
Related parties	324	28	-	-
Sales of IT solutions				
Related parties	(846)	(184)	-	-

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***31. RELATED PARTIES (CONTINUED)****(c) Key management personnel compensation**

The details of key management personnel compensation during the financial period are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Directors of the Company				
Salaries, bonus and allowances	920	672	31	35
Fees	744	750	744	750
Contribution to Employees' Provident Fund	96	67	-	-
Share grant expenses	-	411	-	411
Other emoluments	4	4	-	-
	1,764	1,904	775	1,196
Other key management personnel (including director of the subsidiaries)				
Salaries, bonus and allowances	1,921	1,438	-	-
Contribution to Employees' Provident Fund	188	171	-	-
Share grant expenses	-	724	-	-
Other emoluments	8	-	-	-
	2,117	2,333	-	-
	3,881	4,237	775	1,196

32. SEGMENTAL INFORMATION

The Group has a reportable segment, as described below, which is the Group's strategic business unit. The following summary describes the operations in the Group's reportable segment:

- (a) Technology: Provide software consultancy and development and its related services.

Other non-reportable segments comprise operations related to investment holding and non-active companies.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

32. SEGMENTAL INFORMATION (CONTINUED)

2025

Revenue:

Revenue from external customers
Inter-segment revenue

Technology RM'000	Investment holding RM'000	Adjustments/ Elimination RM'000	Total RM'000
67,437	660	-	68,097
-	15,600	(15,600) #	-
67,437	16,260	(15,600)	68,097

Results:

Included in the measure of segment profit/(loss)

Interest income
Interest expense
Depreciation of:
- property, plant and equipment
- investment properties
- right-of-use assets
Inventories written down
Reversal of impairment loss on other receivables

632	-	-	632
(19)	(602)	-	(621)
(1,767)	-	-	(1,767)
-	(294)	-	(294)
(80)	-	-	(80)
(20)	-	-	(20)
-	2	-	2

Segment profit/(loss)

29,799	13,125	(15,000)	27,924
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Income tax expense

(239)	(9)	-	(248)
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Profit/(Loss) for the financial year

29,560	13,116	(15,000)	27,676
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CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

32. SEGMENTAL INFORMATION (CONTINUED)

2024

Revenue:

Revenue from external customers
Inter-segment revenue

	Technology RM'000	Investment holding RM'000	Adjustments/ Elimination RM'000	Total RM'000
	65,766	360	-	66,126
	-	34,269	(34,269)	-
	65,766	34,629	(34,269)	66,126
	183	-	-	183
	-	(654)	-	(654)
	(1,847)	-	-	(1,847)
	-	(294)	-	(294)
	(103)	-	-	(103)
	-	(600)	-	(600)
	(60)	-	-	(60)
	-	110	(110)	-
	(4)	-	-	(4)
	(65)	-	-	(65)
	29,667	32,235	(35,698)	26,204
	(165)	-	-	(165)
	29,502	32,235	(35,698)	26,039

Results:

Included in the measure of segment profit/(loss)

Interest income
Interest expense
Depreciation of:
- property, plant and equipment
- investment properties
- right-of-use assets
Impairment loss for other receivables
Inventories written down
Loss on disposal of subsidiaries
Property, plant and equipment written off
Gain on derecognition and termination

Segment profit/(loss)

Income tax expense

Profit/(Loss) for the financial year

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

32. SEGMENTAL INFORMATION (CONTINUED)

Inter-segment revenues are eliminated on consolidation.

Segment profit or loss is measured based on segment profit/(loss) before tax that are reviewed by the Group Managing Director and Executive Directors. The activities of the Group are carried out mainly in Malaysia and as such, segmental reporting by geographical locations is not presented.

Segment assets and liabilities information are neither included in the internal management reports nor provided regularly to the management. Hence, no disclosures are made on segment assets and liabilities.

Information about major customers

Major customers' information represents revenues from transactions with a single external customer amount to ten percent or more of the Group revenue. A group of entities known to a reporting entity to be under common control shall be considered a single customer and a government and entities known to the reporting entity to be under the control of that government shall be considered a single customer.

The Group has two (2024: one) major customer(s) with revenue more than 10% of the Group revenue from the technology segment contributing total revenue of RM59,197,000 (2024: RM47,646,000).

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***33. FINANCIAL INSTRUMENTS****(a) Categories of financial instruments**

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned as follows:

	Fair value through profit or loss RM'000	Fair value through other comprehensive income RM'000	Amortised cost RM'000	Total RM'000
2025				
Group				
Financial assets				
Trade and other receivables *	-	-	36,582	36,582
Short-term investments	18,980	-	-	18,980
Fixed deposits placed with licensed banks	-	-	990	990
Cash and bank balances	-	-	12,564	12,564
Other investment	-	660	-	660
	18,980	660	50,136	69,776
Financial liabilities				
Trade and other payables #	-	-	5,138	5,138
Term loan	-	-	9,800	9,800
	-	-	14,938	14,938

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***33. FINANCIAL INSTRUMENTS (CONTINUED)****(a) Categories of financial instruments (Continued)**

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned as follows:
(Continued)

	Fair value through other comprehensive income RM	Amortised cost RM'000	Total RM'000
2025			
Company			
Financial assets			
Trade and other receivables *	-	15,019	15,019
Cash and bank balances	-	1,034	1,034
Other investment	660	-	660
	660	16,053	16,713
Financial liabilities			
Other payables and accruals	-	704	704
Amount due to subsidiaries	-	3,971	3,971
	-	4,675	4,675
	Fair value through profit or loss RM'000	Amortised cost RM'000	Total RM'000
2024			
Group			
Financial assets			
Trade and other receivables *	-	16,225	16,225
Short-term investments	10,382	-	10,382
Fixed deposits placed with licensed banks	-	968	968
Cash and bank balances	-	10,918	10,918
	10,382	28,111	38,493
Financial liabilities			
Trade and other payables #	-	5,964	5,964
Term loan	-	10,584	10,584
	-	16,548	16,548

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***33. FINANCIAL INSTRUMENTS (CONTINUED)****(a) Categories of financial instruments (Continued)**

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned as follows:
(Continued)

	Amortised cost RM'000	Total RM'000
2024		
Company		
Financial assets		
Trade and other receivables *	1,033	1,033
Cash and bank balances	204	204
	1,237	1,237
Financial liabilities		
Other payables and accruals	866	866
Amount due to subsidiaries	507	507
	1,373	1,373

* *The amount excludes prepayments.*

The amount excludes SST payable

(b) Fair values**(i) Determination of fair value**

The carrying amounts of cash and bank balances, trade and other receivables, trade and other payables and short-term borrowings, are reasonable approximation of fair value due to the relatively short-term nature of these financial instruments.

