

KEY ALLIANCE GROUP BERHAD

Registration No.: 200301007533 (609953-K)

EMPOWERING SUSTAINABLE FUTURE

ANNUAL REPORT 2025





COVER RATIONALE

The Annual Report 2025 cover of Key Alliance Group Berhad (“KAG”), themed “Empowering Sustainable Future,” features a figure walking toward a radiant portal that opens to a distant city skyline, a powerful visual metaphor for progress, transformation, and vision. This forward-moving journey represents KAG’s commitment to forging pathways toward sustainable growth and long-term value creation. The colour palette of blue, purple, and pinkish-red hues enhances the futuristic and aspirational tone of the design. The bold visual composition reinforces KAG’s forward-thinking identity, one that embraces change, leads with intent, and empowers a sustainable future for all stakeholders.

CORPORATE OBJECTIVES



CUSTOMER LOYALTY

Nothing speaks more loudly than delivering inventive ICT solutions that translates into customer success. This is an essential element in the way Key Alliance Group do business and conducts itself.



EMPLOYEE COMMITMENT

Motivated and loyal employees make a difference at Key Alliance Group Berhad. Their efforts, contributions and accomplishments are highly valued, and critical to our success.



CONTINUOUS GROWTH

As growth comes from taking smart risks, we believe our experience and knowledge will help us recognize trends and make for a smoother ride in the perilous waves of uncertainty.



CORPORATE CITIZENSHIP

Key Alliance Group Berhad will practice the highest standards of honesty and integrity, crucial in earning and retaining loyalty from various stakeholders.



MARKET LEADERSHIP

Key Alliance Group Berhad focuses on leading the pack in its chosen fields of competition and continuously adapts to global market request.



RESPONSIBLE PROFIT

Short and long-term profitability will provide resources that allow us to reinvest in new and emerging business opportunities, employees and community.

WHAT'S INSIDE



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Form of Proxy

22nd

ANNUAL GENERAL MEETING

of Key Alliance Group Berhad



Meeting Venue

Level 4.1, 4th Floor, Menara Lien
Hoe, No. 8, Persiaran Tropicana,
Tropicana Golf & Country Resort,
47410 Petaling Jaya, Selangor.



Date and Time

Friday
29 August 2025
10.00 a.m.



AR2025 QR CODE LINK



For our reports, please scan the QR code or visit



<http://www.kag.com.my/agm.php>



400.67

2.79

161.78 38

6752

1.84

-721.11

855.49

219.98

921.50

301

152.68

555.385.75

STRENGTHENING THE NETWORKS

306.13





CORPORATE INFORMATION

BOARD OF DIRECTORS

- + **Dato' Seri Farhash Wafa Salvador, J.P**
(Executive Chairman)
- + **Roy Ho Yew Kee**
(Executive Director)
- + **Sandraruben A/L Neelamagham**
(Executive Director)
- + **Lee Kien Fatt**
(Independent Non-Executive Director)
- + **Dr Azizah Binti Sulaiman**
(Independent Non-Executive Director)

AUDIT AND RISK MANAGEMENT COMMITTEE

Committee Chairman:
Lee Kien Fatt
Committee Member:
Dr Azizah Binti Sulaiman

NOMINATION COMMITTEE

Committee Chairman:
Lee Kien Fatt
Committee Member:
Dr Azizah Binti Sulaiman

REMUNERATION COMMITTEE

Committee Chairman:
Lee Kien Fatt
Committee Member:
Dr Azizah Binti Sulaiman

SHARE ISSUANCE SCHEME COMMITTEE

Committee Chairman:
Roy Ho Yew Kee
Committee Member:
Ong Gim Hai

COMPANY SECRETARIES

CHONG VOON WAH
SSM Practicing Certificate
No.: 202008001343
MAICSA 7055003
THAI KIAN YAU
SSM Practicing Certificate
No.: 202008001515
MIA 36921

BUSINESS ADDRESS

Lot 18.2, 18th Floor,
Menara Lien Hoe
No. 8 Persiaran Tropicana
47410 Petaling Jaya,
Selangor Darul Ehsan
☎ +603-7880 7725
🏠 +603-7805 7795
✉ kgroup@kag.com.my
🌐 www.kag.com.my

REGISTERED OFFICE

22-09, Menara 1MK
No. 1 Jalan Kiara, Mont Kiara
50480 Kuala Lumpur
☎ +603-2856 7333
✉ vw.chong@silverocean.com.my

AUDITORS

Messrs Russell Bedford LC PLT
(LLP0030621-LCA & AF1237)
Chartered Accountants
Suite 37, Level 21, Mercu 3
No. 3, Jalan Bangsar, KL Eco City
59200 Kuala Lumpur
☎ +603-2202 6666
🏠 +603-2202 6688

SHARE REGISTRAR

ShareWorks Sdn. Bhd.
No. 2-1, Jalan Sri Hartamas 8
Sri Hartamas,
50480 Kuala Lumpur
☎ +603-6201 1120
🏠 +603-6201 3121
✉ ir@shareworks.com.my

PRINCIPAL BANKER

Malayan Banking Berhad

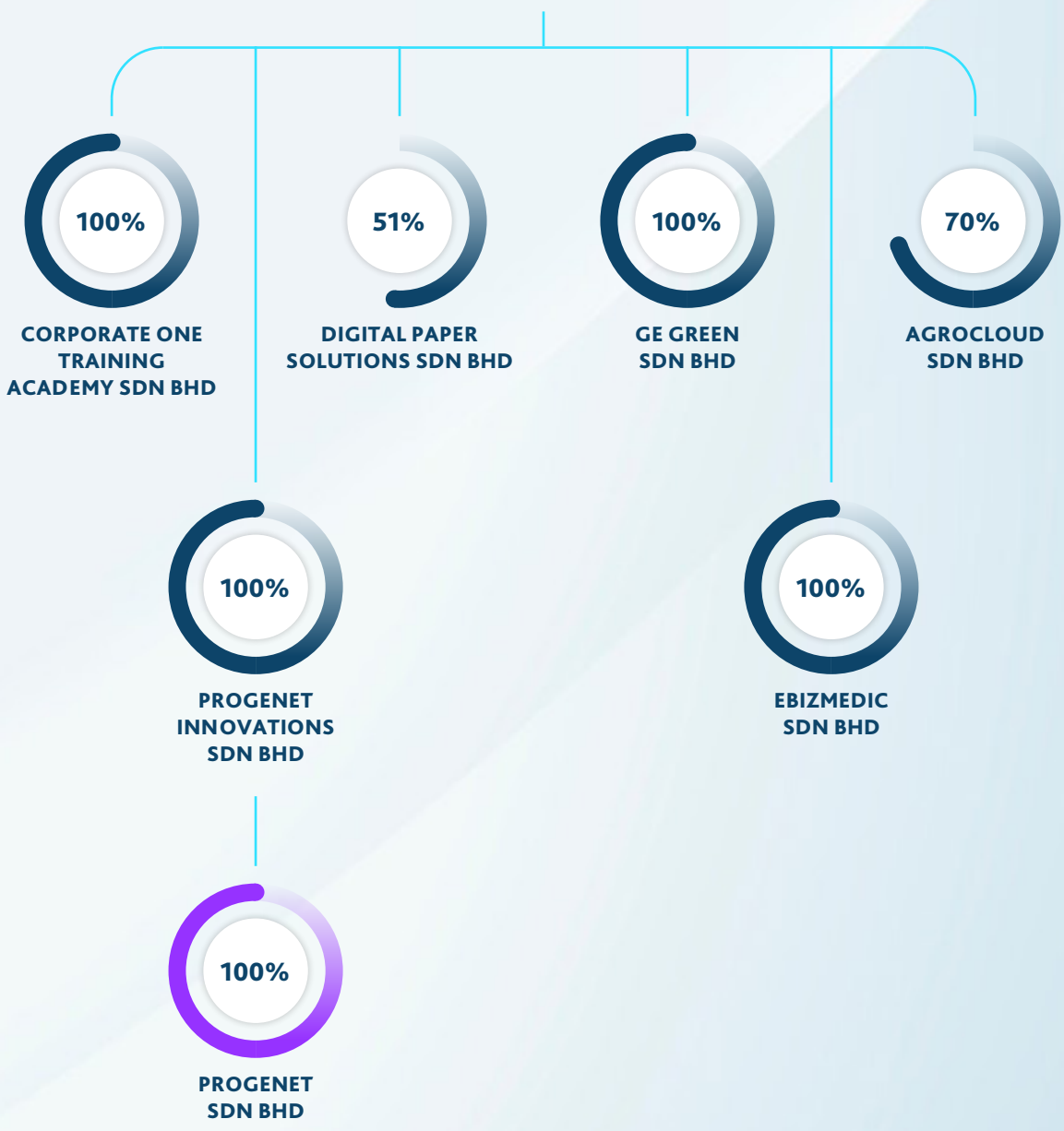
STOCK EXCHANGE LISTING

ACE Market of the Bursa
Malaysia Securities Berhad
Stock Name : KGROUP
Stock Code : 0036

CORPORATE STRUCTURE



KEY ALLIANCE GROUP BERHAD
Registration No.: 200301007533
(609953-K)





BOARD OF DIRECTORS' PROFILE



DATO' SERI FARHASH Wafa SALVADOR, J.P

Executive Chairman



Nationality
Malaysian



Gender
Male



Age
42



Length of Services
(As at 30 June 2025)
6 months

Dato' Seri Farhash Wafa Salvador, J.P. ("Dato' Seri Farhash") was appointed as the Executive Chairman of Key Alliance Group Berhad ("KAG" or "the Company") on 28 January 2025.

Dato' Seri Farhash possesses a Master of Science in Finance (Merit) from the University of Portsmouth, United Kingdom, which was earned in 2007. He had also graduated with Honours Degree of Bachelor of Arts in Business Administration from the same university in 2005. On 26 May 2021, another milestone was achieved when he was awarded an Executive Certificate in Public Leadership by the prestigious Harvard Kennedy School at Harvard University.

Dato' Seri Farhash is a distinguished figure in the world of business and leadership, renowned for his exceptional achievements and contributions to various industries. He has left an indelible mark as an entrepreneur, an inventor, and a board member in esteemed organisations. His impressive

academic qualifications, entrepreneurial spirit, and dedication have set him apart as an influential and impactful leader.

Dato' Seri Farhash presently sits in the Board of Advisory of Yayasan Usahawan Malaysia, a non-government organisation that thrives on the frontier of gathering, creating and developing sustainable companies with strong entrepreneurship traits.

Dato' Seri Farhash is currently the Group Executive Chairman of Apex Equity Holdings Berhad, Executive Chairman of Excel Force MSC Berhad, Non-Independent Non-Executive Chairman of MMAG Holdings Berhad and a Director of Berjaya Construction Berhad. He also holds directorship positions in several other companies.



ROY HO YEW KEE

Executive Director



Nationality
Malaysian



Gender
Male



Age
49



Length of Services
(As at 30 June 2025)
13 years 6 months

Mr Roy Ho Yew Kee ("Mr Roy"), was appointed as the Executive Director of KAG on 30 December 2011 and redesignated as a Non-Independent Non-Executive Director on 23 May 2014. On 27 November 2015, he was redesignated as Executive Director and later redesignated as Managing Director on 14 August 2017. On 22 April 2024, he was redesignated to his current position as the Company's Executive Director. Mr Roy is the Chairman of the Share Issuance Scheme Committee. He obtained his Bachelor of Commerce from Griffith University, Brisbane, Australia. Mr Roy brings over 20 years of financial service and restructuring experience both locally and abroad in various capacities. As Executive Director, he is responsible for the strategic direction of the Group, and identifying opportunities for the Group's various business units.

Mr Roy started his career in Australia in 1998, in the financial services industry, joining Hartley Poynton Ltd, a subsidiary of Royal Bank of Canada, where he was trained as a financial advisor, specialising in derivatives and first generation fintech products. He then moved to a boutique trading firm, Tricom Futures Ltd, in 2003, where he set up a trading desk in greenfield markets, specialising in debt instruments, capital raising, equity-linked structures and derivatives.

Other than KAG, Mr Roy also sits on the board of XOX Bhd, Cheetah Holdings Berhad, Komarkcorp Berhad and D'nonce Technology Bhd.





BOARD OF DIRECTORS' PROFILE



SANDRARUBEN A/L NEELAMAGHAM

Executive Director



Nationality
Malaysian



Gender
Male



Age
38



Length of Services
(As at 30 June 2025)
1 year 2 months

Mr Sandraruben A/L Neelamagham ("Mr Sandraruben") was appointed as Executive Director of KAG on 22 April 2024. Mr Sandraruben read law at Universiti Kebangsaan Malaysia (UKM) and was admitted as an advocate and solicitor of the High Court of Malaya in 2011. Additionally, he was also awarded a Diploma in International Commercial Arbitration by The Chartered Institute of Arbitrators on 14 October 2018.

He is the Managing Partner of Messrs Ahmad Deniel, Ruben & Co., a legal practice which he established in 2012, which has now developed into a mid-sized law firm in Malaysia. Apart from being the Managing Partner, he heads the Corporate Department of the firm. He is well versed in a variety of legal practices, which include Commercial Litigation, Corporate & Commercial Drafting, Trust & Will, Intellectual Property and Construction Law.

He is also a Fellow with The Chartered Institute of Arbitrators (CIArb) and a Member of The Malaysian Institute of Arbitrators (MIArb). Additionally, he is also a registered Trademark Agent with

the Intellectual Property Corporation of Malaysia (MyIPO) and a Certified Company Secretary in Malaysia. Along with his corporate advisory work for a number of public listed companies as well as international companies, he has appeared in all tiers of the Malaysia Courts, representing clients in various commercial and civil disputes ranging from tortious liabilities, shareholder disputes and corporate restructuring proceedings.

Mr Sandraruben further holds the position as a Director in Selcare Pharmacy Sdn. Bhd., a subsidiary of SELGATE Corporation Sdn. Bhd., which manages and supplies pharmaceutical products to the network of Selcare Clinic, corporate clients and customers.

Other than KAG, Mr Sandraruben also sits on the board of Heitech Padu Berhad and XOX Technology Berhad.



LEE KIEN FATT

Independent Non-Executive Director



Nationality
Malaysian



Gender
Male



Age
58



Length of Services
(As at 30 June 2025)
7 years 1 month

Mr Lee Kien Fatt ("Mr Lee"), was appointed as Independent Non-Executive Director of KAG on 4 June 2018. He is also the Chairman of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee of the Company. Mr Lee is a member of the Malaysian Institute of Certified Public Accountants (MICPA) and the Malaysian Institute of Accountants (MIA).

Mr Lee started his career with an articleship with KPMG in 1987 before joining Group Associated (C&L) Sdn. Bhd. as Finance Manager from 1992 to 1994. After a stint with Ng Tiong Seng Corporation Berhad, he joined United Straits Amalgamated Berhad as Group Financial Controller in 1997. Subsequently, he was appointed as Consultant cum Executive Director of RNC Corporation Berhad in 1999. Mr Lee then left to join as Consultant cum

Independent Non-Executive Director of LBI Capital Berhad in 2003. He also served as an Independent Non-Executive Director of Tenggara Oil Berhad from 2007 to 2008. Currently, Mr Lee is also the Director of Fattco Holdings Sdn. Bhd..

Other than KAG, Mr Lee also sits on the board of Niche Capital Emas Holdings Berhad, XOX Networks Berhad and LBI Capital Berhad.





BOARD OF DIRECTORS' PROFILE



DR AZIZAH BINTI SULAIMAN

Independent Non-Executive Director



Nationality
Malaysian



Gender
Female



Age
54



Length of Services
(As at 30 June 2025)
2 years 1 month

Dr Azizah Binti Sulaiman ("Dr Azizah") was appointed as Independent Non-Executive Director of KAG on 1 June 2023. She is also a member of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee of the Company. Dr Azizah graduated with a Bachelor of Medicine and Surgery (MBBS) from the Manipal Academy of Higher Education (India). She also holds the Letter of Credentialing & Privileging Aesthetic Medical Practice from the Ministry of Health Malaysia.

Dr Azizah completed her housemanship and continued her work in the government sector at Queen Elizabeth Hospital Kota Kinabalu, Sabah. There she trained in multiple disciplines until she decided to specialise in Aesthetic Medicine. Currently, she is the Medical Director of Klinik Cosmedic, and she has successfully positioned the clinic

as a reputable and trusted provider of Aesthetic Medical Services. Dr Azizah is also the Vice President of Pertubuhan Doktor Estetik Berdaftar Malaysia (PDEBM).

Other than KAG, Dr Azizah also sits on the board of Komarkcorp Berhad.



NOTES

- | | |
|---|--|
| <p>(i) All the Directors do not have any family relationship with any Director, Major Shareholder and/or the Chief Executive of KAG.</p> <p>(ii) None of the Directors has been convicted of any offences other than traffic offences within the past five (5) years, if any.</p> | <p>(iii) None of the Directors has any conflict of interest with the Company.</p> <p>(iv) Details of Directors' attendance at the Board meetings are set out in the Corporate Governance Overview Statement.</p> |
|---|--|



KEY SENIOR MANAGEMENT PROFILE

ONG GIM HAI

Executive Director of Progenet Innovations Sdn. Bhd.

Nationality
Malaysian

Gender
Male

Age
50

Mr Ong Gim Hai ("Mr Ong") is the Executive Director of Progenet Innovations Sdn. Bhd., a wholly-owned subsidiary of the Company. Mr Ong graduated with a B.Eng. Bachelor of Engineering in Electrical and Electronic Engineering from the University of Sussex Brighton, UK.

Mr Ong has 20 years of experience in the IT and computer industry, helping multi-nationals to establish and to grow operations in ASEAN, ranging from start-ups to established organisations. In January 2004, he joined Mercury Interactive Hewlett-Packard as pre-sales consultant and was subsequently promoted to sales manager in the year 2006 to manage large enterprise accounts and develop new business within assigned accounts. Mr Ong then joined VMware Inc. in the year 2008 as an enterprise account manager. In 2010, Mr Ong joined Palo Alto Networks as country manager, managing operations in Malaysia. From 2015 to 2016, Mr Ong represented Nutanix Malaysia and Brunei as managing director, managing sales operations in Malaysia and Brunei.

Mr Ong also sits on the board of Jadi Imaging Holdings Berhad as Executive Director. He has no relationship with any other Director, Major Shareholder and/or the Chief Executive of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past five (5) years other than the traffic offence, if any.

WAN MOHAMAD SHAZMAN BIN WAN MUSTAFA

Operations Director of Progenet Innovations Sdn. Bhd.

Nationality
Malaysian

Gender
Male

Age
50

Mr Wan Mohamad Shazman Bin Wan Mustafa ("Mr Wan") serves as the Operations Director of Progenet Innovations Sdn. Bhd., bringing a wealth of expertise in Data Protection, with a focus on Veritas, Cloud and Microsoft Solutions. With over six years of industry experience, Mr Wan's profound knowledge and skills have earned him the roles of both Operations and Technical Director at Progenet Innovations Sdn. Bhd..

In his leadership capacity, Mr Wan is tasked with defining and steering the strategic goals of Progenet Innovations Sdn. Bhd. across various domains, including sales, operations, and technical initiatives. He leads multiple high-profile IT projects for prominent clients, ensuring their successful execution.

As Operations Director, Mr Wan's primary objectives include achieving the Company's sales targets and enhancing daily operations through practical and sustainable milestones. He emphasises the importance of synergy across the organisation to maintain smooth and efficient operations.

Mr Wan does not hold any directorships in any public listed company. He has no relationship with any other Director, Major Shareholder and/or the Chief Executive of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past five (5) years other than the traffic offence, if any.

CHOONG KAI LOON

Channel Director of Progenet Innovations Sdn. Bhd.

Nationality
Malaysian

Gender
Male

Age
39

Channel Director of Progenet Innovations Sdn. Bhd., Mr Choong Kai Loon ("Mr Choong") graduated with a Bachelor's Degree in Information Technology from Multimedia University, Malaysia.

Mr Choong spent his early post-graduate years in a fintech company Finexus International Sdn. Bhd. and eventually ventured into the data centre and cloud hosting business with Peering One Sdn. Bhd. before joining Progenet Innovations Sdn. Bhd..

He currently oversees the sales and operations for the cloud business while assisting existing and new customers in transforming business operations from local hosting to using the latest technology.

Mr Choong does not hold any directorships in any public listed company. He has no relationship with any other Director, Major Shareholder and/or the Chief Executive of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past five (5) years other than the traffic offence, if any.

YEN KIT TENG

Financial Controller

Nationality
Malaysian

Gender
Female

Age
32

Ms Yen Kit Teng ("Ms Yuffie") is the Financial Controller of the Group. She graduated with a Bachelor of Commerce (Honours) from Tunku Abdul Rahman University College. Ms Yuffie is a Chartered Accountant with Malaysian Institute of Accountants (MIA), a member of the Association of Chartered Certified Accountants (ACCA), and ASEAN Chartered Professional Accountant (ASEAN CPA). Ms Yuffie brings with her extensive experience in company secretarial matters, corporate and individual tax, audit and finance across various industries. She currently overseeing the finance, taxation, human resources and administrative functions of the Group.

Ms Yuffie does not hold any directorships in any public listed company. She has no relationship with any other Director, Major Shareholder and/or Chief Executive of the Company, no conflict of interest with the Company and has not been convicted of any offences within the past five (5) years other than the traffic offence, if any.



REDEFINING THE DIGITAL WORLD



MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF GROUP'S BUSINESS AND OPERATIONS

The principal activity of Key Alliance Group Berhad (“**KAG**” or the “**Company**”) is investment holding. Together with its subsidiaries (“**KAG Group**” or the “**Group**”), KAG is principally organised into the following reportable segments:





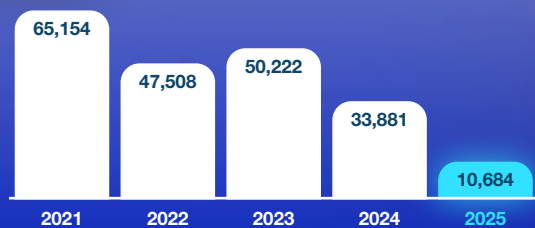
MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE RESULT

The table below highlights the key financial performance of KAG Group for the financial year ended 31 March 2025 ("FYE 2025"):



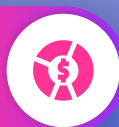
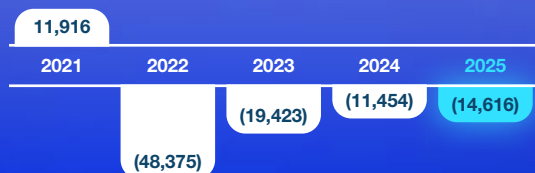
REVENUE



(LOSS)/PROFIT BEFORE TAX



OPERATING (LOSS)/PROFIT



NET (LOSS)/PROFIT ATTRIBUTABLE TO EQUITY HOLDERS



	FYE 31 March 2025	FYE 31 March 2024	Restated FYE 31 March 2023	Restated FYE 31 March 2022	FYE 31 March 2021
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue	10,684	33,881	50,222	47,508	65,154
Operating (loss)/profit	(14,616)	(11,454)	(19,423)	(48,375)	11,916
(Loss)/profit before tax	(15,255)	(11,462)	(21,043)	(48,243)	10,760
Net (loss)/profit after tax	(15,315)	(11,671)	(21,212)	(48,933)	10,716
Net (loss)/profit attributable to equity holders	(14,457)	(11,217)	(20,583)	(48,112)	12,580
Total assets	110,343	141,357	148,500	172,245	222,379
Total borrowings (including lease liabilities)	4,065	8,528	7,249	9,371	17,261
Shareholders' equity	88,036	102,209	113,372	129,067	162,993
Basic (loss)/earnings per share (sen)	(11.79)	(9.15)	(0.56)	(1.84)	0.77
Net asset per share	0.72	0.83	0.03	0.04	0.07



MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE RESULT (CONT'D)

GROUP FINANCIAL REVIEW

In FYE 2025, the Group recorded revenue of RM10.68 million, representing a 68.47% decrease compared with the financial year ended 31 March 2024 ("FYE 2024") of RM33.88 million. The decrease in revenue was mainly due to cessation of business from the construction segment.

The Group recorded a loss after taxation of RM15.32 million in the FYE 2025 as compared to a loss after taxation of RM11.67 million in the FYE 2024. The higher loss after taxation was mainly due to the lower revenue contribution.

OVERVIEW OF FINANCIAL POSITION

	Audited FYE 2025	Audited FYE 2024	Variance FYE 2025 vs FYE 2024	
	RM'000	RM'000	RM'000	%
Current Assets	12,638	38,895	(26,257)	-67.51%
Non-Current Assets	97,706	102,462	(4,756)	-4.64%
Non-Current Liabilities	2,337	4,622	(2,285)	-49.44%
Current Liabilities	25,204	38,641	(13,437)	-34.77%
Cash and Bank Balances	1,698	5,224	(3,526)	-67.50%
Trade Receivables	5,651	9,565	(3,914)	-40.92%
Borrowings & Lease Liabilities	4,065	8,528	(4,463)	-52.33%
Shareholders' Equity	88,036	102,209	(14,173)	-13.87%
Current Ratio	0.50	1.01	(0.51)	-50.50%
Gearing Ratio	0.05	0.08	(0.03)	-37.50%
Net Assets Per Share	0.72	0.83	(0.11)	-13.25%

Total non-current assets of the Group decreased from RM102.46 million for the FYE 2024 to RM97.71 million for the FYE 2025, a decrease of 4.64%. This is mainly due to the reduction of right-of-use assets and other financial assets during the FYE 2025.

The cash and bank balances of the Group decreased from RM5.22 million for the FYE 2024 to RM1.70 million for the FYE 2025, a decrease of 67.50%. This is mainly due to the decrease in fixed deposits with licensed banks.

Non-current liabilities (comprised mainly of liabilities) decreased from RM4.62 million in FYE 2024 to RM2.34 million in FYE 2025.

Current liabilities reduced from RM38.64 million in FYE 2024 to RM25.20 million in FYE 2025. The decrease in current liabilities is mainly due to the decrease in trade payable and also repayment of borrowings and lease liabilities.



MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF BUSINESS AND OPERATIONS

CLOUD SERVICES, DATA CENTRE AND IT RELATED SERVICES

The cloud services, data centre and IT related services segment recorded a revenue of RM6.21 million for the FYE 2025 as compared to RM8.28 million for the FYE 2024, a decrease of 25.00%. The lower revenue is due to a lower customer base being secured by the Company for its cloud, data centre and co-location services during the current financial year. This segment recorded a higher loss after taxation of RM5.33 million for the FYE 2025 as compared to a loss after taxation of RM3.11 million for the FYE 2024.

TRADING OF KITCHEN APPLIANCES, IT AND OFFICE AUTOMATION AND MEDICAL EQUIPMENT

This segment recorded revenue of RM3.17 million for the FYE 2025 as compared to RM3.32 million for the FYE 2024, a decrease of 4.52%. The segment incurred a loss after taxation of RM0.23 million for the FYE 2025 as compared to a loss after taxation of RM0.55 million for the FYE 2024. The decreased loss after taxation was mainly due to fair value gain in FYE 2025.

CORPORATE DEVELOPMENT

MULTIPLE PROPOSALS

On 10 January 2025, TA Securities Holdings Berhad, on behalf of the Company, announced that the Company proposes to undertake the following:

- i. proposed consolidation of every 30 existing ordinary shares in KAG ("KAG Share(s)" or "Share(s)") into 1 Share ("Consolidated Share(s)") ("Proposed Share Consolidation"); and
- ii. proposed reduction of up to RM96,000,000 of the issued share capital of KAG pursuant to Section 117 of the Companies Act 2016 ("Act") ("Proposed Share Capital Reduction").

On 6 March 2025, the Company had completed the Proposed Share Consolidation of every 30 existing KAG Shares into 1 Consolidated Share, resulting in the reduction in the number of ordinary shares from 3,678,221,440 ordinary shares to 122,602,365 ordinary shares.

On 15 April 2025, the Company had announced to Bursa Malaysia Securities Berhad that the Company had on 15 April 2025 received a notice dated 14 April 2025 issued by the Companies Commission of Malaysia confirming that on 7 April 2025, all the requirements with respect to the reduction of share capital of the Company, as stated in the special resolution dated 19 February 2025, have been complied ("Notice"). Pursuant to Section 119(4) of the Companies Act 2016 ("the Act"), the Notice shall be conclusive evidence that all the requirements of the Act with respect to the reduction of share capital have been complied with. Accordingly, the Proposed Share Capital Reduction took effect on 14 April 2025 and is deemed completed.



MANAGEMENT DISCUSSION AND ANALYSIS

CORPORATE DEVELOPMENT (CONT'D)

ACQUISITION AND SUBSCRIPTION OF SHARES IN A SUBSIDIARY

During the reporting period, Agrocloud Sdn Bhd ("Agro") increased its issued and paid up share capital from RM1,051,000 to RM1,074,160 by way of issuance and allotment of 571 new ordinary shares to the non-controlling interest to settle the amount due to the non-controlling interest. As a result of the allotment, the equity interest of the Company in Agro is diluted from 90% to 70%.

In the previous reporting period, the Company acquired 100% equity interest in Ebizmedic Sdn Bhd ("EBiz") for a cash consideration of RM102,020. Upon the completion of the acquisition, EBiz became a wholly owned subsidiary of the Company.

DISPOSAL OF SHARES IN A SUBSIDIARY

The Company had on 1 October 2024 entered into a Share Sale Agreement to dispose 100% of the issued and paid-up capital of Design Dept Sdn Bhd ("DDSB") for a consideration of RM100,000. The disposal was completed on 30 October 2024. Upon completion of the disposal, DDSB is no longer a subsidiary of the Company.

ANTICIPATED OR KNOWN RISKS

We highlight below the key anticipated or known risks that the Group are exposed to that may have a material effect on our operations, performance, financial condition and liquidity. Our plans and strategies to mitigate these risks, if any, are disclosed below: -



MARKET COMPETITION



The cloud, data centre and IT related services industry and the trading industry are always competitive. The Group faces competition from both existing players and new entrants that offer similar products and services. Increased competition could result in revenue erosion and loss of market share, which could materially and adversely affect the Group's business operations and financial performance.

The Group emphasises the quality of the products and services provided to the customers. In this regard, the Group hired competent sales staff to serve its clients and also provided professional after sales services to customers to ensure they are satisfied with the Group's products and services. The management of the Group will remain relevant by leveraging on the present and future to check the alignment.



TECHNOLOGY AND DIGITAL TRANSFORMATION



Technology is a disruptive force across all businesses. We are now in the Fourth Industrial Revolution, where the speed of change and magnitude of impact are far greater than before. With the rise of cloud, mobile, social and AI to deliver diverse services and solutions, the Group needs to be at the forefront of technological innovation for business survival and growth. Such disruptive changes also bring about opportunities to the Group. Through its R&D efforts, the Group continuously upgrade its products and solutions by adopting the latest technological advancements and incorporating them with its proprietary solutions to create innovative solutions that meet customers' expectations.



MANAGEMENT DISCUSSION AND ANALYSIS

ANTICIPATED OR KNOWN RISKS (CONT'D)

We highlight below the key anticipated or known risks that the Group are exposed to that may have a material effect on our operations, performance, financial condition and liquidity. Our plans and strategies to mitigate these risks, if any, are disclosed below (Cont'd): -



TALENT RETENTION



The Group believes that its continued success will depend upon the abilities, skills, experience, competencies and continued effort of its key management and technical personnel. The loss of any key members of the Group's management and technical personnel could adversely affect the Group's business operations and financial performance.

The Group strives to attract and retain qualified personnel who are essential in the support of its operations by providing employee benefits and incentives to ensure a long-term commitment of the key management personnel to the Group.

Apart from this, the Group actively grooms the younger members of its management team by providing the necessary guidance, experience and exposure to prepare them to take over from the senior management team in the future.



POLITICAL, ECONOMIC, AND REGULATORY RISK



The Group's businesses could be affected by political risks stemming from changes in government policies, tax regulations, trade agreements, and geopolitical events. Economic risks could impact the Group's businesses through changes in consumer spending, interest rates, and exchange rates. The Group's businesses could be impacted by regulatory risks arising from changes in health and safety regulations, labor laws, and product safety standards. To remain competitive and successful, the Group proactively anticipates and effectively manages these risks. All these changes may result in higher costs of operation and compliance.



CREDIT RISK



The Group may face uncertainties in slow payments and bad debt from its customers due to uncertainties in economic conditions. Active monitoring of outstanding trade receivables will continue, and appropriate actions will be taken by the Group to mitigate the risk of bad debts.



SECURITY RISK



Data centres are a vulnerable target given the vast amount of valuable data contained and the Group has taken a holistic approach to data security. The data centre is accredited by ISO 27001 – ISMS to ensure compliance with cyber security and confidentiality requirements. The data centre is built based on a 4-tier security level system, which secures client data from potential breaches.



MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK AND FUTURE PROSPECTS

Malaysia's Gross Domestic Product (GDP) jumped to 5.1% in 2024 (2023: 3.6%), exceeding the Government's initial forecast range of 4% to 5% announced in Budget 2024. The MADANI Government also exceeded its fiscal deficit target for 2024 at 4.1% (2023: 5%), against the target of 4.3%.

This achievement reflects the MADANI Government's confidence and determination to turn around the Malaysian economy, driven by clear and progressive policies introduced since 2023 under the Ekonomi MADANI framework and supported by political stability.

"This milestone was achieved through the concerted efforts of the MADANI Government and industries. As we move into 2025, the MADANI Government remains fully committed to deepening its economic and institutional reform agenda, elevating the country to greater heights," said Prime Minister and Finance Minister YAB Dato' Seri Anwar Ibrahim.

The economic growth in 2024 was propelled by improvements in:



Private consumption

rising by **5.1%**

2023: 4.7%



Investments

up by **12%**

2023: 5.5%



Total trade

increasing by **9.2%**
to RM2.88 trillion



Net foreign direct investment inflow

of **RM47.4 billion**

2023: RM40.4 billion

Other supporting indicators that contributed to 2024's GDP expansion include:



Inflation moderating

to **1.8%**

2023: 2.5%



Low unemployment rate

at **3.3%**

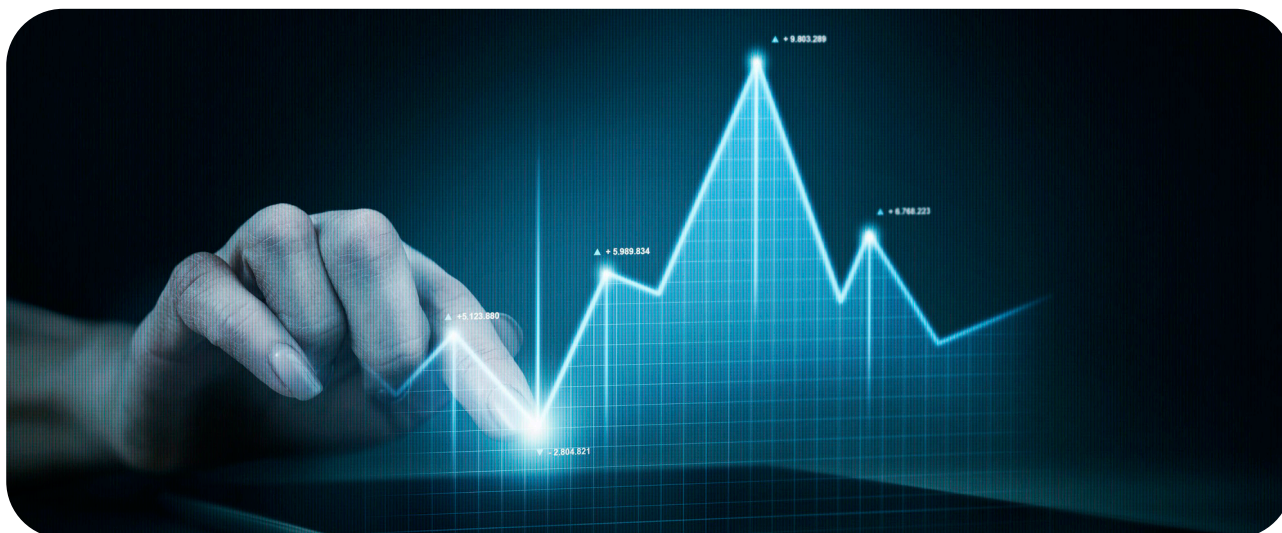
2023: 3.4%

with the trend easing further in December 2024 to 3.1%, the lowest in 10 years.



MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK AND FUTURE PROSPECTS (CONT'D)



The MADANI Government has projected the economy to grow between 4.5% and 5.5% in 2025, driven by greater spillover from technology upcycle, faster implementation of catalytic and critical infrastructure projects, and more robust tourism activities. Under Budget 2025, Government-linked Investment Companies have collectively pledged to invest RM25 billion in direct domestic investments for its inaugural year of the five-year Government-linked Enterprises Activation and Reform Programme (GEAR-uP).

Additionally, higher consumer spending pursuant to the increase in the minimum wage and civil servant salaries is expected to further stimulate economic expansion.

On the other hand, weaker external demand from key trade partners, rise of geopolitical tensions, and protectionist measures may pose risk to growth.

For the full year, the Government's net addition of borrowings decelerated to RM76.8 billion, a marked reduction from RM92.6 billion in 2023.

The Government is committed to continue implementing key reforms in various areas to solidify long-term fiscal sustainability through targeted subsidy measures, enhanced revenue collection, and stronger fiscal framework. These efforts are consistent with the target of the Public Finance and Fiscal Responsibility Act 2023 (Act 850), namely, to reduce the fiscal deficit to 3% in the medium term to ensure financial sustainability.

(Source: Press Release: Malaysia Exceeds GDP and Fiscal Deficit Targets for 2024, Ministry of Finance Malaysia)

A rousing performance across key economic sectors lifted Malaysia's Gross Domestic Product (GDP) by 4.4% in the first quarter of 2025 (Q1 2025), in line with the GDP Advance Estimates and higher than the 4.2% growth recorded in the corresponding quarter of 2024 (Q1 2024).

The GDP growth in Q1 2025 was buoyed by the Services (5%), Manufacturing (4.1%), and Construction (14.2%) sectors. Further fuelling the growth momentum was stronger consumer spending during the Chinese New Year and pre-Hari Raya festive periods, the implementation of the new minimum wage in February 2025, and the recent increase in civil servant salaries.

Private consumption, undergirding Malaysia's economy, grew 5% in Q1 2025. This was supported by encouraging labour market performance with a decline in the unemployment rate to 3.1% and benign inflation at 1.5% — both marking the lowest levels recorded under the MADANI administration.

This is compared to the performance in Q1 2024 where private consumption rose by 4.7%, while the unemployment rate stood at 3.3% and inflation registered at 1.7%.

Investments continued their growth momentum in Q1 2025, recording a 9.7% increase — reflecting the positive response from global investors to the MADANI Government's prodevelopment policies and strong emphasis on sustainability, as outlined in the National Energy Transition Roadmap (NETR), New Industrial Master Plan (NIMP) 2030, National Semiconductor Strategy (NSS), and other key national policy frameworks.



MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK AND FUTURE PROSPECTS (CONT'D)

The Government is also actively working to attract more high-quality foreign direct investment (FDI) to stimulate growth, while maintaining a dynamic ecosystem — after recording the decade-high domestic investment in 2024.

Neutral positioning and an accelerated reform agenda form strong defense against rising global uncertainty

At the same time, the Government acknowledges the presence of downside risks to the official 2025 GDP growth forecast of 4.5% to 5.5%, owing to tapering global demand, heightened geopolitical tensions, and the rising prevalence of protectionist trade policies — particularly the recent announcement of reciprocal tariffs by the United States of America (US).

The MADANI Government will revise the 2025 GDP forecast once the reciprocal tariff situation stabilises and greater clarity emerges. In the meantime, the Government will implement several mitigation measures to further strengthen the country's fundamentals — including efforts to boost domestic direct investment (DDI). Government-Linked Investment Companies (GLICs) have committed to invest a combined RM25 billion in DDI this year under the GEARuP programme.

The MADANI Government will also continue to engage the US in bilateral trade discussions, while also leveraging multilateral platforms such as the Association of Southeast Asian Nations (ASEAN) and the Regional Comprehensive Economic Partnership (RCEP) to uphold a fair and conducive global trade environment.

The MADANI Government will redouble efforts to diversify export markets and secure new trade agreements to mitigate the impact of global trade disruptions. These efforts have already borne early fruit in 2024, as reflected in increased investment and exports to non-traditional markets such as Egypt, Pakistan, and Cambodia — alongside stronger export growth to other ASEAN member states.

The Government will also work to accelerate the implementation of the Ekonomi MADANI reform agenda, focusing on fiscal sustainability, strengthening Malaysia's economic value chains, protecting the welfare of the broader population through social safety nets, and unlocking the potential of the local talent pool.

In addition, the MADANI Government will continue to closely monitor both domestic and global economic developments, and is prepared to implement responsive and appropriate policy measures to ensure that Malaysia's economic growth remains consistent, sustainable, and inclusive — for the well-being of all segments of society. The Government remains committed to maintaining investor confidence and protecting domestic industries amid an increasingly complex global economic landscape.

(Source: Press Release: 4.4% GDP Growth In First Quarter 2025 Fortifies Malaysia's Fundamentals In The Face Of Global Uncertainties, Ministry of Finance Malaysia)





MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK AND FUTURE PROSPECTS (CONT'D)



CLOUD SERVICES, DATA CENTRE AND IT RELATED SERVICES

The Board is of the view that more companies and enterprises recognising the critical importance of cloud technologies. Looking ahead, the Group plans to strategically focus its resources on the Cloud and IT segment to fully leverage the growing demand for digitisation. As industries continue to undergo digital transformation, the Group is well-positioned to capture a significant portion of the expanding market for cloud-based solutions. In addition to driving growth through its cloud offerings, the Group remains committed to actively monitoring market trends. This vigilance allows the Group to adapt its strategies in response to changing conditions, minimising risks such as shifts in client needs while simultaneously identifying and capitalising on emerging opportunities.

In the past three years, the Group has faced some challenging periods, brought on by Covid-19. The unprecedented fallout of this pandemic caused the Group to attempt to pivot numerous industries in E-Commerce, Medical Trading and Consumer goods trading.

As the economy streamlines and consolidates, market behavioural patterns have emerged that the Group has reacted to by restructuring and reorganising its focus.

The current AI focus in the world will see continuous drive in IT services, cloud platforms usage and data centre services.

The Group's challenge now is to ensure it remains at the forefront of technology adoption.



TRADING OF KITCHEN APPLIANCES, IT AND OFFICE AUTOMATION

These sectors remain crucial for the Group, with ongoing efforts to explore new opportunities in IT solutions and appliances trading.



CONSTRUCTION AND RENOVATION

Upon completion of the disposal of DDSB, DDSB ceased to be a subsidiary of the Company and the Group is no longer involved in the construction and renovation.

The Group maintains a cautious yet optimistic stance on its outlook and prospects and is actively pursuing opportunities to improve its business and generate value for shareholders.

DIVIDENDS

No dividend has been paid, proposed, or declared by the Group since the end of the previous financial period. The Directors do not recommend payment of any dividend in respect of the current financial year.

ACKNOWLEDGEMENT

We would like to take this opportunity to express our appreciation and gratitude to all our stakeholders. We would also like to convey our sincere appreciation to all employees for the dedication and commitment during these trying times.

SUSTAINABILITY REPORT



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SUSTAINABILITY REPORT

ABOUT THIS REPORT

Key Alliance Group Berhad and its subsidiaries (“**KAG**” or “**the Group**”) are pleased to present this Sustainability Report for the financial year ended 31 March 2025 (“**FY2025**”).

This Report outlines KAG’s sustainability strategies, principles, initiatives, and performance for FY2025. It focuses on the most significant issues identified through our materiality assessment. We provide updates on our sustainability efforts across key business units and operations, as well as our progress towards previously stated commitments, all aimed at fostering sustainable practices and delivering long-term value to our stakeholders.

We recognise that sustainability is a continuous journey, and we remain committed to advancing our strategies to support a sustainable future for both people and the planet.



OUR CORE BUSINESSES



SCOPE AND BASIS OF REPORTING

This Report covers the Group’s sustainability performance and progress for the financial year under review, encompassing our headquarters and all operations located in Malaysia.

REPORTING FRAMEWORKS AND STANDARDS

This Report has been prepared in accordance with the Listing Requirements of Bursa Malaysia with reference to the following:



Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”)’s Sustainability Reporting Guide (3rd Edition)



Paragraph 30 of Part A, Appendix 9C of the ACE Market Listing Requirements of Bursa Malaysia, as supplemented by Guidance Notes 11 and 11A



SUSTAINABILITY REPORT

OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY FRAMEWORK

KAG has strengthened its sustainability framework to align more closely with our business strategy, guided by the Group's vision and mission. This framework is designed to meet stakeholder expectations, reduce our environmental footprint, and contribute positively to the communities in which we operate.

Our sustainability framework is built around four key focus areas:

- Economic Sustainability
- Social Sustainability
- Environmental Sustainability
- Governance Sustainability

Within each focus area, we strive to achieve defined objectives by addressing issues identified through our materiality assessment.



OUR VISION

To be a transitional group of companies in the provision of leading-edge technology for total business and operational solutions



OUR MISSION

- To enhance customer relationships and satisfaction levels
- To innovate and step forward with continuous improvement cycle
- To invest in employee knowledge and intellectual capital
- To be proactive and serve in nation-building activities, developing a digital and knowledge-based economy
- To develop strategic vision and expand technology portfolio, to enrich company's intrinsic values and to grow shareholders' wealth

Our Focus Areas



ECONOMIC SUSTAINABILITY

- Economic Performance
- Customer Satisfaction
- Anti-Corruption
- Cybersecurity & Data Protection
- Supply Chain Management



ENVIRONMENTAL SUSTAINABILITY

- Climate Action
- Waste Management



SOCIAL SUSTAINABILITY

- Human Rights
- Health & Safety
- Employee Management
- Diversity, Equity & Inclusion
- Community Investment



GOVERNANCE SUSTAINABILITY

- Policy & Regulatory Compliance





SUSTAINABILITY REPORT

OUR APPROACH TO SUSTAINABILITY (CONT'D)

SUSTAINABILITY POLICY

As our organisation continues to grow, our commitment to sustainability has become increasingly integral to our operations. We have established a clear company philosophy centred on sustainability, which acts as a guiding principle in all decisions related to the economic and operational aspects of KAG.



Sustainability has always been fundamental to the Group's culture as we strive to achieve sustained growth and profitability within a safe, caring, and sustainable environment. As a responsible corporate citizen, our mission is to maintain the highest standards of governance across our operations, promoting responsible business practices, reducing environmental impact, and supporting the social needs of the communities in which we operate.





SUSTAINABILITY REPORT

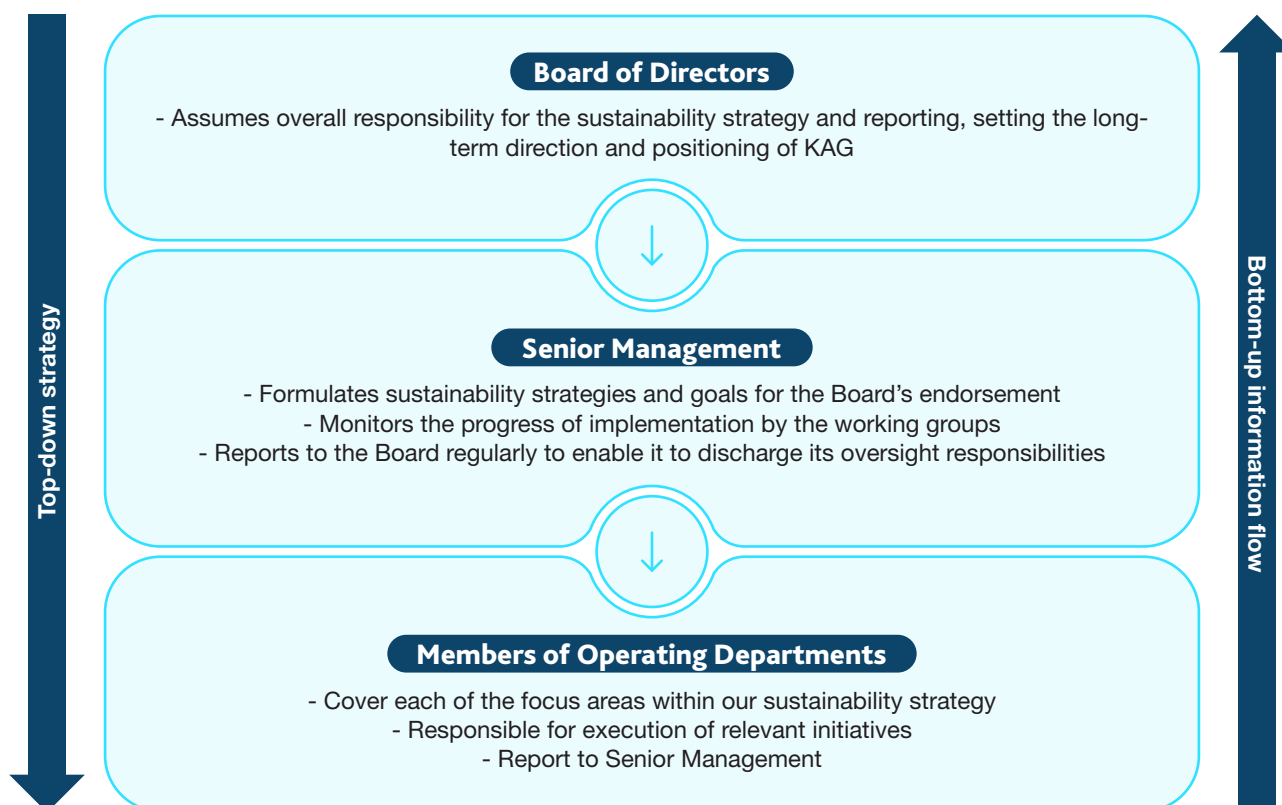
OUR APPROACH TO SUSTAINABILITY (CONT'D)

SUSTAINABILITY GOVERNANCE

The Group believes that integrity and ethics are fundamental to good governance. They form the cornerstone for embedding sustainability goals into our decision-making processes, promoting transparency, managing risks effectively, and driving long-term success.