In respect of the long-term borrowings with variable interest rates, the carrying amounts approximate fair values as they are repriced to market interest rates for liabilities with similar risk profiles.

34. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk and interest rate risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company do not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management. The audit committee provides independent oversight to the effectiveness of the risk management process.

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

34. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

The Group and the Company consider a financial asset to be in default when:

- the counterparty is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At the end of the reporting period, the Group and the Company assess whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Those events evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

Trade receivables and contract assets

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***34. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)****(i) Credit risk (Continued)****Trade receivables and contract assets (Continued)**

The carrying amount of trade receivables and contract assets is not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group and the Company consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group and the Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

Credit risk concentration profile

The Group determines the credit risk concentration of its trade receivables by industry sector profile on an ongoing basis. The credit risk concentration profile of the Group's trade receivables and contract assets at the reporting date are as follows:

	Group			
	2025		2024	
	RM'000	% of total	RM'000	% of total
Trade receivables				
Technology	30,537	100%	10,960	100%
Contract assets				
Technology	17,510	100%	20,873	100%

The Group applied the simplified approach to providing for impairment losses prescribed by MFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***34. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)****(i) Credit risk (Continued)****Trade receivables and contract assets (Continued)**

The information about the credit risk exposure on the Group's trade receivables and contract assets using provision matrix are as follows:

Group	Gross	ECL	Net
2025	carrying	allowance	balance
	amount	RM'000	RM'000
	RM'000		
Trade receivables			
Current (not past due)	6,814	-	6,814
1 to 30 days past due	921	-	921
More than 30 days past due	118	-	118
More than 60 days past due	6,608	-	6,608
More than 90 days past due	1,070	-	1,070
More than 120 days past due	15,006	-	15,006
	30,537	-	30,537
Contract assets			
Current (not past due)	17,510	-	17,510
	48,047	-	48,047
2024			
Trade receivables			
Current (not past due)	7,781	-	7,781
1 to 30 days past due	614	-	614
More than 30 days past due	973	-	973
More than 60 days past due	543	-	543
More than 90 days past due	577	-	577
More than 120 days past due	472	-	472
	10,960	-	10,960
Contract assets			
Current (not past due)	20,873	-	20,873
	31,833	-	31,833

The reconciliations of loss allowance for trade receivables and contract assets as at 30 June 2025 and 30 June 2024 are disclosed in Notes 13 and 14 to the financial statements.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***34. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)****(i) Credit risk (Continued)****Other receivables and other financial assets**

For other receivables and other financial assets (including fixed deposits placed with licensed banks and cash and balance balances), the Group and the Company minimise credit risk by dealing with credit worthy counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

Some intercompany loans between entities within the Group are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the intercompany does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Other than the credit-impaired other receivables, the Group and the Company consider the other financial assets as at 30 June 2025 to have low credit risk and the expected credit loss is negligible. The reconciliations of loss allowance for other receivables as at 30 June 2025 are disclosed in Note 13 to the financial statements.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arises principally from trade and other payables and loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group and the Company will ensure that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***34. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)****(ii) Liquidity risk (Continued)**Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities based on contractual undiscounted repayment at the reporting date are as follows:

	Carrying amount RM'000	Contractual undiscounted cash flows RM'000	On demand or within 1 year RM'000	2 to 5 years RM'000	More than 5 years RM'000
Financial liabilities					
Group					
2025					
Trade and other payables #	5,138	5,138	5,138	-	-
Lease liability	173	188	94	94	-
Term loan	9,800	12,797	1,243	4,590	6,964
	15,111	18,123	6,475	4,684	6,964
2024					
Trade and other payables #	5,964	5,964	5,964	-	-
Term loan	10,584	14,078	1,281	5,833	6,964
	16,548	20,042	7,245	5,833	6,964
Company					
2025					
Trade and other payables	704	704	704	-	-
Amount due to subsidiaries	3,971	3,971	3,971	-	-
	4,675	4,675	4,675	-	-
2024					
Trade and other payables	866	866	866	-	-
Amount due to subsidiaries	507	507	507	-	-
	1,373	1,373	1,373	-	-

Exclude SST payable.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***34. FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES (CONTINUED)****(iii) Interest rate risk**

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and the Company's financial instruments as a result of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their long-term loans and borrowings with floating interest rates.

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's total equity and profit for the financial year.

	Change in basis point	Effect on profit for the financial year Increase/ (Decrease) RM'000	Effect on equity Increase/ (Decrease) RM'000
Group			
30 June 2025	+ 50	(37)	(37)
	- 50	37	37
30 June 2024	+ 50	(40)	(40)
	- 50	40	40

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***35. CAPITAL MANAGEMENT**

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investors, creditors and market confidence and to sustain future development of the business. The directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements, if any. There were no changes in the Group's approach to capital management during the financial year.

The debt-to-equity ratios as at 30 June 2025 and 30 June 2024 were as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Term loan (Note 21)	9,800	10,584	-	-
Less : Cash and bank balances	(12,564)	(10,918)	(1,034)	(204)
Less : Fixed deposits placed with licensed banks	(990)	(968)	-	-
Net debts	(3,754)	(1,302)	(1,034)	(204)
Total equity attributable to the owners of the Company	94,488	68,548	96,222	82,794
Total equity plus net debts	90,734	67,246	95,188	82,590
Gearing ratio	#	#	#	#

Not meaningful.

The Group does not have any externally imposed capital requirement other than a debt to service coverage ratio of a subsidiary in respect of term loan facility as disclosed in Note 21 to the financial statements.

36. COMPARATIVE FIGURES

The following comparative figures have been reclassified to conform with current year presentation.

	As previously classified RM'000	Reclassification RM'000	As reclassification RM'000
Group			
2024			
Statements of Comprehensive Income			
Revenue	69,089	(2,963)	66,126
Cost of sales	(26,341)	1,284	(25,057)
Administrative expenses	(17,014)	1,679	(15,335)

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

STATEMENT BY DIRECTORS

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

We, **TAN SRI DATO' DR. PALANIAPPAN A/L RAMANATHAN CHETTIAR** and **SUBRAMANIAN A/L AMAMALAY**, being two of the directors of **SMRT HOLDINGS BERHAD**, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 66 to 121 are drawn up in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 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 directors:

.....
TAN SRI DATO' DR. PALANIAPPAN
A/L RAMANATHAN CHETTIAR
Director

.....
SUBRAMANIAN A/L AMAMALAY
Director

Date: 30 October 2025

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***STATUTORY DECLARATION**

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

I, **CHU KHEH WEE**, being the director primarily responsible for the financial management of **SMRT HOLDINGS BERHAD**, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 66 to 121 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

.....
CHU KHEH WEE

MIA Membership No.: CA 15220

Subscribed and solemnly declared by the abovenamed at Cyberjaya in Selangor in the Federal Territory on 30 October 2025.