The Board holds ultimate responsibility for the Group's strategic direction on sustainability, supported by the relevant Board Committees. This structure follows a top-down approach, ensuring strong leadership oversight.

The Board reviews key material sustainability matters that shape our initiatives. Senior Management is then tasked with developing and implementing strategies related to these matters and reporting progress and outcomes back to the Board. Operating departments and divisions provide support to Senior Management in carrying out these responsibilities.



The Board's responsibility to promote and embed sustainability across the Group includes overseeing the following:

- Stakeholder engagement
- Materiality assessment and identification of sustainability risks and opportunities relevant to us
- Management of material sustainability risks and opportunities
- Communication of sustainability strategies, priorities, targets, and performance to both internal and external stakeholders



SUSTAINABILITY REPORT




OUR APPROACH TO SUSTAINABILITY (CONT'D)

STAKEHOLDER ENGAGEMENT

Our stakeholders are essential to KAG's continued growth and development. It is therefore crucial that we actively seek to understand their key issues and concerns. Our aim is to build strong, lasting relationships with all stakeholders, addressing their needs and expectations while minimising the impact of our operations to secure a sustainable future.

Through meetings and other engagement activities, we foster trust and mutual respect. This approach enables us to remain aware of relevant societal issues and ensures our business strategy aligns with stakeholder concerns and expectations.

The table below outlines our key stakeholder groups, their main areas of interest, and the methods we use to engage with them.





Stakeholders	Engagement Platforms	Areas of Interest or Concern	Our Response
Shareholders, Financiers & Investors 	<ul style="list-style-type: none"> Financial reports and announcements General meetings Annual report Press releases Meetings 	<ul style="list-style-type: none"> Business strategies and future plans Return on investment Financial and operational performance Good management and corporate governance Sustainability initiatives 	<ul style="list-style-type: none"> Provide timely updates on the Group's strategy and financial performance via announcements Uphold good governance practices across the Group
Government Agencies & Regulators 	<ul style="list-style-type: none"> Compliance with laws and regulations Participation in government and regulatory events 	<ul style="list-style-type: none"> Regulatory compliance Corporate governance practices 	<ul style="list-style-type: none"> Regularly review and monitor operations to ensure full compliance with regulatory requirements (i.e. Communications and Multimedia Act 1998 (CMA), Malaysian Communications and Multimedia Commission (MCMC) Guidelines)
Employees 	<ul style="list-style-type: none"> Internal communications (i.e. emails) Workshops and training sessions Employee engagement surveys Employee engagement events Performance appraisals 	<ul style="list-style-type: none"> Business growth and strategic direction Inclusive and supportive workplace Remuneration and benefits Career development and upskilling opportunities Occupational safety and health 	<ul style="list-style-type: none"> Promote transparent and consistent communication across all levels Provide equal employment opportunities and a non-discriminatory work environment Offer competitive remuneration and benefits packages Support career growth through relevant upskilling and training programmes Ensure full compliance with the Occupational Safety and Health Act (OSHA)



SUSTAINABILITY REPORT

OUR APPROACH TO SUSTAINABILITY (CONT'D)

STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholders	Engagement Platforms	Areas of Interest or Concern	Our Response
Customers 	<ul style="list-style-type: none"> Customer support channels (i.e. website, email) Regular meetings 	<ul style="list-style-type: none"> Customer satisfaction (i.e. high-quality services and products) Customer experience Innovative services and products Consumer data privacy 	<ul style="list-style-type: none"> Provide high-quality services and products Comply with the Personal Data Protection Act 2010 to safeguard consumer information
Suppliers 	<ul style="list-style-type: none"> Regular meetings Quality audits on products and services Contract negotiations Supplier assessment and performance appraisals 	<ul style="list-style-type: none"> Transparency in procurement processes Business growth opportunities Timely payment 	<ul style="list-style-type: none"> Ensure transparent and fair procurement practices Make timely payments in accordance with agreed credit terms
Communities 	<ul style="list-style-type: none"> Community impacts programmes 	<ul style="list-style-type: none"> Community welfare and long-term likelihood 	<ul style="list-style-type: none"> Invest in initiatives that enhance community well-being
Analyst / Media 	<ul style="list-style-type: none"> Media releases and media briefings Financial reports and announcements General meetings 	<ul style="list-style-type: none"> Transparent communication of business performance and key initiatives 	<ul style="list-style-type: none"> Ensure clear and timely communication through official announcements and media engagement

MATERIAL MATTERS

As an organisation, we recognise that certain material issues can significantly impact our ability to create long-term value for our stakeholders. These matters influence our business strategy and guide our decisions on resource allocation to address sustainability issues that are important to both our stakeholders and our operations.

We regularly review and update our materiality assessment to ensure it remains current, accurate, and relevant to our business context. This enables us to align our strategy and daily operations with evolving business needs, fostering sustainable value creation over the long term.

In the past year, we conducted an internal, limited-scale review to prioritise and rank the most relevant issues for our business and stakeholders. Looking ahead, we plan to carry out a more comprehensive materiality assessment, incorporating broader stakeholder engagement, and aim to publish the findings in our next report.



Review of material matters

Conducted cross-functional deliberation sessions and reviewed sustainability matters.



Stakeholder engagement

Engaged with key internal and external stakeholders to understand their needs and expectations, with reference to material matters.



Impact assessment

Prioritised the sustainability matters from a business perspective, with input from representatives across various business functions.



Consolidation

The consolidated results were tabulated, analysed, and presented in the Materiality Matrix.



Review and approval

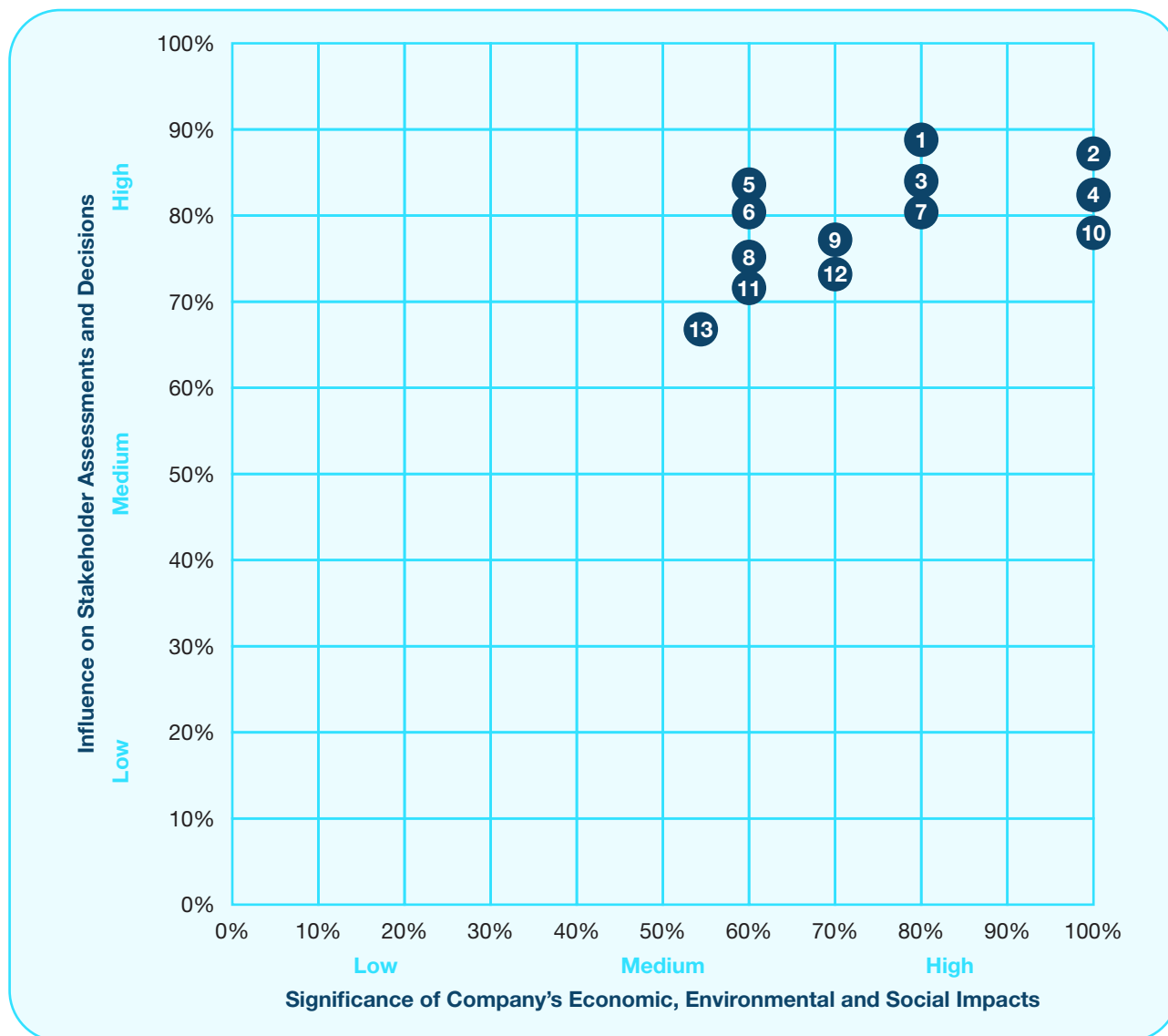
Upon finalisation of the materiality assessment, it was presented to the Board of Directors for approval



SUSTAINABILITY REPORT

OUR APPROACH TO SUSTAINABILITY (CONT'D)

MATERIALITY MATRIX



- | | | | |
|---|--------------------------------|----|---------------------------------|
| 1 | Health & safety | 8 | Supply chain management |
| 2 | Customer satisfaction | 9 | Waste management |
| 3 | Climate action | 10 | Anti-corruption |
| 4 | Economic performance | 11 | Diversity, equity & inclusion |
| 5 | Policy & regulatory compliance | 12 | Cybersecurity & data protection |
| 6 | Human rights | 13 | Community investment |
| 7 | Employee management | | |



SUSTAINABILITY REPORT

OUR APPROACH TO SUSTAINABILITY (CONT'D)

RISK MANAGEMENT

At KAG, we regard risk management as a critical component of our strategic approach to achieving sustainable long-term growth and building stakeholder confidence. Our risk management efforts are not only designed to safeguard the organisation against potential threats but also to enhance our resilience and ability to create value within the communities we serve.

To support this, we have implemented a robust risk management and internal control system that goes beyond financial controls. It includes operational, strategic, and compliance-related controls to ensure that all aspects of our business are effectively monitored and managed.

This structured and continuous process enables us to proactively identify, assess, and address key risks across the organisation. While we acknowledge that not all risks can be entirely eliminated, our objective is to mitigate them to an acceptable level, allowing us to pursue our business objectives with confidence, integrity, and agility in a dynamic environment.

Material Matters	Risks	Opportunities
Economic Performance	Poor financial performance jeopardises business continuity and results in loss investment opportunities	Sustainable financial performance attracts investors and generates long-term value for all stakeholders
Customer Satisfaction	Failing to meet customers' expectations undermines customer confidence and loyalty, ultimately reducing revenue	Satisfied customers foster loyalty and encourage repeat orders
Anti-Corruption	Corruption can tarnish reputation, cause financial losses, and reduce competitiveness	Strong governance to combat corruption enhances credibility and provides a competitive advantage
Cybersecurity & Data Protection	Cyberattacks can result in unauthorised access, theft or exposure of sensitive data, causing financial loss, legal liabilities, and reputational damage	Robust cybersecurity measures build trust among customers, investors, and partners, enhancing reputation and brand value
Human Rights	Violations such as labour exploitation, discrimination, or unsafe working conditions can damage the organisation's reputation, leading to loss of stakeholder trust, negative public perception, and legal liabilities	Demonstrating commitment to human rights and ethical practices enhances reputation, builds stakeholder trust, and attracts socially conscious consumers, investors, and partners
Health & Safety	Failure to address hazards can cause workplace accidents, injuries, or fatalities, resulting in human suffering, legal liabilities, and financial losses	Prioritising health and safety foster a culture of care, trust, and respect, boosting employee morale, motivation, and engagement
Employee Management	Difficulty attracting and retaining skilled employees can hinder growth and innovation, causing competitive disadvantages	Engaged employees are more productive, committed, and loyal, leading to higher job satisfaction, retention, and organisational success
Diversity, Equity & Inclusion	Exclusionary practices can cause alienation and disengagement among underrepresented groups, limiting collaboration, innovation, and productivity	Embracing diversity and equity creates an inclusive culture where employees contribute diverse perspectives, driving innovation and creativity



SUSTAINABILITY REPORT

OUR APPROACH TO SUSTAINABILITY (CONT'D)

RISK MANAGEMENT (CONT'D)

Material Matters	Risks	Opportunities
Supply Chain Management	Reliance on limited or single suppliers increases risks of disruption, quality issues, and price volatility, exposing the organisation to market changes or supplier behaviour	Building collaborative supplier relationships based on trust and transparency fosters innovation, cost savings, and competitive advantage
Community Investment	Failure to address social issues, economic disparities, and community grievances may lead to social unrest, protests, and opposition, causing operational disruptions, reputational damage, and regulatory scrutiny	Strategic community investment initiatives, philanthropic donations, and social programmes enable the organisation to tackle social challenges, support underserved communities, and contribute positively to poverty alleviation, education, healthcare, and sustainable development goals
Climate Action	<p>Increasing government regulations to reduce greenhouse gas emissions may require costly investments in emission reduction measures, or result in fines and penalties for non-compliance</p> <p>Climate-related disruptions such as extreme weather events or resource shortages can disrupt supply chains, raise production costs, and delay product delivery, impacting operations and profitability</p>	Demonstrating environmental stewardship and sustainability leadership allows the organisation to differentiate itself in the market, enhance brand reputation, and attract environmentally conscious consumers and investors
Waste Management	Non-compliance with waste management regulations, environmental laws, and health and safety standards can lead to fines, penalties, legal liabilities, and reputational damage	Waste reduction, recycling, and proper disposal initiatives help recover valuable materials, conserve natural resources, lower raw material costs, reduce environmental impact, and promote circular economy principles
Policy & Regulatory Compliance	Non-compliance with policies and regulations can lead to legal penalties, fines, or lawsuits, significantly affecting financial stability and reputation	Compliance with policies and regulations fosters trust and credibility among stakeholders, including customers, investors, employees, and regulators, strengthening long-term relationships and supporting business growth



SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS

OUR RESPONSE TO THE SUSTAINABLE DEVELOPMENT GOALS (SDG(s))

In September 2015, all 193 United Nations member states adopted Agenda 2030, a global plan aimed at addressing the world's most pressing environmental, social, and economic challenges over a 15-year horizon. This agenda comprises 17 Sustainable Development Goals (SDGs) and 169 associated targets, addressing wide-ranging issues such as economic inclusion, geopolitical instability, natural resource depletion, environmental degradation, and climate change. Malaysia has affirmed its commitment to Agenda 2030 through the development and implementation of its SDG Roadmap.

At KAG, we support the SDGs and recognise their strategic significance, both globally and within our business context. We are committed to playing our part in advancing these goals through responsible and sustainable practices embedded in our operations. Our long-standing commitment to ethical corporate citizenship drives us to integrate sustainability across our value chain and organisational culture.

While all SDGs are relevant to our operations to varying degrees, we have already begun contributing meaningfully to several of them through established programmes, initiatives, and policies. These efforts reflect our belief that sustainable development is not only a responsibility but a pathway to long-term value creation for our stakeholders and the communities we serve.





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



**ECONOMIC
SUSTAINABILITY**



ECONOMIC PERFORMANCE

At KAG, our business success hinges on creating long-term value for our stakeholders. We recognise that sustainable financial growth enables us to contribute positively to society by facilitating job creation, promoting entrepreneurial opportunities, increasing tax contributions, and strengthening local supply chains.

We continue to strengthen our core business segments by leveraging technology, enhancing operational efficiency, and equipping our workforce to meet evolving client needs. While FY2025 was a more challenging year, with the Group recording a total revenue of RM10 million, we remain focused on sustainable value creation and are committed to improving performance through strategic planning and innovation.

Recognising the growing importance of digitalisation, the Board is of the view that cloud technologies will continue to shape the future of business operations across industries. Looking ahead, the Group plans to concentrate more of its resources on the Cloud and IT segment to capitalise on this shift. As more organisations transition toward cloud-based solutions, we believe this presents a promising growth avenue. In parallel, the Group continues to closely monitor market trends, allowing us to refine our strategies in response to changes, mitigate risks such as evolving customer needs, and seize emerging opportunities that align with our long-term objectives.

CUSTOMER SATISFACTION

KAG recognises that customer satisfaction and loyalty are pivotal to achieving long-term success. We are committed to consistently delivering high-quality products and services by actively listening to our customers and incorporating their feedback into our continuous improvement efforts.

We view our customers as key partners in innovation. Their insights and suggestions are invaluable in helping us stay ahead of the competition and shape the future of our offerings. As such, we prioritise customer engagement through multiple channels, including in-person meetings, email correspondence, and our corporate website.

To manage customer relationships effectively and uphold service excellence, we have implemented an impartial feedback and complaint-handling mechanism. This process not only supports the resolution of customer issues in a fair and timely manner but also helps us identify areas for improvement across our operations.

Our commitment to maintaining strong customer relationships underscores our dedication to exceeding expectations and delivering an exceptional experience at every touchpoint.

Related UNSDGs

8 DECENT WORK AND
ECONOMIC GROWTH



Related UNSDGs

8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



ECONOMIC SUSTAINABILITY



CUSTOMER SATISFACTION (CONT'D)

Product & service quality & safety

At KAG, the quality and safety of our products and services are fundamental values deeply embedded in our organisational culture. These principles are essential to maintaining customer trust and delivering reliable, secure, and high-performing solutions that meet or exceed the expectations of our clients.

We adopt a holistic approach to ensuring quality and safety across our operations, guided by globally recognised standards. Our IT business segment is certified with ISO 27001 – Information Security Management System (ISMS), demonstrating our commitment to cybersecurity and information confidentiality. This certification reinforces our ability to:

- Protect sensitive data whether stored locally, digitally, or in cloud environments
- Strengthen our resilience against increasingly sophisticated cyber threats
- Adapt to dynamic security challenges through ongoing improvements
- Foster a workplace culture where cybersecurity is an integral part of daily operations

Cybersecurity and data privacy are not merely technical requirements—they are core pillars of customer trust. When clients choose our services, they entrust us with their valuable data. In turn, we are fully committed to upholding their confidence by maintaining the highest standards of service quality, data security, and transparency in handling personal and business information. Further details on our cybersecurity approach can be found in the section *Cybersecurity & Data Protection*.

Our commitment to service excellence extends beyond security. We regularly review and enhance our service offerings to ensure continuous improvement, incorporating feedback from customers and benchmarking our performance against industry best practices.

Innovation

Innovation is a key enabler of sustainable growth at KAG. It allows us to remain agile in a rapidly evolving digital environment and address emerging social, environmental, and technological challenges. By driving innovation across our operations, we are able to deliver forward-looking solutions that meet the shifting needs of our customers and the broader marketplace.

The current global focus on artificial intelligence (AI) is significantly reshaping the IT landscape. As AI continues to advance rapidly, it is fuelling greater demand for IT services, scalable cloud platforms, and robust data centre infrastructure. At KAG, we recognise this shift and are aligning our innovation strategy to support businesses navigating the digital economy.





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



CUSTOMER SATISFACTION (CONT'D)

Innovation (Cont'd)

We are actively exploring the integration of AI tools to enhance service delivery, automate routine tasks, and provide data-driven insights to both internal teams and customers. These efforts not only improve operational efficiency but also allow us to offer more personalised and intelligent solutions.

In response to this growing demand, we continue to strengthen our cloud capabilities and data centre services to support AI workloads, data processing, and digital transformation initiatives. Our infrastructure is being enhanced to meet the high-performance computing and storage needs associated with AI adoption across industries.

Our focus on innovation also extends to customer experience. The KAG Network Operations Centre (NOC) team is committed to rapid response and service excellence, with an internal benchmark of responding to customer queries within 15 minutes, underscoring our dedication to reliability and client satisfaction.

Through continuous innovation and our readiness to adapt to AI-driven trends, KAG is well-positioned to support the evolving needs of our customers and contribute to a smarter, more connected future.

ANTI-CORRUPTION

KAG upholds the highest standards of business ethics and compliance across the Group, embodying our core values. This steadfast commitment is vital to protecting the interests of the business and its stakeholders, while fostering trust and reinforcing confidence among all parties involved.

The Board and Management team are resolutely dedicated to conducting business with integrity, guided by our comprehensive Code of Conduct (“COC”). The COC clearly outlines KAG’s fundamental principles and behavioural expectations for all employees, including Directors, helping them navigate ethical challenges and fulfil their duties responsibly.

Our zero-tolerance stance on corruption is explicitly set forth in our Anti-Bribery & Corruption (“ABC”) Policy, which is regularly reviewed and updated to remain fully compliant with the Malaysian Anti-Corruption Commission (MACC) Act 2009 and related regulations.

To promote transparency and accountability, KAG has established a dedicated whistleblowing channel under our Whistleblowing Policy. This secure channel allows employees and external stakeholders to confidentially report any concerns or suspected improprieties directly to the Board Chairman and the Chairman of the Audit and Risk Management Committee, either via email or postal mail.

For ease of access and to promote awareness, our Code of Conduct, ABC Policy, and Whistleblowing Policy are publicly available on our corporate website, ensuring all stakeholders can readily review our commitment to ethical governance.

Related UNSDGs

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



ECONOMIC SUSTAINABILITY



ANTI-CORRUPTION (CONT'D)

Corruption-related training

In 2025, we commenced providing anti-corruption training to newly appointed managers as part of our efforts to foster a culture of transparency, integrity, and ethical conduct at all levels of the organisation. While formal tracking of anti-corruption training has not yet been implemented, we remain committed to strengthening our approach in this area. Moving forward, we aim to establish systematic tracking mechanisms to ensure all employees receive the necessary training and ongoing awareness to uphold the highest standards of ethical behaviour and compliance.

Corruption incidents

As of 31 March 2025, we recorded zero incidents of corruption across KAG's business operations.

	2025	2024	Target
Number of complaints of bribery or corruptions reported	Nil	Nil	Nil

CYBERSECURITY & DATA PROTECTION

In today's interconnected digital environment, cybersecurity is not just a technological necessity but a business imperative. As businesses like KAG become increasingly reliant on digital platforms, cloud computing, and interconnected systems, the risks posed by cyber threats have grown significantly in scale and complexity. Malicious attacks, data breaches, and unauthorised access can result in operational disruption, reputational damage, regulatory penalties, and loss of stakeholder trust.

At KAG, we recognise these challenges and are committed to proactively safeguarding our digital infrastructure and data assets through comprehensive cybersecurity strategies and continuous risk assessments. We adopt a defence-in-depth approach, layering multiple levels of protection across our network, systems, and users.

We ensure full compliance with the Personal Data Protection Act 2010 (PDPA), as well as relevant data privacy and cybersecurity regulations in the jurisdictions in which we operate. This regulatory compliance is reinforced through significant investment in a secure IT infrastructure, which includes:

- Robust firewalls and intrusion detection systems (IDS)
- Real-time system monitoring and alert mechanisms
- Advanced endpoint protection and encryption protocols
- Regular penetration testing and vulnerability assessments

These measures work collectively to prevent, detect, and respond to potential threats in a timely manner.

To ensure the secure acceptance, processing, storage, and transmission of payment data, KAG complies with the Payment Card Industry Data Security Standard (PCI DSS). This international standard provides guidelines and best practices to protect cardholder data, minimising the risk of financial data breaches and fraud.

Related UNSDGs

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



CYBERSECURITY & DATA PROTECTION (CONT'D)

Cultivating a Cyber-Resilient Workforce

We believe that cybersecurity is a shared responsibility. Our employees serve as the first line of defence against cyber threats, and therefore, building a security-conscious culture is one of our top priorities.