Before me,

.....
R HANITA A/P RAMACHANDRAN (BC/R/1099)

NO. PJS B767

Commissioner for Oaths

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SMRT HOLDINGS BERHAD***(Incorporated in Malaysia)***Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of SMRT Holdings Berhad, which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, and the statements of 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 financial statements, including material accounting policy information, as set out on pages 66 to 121.

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 the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Key Audit Matters

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

Group

Trade receivables and contract assets (Note 4(a), Notes 13 and 14 to the financial statements)

The Group has significant trade receivables and contract assets as at 30 June 2025. We focused on this area because the directors made significant judgements over assumptions about risk of default and expected loss rate. In making the assumption, the directors selected inputs to the impairment calculation, based on the Group's past history and existing market conditions at the end of the reporting period.

Our response:

Our audit procedures included, among others:

- Understanding of any significant credit exposures of trade receivables and contract assets which were significantly overdue or deemed to be in default through analysis of ageing report prepared by the Group;
- Obtaining confirmation of balances from selected receivables;
- Checking subsequent receipts after financial year end and considering the level of activity with the customers and management's explanation on recoverability with significant past due balances; and
- Testing the mathematical calculation of expected credit loss as at the end of the reporting period.

Company

Investment in subsidiaries (Note 4(b) and Note 8 to the financial statements)

The Company has a significant balance of investment in subsidiaries. At the end of the financial year, the directors are required to determine if there is any indication of impairment in investment in the subsidiary. If such an indication of impairment exists, the directors are required to determine the recoverable amount of this investment.

We focused on this area because the Company's determination of the recoverable amount requires significant judgement to be made by the directors, especially in determining the assumptions to be applied in supporting the underlying cash flow projections in the recoverable amount calculation. These judgements and assumptions are inherently uncertain.

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***Key Audit Matters (Continued)****Company (Continued)****Investment in subsidiaries (Note 4(b) and Note 8 to the financial statements) (Continued)****Our response:**

Our audit procedures included, among others:

- Comparing the actual results with previous budgets to understand the performance of the business;
- Comparing the directors' key assumptions in cash flow forecast which include the directors' assessment and consideration of the current economic and business environment in relation to key assumptions;
- Testing the mathematical accuracy of the impairment assessment; and
- Performing the sensitivity analysis of key assumptions and the impact of these key assumptions and inputs that are expected to be most sensitive to the recoverable amount.

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

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

CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

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

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

CONSOLIDATED FINANCIAL STATEMENTS*(Continued)***Auditors' Responsibilities for the Audit of the Financial Statements (Continued)**

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 8 to the financial statements.

Other Matters

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

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Ng Zu Wei
No. 03545/12/2026 J
Chartered Accountant

Kuala Lumpur

Date: 30 October 2025

LIST OF PROPERTIES

No.	Name of Registered Owner / Beneficial Owner: Lot. No./Postal address	Description / Existing Use	Land area / Built- up area (sq ft)	Freehold / Leasehold	Approximate Age of Building	Date of Acquisition	Net book value as at 30 June 2025 (RM'000)
1	Strategic Ambience Sdn Bhd i). Nos. 017545961, 017545970, 017545989, 017545998 and 017546002, Likas in the District of Kota Kinabalu. ii). Nos. 017546011, 017546020 and 017546039, likas in the District of Kota Kinabalu. Postal Address Lots 33 -40, Lorong Juta 5, Plaza Juta, Batu 4, Jalan Tuaran Likas, 88400 Kota Kinabalu, Sabah.	Eight (8) adjoining units of four storey terrace shop/ office comprising six (6) units of intermediate units and two (2) corner units / Campus	14,164 / 56,656	Leasehold	17 years	20-12-2022	RM13,941

(Date of last revaluation: 29th May 2025)

The property has been pledged as security by way of a Facility Agreement and Deed of Assignment to secure banking facilities as disclosed in Note 21 on Page 99 to the Financial Statements.

ANALYSIS OF SHAREHOLDINGS

As At 30 September 2025

SHARE CAPITAL

Total number of Issued Shares : 455,355,297 (excluding Treasury Shares of 2,283,100)
 Class of shares : Ordinary Shares
 Voting Rights : One (1) vote per ordinary share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Holdings	No. of Holders	%	No. of shares	%
1 – 99	403	13.16	12,168	0.00
100 – 1,000	531	17.34	248,144	0.05
1,001 – 10,000	1,140	37.22	6,206,215	1.36
10,001 – 100,000	785	25.63	26,938,394	5.92
100,001 – 1,000,000	156	5.09	47,524,585	10.44
Over 1,000,000	48	1.57	374,425,791	82.23
TOTAL	3,063	100.00	455,355,297	100.00

DIRECTORS' SHAREHOLDINGS

Directors	Direct		Indirect	
	No. of Shareholdings	%	No. of Shareholdings	%
Tan Seri Datuk Seri Dr Mazlan Bin Yusoff	-	-	-	-
Tan Sri Dato' Dr Palaniappan A/L Ramanathan Chettiar	60,704,515	13.331	71,589,272	15.722 ⁽¹⁾
Maha Ramanathan Palan	3,880,184	0.852	-	-
Chu Kheh Wee	750,000	0.165	-	-
Subramanian A/L Amamalay	1,567,033	0.344	-	-
Lim Kwee Yong	50,000	0.011	-	-
Ng Kit Ching	50,000	0.011	-	-
Ir Hj Khalid Binti Abdul Kadir	-	-	-	-

SUBSTANTIAL SHAREHOLDERS

Name	Direct		Indirect	
	No. of Shareholdings	%	No. of Shareholdings	%
Tan Sri Dato' Dr Palaniappan A/L Ramanathan Chettiar	60,704,515	13.331	71,589,272	15.722 ⁽¹⁾
Puan Sri Datin Kamatchi @ Valliammai A/P Malayandi	-	-	132,293,787	29.053 ⁽²⁾
Special Flagship Holdings Sdn Bhd	71,589,272	15.722	-	-
Employees Provident Fund Board	38,522,700	8.46	-	-
Urusharta Jamaah Sdn. Bhd.	35,937,500	7.89	-	-
ABRDN Plc	-	-	30,044,400	6.60

ANALYSIS OF SHAREHOLDINGS

(Continued)

Name	Direct		Indirect	
	No. of Shareholdings	%	No. of Shareholdings	%
ABRDN Holdings Limited	-	-	30,044,400	6.60
ABRDN Malaysia Sdn Bhd	-	-	28,653,700	6.29

Notes:

- (1) Deemed interested by virtue of his shareholdings in Special Flagship Holdings Sdn Bhd pursuant to Section 8 of the Companies Act 2016.
- (2) Deemed interested by virtue of her shareholdings in Special Flagship Holdings Sdn Bhd and the shareholdings of her husband, Tan Sri Dato' Dr. Palaniappan A/L Ramanathan Chettiar pursuant to Section 8 and 197 of the Companies Act 2016.

LIST OF TOP 30 SHAREHOLDERS

No	Name	No. of Shareholdings	%
1	Special Flagship Holdings Sdn Bhd	71,589,272	15.72
2	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary : Exempt An For Bank of Singapore Limited (Local)	60,704,515	13.33
3	Bayu Kenanga Sdn Bhd	21,930,000	4.82
4	Victory Platinum Sdn Bhd	19,658,987	4.32
5	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary : Employees Provident Fund Board (Aberdeen)	17,649,400	3.88
6	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary : Urusharta Jamaah Sdn Bhd (AHAM AM 2)	11,585,700	2.54
7	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary : Urusharta Jamaah Sdn Bhd (Aberdeen 2)	11,004,300	2.42
8	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary : HSBC (M) Trustee Bhd for Principal Islamic Small Cap Opportunities Fund	10,599,000	2.33
9	Bidadari Cahaya Sdn Bhd	10,328,100	2.27
10	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary : Lembaga Tabung Haji (Aiiman)	9,784,700	2.15
11	Maybank Securities Nominees (Tempatan) Sdn Bhd Beneficiary : One IFC Residence Sdn Bhd	7,970,000	1.75
12	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary : Urusharta Jamaah Sdn Bhd (Maybank 2)	7,564,500	1.66
13	Cartaban Nominees (Asing) Sdn Bhd Beneficiary : Exempt An For LGT Bank AG (Foreign)	6,700,000	1.47
14	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary : HSBC (M) Trustee Bhd for AHAM Aiiman Growth Fund	6,419,200	1.41
15	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary : Employees Provident Fund Board (Islamic)	6,267,300	1.38
16	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary : Urusharta Jamaah Sdn Bhd (Principal 2)	6,250,000	1.37
17	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary : Employees Provident Fund Board	6,151,400	1.35

ANALYSIS OF SHAREHOLDINGS*(Continued)*

No	Name	No. of Shareholdings	%
18	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary : Exempt An For AIA Public Takaful Bhd	6,035,900	1.33
19	Kenanga Nominees (Tempatan) Sdn Bhd Beneficiary : One IFC Hotel Sdn Bhd	5,855,500	1.29
20	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary : Exempt An For AIA Bhd	4,904,600	1.08
21	Citigroup Nominees (Tempatan) Sdn Bhd Beneficiary : Employees Provident Fund Board (CIMB Prin)	4,000,000	0.88
22	CGS International Nominees Malaysia (Tempatan) Sdn Bhd Beneficiary: Pledged Securities Account For Maha Ramanathan Palan (MF00605)	3,880,184	0.85
23	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary : Exempt An For Maybank Islamic Asset Management Sdn Bhd (Omnibus Trust Account For Clients)	3,784,300	0.83
24	Maybank Nominees (Tempatan) Sdn Bhd Beneficiary : MTrustee Bhd For Aiiman TNB RBTF (EQ) (433139)	3,665,200	0.80
25	Yeoh Yew Choo	3,579,500	0.79
26	CIMB Group Nominees (Tempatan) Sdn Bhd Beneficiary : CIMB Islamic Trustee Berhad for PMB Shariah Equity Fund	3,500,000	0.77
27	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary : HSBC (M) Trustee Bhd for Zurich Takaful Malaysia Berhad (IL-FLEXI)	3,321,700	0.73
28	HSBC Nominees (Tempatan) Sdn Bhd Beneficiary : HSBC (M) Trustee Bhd for Principal Lifetime Balanced Income Fund	3,212,100	0.71
29	CIMB Group Nominees (Tempatan) Sdn Bhd Beneficiary : Exempt An for Petroliam Nasional Berhad (KIB)	2,960,200	0.65
30	CIMB Group Nominees (Tempatan) Sdn Bhd Beneficiary : CIMB Commerce Trustee Berhad - Kenanga Malaysian Inc Fund	2,925,000	0.64
	TOTAL:	343,780,558	75.52

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-First (21st) Annual General Meeting ("**AGM**") of SMRT Holdings Berhad ("**SMRT**" or "**Company**") will be held at Grand Hall, Level 4, Academic Block, University of Cyberjaya, Persiaran Bestari, Cyber 11, 63000 Cyberjaya, Selangor Darul Ehsan on Thursday, 4 December 2025 at 10.00 a.m. for the following purposes:

AGENDA

ORDINARY BUSINESS:

- | | |
|---|--|
| 1. To receive the Audited Financial Statements for the financial year ended 30 June 2025 together with the Directors' Report and Auditors' Report thereon. | Explanatory Note 1 |
| 2. To approve the payment of Directors' fees to be paid to Directors from 5 December 2025 until the conclusion of the next Annual General Meeting. | Ordinary Resolution 1
Explanatory Note 2 |
| 3. To approve the payment of meeting allowances to be paid to Non-Executive Directors from 5 December 2025 until the conclusion of the next Annual General Meeting. | Ordinary Resolution 2
Explanatory Note 2 |
| 4. To approve and ratify the additional payment of Directors' fees amounting to RM12,000.00 which was in excess of the earlier approved amount for the period commencing from 11 December 2024 until the conclusion of 21 st AGM of the Company. | Ordinary Resolution 3
Explanatory Note 3 |
| 5. To re-elect the following Directors who retire by rotation pursuant to Clause 97 of the Company's Constitution and being eligible, offer themselves for re-election:
(a) Mr Maha Ramanathan Palan
(b) Mr Chu Kheh Wee | Ordinary Resolution 4
Ordinary Resolution 5
Explanatory Note 4 |
| 6. To re-elect Tan Sri Datuk Seri Dr. Mazlan Bin Yusoff who retires by casual vacancy pursuant to Clause 104 of the Company's Constitution and being eligible, offers himself for re-election. | Ordinary Resolution 6
Explanatory Note 4 |
| 7. To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration. | Ordinary Resolution 7
Explanatory Note 5 |

SPECIAL BUSINESS:

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

- | | |
|--|--|
| 8. ORDINARY RESOLUTION
AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 75 AND SECTION 76 OF THE COMPANIES ACT 2016

"THAT pursuant to Section 75 and Section 76 of the Companies Act 2016 (" the Act ") and subject always to the Constitution of the Company, the ACE Market Listing Requirements (" AMLR ") of Bursa Malaysia Securities Berhad (" Bursa Securities ") and the approvals of the relevant governmental and/or regulatory authorities, if applicable, the Directors be and are hereby given full authority to allot and issue shares in the Company, at any time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares issued pursuant to this resolution in any one financial year does not exceed 10% of the total number of issued shares (excluding treasury shares, if any) of the Company for the time being AND THAT the Directors be and are hereby given full authority to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND THAT such authority shall continue to be in force until the conclusion of the | Ordinary Resolution 8
Explanatory Note 6 |
|--|--|

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

(Continued)

next Annual General Meeting of the Company or at the expiry of the period within which the next Annual General Meeting is required to be held in accordance with the provisions of the Act, whichever is the earlier.