Our cybersecurity risk management programme includes:

- Annual IT Security Awareness Training covering topics such as:
 - Phishing and social engineering attacks
 - Malware and ransomware threats
 - Secure password practices and multi-factor authentication
 - Safe internet and email usage
 - Data handling procedures and reporting protocols
- Simulated phishing campaigns to test employee readiness and raise awareness
- Internal communications (newsletters, bulletins, posters) to reinforce key messages

These initiatives empower staff to recognise and respond to cyber risks, significantly reducing human error, a leading cause of cyber incidents.

Data Protection and Privacy Commitment

At KAG, we are committed to upholding the highest standards of data privacy and protection. We take reasonable, transparent, and proactive steps to ensure that the collection, use, storage, and destruction of personal data are conducted lawfully and securely.

Our data governance framework ensures:

- Data minimisation – only collecting data that is necessary for specific purposes
- Transparent disclosures on how data is used, retained, and shared
- Customer consent is obtained before collecting and processing personal data
- Access controls and encryption are implemented to prevent unauthorised access
- Retention policies are in place to manage the lifecycle of personal information

All new employees are briefed on data privacy as part of their onboarding induction programme, and periodic refreshers are held to reinforce good practices.

In 2025, we are pleased to report zero reported complaints or incidents related to customer privacy breaches or data loss. This outcome reflects our strong governance and the effectiveness of our cybersecurity and privacy frameworks.

Nevertheless, the threat landscape continues to evolve. We remain vigilant and committed to:

- Regularly reviewing and updating policies to align with new regulatory requirements
- Conducting audits and reviews of internal processes and vendor systems
- Adopting emerging technologies such as artificial intelligence for threat detection
- Engaging with cybersecurity professionals and regulators to stay ahead of trends



SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



ECONOMIC SUSTAINABILITY



CYBERSECURITY & DATA PROTECTION (CONT'D)

Data Protection and Privacy Commitment (Cont'd)

By fostering a culture of security and compliance, KAG ensures that we protect not only our digital assets but also the trust and confidence of our stakeholders.

	2025	2024	Target
Number of substantiated complaints concerning breaches in customer privacy or data loss	Nil	Nil	Nil

SUPPLY CHAIN MANAGEMENT

At KAG, we prioritise trust, integrity, and fairness in all supplier relationships. As a responsible corporate citizen operating in Malaysia, we are committed to supporting a resilient and inclusive supply chain—particularly by engaging small and medium-sized enterprises (SMEs) to aid in the recovery and growth of the local economy.

Our commitment to ethical business practices extends throughout our supply chain. We expect our suppliers to reflect our values and uphold high standards of integrity, compliance, and sustainability in their own operations. This includes adherence to applicable laws, ethical labour practices, and environmental responsibility.

We have established transparent and structured procurement processes to ensure the selection of credible, reliable suppliers. These processes are designed to evaluate a supplier's reputation, service performance, compliance record, and ability to deliver quality work on schedule.

Related UNSDGs

8 DECENT WORK AND
ECONOMIC GROWTH



9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE



Supplier
registration
form



Supplier
screening
i.e. risk
due
diligence



Award
contract
terms
and
conditions



Annual
supplier
performance
assessment



SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



SUPPLY CHAIN MANAGEMENT (CONT'D)

Recognising our operational requirements, we prioritise sourcing goods and services locally wherever feasible. This not only reduces transportation-related emissions, supporting our environmental objectives, but also provides local suppliers with opportunities for business development, employment generation, and long-term partnerships.

In 2025, majority of our procurement budget was strategically allocated to identify, assess, and engage local suppliers with strong track records, ethical business conduct, and proven capabilities to deliver high-quality services in alignment with our delivery schedules. This approach reinforces our role in building a responsible and resilient supply chain ecosystem.



CLIMATE ACTION

The Group recognises the significant impact of our energy consumption and greenhouse gas emissions ("GHG") on climate change. As responsible corporate citizens, we are committed to minimizing our carbon footprint and actively embracing opportunities presented by the transition to a low-carbon economy.

Energy consumption

We are continuously enhancing our energy utilisation and efficiency through a range of initiatives, including:

- **Energy-Efficient Office Practices:** We are actively transitioning to LED lighting and energy-efficient inverter air conditioners. To further reduce energy consumption, we implement lighting schedules, install motion sensors in low-usage areas, and conduct regular maintenance on electrical equipment. Additionally, we promote energy-saving habits among employees through awareness campaigns and reminders.
- **Energy-Efficient Devices:** Standardising the use of energy-saving laptops, monitors, and networking devices to reduce electricity consumption and electronic waste.
- **Regular Monitoring and Reporting:** Real-time monitoring systems are being implemented to track electricity consumption and identify areas for improvement.
- **Operational Enhancements:** We continuously evaluate and refine our IT and office processes to minimise energy demand, particularly during peak periods. This includes optimising server loads, consolidating workloads where possible, and ensuring systems run at maximum efficiency.

This year, the total energy consumption from the grid recorded was 428.4 megawatt-hours ("MWh").

Related UNSDGs

11 SUSTAINABLE CITIES
AND COMMUNITIES



12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



ENVIRONMENTAL SUSTAINABILITY



WASTE MANAGEMENT

To promote sustainable consumption and production patterns, KAG is committed to minimising resource consumption and managing waste responsibly across all operations. As an IT-related company, our focus lies in adopting digital-first practices and optimising resource efficiency, particularly in office environments and data centre operations.

Initiatives such as paper recycling are actively underway, with employees encouraged to prioritise electronic methods for communication, document sharing, and storage. Printing and photocopying are kept to a minimum, with double-sided printing set as the default option. The introduction of a self-service e-portal for leave applications and payslip access has significantly reduced the need for printed HR documentation, aligning with our move towards a paperless workplace.

To further enhance sustainable practices, we have implemented or are exploring the following waste management initiatives:

- **E-waste Management:** Responsible disposal and recycling of end-of-life IT equipment such as servers, laptops, and peripherals through certified e-waste recycling vendors.
- **Hardware Refurbishment & Reuse:** Reconditioning and repurposing older IT hardware for internal use, reducing procurement needs and extending the life cycle of equipment.
- **Recycling Stations:** Placing clearly labelled recycling bins in office premises for paper, plastics, and electronics to encourage responsible disposal habits among employees.
- **Green Procurement:** Giving preference to suppliers who demonstrate sustainable practices and offer environmentally friendly products (e.g., recyclable office supplies, low-energy equipment).
- **Office Asset Reuse:** Repurposing or donating unused office furniture, fixtures, and fittings instead of discarding them, thereby diverting waste from landfills.

Through these measures, we aim to embed sustainability into our daily operations while fostering a culture of environmental responsibility within the organisation.

Related UNSDGs

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



13 CLIMATE
ACTION





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



HUMAN RIGHTS

The Group is dedicated to protecting the rights and well-being of every employee, recognising the invaluable contributions they make to our success. We are committed to fostering a workplace in which every individual is treated with dignity, respect, and fairness. Our Board and Management play a pivotal role in setting the ethical standards that underpin our operations, ensuring our commitment to human rights is embedded throughout the business.

We are firmly committed to maintaining a safe and healthy working environment, where the right to fair and decent work is upheld. We actively promote freedom of association, equal opportunity, and a workplace free from all forms of discrimination. These core principles are central to building an inclusive and supportive environment for all employees.

In 2025, a comprehensive review was conducted to ensure full compliance with the revised minimum wage requirements under Malaysian labour law. This assessment involved analysing the basic salaries of our employees against the national minimum wage standards. We are pleased to report that our compensation practices across all operating sites in Malaysia meet or exceed the mandated minimum wage thresholds. This reflects our strong commitment to legal compliance and to ensuring fair, lawful, and equitable treatment for all our employees throughout the Group.

All KAG employees and external stakeholders are expected to familiarise themselves with the COC and adhere to its principles. The COC sets out the standards of integrity, professionalism, and ethical behaviour expected across all levels of the organisation. By upholding these standards, we reinforce a culture of accountability and ethical conduct in all aspects of our operations.

Equal compensation & benefits

We diligently review employee compensation and benefits to ensure they are fair, competitive, and aligned with the welfare and needs of our workforce. All employment practices are conducted in strict compliance with applicable local labour laws and regulations.

List of employee benefits in KAG :

Related UNSDGs

8 DECENT WORK AND
ECONOMIC GROWTH



Leaves Entitlements

Annual leave, sick leave, hospitalisation leave, marriage leave, maternity leave, paternity leave, compassionate leave



Wellness Benefits

Outpatient medical coverage



Insurance Coverage

Hospitalisation and surgical insurance, personal accident insurance



Employee Engagement

Monthly Staff Birthday Celebration



SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



SOCIAL SUSTAINABILITY



HUMAN RIGHTS (CONT'D)

Access to grievance mechanisms

We have established a mechanism to receive, document, and address complaints or grievances. This mechanism is accessible to all individuals, both internal and external to our organisation, who wish to raise concerns regarding potential misconduct. It provides a confidential and transparent channel through which individuals can express their concerns.

Our employees are fully informed about the grievance handling procedures and the Whistleblowing Policy. We are committed to the prompt and effective resolution of any breaches of policy or inappropriate behaviour.

Furthermore, we prioritise ensuring access to remediation and redress for victims of human rights violations. Our objective remains the complete elimination of socio-economic non-compliance incidents within our operations.

	2025	2024	Target
Number of substantiated complaints concerning human rights violations	Nil	Nil	Nil

HEALTH & SAFETY

In our pursuit of building a sustainable organisation, we place a high priority on the health, safety, and well-being of our employees. At KAG, we are committed to cultivating a proactive “safety first” culture that aligns with the nature of our IT-related operations, including data centres, cloud services, and office-based technical environments.

We integrate workplace health and safety into our daily routines, with a focus on minimising risks associated with equipment handling, ergonomics, and prolonged screen time, while ensuring all technical environments are operated with strict safety protocols. We also place strong emphasis on mental health, encouraging a supportive and balanced work environment through awareness programmes, flexible arrangements, and employee assistance initiatives.

Our goal is to maintain a safe, healthy, and resilient workforce by preventing work-related injuries, promoting psychological well-being, and achieving a zero-fatality and zero Lost Time Incident Rate (LTIR) record across all operations.

Safety-first culture

At KAG, we strictly comply with all applicable laws and regulations relating to occupational safety and health, including the Occupational Safety and Health Act 1994 and the Malaysia Employment Act 1955. These legal requirements underpin our internal Occupational Safety and Health Policy, which reflects our firm commitment to fostering a safety culture throughout our organisation.

We are dedicated to continually enhancing our occupational health and safety performance by setting clear objectives and targets, alongside regular monitoring of key performance indicators. Our approach ensures that all employees receive the necessary training and guidance to maintain a safe working environment.

Related UNSDGs

3 GOOD HEALTH
AND WELL-BEING



8 DECENT WORK AND
ECONOMIC GROWTH





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



HEALTH & SAFETY (CONT'D)

Safety & health upskilling

To promote ongoing awareness and skills development, we provide regular health and safety training tailored to the specific risks associated with IT operations, including data centre maintenance, equipment handling, and ergonomic best practices for office-based work. Our programmes include seminars, workshops, and awareness campaigns that highlight potential hazards and encourage safe behaviours. Employees are encouraged to promptly report any health and safety concerns to their supervisors or designated safety representatives.

Safety & health reporting

The health, safety, and well-being of our employees remain our highest priority. We maintain robust oversight and continuously seek to improve safety standards. Our incident reporting mechanism enables timely recording and thorough investigation of any safety-related events, leading to the development of effective mitigation strategies and preventive measures aimed at minimising workplace risks.

	2025	2024
Number of fatalities	Nil	Nil
Number of lost time injuries	Nil	Nil
LTIR	Nil	Nil

DIVERSITY, EQUITY & INCLUSION

At KAG, embracing diversity in its many forms is a strategic imperative that enriches our workplace culture and drives operational success. We recognise that diversity encompasses a wide range of attributes, including race, gender, ethnicity, age, religion, cultural beliefs, disabilities, and sexual orientation. By valuing the unique talents and perspectives of each employee, we unlock a broad spectrum of benefits that enhance decision-making, problem-solving, and overall innovation.

Our commitment to diversity extends beyond acknowledgment; we actively incorporate diverse viewpoints into our daily operations and decision-making processes. This inclusive approach fosters creativity and promotes a collaborative environment where employees feel empowered to share their ideas. In doing so, we gain a competitive edge and further our pursuit of operational excellence.

KAG is dedicated to maintaining a fair, equitable, and inclusive workplace that is free from discrimination, marginalisation, and harassment. We uphold robust policies and practices that promote equal opportunity and respect for all employees, ensuring that every individual has the chance to succeed based on merit.





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



SOCIAL SUSTAINABILITY



DIVERSITY, EQUITY & INCLUSION (CONT'D)

In line with our commitment to equality, we ensure that wages are competitive and free from gender bias. Career progression, performance assessments, and rewards are based on merit and objective performance indicators, ensuring fairness in all decisions related to promotion and recognition. We remain committed to recognising individual achievements and offering equal opportunities for growth and development across all levels of the organisation.

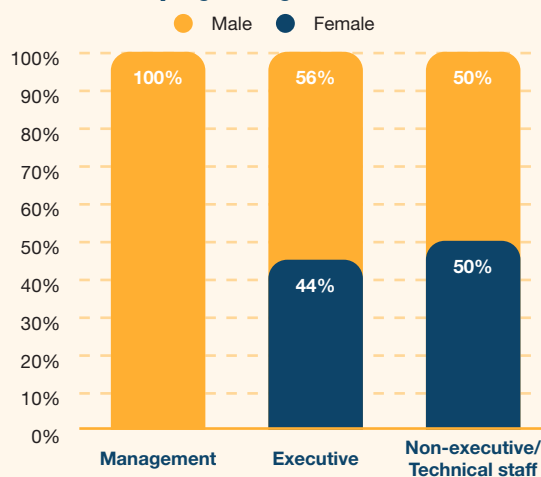
As of 31 March 2025, 44% of KAG's workforce was female and 56% male. This achievement highlights our continued efforts to foster gender diversity and equality across all levels and functions of the organisation.

The age distribution of our workforce in 2025 demonstrates a diverse and balanced composition across all levels of the organisation. Management is predominantly comprised of individuals aged 30–50, accounting for 100% of the group. This provides a foundation of strong leadership, supported by a depth of industry knowledge and experience.

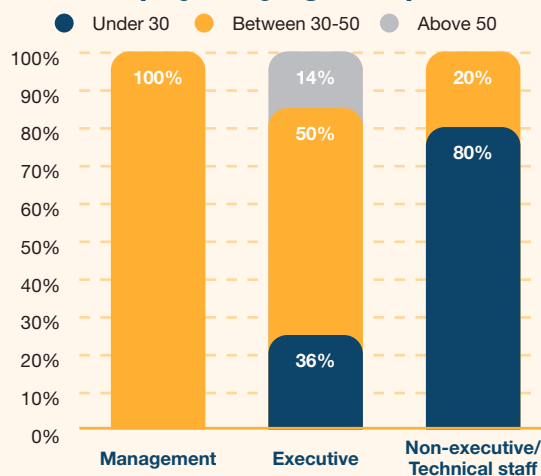
Our executive and technical workforces are comparatively younger, with a notable concentration in the under-50 age range. This balanced age profile promotes innovation, adaptability, and effective knowledge transfer, contributing to a dynamic, agile, and future-ready organisation.

KAG is committed to nurturing local talent, with 100% of its workforce comprising residents from the countries in which it operates. By prioritising local recruitment, the Company not only supports the local economy but also fosters cultural alignment and a strong sense of community within its workforce. KAG's diverse talent pool includes individuals of Malay, Chinese, Indian, and other ethnic backgrounds, reflecting the rich multicultural fabric of the regions it serves.

% of Employees by Gender in 2025



% of Employees by Age Group in 2025





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)

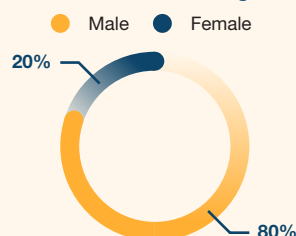


SOCIAL
SUSTAINABILITY

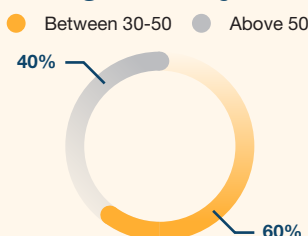
DIVERSITY, EQUITY & INCLUSION (CONT'D)

The Board of the holding company currently comprises one woman among its five members. The Board has expressed the view that, given the Group's business status and lifecycle, prioritising the right mix of skills on the Board is more critical than strictly meeting the 30% threshold set out in Practice 5.9 of the Malaysian Code on Corporate Governance (MCCG). Nevertheless, there remains a firm commitment to achieving gender balance in senior management, the boardroom, and across the wider workforce. Accordingly, the Board is actively seeking potential female Directors and intends to appoint additional women Directors as suitable candidates are identified. Furthermore, efforts will be made to explore ways to enhance gender balance in today's workplace.

Board Gender Diversity in 2025



Board Age Diversity in 2025



EMPLOYEE MANAGEMENT

We recognise that our greatest assets are our employees, and our commitment to their well-being is unwavering. We understand that a successful organisation is built upon a workforce that feels valued, empowered, and respected. By fostering a safe and healthy working environment, we are dedicated to ensuring that all employees have equal access to resources, benefits, and opportunities for skill development and career progression. This commitment not only supports individual growth but also drives sustainable business success. Through these efforts, we strive to create a dynamic and thriving workplace where both our people and our Company can flourish.

Related UNSDGs

8 DECENT WORK AND
ECONOMIC GROWTH



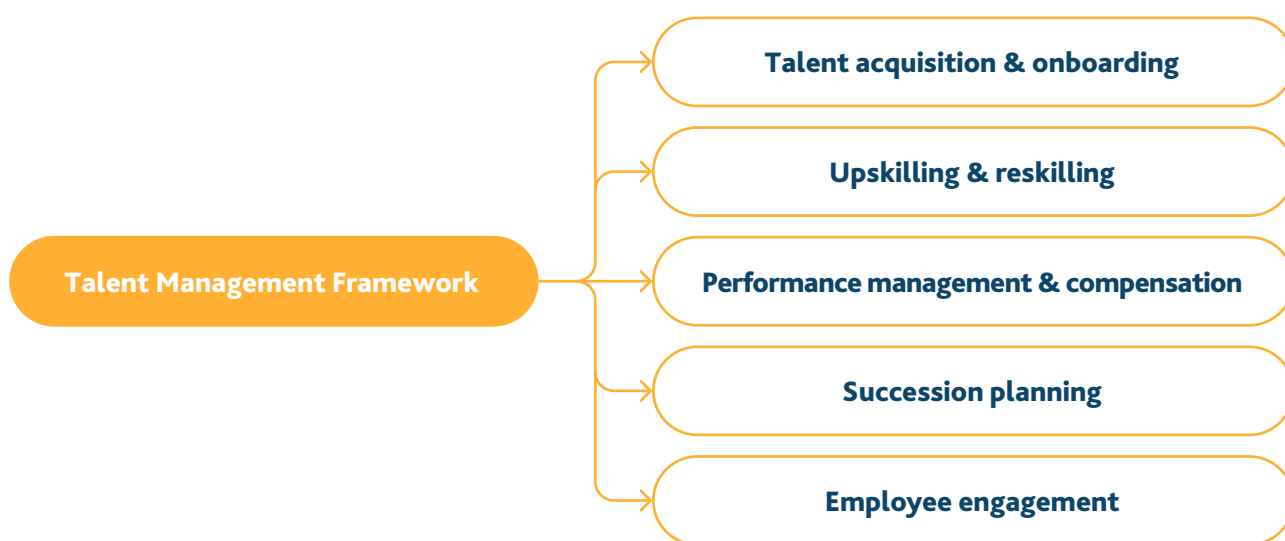


SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



EMPLOYEE MANAGEMENT (CONT'D)



Talent acquisition & onboarding

We are committed to fostering the professional growth of our workforce by providing ample opportunities for career advancement within the company. Our focus is on maximising the potential of internal talent, ensuring team members have the necessary resources and support to thrive in their roles.

When internal promotion is not feasible, our Human Resources team utilises a range of assessment tools and methodologies to conduct a fair and thorough recruitment process. We strive to select candidates whose skills, experience, and values align with the role requirements and the company's broader objectives, attracting individuals who can make a positive impact on our mission. We ensure that all new hires benefit from a structured onboarding programme designed to support a smooth and successful transition into the organisation.

Upskilling & reskilling

Empowering our employees to excel is integral to the growth and success of the Group. To support this, we provide continuous learning opportunities that foster both personal and professional development, enabling our workforce to stay ahead in an ever-evolving industry landscape.

In 2025, we continued to prioritise investment in training and development programmes, leveraging both in-person and online platforms. A total of 142 hours were dedicated to internal and external learning and development initiatives. Although the average training hours per employee decreased from 5 hours to 4 hours, the average for managers increased significantly, from 5 hours to 7 hours, reflecting our continued focus on strengthening leadership capabilities and enhancing managerial effectiveness.



SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



EMPLOYEE MANAGEMENT (CONT'D)

Upskilling & reskilling (Cont'd)

Employee Category	Total hours of training 2025	Total hours of training 2024
Management	94	48
Executive	48	361
Non-executive/Technical staff	-	-
Total	142	409

	Average training hours per employee 2025	Average training hours per employee 2024
Management	7	5
Executive	2	8
Non-executive/Technical staff	-	-
Overall	4	5

Performance management & compensation

We are dedicated to fostering a culture of results-driven performance, accountability, collaboration, and shared success. These core values guide our approach to both individual and team performance, helping us achieve meaningful outcomes, take responsibility for our actions, work cohesively, and celebrate collective accomplishments.

We believe in recognising and rewarding outstanding performance. Employees who consistently deliver high-quality results and demonstrate exceptional behaviour are rewarded through bonuses and opportunities for promotion. To ensure that our team members are fairly compensated, we regularly review our remuneration packages, ensuring they remain competitive within the industry and aligned with local market standards and practices.

We utilise a Human Resource Management System (HRMS) specifically for payroll management. This system provides employees and managers with secure online access to essential payroll-related information, including payslips and tax details. By digitising payroll processes, we aim to enhance operational efficiency and reduce the reliance on paper-based documentation. This initiative supports our broader commitment to sustainability by promoting environmentally responsible practices within the Human Resource function.



SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



SOCIAL SUSTAINABILITY



EMPLOYEE MANAGEMENT (CONT'D)

Succession planning

Succession planning is vital to ensuring the long-term performance and resilience of our Group, particularly as we integrate sustainability into our strategic priorities. Our Nomination Committee, with support from the Audit and Risk Management Committee, is responsible for evaluating the Group's human resources plan, which includes the succession management framework and related initiatives.

Succession planning will be implemented progressively across the Group, with a focus on developing internal talent pipelines. Tailored training and development programmes will be introduced for managerial staff to prepare them for future leadership roles and ensure business continuity.

Employee engagement

KAG fosters a culture of engagement, inclusion, and well-being by organising a variety of activities that promote team cohesion and celebrate our employees. These initiatives range from festive season celebrations to sports events, all aimed at boosting employee morale and creating a sense of unity and camaraderie across the organisation.





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



EMPLOYEE MANAGEMENT (CONT'D)

Employee engagement (Cont'd)





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



EMPLOYEE MANAGEMENT (CONT'D)

Employee retention & attribution

In 2025, our attrition rate was elevated, primarily due to the Group's strategic decision to cease operations in the construction and renovation segment. This transition accounted for a significant portion of employee departures during the year. Moving forward, we aim to stabilise our workforce by enhancing our salary and reward schemes, developing a robust talent pipeline, and strengthening our talent development programmes. These efforts are intended to support long-term employee retention and foster a resilient, engaged workforce aligned with our evolving business priorities.

Employee Category	Total numbers of new hires 2025	Total numbers of new hires 2024
Management	1	1
Executive	10	11
Non-executive/Technical staff	4	6
Total	15	18

Employee Category	Total numbers of employee turnover 2025	Total numbers of employee turnover 2024
Management	3	3
Executive	33	16
Non-executive/Technical staff	20	14
Total	56	33

	2025	2024
New hire rates (%)	44%	23%
Turnover rates (%)	165%	41%

All of our employees are on permanent contracts, with no temporary or contract staff engaged across our operations. This approach reflects our commitment to long-term employment, stability, and the consistent development of our workforce. By maintaining a fully permanent employee base, we foster stronger organisational cohesion, ensure fair and consistent labour practices, and uphold our values of employee welfare and ethical workforce management.



SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



COMMUNITY INVESTMENT

We are dedicated to being a responsible corporate citizen by actively engaging with and supporting the communities in which we operate. Our commitment extends beyond traditional business practices; we strive to make a meaningful impact by fostering strong, positive relationships with local communities. We recognise that social inclusion and community well-being are vital to sustainable success. By contributing to local initiatives, supporting community development, and encouraging active participation, we aim to enhance the quality of life for residents and create a positive ripple effect throughout the region. We firmly believe that nurturing these connections not only benefits the communities we serve but also delivers favourable outcomes for our business in the long term. Through our efforts, we seek to build a foundation of trust, collaboration, and mutual growth.

In 2025, while no monetary donations were made, we continued our engagement through environmental stewardship. One of our key initiatives was a Coastal Clean-Up programme at Pantai Redang, Sekinchan, held in collaboration with the Sabak Bernam District Council. This initiative aimed to promote environmental sustainability, raise public awareness, and foster a sense of shared responsibility for coastal preservation. In recognition of our contribution, KAG was awarded a Certificate of Appreciation by the Sabak Bernam District Council on 10 September 2024. This acknowledgement underscores our commitment to supporting local communities and environmental causes through meaningful participation.

We highly value the spirit of volunteerism among our employees, recognising it as crucial to the success of KAG's community impact programmes. Moving forward, we will begin to monitor and track employee participation in these initiatives.

Related UNSDGs





SUSTAINABILITY REPORT

MANAGEMENT APPROACH FOR MATERIAL MATTERS (CONT'D)



GOVERNANCE SUSTAINABILITY

POLICY & REGULATORY COMPLIANCE

Compliance with policies and regulations, particularly those relating to environmental, social, and governance aspects, is fundamental to ensuring long-term sustainability and business success. At KAG, we recognise that proactive adherence to regulatory requirements not only safeguards our operations but also enhances our competitive edge. It allows us to differentiate our products and services, attract socially responsible investors, and expand our market presence.

By prioritising sustainability and ethical business conduct, we position ourselves to outperform competitors and achieve lasting growth and profitability.

On the other hand, failure to comply with applicable laws and regulations can lead to significant consequences, including fines, legal liabilities, reputational damage, and increased operational costs. Such outcomes may erode shareholder value and undermine business resilience.

As such, maintaining strong compliance practices and continually monitoring the evolving regulatory landscape are essential to managing risk and promoting responsible, sustainable growth.

Related UNSDGs

16 PEACE, JUSTICE
AND STRONG
INSTITUTIONS



MOVING FORWARD

In conclusion, our commitment to sustainability is not merely aspirational, it is embedded in the core of our corporate values and informs every decision we make. We firmly believe that responsible business practices are not only a moral obligation but also a strategic advantage in today's fast-evolving business environment.

As we look ahead, we are dedicated to setting a benchmark for sustainable business excellence. Our focus remains on systematically integrating sustainability into our day-to-day operations and long-term strategic planning. Through the thoughtful implementation of sustainability initiatives, we aim to drive robust business performance while fulfilling our commitment to environmental stewardship and social responsibility.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

The Board of Directors ("the Board") of Key Alliance Group Berhad ("KAG" or "the Company") recognises and is committed to ensuring the importance of good CG is being practiced by the Company and its subsidiaries ("Group" or "KAG Group") to safeguard stakeholders' interests as well as enhancing shareholders' value.

This CG Overview Statement sets out the manner in which the Group has applied and the extent of compliance with principles and recommendations as set out in the Malaysian Code on Corporate Governance ("MCCG"), the relevant chapters of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") on CG and all applicable laws and regulations throughout the financial year ended 31 March 2025 ("FY2025").

The CG Overview Statement shall be read together with the CG Report 2025, which can be downloaded from the Company's website at www.kag.com.my.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

PART 1 – BOARD RESPONSIBILITIES

1. BOARD'S LEADERSHIP ON OBJECTIVES AND GOALS

1.1 Functions, Roles and Responsibilities of the Board

The Board leads KAG and plays a strategic role in overseeing the Group's objectives, direction, goals and overall corporate governance to ensure that the strategic plans of the Group are implemented and accountability is monitored well.

The following are the key matters of the Company reserved for the Board's approval:

- Reviewing and approving the financial results, strategies, business plan and policies;
- Overseeing and evaluating the conduct of the Group's businesses;
- Ensuring competent management;
- Ensuring the establishment of a risk management framework and policies;
- Reviewing the adequacy and integrity of the internal control systems and management information systems, which include a sound system of reporting and ensuring regulatory compliance with applicable laws, regulations, rules, directives and guidelines; and
- Acquisition and disposal of companies within the Group.

The Board reserves certain powers for itself and has delegated certain matters, such as the day-to-day management of the Group, to the Executive Directors. The Non-Executive Directors are responsible for bringing independent judgment and scrutiny to decisions taken by the Board and providing objective challenges to Management.

The Non-Executive Directors do not participate in the day-to-day management of the Group and do not engage in any business dealings or other relationships with the Group. In this manner, the Non-Executive Directors fulfil a crucial corporate accountability role as they provide independent and objective views, opinions and judgements on issues being deliberated and act in the best interest of the Group, its stakeholders and shareholders, including minority shareholders. There is a schedule of key matters reserved to the Board for its deliberation and decision to ensure the direction and control of the Group are in its hands.

In discharging its function and responsibilities, the Board has established and approved the respective Terms of Reference ("ToR") for the relevant Board Committees, where specific powers of the Board are delegated to the relevant Board Committees. The Board Committees include the following:

- Audit and Risk Management Committee ("ARMC");
- Nomination Committee ("NC");
- Remuneration Committee ("RC"); and
- Share Issuance Scheme ("SIS") Committee.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART 1 – BOARD RESPONSIBILITIES (CONT'D)

1. BOARD'S LEADERSHIP ON OBJECTIVES AND GOALS (CONT'D)

1.1 Functions, Roles and Responsibilities of the Board (Cont'd)

Although specific powers are delegated to the Board Committees, the Board continues to keep itself abreast of the actions and decisions taken by each Board Committee, including key issues via reports by the Chairman and/or the Chairperson of each of the Board Committee, as well as the tabling of minutes of all Board Committee meetings, to the Board at Board meetings. The Board reviews the respective Board Committees' authority and ToR from time to time to ensure their relevance and enhance its efficiency. The ultimate responsibility for the final decision on all matters, however, lies with the Board as a whole.

The ToR of each of the Board Committees as approved by the Board is available on the Company's corporate website at www.kag.com.my.

The Board owes fiduciary duties to the Company and, while discharging its duties and responsibilities, shall individually and collectively exercise reasonable care, skill and diligence at all times. Aside from the key responsibilities as delineated in the Board Charter, each Board member is also expected to demonstrate and adhere to the following:

(a) Time Commitment

(i) Attendance of Meetings

The Board ordinarily schedules 4 meetings in a year. The Board and Board Committee meetings are scheduled well in advance, i.e. prior to the closing of each quarter, to facilitate the Directors in planning and to ensure that the Board and Board Committees meetings are booked in their respective schedules.

Additional meetings are convened when urgent and important decisions need to be made between scheduled meetings. The agenda for the meeting of the Board is set by the Company Secretary after consultation with the Chairman and/or the Executive Directors. Where appropriate, decisions may be taken by way of Directors' Circular Resolutions between scheduled and special meetings.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART 1 – BOARD RESPONSIBILITIES (CONT'D)

1. BOARD'S LEADERSHIP ON OBJECTIVES AND GOALS (CONT'D)

1.1 Functions, Roles and Responsibilities of the Board (Cont'd)

(a) Time Commitment (Cont'd)

(i) Attendance of Meetings (Cont'd)

The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities as Directors of KAG. This is evidenced by the attendance record of the Directors at the Board and Board Committee meetings held during the year under review, as set out as follows:

Meeting Attendance	Board	ARMC	NC	RC	#SIS	@AGM
Dato' Seri Farhash Wafa Salvador, J.P (Appointed on 28 January 2025)	^1/1	N/A	N/A	N/A	N/A	N/A
Roy Ho Yew Kee	5/5	N/A	N/A	N/A	N/A	1/1
Sandraruben A/L Neelamagham	5/5	N/A	N/A	N/A	N/A	1/1
Lee Kien Fatt	5/5	^5/5	^1/1	^1/1	N/A	1/1
Dr Azizah Binti Sulaiman	5/5	4/4	1/1	1/1	N/A	1/1
Yee Yit Yang (Resigned on 23 January 2025)	4/4	4/4	1/1	1/1	N/A	1/1

@ Annual General Meeting ("AGM") held on 30 August 2024

^ Chairperson/Chairman of the Board or Board Committees or AGM

No meeting held during the financial year under review

Notwithstanding that no specific quantum of time has been fixed, each member of the Board is expected to devote sufficient time and attention to the affairs of the Company. Any Director is, while holding office, at liberty to accept other board appointment(s) 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 held in any applicable financial year, with appropriate leave of absence and notify the Chairman and/or Company Secretary, where applicable.

(ii) New Directorships

Prior to the acceptance of new board appointment(s) in other companies and/or Public Listed Companies ("PLCs"), the Directors are to notify the Chairman and/or the Company Secretary in writing. To ensure the Directors have the time to focus and fulfill their roles and responsibilities effectively, 1 criterion, as agreed by the Board, is that they must not hold more than 5 directorships in PLCs (as prescribed in Rule 15.06 of the Listing Requirements).



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART 1 – BOARD RESPONSIBILITIES (CONT'D)

1. BOARD'S LEADERSHIP ON OBJECTIVES AND GOALS (CONT'D)

1.1 Functions, Roles and Responsibilities of the Board (Cont'd)

(a) Time Commitment (Cont'd)

(ii) New Directorships (Cont'd)

The Directors are required to submit an update on their other directorships from time to time for monitoring of the number of directorships held and for notification to the Companies Commission of Malaysia ("CCM") accordingly.

(b) Continuing Training Programmes

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 mindful that they should continue to attend training programmes from time to time to enhance their skills and knowledge where relevant, as well as to keep abreast with 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 Board will also on a continuing basis, evaluate and determine the training needs of each Director, particularly on relevant new laws and regulations and essential practices for effective corporate governance and risk management to enable the Directors to discharge their duties effectively.

During the FY2025, all the Directors appointed to the Board have attended the Mandatory Accreditation Programme as required by Bursa Malaysia Securities Berhad ("Bursa Securities"). In addition, Directors would be updated on recent developments in the areas of statutory and regulatory requirements from the briefing by the external auditors, the internal auditors and Company Secretaries during the Board and Board Committees meetings.

The details of training and various external programs attended by the Directors during the financial year under review are as follows:

Board members	Seminars/Conferences/Training Programmes Attended
Dato' Seri Farhash Wafa Salvador, J.P (Appointed on 28 January 2025)	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II (LIP)
Roy Ho Yew Kee	<ul style="list-style-type: none"> Issuance & Redemption of Preference Shares Mandatory Accreditation Programme Part II (LIP)
Sandraruben A/L Neelamagham	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II (LIP)
Mr Lee Kien Fatt	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II (LIP) Baker Tilly Tax & Budget Webinar
Mr Yee Yit Yang (Resigned on 23 January 2025)	<ul style="list-style-type: none"> Baker Tilly Tax & Budget Webinar
Dr Azizah Binti Sulaiman	<ul style="list-style-type: none"> Mandatory Accreditation Programme Part II (LIP) Baker Tilly Tax & Budget Webinar



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART 1 – BOARD RESPONSIBILITIES (CONT'D)

1. BOARD'S LEADERSHIP ON OBJECTIVES AND GOALS (CONT'D)

1.1 Functions, Roles and Responsibilities of the Board (Cont'd)

(c) Conflict of Interest and Related Party Transactions

To assure accountability and prevent conflict of interest in relation to issues that come before the Board, Directors are reminded by the Company Secretary of their statutory duties and responsibilities and are provided with updates on any changes thereon. Hence, all related party transactions and/or potential conflict of interest situations, if any, will be submitted to the ARMC for review on a quarterly basis.

The Directors further acknowledge that they are also required to abstain from deliberation and voting on relevant resolutions in which they have an interest at the Board or any general meeting convened. In the event a corporate proposal is required to be approved by shareholders, the interested Directors will also abstain from voting in respect of their shareholdings and will further undertake to ensure that persons connected to them will similarly abstain from voting on the resolutions.

As part of the governance process, the Board has formalised and adopted the Conflict of Interest Policy for Directors ("COI Policy"). The purpose of the COI Policy is to ensure that actual, potential and perceived conflicts of interest are effectively identified and managed, and to provide guidance on how to deal with conflict of interest situations as they arise. A copy of the COI Policy is available on the Company's website at www.kag.com.my.

During the financial year under review, other than the transaction disclosed below, the ARMC and the Board have not received any other reports from the Directors or the chief executive of the Company relating to conflicts of interest or potential conflicts of interest situations, including interests in any competing business, that they have with the Company or its subsidiaries:

- (a) On 19 February 2025, the Board has approved the disposal of one unit of Toyota Alphard to D'nonce Technology Bhd ("D'nonce") for a total consideration of RM152,000.00 only. Mr Roy Ho Yew Kee ("Interested Director"), being a Director of both KAG and D'nonce, is deemed interested in this transaction.

The ARMC and the Board noted that, to mitigate the potential conflict of interest situations that may arise in connection with the above transaction, the Interested Director:

- (a) had made full disclosure to the Company of his relationship, including but not limited to his direct and indirect interests related to the above transaction; and
- b) had abstained from all deliberations and voting at the relevant Board meetings in respect of the above transaction.

After thorough consideration and evaluation of the mitigating actions highlighted above, the ARMC and the Board concluded that the interests of the Company and non-interested shareholders of the Company will not be adversely affected by the potential conflict of interest, if any, that may arise in connection with the above transaction.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART 1 – BOARD RESPONSIBILITIES (CONT'D)

1. BOARD'S LEADERSHIP ON OBJECTIVES AND GOALS (CONT'D)

1.2 The Chairman of the Board

During the financial year under review, the Board is chaired by Dato' Seri Farhash Wafa Salvador, J.P, the Executive Chairman of the Company. The Board of the Company, notwithstanding that the Chairman is an Executive Director, is of the opinion that the element of independence which currently exists is adequate to assure that there is a balance of power and authority on the Board. In addition, the presence of the 2 Independent Directors from a total of the 5 Board members is sufficient to provide the necessary checks and balances on the decision-making process of the Board.

The Chairman is responsible for the Board's effectiveness and conduct, implementing the Group's policies, business plans and executive decision making and is assisted by the Executive Directors. He also promotes an open environment for debate and ensures effective contributions from Non-Executive Directors. The Chairman exercises control over the quality, quantity and timeliness of information flow between the Board and Management. Together with the other Non-Executive Directors, he leads the discussion on the strategies and policies recommended by the Management.

At a general meeting, the Chairman plays a role in fostering constructive dialogue between shareholders, the Board and Management.

In line with the recommendation of the MCCG, the Chairman is not a member of any Board Committees. This is to ensure checks and balances as well as that objectivity will not be influenced by the Chairman of the Board, who also sits on Board Committee(s).

1.3 Separation of Roles of the Chairman and the Executive Directors

During the financial year under review, the positions of the Chairman and the Executive Directors were held by different individuals.

The Company has a clear distinction and separation of roles between the Chairman and the Executive Directors, with a clear division of responsibilities to ensure a clear balance of power and authority. The Company practices a division of responsibilities between the Chairman and the Executive Directors. This is also to maintain effective supervision and accountability of the Board and Management.

The Chairman is responsible for the Board's effectiveness and for ensuring that the conduct and working of the Board is in an orderly and effective manner, while the Executive Directors take on the primary responsibility of managing the Group's businesses and resources as well as overseeing and managing the day-to-day operations of the Group.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART 1 – BOARD RESPONSIBILITIES (CONT'D)

1. BOARD'S LEADERSHIP ON OBJECTIVES AND GOALS (CONT'D)

1.4 Qualified and Competent Company Secretaries

The Company Secretaries of KAG have the requisite credentials and are competent and suitably qualified to act as company secretary under Section 235(2) of the Companies Act 2016 ("the Act"). The Board is satisfied with the performance and support rendered by the Company Secretaries to the Board in the discharge of their functions. The Company Secretaries play an advisory role to the Board in relation to the Company's Constitution, the Board's policies and procedures and compliance with the relevant regulatory requirements, codes or guidance and legislation.

The Company Secretaries support the Board by ensuring that all Board meetings are properly conducted and adhered to board policies and procedures, rules, relevant laws and best practices on CG and deliberations at the Board and Board Committee meetings, as well as follow-up on matters arising are well captured and recorded. The Company Secretaries also keep the Board updated on changes in the Listing Requirements and directives issued by the regulatory authorities, and the resultant implications to the Company and the Directors in relation to their duties and responsibilities.

The Company Secretaries constantly keep themselves abreast of the evolving capital market environment, regulatory changes and developments in CG through continuous training.

1.5 Access to Information and Advice

The Directors have individual and independent access to the advice and dedicated support services of the Company Secretaries in ensuring the effective functioning of the Board. External advisers are invited to attend meetings to provide insights and professional views, advice and explanations on specific items on the meeting agenda, when required. The Directors may seek advice from Management on issues under their respective purview.

Prior to the Board meetings, the agenda for each meeting, together with a full set of the board papers containing the information relevant to the business of the meetings, will be circulated to the Directors at least 7 days before the meeting. The Directors may also interact directly with the Management, or request further explanation, information or updates on any aspect of the Company's operations or business concerns from them.

In the intervals between Board meetings, for exceptional matters requiring urgent Board decisions, approvals will be obtained via circular resolutions, which are supported with information necessary for an informed decision.

The deliberations of the Board in terms of the issues discussed during the meetings and the Board's conclusions in discharging its duties and responsibilities are recorded in the minutes of meetings by the Company Secretaries. Minutes of meetings are circulated and confirmed as a correct record by the Board and Board Committees at the next meeting.

The Directors are also notified of any corporate announcement(s) released to Bursa Securities and the impending restriction on dealing with the securities of the Company prior to the announcement of the quarterly financial results.

When necessary, the Directors may whether as a full Board or in their individual capacity, seek independent professional advice, including the internal and external auditors, at the Company's expense to enable the Directors to discharge their duties with adequate knowledge on the matters being deliberated, subject to approval by the Chairman of the Board, and depending on the quantum of the fees involved.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART 1 – BOARD RESPONSIBILITIES (CONT'D)

2. DEMARCATION OF RESPONSIBILITIES

2.1 Board Charter

The Board recognises the importance of establishing a single source of reference for Board activities through a Board Charter as recommended by the MCCG. As such, a Board Charter was formalised on 24 November 2014 to delineate the roles of the Board, Board Committees and Management to provide structured guidance for the Directors and Management regarding their responsibilities of the Board, its Board Committees and Management, including the requirements of Directors in carrying out their stewardship role and in discharging their duties towards the Group as well as boardroom activities.

The Board reviews and updates its Board Charter regularly to keep itself up to date with new changes in regulations and best practices and to ensure its effectiveness and relevance to the Board's objectives. Any subsequent amendment to the Charter can only be approved by the Board. The Board Charter is available on the Company's website at www.kag.com.my.

3. PROMOTING GOOD BUSINESS CONDUCT AND MAINTAINING A HEALTHY CORPORATE CULTURE

3.1 Code of Conduct

The Company's Code of Conduct requires all officers and employees to observe high standards of business and personal ethics in carrying out duties and responsibilities. As employers and representatives of KAG or any of its subsidiaries, they must practice honesty and integrity in fulfilling their duties and responsibilities and comply with all applicable laws and regulations. It is thus the responsibility of all officers and employees to comply with the Code of Conduct and to report violations or suspected violations thereof.

The salient features of the Code of Conduct is accessible on the Company's website at www.kag.com.my.

3.2 Whistleblowing Policy

To maintain the highest standard of ethical conduct, the Board also has a separate formal Whistleblowing Policy stating the appropriate communication and feedback channels to facilitate whistleblowing. The implementation of such a policy is in line with Section 587 of the Act, where provisions have been made to protect KAG's officers or stakeholders who make disclosures on breach or non-observance of any requirement or provision of the Act or any serious offence involving fraud and dishonesty. All concerns raised will be investigated, and whistle-blowers can report directly to the Independent Director.

The Whistleblowing Policy is accessible on the Company's website at www.kag.com.my.

3.3 Anti-Bribery and Corruption Policy ("ABC 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 ABC Policy which set out the Group's responsibilities in providing principles, guidelines and recommendation 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 training for all employees of the Group to create awareness of the ABC Policy to foster commitment of the employees in instilling the spirit of integrity and avoiding all forms of corruption practices within the organisation.

The ABC Policy is accessible on the Company's website at www.kag.com.my.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART 1 – BOARD RESPONSIBILITIES (CONT'D)

3. PROMOTING GOOD BUSINESS CONDUCT AND MAINTAINING A HEALTHY CORPORATE CULTURE (CONT'D)

3.4 Directors' Fit and Proper Policy

The Board has established the Directors' Fit and Proper Policy, to ensure that any person to be appointed or elected/re-elected as a Director of the Group shall possess the necessary quality and character as well as integrity, competency and commitment to enable the discharge of the responsibilities required of the appointed position in the most effective manner. The Directors' Fit and Proper Policy is accessible on the Company's website at www.kag.com.my.

3.5 Conflict of Interest Policy for Directors

The Board has established the Conflict of Interest Policy for Directors to ensure that actual, potential and perceived conflicts of interest are effectively identified and managed and to provide guidance on how to deal with conflict of interest situations as they arise. The Conflict of Interest Policy for Directors is accessible on the Company's website at www.kag.com.my.

3.6 Promote Sustainability

The Board has established the Sustainability Policy to demonstrate its commitment to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness. The Board and Senior Management of the Company recognise the importance of prioritising sustainability as part of its overall approach to value creation.

The Board believes that introducing environmental, social and governance ("ESG") considerations in its business decisions is an essential foundation to achieve long-term business success, besides creating value for all its stakeholders, as well as a strategic approach to support and empower communities, encourage social inclusivity and improve the environment. The balancing of ESG with the interests of stakeholders is essential to enhancing investor perception and public trust, which works towards value enhancement for stakeholders in the long run. The Company also believes that as a responsible corporate citizen, one would have an obligation to make the earth a better place to live in through responsible investing, besides weighing on an appropriate risk-return profile for its investments.

The Board fulfils its responsibilities by delegating to Management. The Management is responsible for implementing, overseeing and addressing all sustainability-related issues from stakeholders and updating the Board on the Group's sustainability management performance, key material issues identified by stakeholders and planned follow-up measures.

The Sustainability Policy adopted by the Board can be found on the Company's website at www.kag.com.my. The details of the sustainability effort are presented in the Sustainability Report of this Annual Report.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART II – BOARD COMPOSITION

4. BOARD'S OBJECTIVITY

4.1 Composition of the Board

The Company is led by an experienced Board consisting of individuals with appropriate knowledge and skills to enhance the growth of the Group's business with good corporate governance.

The current Board comprises 5 members, comprising an Executive Chairman, 2 Executive Directors and 2 Independent Non-Executive Directors. In this respect, the Board complies with the requirement of the Listing Requirements for Independent Non-Executive Directors to make up at least 1/3 of the Board membership, and at least 1 of the Directors of the Company is a woman.

The Board views the present number of its Independent Directors as ideal to provide the necessary checks and balances to the Board's decision-making process. There is a good mix of skills and core competencies in the current Board membership. The Board is of the opinion that the existing 2 Independent Non-Executive Directors, with their extensive knowledge and experience, would be able to represent the interests of the public and the minority shareholders. The Board is, however, open to board changes as and when appropriate. The profile of each of the Directors is set out on pages 006 to 008 of this Annual Report.

The Board has not nominated a Senior Independent Non-Executive Director to whom concerns may be conveyed as the Board is of the opinion that given the strong independent element of the Board, any concern regarding the Group may be conveyed by shareholders or investors to any of the Independent Directors at the following address and such concerns will be reviewed and addressed by the Board accordingly:

Mr Lee Kien Fatt / Dr Azizah Binti Sulaiman

Key Alliance Group Berhad

Lot 18.2, 18th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor

4.2 Tenure of Independent Directors

As at 31 March 2025, none of the Independent Directors has reached 9 years of service since their appointment as Directors. The tenure of the Independent Non-Executive Directors of the Company is as follows:

	1-3 Years	4-6 Years	7-9 Years
Lee Kien Fatt			√
Dr Azizah Binti Sulaiman	√		

4.3 Policy of Independent Directors' Tenure

The Board has adopted a 9-year policy for its Independent Directors. Upon completion of 9 years, an Independent Director may continue to serve on the Board, subject to the Director's re-designation as a Non-Independent Director. In the event the Board intends to retain such Director as an Independent Director after the latter has served a cumulative term of 9 years, the Board must justify the decision and seek annual shareholders' approval through a two-tier voting process.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART II – BOARD COMPOSITION (CONT'D)

4. BOARD'S OBJECTIVITY (CONT'D)

4.4 Diverse Board and Senior Management Team

The Company does not set specific criteria for the assessment and selection of director candidates. However, all candidates for appointment and/or election are first considered by the NC, taking into account the mix of skills, competencies, experience, professionalism and other relevant qualities required to well manage the business, with the aim of meeting the current and future needs of the Board composition. The NC also evaluates the candidates' character and ability to commit sufficient time to the Group. Other factors considered for the appointment of an Independent Director will include the level of independence of the subject candidate.