THAT pursuant to Section 85(1) of the Act read together with Clause 54 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights conferred upon the existing shareholders of the Company to be offered new shares of the Company which rank equally to the existing shares of the Company **AND THAT** the Board of Directors is exempted from the obligation to offer such new shares first to the existing shareholders of the Company in respect of the allotment and issuance of new shares pursuant to Section 75 and Section 76 of the Act."

9. **ORDINARY RESOLUTION
PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE
FOR RECURRENT RELATED PARTY TRANSACTIONS OF A
REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF
SHAREHOLDERS' MANDATE")**

Ordinary Resolution 9
Explanatory Note 7

"**THAT** pursuant to Rule 10.09 of the AMLR of Bursa Securities, approval be and is hereby given to the Company and its subsidiaries ("**Group**") to enter into any of the transactions falling within the types of recurrent related party transactions of a revenue or trading nature ("**Recurrent Related Party Transactions**") as set out in the Circular to Shareholders of the Company dated 31 October 2025, which are necessary for the day-to-day operations and are in the ordinary course of business and are carried out at arms' length basis on normal commercial terms of the Group on terms not more favourable to the related parties than those generally available to the public and are not, in the Company's opinion, detrimental to minority shareholders of the Company and that such approval shall continue to be in force until:

- (a) the conclusion of the next AGM of the Company, at which time it will lapse, unless by a resolution passed at the next AGM, the mandate is renewed; or
- (b) the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier.

AND THAT the Directors be and are hereby authorised to do all acts, deeds, things and execute all necessary documents as they may consider necessary or expedient in the best interest of the Company with full powers to assent to any conditions, variations, modifications and/or amendments in any manner as may be required or permitted under relevant authorities to give full effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING*(Continued)***10. ORDINARY RESOLUTION****PROPOSED SHARE BUY-BACK OF UP TO TEN PERCENT (10%)
OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY
("PROPOSED NEW SHARE BUY-BACK")****Ordinary Resolution 10**

Explanatory Note 8

"THAT subject always to compliance with the Act, the Constitution of the Company, the AMLR of Bursa Securities or any other regulatory authorities and all other applicable rules, regulations, guidelines or approval for the time being in force or as may be amended from time to time, the Directors be and are hereby authorised to make purchases of such number of ordinary shares in the Company as may be determined by the Directors from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that:

- (a) the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares shall not exceed ten percent (10%) of the total number of issued shares of the Company for the time being;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained earnings of the Company at the time of the said purchase(s); and
- (c) the authority conferred by this resolution shall commence immediately upon the passing of this Ordinary Resolution and shall continue to be in force until:
 - (i) the conclusion of the next AGM of the Company, at which time it shall lapse, unless by a resolution passed at the next AGM, the authority is renewed; or
 - (ii) the expiration of the period within which the next AGM after that date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
 - (iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting;

whichever is earlier;

AND THAT upon completion of the purchase by the Company of its own shares, the Directors be and are hereby authorised to deal with the shares purchased in their absolute discretion in the following manner:

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING*(Continued)*

- (a) cancel the Company's shares so purchased; and/or
- (b) retain the Company's shares so purchased as Treasury Shares; and/or
- (c) retain part of the Company's Shares so purchased as Treasury Shares and cancel the remainder; and/or
- (d) in any other manner as prescribed by the Act, rules, regulations and orders made to the Act, the AMLR of Bursa Securities and any other relevant authorities for the time being in force.

AND THAT authority be and is hereby given to the Directors and/or anyone of them to complete and do all such acts and things as they may consider necessary or expedient in the best interest of the Company, including executing all such documents as may be required or necessary and with full powers to assent to any modifications, variations and/or amendments as the Directors in their discretion deem fit and expedient to give effect to the aforesaid purchase(s) contemplated and/or authorised by this Ordinary Resolution."

11. **ORDINARY RESOLUTION**
PROPOSED GRANTING OF SMRT SHARES TO MR AU WONG LIAN, GROUP CHIEF EXECUTIVE OFFICER PURSUANT TO THE SHARE GRANT PLAN ("SGP")

Ordinary Resolution 11
 Explanatory Note 9

"THAT approval be and is hereby given to the Board to issue and/ or transfer such number of SMRT Shares as allowed under the SGP to Mr Au Wong Lian, Group Chief Executive Officer of the Company, at any time and from time to time **PROVIDED ALWAYS THAT:-**

- (a) he shall not participate in the deliberation or discussion of his, as well as that of the persons connected with him, under the SGP; and
- (b) not more than 10% (or such other percentage as may be permitted by Bursa Securities of the total number of SMRT Shares to be issued under the SGP shall be allocated to him, who either singly or collectively through persons connected with him, holds 20% (or such other percentage as may be permitted by Bursa Securities or any other relevant authorities from time to time) or more of the total number of issued SMRT Shares (excluding treasury shares, if any); and
- (c) not more than 60% of the total number of SGP Shares available under the SGP will be allocated in aggregate to the directors and senior management personnel of the SMRT Group (excluding dormant subsidiaries),

subject always to such terms and conditions and / or any adjustments which may be made in accordance with the provisions of the By-Laws of the SGP and any prevailing guidelines issued by Bursa Securities, the AMLR of Bursa Securities or any other relevant authorities as mentioned from time to time.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING*(Continued)*

AND THAT pursuant to Section 85(1) of the Companies Act 2016 read together with Clause 54 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights conferred upon the existing shareholders of SMRT to be offered new SMRT Shares which rank equally to the existing SMRT Shares **AND THAT** the Board is exempted from the obligation to offer such new SMRT Shares first to the existing shareholders of SMRT in respect of the allotment and issuance of new SMRT Shares to the eligible persons pursuant to the SGP."