4.5 Gender Diversity Policy

The Board is aware of the importance of boardroom diversity and is supportive of the recommendation of MCCG to the establishment of a boardroom and workforce gender diversity policy. The Board had adopted the Board Diversity Policy, which sets out the Company's approach to diversity on the Board of KAG. The Board together with the NC will assess and evaluate current diversity levels, identify and analyse gaps and criteria for new board appointments, and thereafter recommend the strategies, objectives, targets and practical goals against an indicative time frame in order to maintain an appropriate range and balance of skills, experience and background on the Board. The Group will evaluate the suitability of candidates as a new Board member or as a member of the workforce based on the candidates' competency, skills, character, time commitment, knowledge, experience and other qualities in meeting the needs of the Group, regardless of gender. Equal opportunity is given and does not practice discrimination of any form, whether based on age, gender, race or religion, throughout the organisation.

Currently, our Board comprises 1 female Director, representing 20.0% of the total number of the Board. In line with the MCCG of at least 30% representation of women on Boards, the Board will evaluate and match the criteria of the potential candidate, as well as consider the appointment of additional female directors onto the Board in the future to bring about a more diverse perspective.

4.6 New Candidates for Board Appointment

The screening and evaluation process for potential candidates to be nominated as Directors is delegated to the NC. The process involves the NC's consideration and submission to the Board its recommendation of suitable candidates from either the Management, the existing Board member(s) or major shareholder(s) for the proposed appointment as Directors of the Company. The NC may also obtain and rely upon independent sources such as a directors' registry, open advertisement or use of independent search firms in furtherance of their duties at the Company's expense, subject to approval by the Chairman or the Board, and depending on the quantum of the fees involved.

Upon receiving a nomination for a new Director, the review process entails the assessment of the candidate's background, experience, knowledge and skills critical to the Group's business. Other criteria such as integrity, wisdom, independence of the candidates, existing commitments, potential risk and/or conflict of interest are also considered in the assessment of the suitability of candidates for appointment to the Board.

The shortlisted candidates, who were not known to the existing Board members, will be interviewed by the NC and thereafter, meet with the Board for endorsement of appointment.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART II – BOARD COMPOSITION (CONT'D)

4. BOARD'S OBJECTIVITY (CONT'D)

4.7 Re-Election of Directors

The procedure for the re-election of directors by rotation is set out in the Company's Constitution. Pursuant to the Company's Constitution, all Directors who are appointed by the Board during the year are subject to re-election by shareholders at the first meeting after their appointment. The Company's Constitution also provides that at least 1/3 of the remaining Directors are subject to re-election by rotation at each Annual General Meeting, and retiring directors can offer themselves for re-election. All Directors shall retire from office at least once every 3 years, but shall be eligible for re-election.

The NC would carry out a formal assessment evaluation on the performance as well as identify any gaps or areas of improvement of the individual directors, the Board and the Board Committee annually. The NC would also identify the Directors to be retired ("Retiring Directors") by rotation in accordance with the provisions of the Company's Constitution and assess the Retiring Directors' eligibility for re-election by considering their competencies, time commitment, contribution and their ability to act in the best interest of the Company. Based on the satisfactory evaluation of the respective Director's performance and contributions to the Board, the NC will then recommend to the Board the re-election of the Retiring Directors at the AGM.

For the purpose of determining the eligibility of the Retiring Directors to stand for re-election at the AGM, the Board, through the NC, had assessed the Retiring Directors and considered the following:

- (a) The Retiring Directors' performance and contribution;
- (b) The Retiring Directors' skills, experience and strength in qualities; and
- (c) The Retiring Directors' ability to act in the best interest of the Company in decision-making.

Upon the recommendation of the NC and the Board, the Retiring Directors who are standing for re-election and re-appointment at the forthcoming AGM of the Company are as stated in the Notice of Annual General Meeting.

4.8 Nomination Committee

In line with the Listing Requirements, the Board has established the NC, which is comprised exclusively of Independent Non-Executive Directors.

The NC of KAG was established on 29 April 2005 to assist the Board in assessing the balanced composition of Board members and to nominate the proposed Board member by looking into their skills and expertise for contribution to the Company on an ongoing basis.

The ToR of the NC can be viewed at the Company's website at www.kag.com.my.

The activities undertaken by NC during the financial year under review are as follows:

- reviewed the structure, size and diversity (including, without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) of the Board;
- undertook an annual assessment of its Independent Directors;
- reviewed the performance of the Board as a whole and the Board Committees, particularly the term of office and performance of the ARMC and each of its members;
- reviewed and recommended the retirement and re-election of Directors in accordance with the provisions of the Company's Constitution;



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART II – BOARD COMPOSITION (CONT'D)

4. BOARD'S OBJECTIVITY (CONT'D)

4.8 Nomination Committee (Cont'd)

The activities undertaken by NC during the financial year under review are as follows: (Cont'd)

- reviewed and recommended any modifications and/or amendments to the ToR of the NC and other policies;
- reviewed and recommended the appointment of Dr Azizah Binti Sulaiman as a member of the ARMC, NC and RC of the Company; and
- reviewed and recommended the appointment of Dato' Seri Farhash Wafa Salvador, J.P as Executive Chairman of the Company.

4.9 Share Issuance Scheme Committee

The SIS Committee was established on 7 May 2015 to assist the Board in the establishment of the SIS by rewarding and retaining the eligible Directors and key management personnel who have contributed to the growth of the Company.

The existing SIS, which was implemented on 6 May 2015, had expired on 6 May 2023.

5. OVERALL BOARD EFFECTIVENESS

5.1 Annual Evaluation

The NC would conduct an assessment of the performance of the Board, as a whole, Board Committees and individual Directors, based on a self and peer assessment approach on an annual basis.

The criteria used by the NC in evaluating the performance of an individual, including contribution to interaction, integrity, competency and time commitment of the members of the Board and Board Committees in discharging their duties, are in a set of questionnaires. The results, in particular the key strengths and weaknesses identified from the evaluation, will be shared with the Board to allow enhancements to be undertaken. The Board did not engage any external party to undertake an independent assessment of the Directors.

The Board will also undertake an annual assessment of its Independent Directors, and the criteria for assessment cover areas such as contributions to interaction, roles and responsibilities and quality of input to enhance the Board's effectiveness. The independence of Independent Directors was assessed based on their relationship with the Group and their involvement in any significant transactions with the Group, including their ability to exercise independent judgment at all times and based on the criteria set out in the Listing Requirements.

From the annual assessment and review conducted for FY2025, the NC was satisfied that all the Directors possess sufficient qualifications to remain on the Board. Save for the NC members who are also a member of the Board and have abstained from assessing their own individual performance as Director of the Company, each of the NC members views that all the Directors have good personal attributes and possess sufficient experience and knowledge in various fields that are vital to the Company's industry.

As for the Board evaluation, the NC agreed that all the Directors have discharged their stewardship duties and responsibilities towards the Company as a Director effectively. The NC further concluded that the Board and Board Committees were functioning effectively as a whole with a high level of compliance and integrity.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART II – BOARD COMPOSITION (CONT'D)

5. OVERALL BOARD EFFECTIVENESS (CONT'D)

5.1 Annual Evaluation (Cont'd)

The NC was also satisfied that the Independent Directors are independent of management and free from any business or other relationship which could interfere with the exercise of independent judgment, objectivity or the ability to act in the best interests of the Company. Additionally, each of the Independent Directors has provided an annual confirmation of their independence to the NC and the Board.

PART III - REMUNERATION

6. LEVEL AND COMPOSITION OF REMUNERATION

6.1 Remuneration Policy

The Board has adopted a Remuneration Policy to ensure the payment of equitable, competitive remuneration to the Directors and Senior Management of the Company, which is based on individual performance, the Company's benchmark, industry practices and performance of the Group as a whole.

The Company's Remuneration Policy is formulated to attract and retain individuals of the necessary calibre needed to run the business of the Group successfully. The remuneration is structured to link experience, expertise and level of responsibility undertaken by the Directors. The Directors play no part in deciding their own remuneration and shall abstain from discussing or voting on their own remuneration.

The determination of the remuneration for the Non-Executive Directors is a matter for the Board as a whole. The level of remuneration for the Non-Executive Directors reflects the amount paid by other comparable organisations, adjusted for the experience and levels of responsibilities undertaken by the particular Non-Executive Director concerned. The remuneration package of the Non-Executive Directors will be a matter to be deliberated on by the Board, with the Director concerned abstaining from deliberations and voting on deliberations in respect of his remuneration. In addition, the Company also reimburses reasonable out-of-pocket expenses incurred by all the Non-Executive Directors in the course of their duties as Directors of the Company. The aggregate annual Directors' fees and other benefits payable are to be approved by shareholders at the AGM based on recommendations of the Board. A copy of the Company's Remuneration Policy is available on the Company's website at www.kag.com.my.

6.2 Remuneration Committee

In line with the best practices of MCCG, the Board has established the RC, which is comprised exclusively of Independent Non-Executive Directors.

The RC was established on 6 June 2003 and is responsible for recommending to the Board the remuneration framework as well as the remuneration package of the Executive Directors to ensure that rewards are commensurate with their contributions to the Group's growth and profitability, to align the interests of the Directors with those of the shareholders. The RC also ensures the level of remuneration for the Non-Executive Directors and Executive Directors is linked to their level of responsibilities undertaken and contributions to the effective functioning of the Board.

The ToR of the RC can be viewed at the Company's website at www.kag.com.my.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART III - REMUNERATION (CONT'D)

6. LEVEL AND COMPOSITION OF REMUNERATION (CONT'D)

6.2 Remuneration Committee (Cont'd)

The activities undertaken by the RC during the financial year under review were as follows:

- reviewed and recommended the payment of Directors' fees and other benefits payable to the Directors for the shareholders' approval; and
- reviewed and recommended any modifications and/or amendments to the ToR of the RC and other policies.

7. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

7.1 Details of Directors' Remuneration

The details of the Directors' remuneration comprising remuneration received/receivable from the Company and its subsidiaries during FY2025 are as follows:

GROUP

Name	Fees RM	Salaries RM	Bonus RM	Allowance RM	Benefits in Kind RM	Other Emoluments RM	Total RM
Dato' Seri Farhash Wafa Salvador, J.P (Appointed on 28.01.2025)	21,290	-	-	-	-	-	21,290
Roy Ho Yew Kee	109,000	264,000	-	-	-	32,956	405,956
Sandraruben A/L Neelamagham	90,133	-	-	-	-	-	90,133
Lee Kien Fatt	48,000	-	-	-	-	-	48,000
Dr Azizah Binti Sulaiman	42,000	-	-	-	-	-	42,000
Yee Yit Yang (Resigned on 23.01.2025)	82,097	-	-	-	-	-	82,097
Ong Gim Hai (Resigned on 22.04.2024)	11,867	172,000	-	-	-	30,702	214,569
Total	404,387	436,000	-	-	-	63,657	904,045



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART III - REMUNERATION (CONT'D)

7. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT (CONT'D)

7.1 Details of Directors' Remuneration (Cont'd)

The details of the Directors' remuneration comprising remuneration received/receivable from the Company and its subsidiaries during FY2025 are as follows: (Cont'd)

COMPANY

Name	Fees RM	Salaries RM	Bonus RM	Allowance RM	Benefits in Kind RM	Other Emoluments RM	Total RM
Dato' Seri Farhash Wafa Salvador, J.P (Appointed on 28.01.2025)	21,290	-	-	-	-	-	21,290
Roy Ho Yew Kee	96,000	-	-	-	-	-	96,000
Sandraruben A/L Neelamagham	90,133	-	-	-	-	-	90,133
Lee Kien Fatt	48,000	-	-	-	-	-	48,000
Dr Azizah Binti Sulaiman	42,000	-	-	-	-	-	42,000
Yee Yit Yang (Resigned on 23.01.2025)	34,097	-	-	-	-	-	34,097
Ong Gim Hai (Resigned on 22.04.2024)	5,867	-	-	-	-	-	5,867
Total	337,387	-	-	-	-	-	337,387

7.2 Details of Key Senior Management's Remuneration

The Company notes the need for corporate transparency in the remuneration of its senior management executives, however, given the confidential and commercial sensitivities associated with remuneration matters and the highly competitive human resource environment for personnel with the requisite knowledge, expertise and experience in the Company's business activities, such disclosure may be detrimental to the business interests and give rise to recruitment and talent retention issues. Thus, the Company is of the view that the interest of the shareholders will not be prejudiced as a result of the non-disclosure of the Group's senior management personnel who are not directors of the Company.

The remuneration of the senior management personnel, which is a combination of annual salary, bonus and benefits-in-kind, is determined in a similar manner to other employees of the Group. The basis of determination has been consistently applied and is based on individual performance and the overall performance of the Group. The aggregate remuneration of the top 5 senior management received for FY2025 was RM729,000, representing 14.36% of the total employees' remuneration of the Group.

The Board is of the opinion that disclosure of remuneration of the Directors of the Board by appropriate components and the top 5 senior management's total combined remuneration package should meet the intended objectives of the MCCG and the interest of the shareholders will not be prejudiced as a result of non-disclosure of the key senior management on a named basis.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I – AUDIT AND RISK MANAGEMENT COMMITTEE

8. EFFECTIVE AND INDEPENDENT AUDIT AND RISK MANAGEMENT COMMITTEE

8.1 The Chairman of the Audit and Risk Management Committee is Not the Chairman of the Board

During the financial year under review, the positions of the Chairman of the ARMC and the Board are held by 2 different individuals. Hence, the objectivity of the Board's review of the ARMC's findings and recommendations will be able to be preserved. The Board is of the view that the Chairman of the ARMC has performed the duties as defined and his judgment was not impaired as he is sufficiently independent from Management in leading the discussion on the matters being deliberated and findings, as well as recommendations made by the ARMC objectively in the Board meetings.

8.2 Cooling-off Period for a Former Audit Partner to be Appointed as Audit and Risk Management Committee Member

KAG recognised the need to uphold the independence of its external auditors and that no possible conflict of interest whatsoever should arise. As recommended by MCCG, the Company will observe a cooling-off period of at least 3 years in the event that any potential candidate to be appointed as a member of the ARMC was a key audit partner of the external auditors of the Group. Currently, none of the members of the Board nor the ARMC of the Company were former key audit partners of the external auditors appointed by the Group.

8.3 Policies and Procedures for Assessment of Suitability, Objectivity and Independence of External Auditors

The external auditors fill an essential role by enhancing the reliability of the Company's annual audited financial statements and giving assurance to stakeholders of the reliability of the annual audited financial statements. The external auditors have an obligation to bring any significant defects in the Company's system of control and compliance to the attention of the Management, and if necessary, to the ARMC and the Board.

The external auditors are working closely with the internal auditors and tax consultants, without compromising their independence. Their liaison with the internal auditors would be in accordance with International Standards on Auditing (ISA) No. 610: "Considering the Work of Internal Auditing", with the main objective of avoiding duplication of efforts to maximise audit effectiveness and efficiency. The external auditors review internal audit reports and discuss findings with internal auditors where necessary.

In accordance with the principles set out in ISA No. 260 "Communicating of Audit Matters with Those Charged with Governance", the external auditors have brought to the Board's attention through the ARMC, all the significant accounting, auditing, taxation, internal accounting systems & process control and other related matters that arise from the audit of the financial statements of the Company. Where necessary, the ARMC will meet with the external auditors without the presence of Executive Board members and Management to exchange free and honest views on issues which the external auditors may wish to discuss in relation to their audit findings.

The ARMC is responsible for reviewing the audit, recurring audit-related and non-audit services provided by the external auditors. The terms of engagement for services provided by the external auditors are reviewed by the ARMC prior to submission to the Board for approval. The effectiveness and performance of the external auditors are reviewed annually by the ARMC.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

PART I – AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

8. EFFECTIVE AND INDEPENDENT AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

8.3 Policies and Procedures for Assessment of Suitability, Objectivity and Independence of External Auditors (Cont'd)

To assess or determine the suitability and independence of the external auditors, the ARMC has taken into consideration, among others, the following:

- (a) the adequacy of the competency, experience and quality of the external auditors;
- (b) the external auditor's resource capacity and ability to meet deadlines in providing services and responding to issues in a timely manner as contemplated in the external audit plan;
- (c) the nature of the non-audit services provided by the external auditors and fees paid for such services relative to the audit fee; and
- (d) whether there are safeguards in place to ensure that there is no threat to the objectivity and independence of the audit arising from the provision of non-audit services or tenure of the external auditors.

Annual appointment or re-appointment of the external auditors is via shareholders' resolution at the AGM on the recommendation of the ARMC and the Board. The external auditors are being invited to attend the AGM of the Company to respond and reply to the shareholders' enquiries on the conduct of the statutory audit and the preparation and contents of the audited financial statement.

The ARMC had assessed the independence of Messrs. Russell Bedford LC PLT ("RBLC") as external auditors of the Company, as well as reviewed the level of non-audit services rendered by RBLC to the Company for FY2025. The ARMC had obtained written assurance from RBLC confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants. The external auditors provided such a declaration in their annual audit plan presented to the ARMC prior to the commencement of the audit for a particular financial year.

The ARMC was satisfied with RBLC's technical competency and audit independence and took note that the quantum of non-audit fee charged thereto was not material as compared to the total audit fees paid to RBLC. Having satisfied itself with their performance and technical competency as well as received the assurance from RBLC as stated above, the Board approved the ARMC's recommendation for the shareholders' approval to be sought at the forthcoming AGM on the re-appointment of RBLC as the External Auditors of the Company for the financial year ending 31 March 2026.

8.4 Composition of the Audit and Risk Management Committee

Following the resignation of Mr Yee Yit Yang as a member of the ARMC on 23 January 2025, the current composition of the ARMC comprises 2 Independent Non-Executive Directors. On the composition, please refer to the Corporate Information of this Annual Report on page 004. For information, the Company is still in the process of identifying a suitable candidate for appointment as an additional member of the ARMC, in order to comply with Rule 15.09(1)(a) of the Listing Requirements.

The Board is of the view that the ARMC is able to assist the Board in reviewing and scrutinising the information in terms of accuracy, adequacy and completeness for disclosure to ensure reliability and compliance with applicable financial reporting standards.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

PART I – AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

8. EFFECTIVE AND INDEPENDENT AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

8.5 Continuous Professional Development

To assist the Board in reviewing and scrutinising the information in terms of accuracy, adequacy and completeness for disclosure to ensure reliability and compliance with applicable financial reporting standards, all the ARMC members will undertake continuous professional development to keep abreast of relevant developments in accounting and auditing standards, practices and rules.

The Board, through the recommendation of the NC and with the exception of the Directors who are also the ARMC, is generally satisfied that all the ARMC members are financially literate and have sufficient understanding of the Company's business.

Further details on the external programs attended by the ARMC members are set out in this Annual Report on page 057.

8.6 Compliance with Applicable Financial Reporting Standards

The Board strives to provide shareholders with a balanced and meaningful evaluation of the Group's financial performance, financial position and prospects through the annual audited financial statements, interim financial reports, annual reports and announcements to Bursa Securities.

The interim financial reports, annual audited financial statements and annual reports of the Group for FY2025 are prepared in accordance with the Malaysian Financial Reporting Standards, Listing Requirements and the Act. The ARMC assists the Board in overseeing the financial reporting processes and ensuring the quality of its financial reporting.

The statement by the Board pursuant to Rule 15.26(a) of the Listing Requirements on its responsibilities in preparing the financial statements is set out on page 086 of this Annual Report.

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

9. EFFECTIVE RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

9.1 Sound Framework to Manage Risk

The Board recognises the importance of managing risks and maintaining a sound system of internal controls which cover risk management, financial, organisational, operational and compliance controls.

The Board has established an Enterprise Risk Management framework, and on-going reviews are performed on a quarterly basis to identify, evaluate, monitor and manage significant risks affecting the business and ensure that adequate and effective controls are in place. Such continuous review processes are conducted by the Company's Management Team as well as the Group's independent and sufficiently resourced internal audit function. The findings of the internal audit function are regularly reported to the ARMC.

The ARMC is tasked to review the risk management policies and internal control procedures formulated by Management and make relevant recommendations to the Board for approval from time to time to ensure, as far as possible, the protection of its assets and its shareholders' investments.

Details of the Company's risk management and internal controls framework are further elaborated in the ARMC Report and the Statement on Risk Management and Internal Control of this Annual Report.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

9. EFFECTIVE RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

9.2 Implementation of Mitigating Measures

The responsibilities of identifying and managing risks are delegated to the respective Heads of Department ("HoD"). The ARMC is responsible for reviewing the effectiveness of the processes. Any material risk identified will be discussed, and appropriate actions or controls will be implemented. This is to ensure the risk is properly monitored and managed to an acceptable level.

The ARMC will assist the Board in implementing and overseeing the risk management framework of the Group, reviewing the risk management policies formulated by Management and making relevant recommendations to the Board for approval.

The main features of the Company's risk management framework and internal controls system are further elaborated in the Statement on Risk Management and Internal Control of this Annual Report.

9.3 Risk Management Committee

The ARMC was renamed on 27 November 2017, with its scope of duty and responsibilities being broadened and the importance being placed on the risk management of the various elements of the Company's business whilst also covering the areas of internal control, financial reporting and CG.

Following the resignation of Mr Yee Yit Yang as a member of the ARMC on 23 January 2025, the ARMC currently comprises 2 Independent Non-Executive Directors. This is in line with the MCCG, whereby the risk management committee should comprise a majority of Independent Directors.

Details of the main features of the Company's risk management and internal controls framework are further elaborated in the ARMC Report and the Statement on Risk Management and Internal Control of this Annual Report.

10. EFFECTIVE GOVERNANCE, RISK MANAGEMENT AND INTERNAL CONTROL

10.1 Internal Audit Function

The Board has delegated the implementation and monitoring of the internal control system to the Management and has engaged the services of an independent assurance provider to provide much of the assurance it requires regarding the effectiveness as well as the adequacy, and integrity of the Group's systems of internal control. The internal auditors report directly to the ARMC on its activities based on the approved annual internal audit plans. The principal role of the internal auditors is to provide independent assurance on the adequacy and effectiveness of governance, risk management and internal control processes.

10.2 Competency of Internal Auditors

To ensure that the responsibilities of internal auditors are fully discharged, the ARMC shall review the adequacy of the scope, functions and resources of the internal audit function as well as the competency, i.e. qualification and experience of the internal auditors on a yearly basis.

For FY2025, the Group has outsourced its internal audit function to Vaersa Advisory Sdn. Bhd., a professional service firm ("Outsourced IA").



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

10. EFFECTIVE GOVERNANCE, RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

10.2 Competency of Internal Auditors (Cont'd)

The Outsourced IA is headed by its associate director, Ms Tiffany Lim, who holds a Bachelor's in Accounting, member of the Malaysian Institute of Accountants and an associate member of the Institute of Internal Auditors Malaysia. The Outsourced IA has assigned 2 staff to provide internal audit services during the financial period. The work of the outsourced IA is guided by, in all material respects, the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors.

The internal audit function has been mandated to assess and monitor the Group's system of internal control and provide reasonable assurance that the Group's system of internal control is satisfactory and operating effectively. The internal audit function adopts a risk-based approach and prepares its audit strategy and plans based on the risk profiles of individual business units of the Group and presents them to the ARMC for review and approval.

During the financial year, the following activities were carried out by the Outsourced IA in discharge of its responsibilities:

- (a) Reviewed the adequacy and effectiveness of the systems of internal control and compliance with the Group's policies and procedures on the following business process/area set out below:
 - Human Resources Department of KAG
 - Finance Department review of Tree Med Sdn. Bhd.
 - Progenet Cloud Services and Data Centre
- (b) Proposed and presented the internal audit plan for the ARMC's approval and ensured that appropriate actions were taken to carry out the audits based on the approved plan; and
- (c) Reported to the ARMC the results of the internal audit reports and their findings, and the implementation of the management responses to the findings.

The ARMC had assessed the adequacy of the scope, functions, competency and resources of the Outsourced IA for the financial year under review, and the internal audit function performed by the Outsourced IA was satisfactory and adequate. Accordingly, the ARMC and the Board agreed to continuously outsource the internal audit function in providing an independent appraisal of the adequacy and effectiveness of the Group's internal control system.

An overview of the state of internal controls function within the Group, which includes the risk and key internal control structures, is set out in the ARMC Report and the Statement on Risk Management and Internal Control of this Annual Report.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART I – ENGAGEMENT WITH STAKEHOLDERS

11. CONTINUOUS COMMUNICATION BETWEEN COMPANY AND STAKEHOLDERS

11.1 Effective, Transparent and Regular Communication with its Stakeholders

The Board recognises the importance of prompt and timely dissemination of information to shareholders and investors, in order for these stakeholders to be able to make informed investment decisions. KAG's website incorporates an Investor Relations ("IR") section, which provides all relevant information on the Group and is accessible by the public. This section enhances the IR function by including share price information, all announcements made by the Company, annual reports, Board Charter and the corporate and governance structure of the Company.

The Company will continuously enhance the disclosures on its website for broader and more effective dissemination of information to its stakeholders from time to time. The announcement of the quarterly financial results is also made via Bursa LINK in a timely manner as required under the Listing Requirements, in ensuring equal and fair access to information by the investing public.

To promote the dissemination of the financial results of the Company to investors, shareholders and media as well as to keep the investing public and other stakeholders updated on the progress and development of the Group's business, the Board may conduct open briefings from time to time in ensuring constant interactions with existing and prospective investors. Stakeholders can at any time seek clarification or raise queries through the corporate website, by email or by phone. Primary contact details are set out on the Group's corporate website.

11.2 Integrated Reporting

The Company has provided concise information in relation to its strategy, performance, governance and prospects through the Management Discussion and Analysis and the Sustainability Statements in this Annual Report. This is to ensure that the stakeholders are well informed of the business and performance of the Company and to promote transparency and accountability of the Company.

PART II – CONDUCT OF GENERAL MEETINGS

12. STRENGTH OF RELATIONSHIP BETWEEN THE COMPANY AND SHAREHOLDERS

12.1 Encourage Shareholder Participation at General Meetings

The AGM represents the principal forum for dialogue and interaction with shareholders. At every AGM, the Board sets out the progress and performance of the Group since the last meeting held. Shareholders are encouraged to participate in the subsequent Question & Answer ("Q&A") session wherein the Directors, Company Secretary and/or HoD, as well as the Group's external auditors, are available to respond to the queries raised. In the event that an answer cannot be readily given at the meeting, the Chairman will undertake to provide a written reply to the shareholder. Each item of special business included in the notice of the meeting will be accompanied by a full explanation of the effects of a proposed resolution.

The Company dispatches its notice of AGM to the shareholders at least 28 days before the AGM. The Notice of AGM, which sets out the business to be transacted at the AGM, is also published in a major local newspaper. This would allow the shareholders to make necessary arrangements to attend and participate in person, by a corporate representative, by proxy or by attorney.



CORPORATE GOVERNANCE ("CG") OVERVIEW STATEMENT

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

PART II – CONDUCT OF GENERAL MEETINGS (CONT'D)

12. STRENGTH OF RELATIONSHIP BETWEEN THE COMPANY AND SHAREHOLDERS (CONT'D)

12.1 Encourage Shareholder Participation at General Meetings (Cont'd)

At the commencement of all general meetings, the Chairman will inform the shareholders of their right to poll voting. Separate resolutions are proposed for substantially separate issues at the meeting. The outcome of the AGM will be announced to Bursa Securities on the same meeting day.

12.2 Effective Communication and Proactive Engagements

All the Directors shall endeavor to present in person to engage directly with and be accountable to the shareholders for their stewardship of the Company at the AGM. The Chairman will also invite shareholders to raise questions pertaining to the Company's financial statements and other items for adoption at the meeting, before putting a resolution to a vote and/or during the Q&A session.

Together with the Directors, Management, and external auditors will be in attendance to respond to the shareholders' queries. The Board will also share with the shareholders the Company's responses to questions submitted in advance of the AGM by the Minority Shareholders Watch Group, if any.

In addition to the above, the Company will look into the allocation of time during the AGM for dialogue with the Shareholders, if necessary, to address the issues concerning the Group and to make arrangements for officers of the Company to present and handle other face-to-face enquiries from the shareholders.

In line with the recommendation of MCCG, the minutes of the AGM or any general meeting will be posted on the Company's website for public viewing within 30 business days after the AGM or general meeting.

12.3 Facilitate Greater Shareholder Participation at General Meetings

Under Rule 8.31A(1) of the Listing Requirements, a public listed company must, among others, ensure that any resolution set out in the notice of any general meeting is voted by poll. For this purpose, the share registrar will be appointed as the Poll Administrator, and an independent scrutineer will be appointed to validate the votes cast at the AGM.

The 21st AGM of the Company, which was held on 30 August 2024, was conducted by way of a virtual basis and online remote voting using the Remote Participation and Voting Facilities and was attended by all the Directors of the Company.

COMPLIANCE STATEMENT

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

Moving forward, the Board will continue to enhance the corporate disclosure requirements in the best interest of the Company's shareholders and stakeholders. The areas to be prioritised by the Board will be principles that have yet to be adopted by the Company, as disclosed in the CG Report 2025.



AUDIT AND RISK MANAGEMENT COMMITTEE ("ARMC") REPORT

COMPOSITION AND ATTENDANCE

The ARMC of Key Alliance Group Berhad ("KAG" or "the Company") had on 27 November 2017, broadened its scope and highlighted the importance placed on the risk management of the various elements of the Company's business whilst also covering the areas of internal control, financial reporting and corporate governance.

Following the resignation of Mr. Yee Yit Yang as a member of the AMRC on 23 January 2025, the current composition of the ARMC comprises only 2 Independent Non-Executive Directors. As such, the Company is not in compliance with Rule 15.09(1)(a) of the ACE Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), which requires a minimum of three members in the ARMC.

To address this, the Company had submitted an application to Bursa Securities on 18 April 2025 seeking an extension of time up to 31 July 2025 to comply with Rule 15.09(1)(a) of the Listing Requirements by identifying and appointing a suitable candidate as an Independent Non-Executive Director and ARMC member. On 30 April 2025, Bursa Securities granted the Company an extension of time of 3 months, from 22 April 2025 to 21 July 2025.

Subsequently, on 18 July 2025, the Company submitted a further application to Bursa Securities to seek for a further extension of time up to 20 October 2025, to provide sufficient time to finalise the appointment. On 24 July 2025, Bursa Securities approved the Company's request and granted an extension of time up to 21 October 2025 to comply with Rule 15.09(1)(a) of the Listing Requirements. The Company is actively undertaking efforts to identify a suitable candidate to fill the vacancy. In this regard, the Company is exploring recommendations and referrals from existing Directors and leveraging professional networks to broaden the pool of qualified candidates.

The ARMC Chairman, Mr Lee Kien Fatt, is a member of the Malaysia Institute of Accountants ("MIA"). Accordingly, KAG also complies with Rule 15.09(1)(c)(i) of the Listing Requirements. No alternate director is appointed as a member of the ARMC.

The record of attendance of the members of the ARMC for meetings held during the financial year ended 31 March 2025 ("FY2025") is disclosed in the Corporate Governance ("CG") Overview Statement on page 056 of this Annual Report.

The Terms of Reference ("ToR") of the ARMC is available for download on the Company's website at www.kag.com.my.

SUMMARY OF ACTIVITIES

During the financial year under review, the ARMC discharged its functions and duties in accordance with its existing ToR. The activities undertaken during the financial year under review are summarised broadly as follows:

(a) External Audit

- Reviewed external audit scope and audit plans based on the external auditors' presentation of audit strategy and plan;
- Reviewed external audit results, audit reports, management letter and the response from the Management;
- Reviewed and evaluated factors relating to the independence of the external auditors and worked closely with the external auditors in establishing procedures in assessing the suitability and independence of the external auditors, in confirming that they were, and had been, independent throughout the conduct of the audit engagement with the Group in accordance with the independence criteria set out by the International Federation of Accountants and the MIA;
- Considered and recommended to the Board for approval of the audit fees payable to the external auditors; and



AUDIT AND RISK MANAGEMENT COMMITTEE ["ARMC"] REPORT

SUMMARY OF ACTIVITIES (CONT'D)

(a) External Audit (Cont'd)

- Carried out an assessment of the performance and suitability of Messrs Russell Bedford LC PLT ("RBLC") based on the quality of services and relationship with Management, the ARMC has been satisfied with the independence, performance and suitability of RBLC based on the assessment and that the ARMC has recommended to the Board and shareholders for approval on the re-appointment of RBLC for the financial year ended 31 March 2025.

(b) Internal Audit

- Reviewed internal auditors ("IA")'s resource requirements, scope, adequacy and function;
- Reviewed of the annual IA plan and programs;
- Reviewed IA reports, recommendations and Management's responses. Improvement actions in the areas of internal control, systems and efficiency enhancements suggested by the IA were discussed together with the Management Team in a separate forum;
- Reviewed implementation of these recommendations through follow-up audit reports;
- Suggested additional improvement opportunities in the areas of internal control, systems and efficiency improvement;
- Reviewed the risk management framework and any significant proposed changes to risk management policies and strategies for adoption by the Board;
- Reviewed and monitored principal risks which may affect the Group directly or indirectly, and if deemed necessary, recommended additional course(s) of action to mitigate such risks;
- Monitored the risk assessment results and communication to the Board with mitigating measures for consideration; and
- Assessed the actual and potential impact of any failure or weakness of the internal controls in place.

(c) Financial Reporting

- Reviewed the quarterly unaudited financial results before recommending for the Board's approval, focusing particularly on:
 - any change in accounting policies and practices;
 - significant adjustments arising from the audit;
 - the going concern assumption; and
 - compliance with applicable financial reporting standards and other legal requirements.
- Reviewed annual report and the annual audited financial statements of the Company prior to submission to the Directors for their perusal and approval to ensure compliance of the financial statements with the provisions of the Companies Act 2016 and the applicable approved accounting standards as per the Malaysian Accounting Standards Board ("MASB"); and
- Reviewed the Group's compliance with the Listing Requirements, MASB and other relevant legal and regulatory requirements and deliberation on the emerging financial reporting issues pursuant to the introduction of new accounting standards and additional statutory/regulatory disclosure requirements with regard to the quarterly financial statements and annual audited financial statements of the Company.



AUDIT AND RISK MANAGEMENT COMMITTEE ("ARMC") REPORT

SUMMARY OF ACTIVITIES (CONT'D)

(d) Risk Management and Internal Control

- Reviewed the effectiveness of the internal control system and risk management framework adopted within the Group and was satisfied that the methodology employed allows identification, analysis, assessment, monitoring and communication of risks in a regular and timely manner that will allow the Group to mitigate losses and maximise opportunities;
- Assessed the systems processes, policy and procedures to ensure compliance with all laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies;
- Reviewed the system of internal control to ensure that they are in place, effectively administered and regularly monitored;
- Recommended to the Board steps to improve the system of internal control derived from the findings of the internal and external auditors and from the consultations of the ARMC itself;
- Reviewed the updates on the risk profile and summary of risk presented by the Management; and
- Highlighted to the Board any significant new risks which had come to its attention from the IA or Risk Management reports, which are of sufficient importance to warrant the attention of the Board.

(e) Related Party Transactions/Conflict of Interest Situations

- Reviewed any related party transactions and conflict of interest situations that may arise within the Group, including any transaction, procedure or course of conduct that raises questions of management integrity.

(f) Other activities:

- Reviewed and recommended any modifications and/or amendments to the ToR of the ARMC and other policies;
- Reviewed application of CG principles and the extent of the Group's compliance with the best practices set out under the Malaysian Code on Corporate Governance ("MCCG"); and
- Reviewed the Management Discussion & Analysis, CG Overview Statement, CG Report, ARMC Report and the Statement on Risk Management and Internal Control for adoption by the Board.

INTERNAL AUDIT FUNCTION

The purpose of the internal audit function is to provide the Board, through the ARMC, with reasonable assurance of the effectiveness of the risk management, control and governance processes in the Group. To provide an independent appraisal of the system of internal control of the Group to the ARMC, the Company outsources the internal audit function to an independent assurance provider ("IA"). In this respect, the IA has added value by improving the control processes within the Group. The total costs incurred amounted to RM22,000 for FY2025.

The internal audit activities were carried out based on a risk-based audit plan presented by the internal auditors to the ARMC for approval. The establishment of the audit plan took into consideration the corporate risk profile and input from Senior Management and the ARMC. The internal auditors highlighted to the ARMC the audit findings which required follow-up action by Management, as well as outstanding audit issues which required corrective actions to ensure an adequate and effective internal control system within the Group.

An overview of the Group's approach to maintaining a sound system of internal control is set out in the Statement on Risk Management and Internal Control on pages 080 to 083 of this Annual Report.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Securities Berhad and guided by the “Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers” and with the Malaysian Code of Corporate Governance issued by Securities Commission Malaysia, the Board of Directors of the Company (“the Board”) is pleased to present this Statement on Risk Management and Internal Control (“Statement”) which outlines the governance policies, key elements, nature and scope of risk management and internal control of the Group during financial year ended 31 March 2025 (“FY2025”).

BOARD’S RESPONSIBILITY

The Board acknowledges its overall responsibilities in maintaining a sound system of internal controls that covers financial, operational and risk management within the Group to meet its business objectives. The Board affirms its overall responsibility for reviewing the adequacy, integrity and effectiveness of the risk management and internal control systems to safeguard shareholders’ investment and the Group’s assets. It covers not only financial controls but operational and compliance controls, and risk management.

However, such systems, by their nature, can only provide reasonable, but not absolute, assurance against hindering the Group achieving its business objectives, material misstatement, loss and fraud. These systems are designed to manage, rather than eliminate, the risk of failure to achieve the business objectives of the Group.

The Board is of the view that the risk management and internal control system is in place for the year under review and is sound and adequate to safeguard shareholders’ investment and the Group’s assets. Notwithstanding, the Company’s internal control system does not apply to its associate companies, which fall within the control of their majority shareholders.

RISK MANAGEMENT

The Board recognises the importance of identifying, evaluating and managing the significant risks that could potentially impact the Group. The Board is aware that risk management practices need to be embedded into the organisation’s business processes. Hence, risk registers and risk profiles are used as one of the business tools to highlight the risk exposures and their risk mitigation to Management and the Board. The risk register and risk profiles for all business units of the Group are updated as and when there are changes to the business environment or regulatory guidelines. This process is regularly reviewed by the Audit and Risk Management Committee (“ARMC”) and reported to the Board.

During the financial year under review, the underlying principal risks of the Company are market competition risk, security risk, dependence on key management personnel risk, operational and business risks, foreign exchange risks, and regulatory and political risk.

The key elements of the Group’s risk management practices are described below:

1. The Group maintains a sound system of risk management by ensuring that the risk management and control framework is embedded into the culture, processes and structure of the Group and to the achievement of its business objectives.
2. The Group has established an organisational structure with clearly defined limits of authority, lines of responsibility and accountability that align with the Group’s business objectives.
3. The Heads of Department and Key Management staff are responsible for identifying, assessing and managing the risks faced by the respective departments. The results of risk assessment activities are shared across the business unit for appropriate actions to be taken.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT (CONT'D)

The key elements of the Group's risk management practices are described below: (Cont'd)

4. Periodic operational/management meetings are held to ensure that the risks identified are monitored and appropriately addressed to the Executive Directors, and they shall highlight those significant risks identified to the ARMC and the Board.
5. The Board is assisted by the ARMC in overseeing the effectiveness of the Group's policies and guidelines to ensure proper management of risks to which the Group is exposed and to take appropriate and timely action to manage the risks.
6. The Board, through the ARMC, maintains risk oversight for the Group by carrying out the following:
 - i. On-going review with the Key Management personnel within the Group on the development and maintenance of risk management practices and internal control systems.
 - ii. Review the results of the internal audit plan and processes undertaken at least once a year, and whether or not appropriate action is taken on the recommendations made by the internal auditors.
 - iii. Review with external auditors the results of their audit, the audit report and internal control recommendations with respect to internal control weaknesses noted in the course of their audit on a yearly basis.

The risk management practices outlined above define Management's responsibilities via risk accountability structure and reporting structure, and set the Group's risk appetite and risk tolerance. The Group will continue to observe a medium risk appetite to pursue its objectives and to take adequate measures to strengthen the control environment in which the Group operates.

INTERNAL CONTROL PROCESSES

The Group's internal control mechanism covers not only day-to-day operations but also the governance of the Group at the highest level through the Board and various Board Committees. While the Board and its Board Committees are governed by their respective Terms of Reference ("ToR") established and are reviewed on an annual basis, Management's conduct is monitored and reviewed through operational performance reviews on a quarterly basis, risk position reviewed periodically and independent internal audit conducted by an independent professional firm. The internal control processes are reviewed and updated from time to time to ensure that they are relevant and effective when responding to changes in circumstances and the external environment, and also for further improvement by adopting the best practices, where practical.

Apart from risk management and internal audit function, the Board, through the ARMC, has also put in place the following key elements as part of the Group's system of internal control:

- The Executive Directors meet monthly with senior management to discuss and review the financial and business performance of all operating entities, management accounts, new business initiatives, and other management and corporate issues of the Group.
- There are policy and authority limits implemented on the Executive Directors and Senior Management within the Group with respect to the day-to-day operations and financing, investments, acquisitions and disposal of assets.
- The Group has in place a Whistleblowing Policy to provide an avenue for employees to report any breach or suspected breach of any law or regulation, including business principles and the Group's policies and guidelines, in a safe and confidential environment.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL PROCESSES (CONT'D)

Apart from risk management and internal audit function, the Board, through the ARMC, has also put in place the following key elements as part of the Group's system of internal control: (Cont'd)

- The ARMC, comprising exclusively of Independent Non-Executive Directors, is not restricted in any way in the conduct of its duties and has unrestricted access to the internal and external auditors of the Company and to all employees of the Group. The ARMC and the Board are also entitled to seek such other third party independent professional advice deemed necessary to the discharge of their responsibilities.
- An integrated Board Charter and Code of Conduct are in place and available on the Company's website to set the pace of upholding integrity and ethical values within the Group.

INTERNAL AUDIT

During the financial year under review, the Group has outsourced its internal audit function to Vaersa Advisory Sdn Bhd, a professional service firm ("Outsourced IA").

The Outsourced IA is headed by its associate director, Ms Tiffany Lim, who holds a Bachelor's in Accounting Degree, member of the Malaysian Institute of Accountants and an associate member of the Institute of Internal Auditors Malaysia. The Outsourced IA has assigned 2 staff to provide internal audit services during the financial period. The work of the outsourced IA is guided by, in all material respects, the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors.

The internal audit reviews were conducted using a risk-based approach and were guided by, in all material respects, the International Professional Practice Framework issued by the Institute of Internal Auditors. The internal audit reviews involved assessing key risk areas, a walkthrough or high-level reviews of the major operations, discussions held with management and key staff, as well as tests of transactions on a sample basis.

The internal audit function independently assesses operations of the Group's system of internal control and provides reasonable assurance that the Group's system of internal control is satisfactory and operating effectively. The internal audit function prepares a risk-based internal audit strategy based on the risk profiles of individual business units of the Group and presents it to the ARMC for review and approval.

The comprehensive report on the approaches of internal audit reviews, findings and recommendation action plans is tabled for the ARMC's review and endorsement. The results of their review, presented in the Internal Audit Report, which includes a summary of internal audit findings and management's responses, were discussed with Management and subsequently presented to the ARMC.

During the financial year under review, the Outsourced IA has conducted audits based on an approved internal audit plan. The area of IA covered the following:

- Human Resources Department of KAG
- Finance Department review of Tree Med Sdn. Bhd.
- Progenet Cloud Services and Data Centre

Based on the internal audit review conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainty that would require separate disclosure in this Annual Report.

The ARMC assessed the adequacy of the scope, functions, competency and resources of the Outsourced IA for the financial year under review, and the internal audit function performed by the Outsourced IA was satisfactory and adequate. Accordingly, the ARMC and the Board agreed to continuously outsource the internal audit function in providing an independent appraisal of the adequacy and effectiveness of the Group's internal control system.



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the External Auditors have reviewed this Statement on Risk Management and Internal Control. Their limited assurance review was performed in accordance with the Audit and Assurance Practice Guide (“AAPG”) 3 issued by the Malaysian Institute of Accountants. The AAPG 3 does not require the External Auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

CONCLUSION

The Board has received reasonable assurance from the Executive Directors and Senior Management that the Group’s risk management and internal control systems, in all material aspects, are operating adequately and effectively. The Board is of the opinion that there were no significant weaknesses identified during the financial year under review in the system of risk management and internal control, contingencies or uncertainties that could result in material loss and adversely affect the Group save and except for the specific shortcomings in operational related issues as highlighted by the internal audit conducted. These gaps will be gradually closed through on-going corrective measures.

Nevertheless, the Board recognises that the systems must continuously improve to meet the changing business environment. The Board and Management will continue to take necessary measures to strengthen and improve its internal control environment and processes.



ADDITIONAL COMPLIANCE INFORMATION

1. Utilisation of Proceeds Raised

Save for those disclosed below, there were no other proceeds raised from corporate proposals during the financial year ended 31 March 2025 ("FY2025").

Right Issue with Warrants

On 20 November 2020, the Rights Issue with Warrants was completed with the listing of Rights Shares and Warrants on the ACE Market of Bursa Malaysia Securities Berhad. As at 31 March 2025, the status of the utilisation of the proceeds raised is as follows:

Purpose	Proposed Utilisation RM'000	Variation of Proceeds RM'000	Revised Utilisation RM'000	Actual Utilisation RM'000	Unutilised RM'000
Business expansion -Purchase of Covid-19 RT PCR Test Kit, and other in vitro diagnostic devices and/or medical equipment/devices	28,995	1,388	30,383	(30,383)	-
-Staff related costs	1,000	-	1,000	(684)	316
-Marketing & Advertising costs	5,000	(2,400)	2,600	(286)	2,314
Repayment of bank borrowings	9,600	-	-	(9,600)	-
Working capital	3,810	1,012	4,822	(4,822)	-
Estimated expenses for the Corporate Exercises	700	-	700	(700)	-

10% Private Placement

On 23 December 2021, the 10% Private Placement was completed with the listing of 510,861,906 placement shares on the ACE Market of Bursa Malaysia Securities Berhad. As at 31 March 2025, the status of the utilisation of the proceeds raised is as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Unutilised RM'000
Development of an electronic-commerce marketplace/platform for medical equipment, devices and related products	6,787	(5,148)	1,639
Estimated expenses for the Corporate Exercises	110	(92)	18



ADDITIONAL COMPLIANCE INFORMATION

1. Utilisation of Proceeds Raised (Cont'd)

20% Private Placement

On 13 April 2022, the 20% Private Placement was completed with the listing of 613,000,000 placement shares on the ACE Market of Bursa Malaysia Securities Berhad. As at 31 March 2025, the status of the utilisation of the proceeds raised is as follows:

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Unutilised RM'000
Data centre maintenance and upgrade	2,070	(2,070)	-
Software development/expansion for agricultural cloud-based business	1,274	(839)	435
Working capital	1,589	(1,402)	187
Estimated expenses in relation to the proposals	400	(400)	-

2. Material Contracts

There were no material contracts, including contracts relating to any loans entered into by the Company and its subsidiaries ("Group") involving Directors' or substantial shareholders' interest, either still subsisting at the end of FY2025 or entered into since the end of the previous financial year ended 31 March 2024.

3. Options, Warrants or Convertible Securities

The Company did not issue any options, warrants or convertible securities during the financial year under review.

4. Audit and Non-Audit Fees

During the FY2025, audit and non-audit fees incurred for services rendered to the Company and/or its subsidiaries by the Company's external auditors, Messrs. Russell Bedford LC PLT, were as follows:

	The Company RM	The Group RM
Audit Services Rendered	74,000	204,750
Non-Audit Services Rendered		
(a) Review of Statement of Risk Management and Internal Control	6,000	6,000

5. Recurrent Related Party Transactions of Revenue Nature

Save for such disclosure made in note 32 of the audited consolidated financial statements on page 149 of this Annual Report, there were no other material recurrent related party transactions entered by the Group during the financial year under review.



STATEMENT OF DIRECTORS' RESPONSIBILITIES

IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS

The Directors are required under the Companies Act 2016 to prepare the financial statements for each financial year. These financial statements are to be drawn up in accordance with applicable approved accounting standards other than private entities as issued by Malaysian Accounting Standards Board so as to give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of their financial performance and cash flows for the year then ended.

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

- The Group and the Company have used appropriate accounting policies, and are consistently applied;
- Reasonable and prudent judgments and estimates were made;
- The applicable approved accounting standards in Malaysia have been applied; and
- The preparation of the financial statements is on a going concern basis.

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

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

The Directors are satisfied that in preparing the financial statements of the Group for the financial year ended 31 March 2025, the Group has used the appropriate accounting policies and applied them consistently and supported by reasonable and prudent judgments and estimates. The Directors also consider that all applicable approved accounting standards have been complied with and further confirm that the financial statements have been prepared on a going concern basis.