12. **SPECIAL RESOLUTION
PROPOSED AMENDMENT TO THE COMPANY'S CONSTITUTION
("PROPOSED AMENDMENT")**

Special Resolution 1
Explanatory Note 10

"THAT the Proposed Amendment to Clause 6.1 of the Constitution of the Company as set out below be approved and adopted:

Clause No.	Existing Clause	Amended Clause
6.1	"Listing Requirements" means the ACE Market Listing Requirements of the Exchange including any relevant practice and/or guidance notes, directives, guidelines issued pursuant thereto and any amendment, supplemental, modification to the same that may be made from time to time.	"Listing Requirements" means the ACE Market Listing Requirements of the Exchange including any relevant practice and/or guidance notes, directives, guidelines issued pursuant thereto and any amendment, supplemental, modification to the same that may be made from time to time.

AND THAT the Directors of the Company be with full power to make any modifications, variations and/or amendments in any manner as may be required by the relevant authorities and to do all acts and things and to take all such steps as they may be deem necessary or expedient to give full effect to the Proposed Amendment."

ANY OTHER BUSINESS:

13. To transact any other business for which due notice shall have been given.

BY ORDER OF THE BOARD

LIM LI HEONG (MAICSA 7054716)
PRACTICING CERTIFICATE NO. 202008001981
WONG MEE KIAT (MAICSA 7058813)
PRACTICING CERTIFICATE NO. 202008001958
Company Secretaries

Kuala Lumpur
Dated: 31 October 2025

NOTES:

1. A member of the Company entitled to attend and vote at the meeting may appoint one or more proxies (or being a corporate member, a corporate representative) to attend and vote in his/her stead. A proxy may but need not be a member of the Company.

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING*(Continued)*

2. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
3. The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney or in the case of a corporation executed under its common seal or signed on behalf of the corporation by its attorney or by an officer duly authorised.
4. 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") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or executed must be deposited at the Registered Office of the Company at Level 8, Tower Block, University of Cyberjaya, Persiaran Bestari, Cyber 11, 63000 Cyberjaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.
6. Only members whose names appear in the Record of Depositors on 26 November 2025 shall be entitled to attend, speak and vote at the meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.
7. All resolutions set out in this notice will be put to vote by poll.

PERSONAL DATA PRIVACY

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

EXPLANATORY NOTES:**1. AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025**

This item on the agenda is meant for discussion only. The provision of Section 340(1) of the Act requires that the Audited Financial Statements and the Directors' Report and Auditors' Report thereon be laid before the Company at its AGM. As such, this item of the agenda is not a business which requires a resolution to be put to vote by shareholders.

2. DIRECTORS' REMUNERATION

Section 230(1) of the Act provides, among others, that 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. In this respect, the Board wishes to seek shareholders' approval for the following payments to Directors of the Company at the 21st AGM:

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

(Continued)

Ordinary Resolution 1 seeks approval for payment of Directors' fees to be paid to Directors of the Company from 5 December 2025 until the conclusion of the next AGM of the Company as stated below.

Ordinary Resolution 2 seeks approval for payment of meeting allowances to be paid to Non-Executive Directors of the Company from 5 December 2025 until the conclusion of the next AGM of the Company as stated below.

Board/ Board Committees (Position)	Meeting Allowances (Per Meeting)	Directors' Fees (Per Director per month)		
		Executive Directors	Non- Independent Non-Executive Directors	Independent Non-Executive Directors
	RM	RM	RM	RM
Board of Directors		Up to 10,000	Up to 40,000	Up to 6,000
- Chairman	1,000			
- Non-Executive Directors	500			
Audit and Risk Management Committee		-		
- Chairman	1,000			
- Member	500			
Nomination and Remuneration Committees		-		
- Chairman	1,000			
- Member	500			

3. ADDITIONAL PAYMENT OF DIRECTORS' FEES

At the 20th AGM of the Company held on 10 December 2024, the shareholders had approved the Directors' Fees of Independent Non-Executive Directors of the Company up to RM3,000 per director per month for the period commencing from 11 December 2024 up to the conclusion of 21st AGM of the Company scheduled on 4 December 2025.

The request for an additional amount of RM12,000.00 in excess of the earlier approved amount is to accommodate the additional Directors' Fees payable to the newly appointed Independent Non-Executive Chairman.

4. RE-ELECTION OF DIRECTORS

The profile of the Directors who are standing for re-election under items 4 and 5 of the agenda is set out in the Directors' Profile of the 2025 Annual Report.

Based on the recommendation of the Nomination Committee, the Board is satisfied with the performance and contributions of the following retiring Directors and supports their re-election based on the justifications as stated below:

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

(Continued)

Ordinary Resolution 4 - Re-election of Mr Maha Ramanathan Palan as Group Managing Director

The Nomination Committee was satisfied that Mr Maha Ramanathan Palan is well versed with the business environment in which the Group is operating in and he able to direct and oversee the Group's business activities and affairs in the best interests of its stakeholders. He possesses the required character, experience, integrity, competence and time to effectively and diligently discharge his duties and responsibilities. Shareholders' approval is sought for the re-election of Mr Maha Ramanathan Palan under **Ordinary Resolution 4**.

Ordinary Resolution 5 - Re-election of Mr Chu Kheh Wee as Executive Director

The Nomination Committee concluded that Mr Chu Kheh Wee is well versed with financial management, financial reporting, sustainability, governance, risk management and other relevant experience that qualify him as a financial or governance expert. He possesses the requisite education, experience and competency to make a significant contribution to the Board and had demonstrated his diligence and commitment as a Director of the Company. Shareholders' approval is sought for the re-election of Mr Chu Kheh Wee under **Ordinary Resolution 5**.

Ordinary Resolution 6 - Re-election of Tan Sri Datuk Seri Dr. Mazlan Bin Yusoff as Independent Non-Executive Chairman

In accordance with Clause 104 of the Company's Constitution, a Director appointed by the Board shall hold office only until the conclusion of the next AGM and shall then be eligible for re-election. Tan Sri Datuk Seri Dr. Mazlan Bin Yusoff who was appointed as Director of the Company on 8 September 2025 shall retire pursuant to Clause 104 of the Company's Constitution and being eligible, offers himself for re-election as Director of the Company at the AGM. Shareholders' approval is sought for the re-election of Tan Sri Datuk Seri Dr. Mazlan Bin Yusoff under **Ordinary Resolution 6**.

5. RE-APPOINTMENT OF AUDITORS

The Audit and Risk Management Committee was satisfied that the auditors, Messrs Baker Tilly Monteiro Heng PLT meets the relevant criteria prescribed by Rule 15.21 of the AMLR of Bursa Securities. The Board of Directors had on 18 August 2025 approved the recommendation of the Audit and Risk Management Committee to seek shareholders' approval for **Ordinary Resolution 7** at the AGM.

6. AUTHORITY TO ISSUE SHARES PURSUANT TO SECTION 75 AND SECTION 76 OF THE COMPANIES ACT 2016

Ordinary Resolution 8 is proposed for the purpose of renewing the general mandate for issuance of shares by the Company under Section 75 and Section 76 of the Act. If passed, it will give the Directors of the Company authority to issue shares up to an amount not exceeding 10% of the total number of issued shares (excluding treasury shares, if any) of the Company at any time in their absolute discretion without the need to convene a general meeting. The authorisation, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM of the Company. The general mandate, if granted, will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for the purpose of funding future investment project(s), working capital and/or acquisition(s). The Board is of the opinion that the 10% general mandate is in the best interest of the Company and its shareholders.

The Company has not issued new shares pursuant to the Section 75 and Section 76 of the Act under the general mandate sought at the 20th AGM held on 10 December 2024, which will lapse upon the conclusion of the forthcoming AGM to be held on 4 December 2025.

Pursuant to Section 85(1) of the Act read together with Clause 54 of the Company's Constitution, the shareholders of the Company have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares of the Company. In order for the

NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

(Continued)

Board to issue any new shares, such pre-emptive rights must be waived. By you voting in favour of the proposed Ordinary Resolution 8, you will be waiving your statutory pre-emptive rights and the proposed Ordinary Resolution 8, if passed, will exclude your statutory pre-emptive rights to be offered any new shares to be allotted and issued by the Company pursuant to Section 75 and Section 76 of the Act, which will result in a dilution to your shareholdings in the Company.

7. PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE")

The proposed **Ordinary Resolution 9**, if approved by the shareholders, will authorise the Proposed Renewal of Shareholders' Mandate and allow the Group to enter into Recurrent Related Party Transactions as set out in the Circular to Shareholders dated 31 October 2025, with the related parties in the ordinary course of business which are necessary for the day-to-day operations based on terms which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders of the Company. This approval shall continue to be in force until the conclusion of the next AGM of the Company at which time it will lapse unless the authority is renewed by a resolution passed at the meeting; or the expiration of the period within which the next AGM after the date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or revoked/varied by resolutions passed by the shareholders of the Company in a general meeting; whichever is earlier. Further information on the Proposed Renewal of Shareholders' Mandate is set out in the Circular to Shareholders dated 31 October 2025.

8. PROPOSED SHARE BUY-BACK OF UP TO TEN PERCENT (10%) OF THE TOTAL NUMBER OF ISSUED SHARES OF THE COMPANY ("PROPOSED NEW SHARE BUY-BACK")

The proposed **Ordinary Resolution 10**, if passed, will empower the Directors of the Company to purchase the Company's ordinary shares of up to ten percent (10%) of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the total retained earnings of the Company. Further information on the Proposed New Share Buy-Back is set out in the Statement to Shareholders dated 31 October 2025, which is despatched together with the Notice of the AGM.

9. PROPOSED GRANTING OF SMRT SHARES TO MR AU WONG LIAN, GROUP CHIEF EXECUTIVE OFFICER PURSUANT TO THE SHARE GRANT PLAN ("SGP")

The proposed **Ordinary Resolution 11** is to seek authority for the grant of ordinary shares in the Company to Mr Au Wong Lian, Group Chief Executive Officer of the Company, under the SGP.

At the extraordinary general meeting held on 18 April 2023, the Company had obtained approval for the establishment of the SGP including the authority to grant shares to eligible employees and Directors. The SGP has subsequently implemented on 28 June 2023.

The proposal is intended to, amongst others, serve as a long term incentive to align Mr Au Wong Lian's interests with the Group's long term objectives and business strategies.

Mr Au Wong Lian will abstain from voting on the proposed **Ordinary Resolution 11** and will ensure that persons connected to him abstain from doing so.

10. PROPOSED AMENDMENT TO THE COMPANY'S CONSTITUTION ("PROPOSED AMENDMENT")

The proposed **Special Resolution 1**, is intended to future-proof the Company's Constitution and ensure its continued alignment with the applicable listing requirements of Bursa Securities.

This Special Resolution 1 shall be passed by a majority of not less than 75% of such members who are entitled to vote either in person or by proxy.

STATEMENT ACCOMPANYING NOTICE OF TWENTY-FIRST ANNUAL GENERAL MEETING

(Pursuant to Rule 8.29(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad)

The Directors seeking re-election at the Twenty-First (21st) Annual General Meeting ("**AGM**") of the Company are as follows:

- (1) Pursuant to Clause 97 of the Company's Constitution:
 - (i) Mr Maha Ramanathan Palan
 - (ii) Mr Chu Kheh Wee
- (2) Pursuant to Clause 104 of the Company's Constitution:
 - (i) Tan Sri Datuk Seri Dr. Mazlan Bin Yusoff

The profile of the Directors who are seeking re-election at the 21st AGM of the Company is set out in the "Directors' Profile" section on pages 6 and 7 of the Company's 2025 Annual Report.

The details of any interest in securities held by the above Directors are set out in "Directors' Report" section on pages 58 to 65 of the Company's 2025 Annual Report.

The Company will seek shareholders' approval on the general mandate for issue of securities in accordance with Rule 6.04(3) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. Please refer to the proposed Ordinary Resolution 8 as set out in the Notice of 21st AGM of the Company for the details.

FORM OF PROXY

SMRT

HOLDINGS BERHAD

Registration No. 200401021019 (659523-T)
(Incorporated in Malaysia)

*I/We *NRIC/Company No
(Block Letters)

of

being a *member/members of the abovenamed Company, hereby appoint

*NRIC/Company No of

Telephone Number Email Address

or failing *him/her, *NRIC/Company No

of

Telephone Number Email Address

or failing *him/her, the CHAIRMAN of the meeting, as *my/our proxy to vote for *me/us on *my/our behalf at the Twenty-First Annual General Meeting ("AGM") of SMRT Holdings Berhad to be held at Grand Hall, Level 4, Academic Block, University of Cyberjaya, Persiaran Bestari, Cyber 11, 63000 Cyberjaya, Selangor Darul Ehsan on Thursday, 4 December 2025 at 10.00 a.m. or at any adjournment thereof in the manner indicated below:

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	To approve the payment of Directors' fees to be paid to Directors from 5 December 2025 until the conclusion of the next Annual General Meeting.		
2.	To approve the payment of meeting allowances to be paid to Non-Executive Directors from 5 December 2025 until the conclusion of the next Annual General Meeting.		
3.	To approve and ratify the additional payment of Directors' fees amounting to RM12,000.00 which was in excess of the earlier approved amount for the period commencing from 11 December 2024 until the conclusion of 21 st AGM of the Company.		
4.	To re-elect Mr Maha Ramanathan Palan who retires by rotation pursuant to Clause 97 of the Company's Constitution and being eligible, offers himself for re-election.		
5.	To re-elect Mr Chu Kheh Wee who retires by rotation pursuant to Clause 97 of the Company's Constitution and being eligible, offers himself for re-election.		
6.	To re-elect Tan Sri Datuk Seri Dr. Mazlan Bin Yusoff who retires by casual vacancy pursuant to Clause 104 of the Company's Constitution and being eligible, offers himself for re-election.		
7.	To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.		
8.	Authority to issue shares pursuant to Section 75 and Section 76 of the Companies Act 2016.		
9.	Proposed renewal of existing shareholders' mandate for recurrent related party transactions of a revenue or trading nature.		
10.	Proposed share buy-back of up to ten percent (10%) of the total number of issued shares of the company		
11.	Proposed granting of SMRT Shares to Mr Au Wong Lian, Group Chief Executive Officer pursuant to the Share Grant Plan ("SGP")		

NO.	SPECIAL RESOLUTION	FOR	AGAINST
1.	Proposed amendment to the Company's Constitution		

Please indicate with an "X" in the appropriate box against the resolution on how you wish your proxy to vote. If no specific instruction as to voting is given, the proxy will vote at *his/her discretion.

Number of Shares	
CDS Account No	
Date	

Signature of Member / Common Seal

Fold This Flap For Sealing

Notes :

1. *A member of the Company entitled to attend and vote at the meeting may appoint one or more proxies (or being a corporate member, a corporate representative) to attend and vote in his/her stead. A proxy may but need not be a member of the Company.*
2. *Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.*
3. *The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney or in the case of a corporation executed under its common seal or signed on behalf of the corporation by its attorney or by an officer duly authorised.*
4. *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") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
5. *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or executed must be deposited at the Registered Office of the Company at Level 8, Tower Block, University of Cyberjaya, Persiaran Bestari, Cyber 11, 63000 Cyberjaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the meeting or any adjournment thereof.*
6. *Only members whose names appear in the Record of Depositors on 26 November 2025 shall be entitled to attend, speak and vote at the meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.*
7. *All resolutions set out in this notice will be put to vote by poll.*

***Delete where inapplicable**

Fold Here

Affix
Stamp
here

SMRT HOLDINGS BERHAD

Registration No. 200401021019 (659523-T)

Level 8, Tower Block,
University of Cyberjaya,
Persiaran Bestari, Cyber 11
63000 Cyberjaya
Selangor Darul Ehsan
Malaysia

Fold Here

PERSONAL DATA PRIVACY

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

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Datuk Seri Dr Mazlan Bin Yusoff
Independent Non-Executive Chairman
(Appointed as Independent Non-Executive Chairman on 8 September 2025)

Tan Sri Dato' Dr Palaniappan A/L Ramanathan Chettiar
Non-Independent Non-Executive Director

Mr Maha Ramanathan Palan
Group Managing Director

Mr Chu Kheh Wee
Executive Director

Adjunct Professor Subramanian A/L Amamalay
Non-Independent Non-Executive Director
(Redesignated as Non-Independent Non-Executive Director on 8 September 2025)

Ms Lim Kwee Yong
Senior Independent Non-Executive Director

Ms Ng Kit Ching
Independent Non-Executive Director

Ir Hj Kamaliah Binti Abdul Kadir
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Ms Lim Kwee Yong
Chairperson

Ms Ng Kit Ching
Member

Ir Hj Kamaliah Binti Abdul Kadir
Member

NOMINATION COMMITTEE

Ms Ng Kit Ching
Chairperson
(Redesignated as Chairperson on 30 October 2025)

Ms Lim Kwee Yong
Member
(Redesignated as Member on 30 October 2025)

Ir Hj Kamaliah Binti Abdul Kadir
Member

REMUNERATION COMMITTEE

Ir Hj Kamaliah Binti Abdul Kadir
Chairperson
(Redesignated as Chairperson on 30 October 2025)

Ms Ng Kit Ching
Member

Ms Lim Kwee Yong
Member
(Redesignated as Member on 30 October 2025)

COMPANY SECRETARIES

Ms Lim Li Heong
MAICSA 7054716
Practicing Certificate No. 2020080001981

Ms Wong Mee Kiat
MAICSA 7058813
Practicing Certificate No. 2020080001958

Acclime Corporate Services Sdn Bhd
Level 7, Mercu 3, No. 3, Jalan Bangsar, KL Eco City, 59200 Kuala Lumpur, Wilayah Persekutuan

Telephone : +603 2280 6388
Email : listcomalaysia@acclime.com

REGISTRAR

Insurban Corporate Services Sdn Bhd
149 Jalan Aminuddin Baki
Taman Tun Dr Ismail
60000 Kuala Lumpur

Telephone : +603 7729 5529
Facsimile : +603 7728 5948
Email : insurban@gmail.com

EXTERNAL AUDITORS

Baker Tilly Monteiro Heng PLT (LLP0019411-LCA)
Chartered Accountants (AF 0117)
Baker Tilly MH Tower
Level 10, Tower 1, Avenue 5
Bangsar South City
59200 Kuala Lumpur

Telephone : +603 2297 1000
Facsimile : +603 2282 9980
Website : www.bakertilly.my
Email : zuwei.ng@bakertilly.my

Partner-in-charge : Mr Ng Zu Wei

SOLICITOR

Messrs Aaron Sankar & Co
Suite K.2.13, Level 2, Block K,
Solaris Mont Kiara,
Jalan Solaris,
50480 Kuala Lumpur.

Telephone : +603 6413 3800
Email : asc@asclaw.my

REGISTERED & CORPORATE OFFICE

Level 8, Tower Block, University of Cyberjaya,
Persiaran Bestari, Cyber 11
63000 Cyberjaya, Selangor D.E

Telephone : +603 2770 9199
Facsimile : +603 2770 9099
Website : www.smrt.holdings
Email : investors@smrt.holdings

Contact person: Ms Winnie Ow

STOCK EXCHANGE LISTING

ACE Market
Bursa Malaysia Securities Berhad

Stock name : SMRT
Stock code : 0117

PRINCIPAL BANKERS

Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
Bank Muamalat Malaysia Berhad

INVESTORS RELATIONS

Website : www.smrt.holdings
Email : investors@smrt.holdings

SMRT

HOLDINGS BERHAD

- A** SMRT Holdings Berhad
Registration No. 200401021019 (659523-T)
Level 8, Tower Block, University of Cyberjaya,
Persiaran Bestari, Cyber 11
63000 Cyberjaya, Selangor, Malaysia
- T** +(603) 2770 9199
- W** www.smrt.holdings