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DIRECTORS' REPORT

The directors submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2025.

Principal activities

The principal activity of the Company is that of investment and property holding. The details of the subsidiaries, including their principal activities, are disclosed in Note 16 to the financial statements.

Financial results

	Group RM	Company RM
Net loss for the financial year	(15,315,091)	(18,231,186)
Attributable to:		
Owners of the Company	(14,457,309)	(18,231,186)
Non controlling interests	(857,782)	-
	(15,315,091)	(18,231,186)

In the opinion of the directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature other than for those arising from the discontinuance of the construction and renovation segment arising from the disposal as described in Note 16 to the financial statements.

Dividend

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors also do not recommend any dividend payment in respect of the current financial year.

Reserves and provisions

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

Issue of shares and debentures

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

The Company had on 6 March 2025 completed the shares consolidation of every thirty (30) existing ordinary shares in the Company into one (1) ordinary share resulting in the reduction in the number of ordinary shares from 3,678,221,440 ordinary shares to 122,602,365 ordinary shares.

The movements in the Company's share capital account are disclosed in Note 26 to the financial statements.



DIRECTORS' REPORT

Share options

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

Directors

The directors of the Company in office since the end of the previous financial year to the date of this report are:

Roy Ho Yew Kee	
Lee Kien Fatt	
Dr Azizah Binti Sulaiman	
Sandraruben A/L Neelamagham	Appointed on 22 April 2024
Dato' Seri Farhash Wafa Salvador, J.P	Appointed on 28 January 2025
Ong Gim Hai	Resigned on 22 April 2024
Yee Yit Yang	Resigned on 23 January 2025

The directors of the Company's subsidiaries in office since the end of the previous financial year to the date of this report, not including those directors listed above are:

Vishnu Nair A/L Jeyarajan	
Hon Chao Sheung	
Mohamed Reza Bin Abu Hassan	Resigned on 17 May 2024
Koo Kien Yoon	Resigned on 30 October 2024

Directors' interests in shares

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

	Number of ordinary shares				Balance as at 31.3.2025
	Balance as at 1.4.2024/At appointment date	Bought prior to shares consolidation	Shares consolidation	Bought after shares consolidation	
In the Company					
Shareholdings registered in the name of directors:					
Roy Ho Yew Kee	225,900,000	-	(218,370,002)	33,334	7,563,332
Sandraruben A/L Neelamagham	-	10,000,000	(9,666,667)	-	333,333

None of the other directors in office at the end of the financial year had any interest in shares of the Company and its related companies during the financial year.



DIRECTORS' REPORT

Directors' benefits

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by the directors shown in the financial statements or the fixed salary of a full-time employee of the Company) 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.

The details of the remuneration paid to or receivable by the directors of the Company for the financial year are as follows:

	Group RM	Company RM
Directors' remuneration		
- fees	398,387	337,387
- other than fees	295,680	-
	694,067	337,387

There were no arrangements during or at the end of the financial year, which had the object of enabling directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Indemnity and insurance

The total amount of indemnity insurance effected for directors of the Company for the financial year amounted to RM5,000,000 (any one claim and in annual aggregate). There was no indemnity given to or insurance effected for any officers and auditors of the Company during the financial year.

Other statutory information

Before the financial statements of the Group and 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 provision for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
- to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business had been written down to their expected realisable values.

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

- which would render the amount written off for bad debts or the amount of the provision for doubtful debts in the financial statements of the Group and the Company inadequate to any substantial extent;
- which would render the values attributed to current assets in the financial statements of the Group and the Company misleading; and
- which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.



DIRECTORS' REPORT

Other statutory information (Cont'd)

In the interval between the end of the financial year and the date of this report:

- (a) no item, transaction or event of a material and unusual nature has arisen which, in the opinion of the directors, would substantially affect the results of the operations of the Group and the Company for the financial year in which this report is made; and
- (b) no charge has arisen on the assets of the Group and the Company which secures the liability of any other person nor have any contingent liabilities arisen in the Group and the Company.

No contingent or other liability of the Group and 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, in the opinion of the directors, will or may affect the ability of the Group and the Company to meet its obligations as and when they fall due.

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

Auditors

The auditors, Messrs Russell Bedford LC PLT, have indicated their willingness to continue in office.

The auditors' remuneration paid to or receivable by the statutory auditors of the Group and the Company for the financial year is RM204,750 and RM74,000 respectively.

Signed on behalf of the Board in accordance with a resolution of the directors,

SANDRARUBEN A/L NEELAMAGHAM

ROY HO YEW KEE

Kuala Lumpur

Dated: 29 July 2025



STATEMENT BY DIRECTORS

The directors of KEY ALLIANCE GROUP BERHAD state that, in the opinion of the directors, the accompanying financial statements are drawn up in accordance with the provisions of the Companies Act 2016 and the Malaysian Financial Reporting Standards, so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025, and of their financial performance and their cash flows for the year ended on that date.

Signed on behalf of the Board in accordance with a resolution of the directors,

SANDRARUBEN A/L NEELAMAGHAM

ROY HO YEW KEE

Kuala Lumpur

Dated: 29 July 2025

STATUTORY DECLARATION

I, ROY HO YEW KEE, being the director primarily responsible for the financial management of KEY ALLIANCE GROUP BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements are correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the
above named ROY HO YEW KEE at Kuala
Lumpur in Wilayah Persekutuan on 29 July 2025

)
)
)
)

ROY HO YEW KEE

Before me,

COMMISSIONER FOR OATHS
LEE CHIN HOCK
No. W909



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEY ALLIANCE GROUP BERHAD

1. Report on the audit of the financial statements

1.1 Opinion

We have audited the accompanying financial statements which comprise the statements of financial position of the Group and of the Company as at 31 March 2025, and the related statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including the material accounting policy information.

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

1.2 Basis for opinion

We conducted our audit in accordance with the Approved Standards on Auditing in Malaysia and the International Standards on Auditing. Our responsibilities under those standards are further described in paragraph 1.6.

We are independent of the Group in accordance with the By-Laws (On Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("MIA 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 MIA By-Laws and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

1.3 Key audit matters

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

1.3.1 Impairment review of plant and equipment and right of use assets of data centre and cloud services segment

A subsidiary of the Group in the data centre and cloud services segment, Progenet Innovations Sdn Bhd, had been persistently making losses. This is an indication that an impairment might have occurred on the plant and equipment and right of use assets of the subsidiary as at 31 March 2025.

The carrying amount (before impairment) of the plant and equipment and right of use assets are RM31,640,223 and RM1,777,519 respectively as at 31 March 2025. Management has performed an impairment review and no impairment is required as the recoverable amounts of these assets are higher than their carrying amounts.

We focused on this area as significant judgements are involved in determining the recoverable amount by using the chosen valuation techniques and due to the application of assumptions by the professional valuers.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEY ALLIANCE GROUP BERHAD

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

1.3 Key audit matters (Cont'd)

1.3.1 Impairment review of plant and equipment and right of use assets of data centre and cloud services segment (Cont'd)

How the matter was addressed in the audit

Our audit procedures included, amongst others:

- performed site visit to verify the existence and conditions of the plant and equipment and right of use assets;
- considered the professional competencies, capabilities, objectivity and independence of the professional valuers engaged by the Group;
- discussed with the independent professional valuers to obtain an understanding of the valuation techniques, key assumptions and input data used; and
- assessed the appropriateness of the valuation techniques and the key assumptions used based on our industry knowledge.

We found the valuation techniques used to be appropriate and assumptions applied were supported by available evidence.

Additional information on the impairment review is disclosed in Note 12.1 to the financial statements.

1.3.2 Impairment review of development costs in progress

The ability of the capitalised development costs in progress to generate sufficient future economic benefits to recover its carrying amount is usually subject to greater uncertainty before the asset is available for use than after it is available for use. Therefore, development costs in progress is subject to impairment assessment annually.

We focused on this area due to the nature of judgements and assumptions made by management in determining whether there is any impairment that has occurred.

How the matter was addressed in the audit

- reviewed the progress report prepared by management and discussed with management on the project milestone in completing the development;
- attended the User Acceptance Test session performed by the developer to ascertain that the development is ready for deployment;
- performed desktop search on the feasibility studies for consumer demand for telemedicine services in Malaysia;
- discussed with management to understand the underlying assumptions used in the impairment review model;
- compared and reviewed the assumptions used within the impairment review model to approved budgets and business plans;
- benchmarked key assumptions including discount rates, where applicable, and inflation against our own internal research data; and
- tested the mathematical accuracy of the impairment assessment.

We are satisfied with the results of our procedures performed.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEY ALLIANCE GROUP BERHAD

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

1.3 Key audit matters (Cont'd)

1.3.3 Recoverability of amount due from subsidiaries

As disclosed in Note 23 to the financial statements, the gross outstanding amount due from the subsidiaries of the Company was RM68,329,312 and the associated expected credit losses was RM25,656,507.

We focused on this area due to the significant judgements and assumptions made by management in determining the recoverable amount of the amount due from subsidiaries.

How the matter was addressed in the audit

- assessed and tested the adequacy of impairment assessment performed by management;
- discussed with management to understand the underlying assumptions used in the preparation of cash flow projections;
- compared and reviewed the assumptions used within the cash flow projections to approved budgets and business plans;
- benchmarked key assumptions used by management in estimating future cash flows such as revenue growth and gross profit margin;
- benchmarked key assumptions including discount rates, where applicable, and inflation against our own internal research data; and
- reviewed management's calculation together with relevant supporting documents.

We are satisfied with the results of our procedures performed.

1.4 Other information

Management is responsible for the other information. The other information comprises the information included in the Company's directors' report and annual report, but does not include the financial statements and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

1.5 Responsibilities of management and those charged with governance for the financial statements

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

In preparing the financial statements, management is 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 management either intends to liquidate the Company and/or its subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEY ALLIANCE GROUP BERHAD

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

1.6 Auditors' responsibilities for the audit of the financial statements

It is our responsibility to form an independent opinion, based on our audit, on these financial statements and to report our opinion solely to you, as a body, in accordance with Section 266 of the Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the content of this report.

Our objectives are to obtain reasonable assurance about whether the financial statements 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 the Approved Standards on Auditing in Malaysia and the 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 our audit in accordance with the Approved Standards on Auditing in Malaysia and the International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and/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 or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Group's financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEY ALLIANCE GROUP BERHAD

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

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

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

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

2. Engagement partner

The engagement partner on the audit resulting in this independent auditors' report is Lew Chui Hoong.

RUSSELL BEDFORD LC PLT
LLP0030621-LCA & AF 1237
CHARTERED ACCOUNTANTS

Kuala Lumpur

Date: 29 July 2025

LEW CHUI HOONG
03481/01/2026 J
CHARTERED ACCOUNTANT



STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Continuing operations					
Revenue	4	9,921,472	11,603,806	252,000	324,000
Cost of sales	5	(10,969,637)	(10,627,536)	-	-
Gross (loss)/profit		(1,048,165)	976,270	252,000	324,000
Other operating income		2,144,792	10,228,160	750,085	2,421,698
Administrative expenses		(7,944,554)	(8,749,778)	(3,697,127)	(3,487,422)
Other operating expenses		(7,025,364)	(15,251,485)	(6,302,808)	(17,349,069)
Net allowance for expected credit losses		147,033	547,727	(9,558,204)	(9,206,157)
Loss from operations	6	(13,726,258)	(12,249,106)	(18,556,054)	(27,296,950)
Finance income	7	62,875	136,426	534,054	572,454
Finance costs	8	(487,589)	(473,021)	(209,186)	(272,444)
Net finance (costs)/income		(424,714)	(336,595)	324,868	300,010
Share in (loss)/profit of associates		(205,054)	322,768	-	-
Loss before tax		(14,356,026)	(12,262,933)	(18,231,186)	(26,996,940)
Income tax expense	9	(100,056)	(6,574)	-	-
Loss from continuing operations, net of tax		(14,456,082)	(12,269,507)	(18,231,186)	(26,996,940)
Discontinued operations	10				
(Loss)/Profit from discontinued operations, net of tax		(859,009)	598,332	-	-
Net loss/Total comprehensive loss for the year		(15,315,091)	(11,671,175)	(18,231,186)	(26,996,940)
Net loss/Total comprehensive loss attributable to:					
Owners of the Company		(14,457,309)	(11,216,620)		
Non controlling interests		(857,782)	(454,555)		
		(15,315,091)	(11,671,175)		
Basic/Diluted loss per share (sen)	11	(11.79)	(9.15)		

The accompanying notes form an integral part of the financial statements



STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Non current assets					
Plant and equipment	12	31,574,217	35,608,497	38,120	157,904
Right of use assets	13	1,777,519	5,178,521	-	2,826,829
Investment properties	14	25,954,550	18,200,000	15,754,550	9,000,000
Intangible assets	15	7,000,000	7,000,000	-	-
Investment in subsidiaries	16	-	-	102,023	1,852,023
Investment in associates	17	11,151,911	11,356,965	11,071,498	11,071,498
Other financial assets	18	20,229,946	25,082,405	20,229,946	24,882,531
Goodwill	19	-	-	-	-
Other receivables, deposits and prepayments	23	17,515	35,779	12,177,290	7,076,722
		97,705,658	102,462,167	59,373,427	56,867,507
Current assets					
Inventories	21	-	1,281,100	-	-
Trade receivables	22	5,651,049	9,565,214	-	-
Other receivables, deposits and prepayments	23	2,220,821	10,899,592	32,060,949	52,811,544
Contract costs	24	-	6,719,800	-	-
Tax recoverable		188,884	260,739	45,607	30,859
Fixed deposits with licensed banks	25	2,878,927	4,944,450	2,826,875	2,764,267
Cash and bank balances		1,697,877	5,223,754	462,888	1,701,847
		12,637,558	38,894,649	35,396,319	57,308,517
Total assets		110,343,216	141,356,816	94,769,746	114,176,024
Equity					
Share capital	26	193,399,478	193,399,478	193,399,478	193,399,478
Reserves	27	(105,363,333)	(91,190,299)	(109,132,495)	(90,901,309)
Equity attributable to owners of the Company		88,036,145	102,209,179	84,266,983	102,498,169
Non controlling interests		(5,234,119)	(4,115,222)	-	-
Total equity		82,802,026	98,093,957	84,266,983	102,498,169
Non current liabilities					
Lease liabilities	28	1,533,071	4,101,033	-	2,248,448
Contract liabilities	4	207,408	24,264	-	-
Deferred tax liabilities	20	596,793	496,793	496,793	496,793
		2,337,272	4,622,090	496,793	2,745,241
Current liabilities					
Trade payables	29	7,901,346	12,778,891	-	-
Other payables and accruals	30	13,676,277	12,704,841	10,005,970	8,085,944
Contract liabilities	4	1,094,091	8,729,839	-	-
Borrowings	31	1,992,669	2,990,732	-	-
Lease liabilities	28	539,535	1,436,466	-	846,670
		25,203,918	38,640,769	10,005,970	8,932,614
Total liabilities		27,541,190	43,262,859	10,502,763	11,677,855
Total equity and liabilities		110,343,216	141,356,816	94,769,746	114,176,024

The accompanying notes form an integral part of the financial statements



STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

Group	Share Capital RM	Warrant reserve RM	Accumulated losses RM	Equity attributable to owners of the Company RM	Non controlling interests RM	Total equity RM
At 1 April 2023	193,395,978	19,642,077	(99,665,973)	113,372,082	(3,609,430)	109,762,652
Transactions with owners:						
Issuance of shares pursuant to exercise of Warrants C	3,500	(1,000)	-	2,500	-	2,500
Warrants C expired	-	(19,641,077)	19,641,077	-	-	-
Acquisition of non controlling interests	-	-	51,217	51,217	(51,237)	(20)
Net loss/Total comprehensive loss for the year	3,500	(19,642,077)	19,692,294	53,717	(51,237)	2,480
	-	-	(11,216,620)	(11,216,620)	(454,555)	(11,671,175)
At 31 March 2024	193,399,478	-	(91,190,299)	102,209,179	(4,115,222)	98,093,957
Transactions with owners:						
Contribution from non controlling interest	-	-	-	-	23,160	23,160
Dilution of interest in a subsidiary	-	-	284,275	284,275	(284,275)	-
Net loss/Total comprehensive loss for the year	-	-	284,275	284,275	(261,115)	23,160
	-	-	(14,457,309)	(14,457,309)	(857,782)	(15,315,091)
At 31 March 2025	193,399,478	-	(105,363,333)	88,036,145	(5,234,119)	82,802,026

The accompanying notes form an integral part of the financial statements



STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2025

	Share capital RM	Warrant reserve RM	Accumulated losses RM	Total equity RM
Company				
At 1 April 2023	193,395,978	19,642,077	(83,545,446)	129,492,609
Transactions with owners:				
Issuance of shares pursuant to exercise of Warrants C	3,500	(1,000)	-	2,500
Warrants C expired	-	(19,641,077)	19,641,077	-
Net loss/Total comprehensive loss for the year	3,500	(19,642,077)	19,641,077	2,500
	-	-	(26,996,940)	(26,996,940)
At 31 March 2024	193,399,478	-	(90,901,309)	102,498,169
Net loss/Total comprehensive loss for the year	-	-	(18,231,186)	(18,231,186)
At 31 March 2025	193,399,478	-	(109,132,495)	84,266,983

The accompanying notes form an integral part of the financial statements



STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from/(used in) operating activities				
(Loss)/Profit before tax from				
- continuing operations	(14,356,026)	(12,262,933)	(18,231,186)	(26,996,940)
- discontinued operation	(898,495)	800,676	-	-
Adjustments for:				
Allowance for expected credit losses - net	(147,033)	(328,693)	9,558,204	9,206,157
Bad debts written off	15,714	28,953	5,932	-
Depreciation	5,304,674	5,904,452	920,060	1,090,754
Distribution income from unquoted mutual funds	(2,020)	(5,267)	(223)	(217)
Fair value loss on other financial assets	4,652,808	11,699,057	4,652,808	11,699,057
Fair value gain on investment properties	(1,000,000)	-	-	-
Gain on disposal of other financial assets	-	(671,000)	-	(671,000)
Gain on derecognition of lease liabilities/lease modifications	(316,602)	(1,797)	(280,352)	-
Gain on disposal of right of use assets	(102,333)	-	(102,333)	-
Gain on disposal of plant and equipment	(19,009)	(339,975)	(10)	-
Loss/(Gain) on disposal of a subsidiary	613,273	(6,136,389)	900,000	(99,998)
Impairment loss on				
- plant and equipment	98,386	252,849	-	-
- intangible assets	-	127,908	-	-
- investment in subsidiaries - net	-	-	750,000	4,650,013
Interest expense	495,588	473,021	209,186	272,444
Interest income	(62,875)	(142,256)	(534,054)	(572,454)
Inventories written off	-	19,611	-	-
Intangible assets written off	-	93,778	-	-
Plant and equipment/Right of use assets written off	58,344	22,068	46,700	-
Unrealised (gain)/loss on foreign exchange	(687)	804	-	-
Share in loss/(profit) of associates	205,054	(322,768)	-	-
Operating loss before working capital changes	(5,461,239)	(787,901)	(2,105,268)	(1,422,184)
(Increase)/Decrease in trade and other receivables	(3,339,140)	(4,786,023)	884,614	(216,609)
Decrease in inventories	1,070,122	751,527	-	-
Changes in contract liabilities	(562,731)	(2,299,953)	-	-
Decrease/(Increase) in contract costs	419,006	(1,967,488)	-	-
Increase in trade and other payables	5,026,804	16,797,192	(200,277)	708,470
Cash (used in)/generated from operations	(2,847,178)	7,707,354	(1,420,931)	(930,323)
Income tax paid	(164,102)	(253,846)	(14,748)	(14,964)
Income tax refunded	-	324,920	-	34,680
Net cash (used in)/generated from operating activities	(3,011,280)	7,778,428	(1,435,679)	(910,607)

The accompanying notes form an integral part of the financial statements



STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Cash flows from/(used in) investing activities				
Distribution income received	2,020	5,267	223,217	
Decrease/(Increase) in fixed deposits pledged	1,895,596	(2,077,570)	(62,608)	(67,314)
Acquisition of other financial assets	(2,020)	(16,315,717)	(223)	(16,310,667)
Proceeds from disposal of other financial assets	201,671	2,869,000	-	2,869,000
Acquisition of investment in associates	-	(633,333)	-	(633,333)
Acquisition of shares in a subsidiary	-	-	-	(102,020)
Acquisition of non controlling interests	-	(20)	-	-
Advances to subsidiaries	-	-	(1,553,273)	(2,265,333)
Interest received	62,875	142,256	534,054	572,454
Proceeds from disposal of a subsidiary	-	-	100,000	100,000
Net cash (outflow)/inflow from disposal of a subsidiary	(207,054)	100,000	-	-
Payment made for acquisition of intangible assets	(1,000,000)	(4,000,000)	-	-
Proceeds from disposal of right of use assets	152,000	-	152,000	-
Proceeds from disposal of plant and equipment	20,000	348,400	1,000	-
Purchase of plant and equipment	(149,866)	(599,075)	-	(41,917)
Net cash generated from/(used in) investing activities	975,222	(20,160,792)	(828,827)	(15,878,913)
Cash flows from/(used in) financing activities				
Proceeds from issuance of shares	-	2,500	-	2,500
Advances from subsidiaries	-	-	1,231,521	6,096,983
Repayments of lease liabilities	(455,004)	(1,914,198)	(167,197)	(783,110)
Interest paid	(206,679)	(473,021)	(38,777)	(272,444)
Net cash (used in)/generated from financing activities	(661,683)	(2,384,719)	1,025,547	5,043,929
Net decrease in cash and cash equivalents	(2,697,741)	(14,767,083)	(1,238,959)	(11,745,591)
Cash and cash equivalents at beginning of year	2,402,949	17,170,032	1,701,847	13,447,438
Cash and cash equivalents at end of year	(294,792)	2,402,949	462,888	1,701,847

The accompanying notes form an integral part of the financial statements



STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and cash equivalents are represented by:				
Cash and bank balances	1,697,877	5,223,754	462,888	1,701,847
Fixed deposits with licensed banks	2,878,927	4,944,450	2,826,875	2,764,267
Bank overdrafts	(1,992,669)	(2,990,732)	-	-
	2,584,135	7,177,472	3,289,763	4,466,114
Less: Fixed deposits pledged	(2,878,927)	(4,774,523)	(2,826,875)	(2,764,267)
	(294,792)	2,402,949	462,888	1,701,847

Reconciliation of liabilities arising from financing activities

Group	1.4.2024 RM	Cash flows RM	Non-cash changes RM	31.3.2025 RM
Lease liabilities				
- hire purchase	89,412	(89,412)	-	-
- other lease liabilities	5,448,087	(365,592)	(3,009,889)	2,072,606

Group	1.4.2023 RM	Cash flows RM	Non-cash changes RM	31.3.2024 RM
Lease liabilities				
- hire purchase	184,022	(94,610)	-	89,412
- other lease liabilities	5,071,432	(1,819,588)	2,196,243	5,448,087

Company	1.4.2024 RM	Cash flows RM	Non-cash changes RM	31.3.2025 RM
Lease liabilities				
- hire purchase	89,412	(89,412)	-	-
- other lease liabilities	3,005,706	(77,785)	(2,927,921)	-
Amount due to subsidiaries	7,119,302	1,231,521	(7,323,374)	1,027,449

Company	1.4.2023 RM	Cash flows RM	Non-cash changes RM	31.3.2024 RM
Lease liabilities				
- hire purchase	137,747	(48,335)	-	89,412
- other lease liabilities	3,740,481	(734,775)	-	3,005,706
Amount due to subsidiaries	837,911	6,096,983	184,408	7,119,302

The accompanying notes form an integral part of the financial statements



NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2025

1. General information

The principal activity of the Company is that of investment and property holding. The details of the subsidiaries, including their principal activities, are disclosed in Note 16.

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

The registered office of the Company is located at 22-09, Menara 1MK, No.1 Jalan Kiara, Mont Kiara 50480 Kuala Lumpur.

The principal place of business is located at Lot 18.2, 18th Floor, Menara Lien Hoe, No 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan.

The financial statements were approved and authorised for issue by the board of directors on 29 July 2025.

2. Basis of preparation of financial statements

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared and presented in accordance with the provisions of the Companies Act 2016 and the Malaysian Financial Reporting Standards.

The financial statements also comply with the International Financial Reporting Standards as issued by the International Accounting Standards Board.

2.2 Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention and any other bases described in the notes to the financial statements.

The Group has adopted the new and revised Malaysian Financial Reporting Standards ("MFRSs") and their related IC Interpretations that become mandatory for the current reporting period. The adoption of these new and revised MFRSs and IC Interpretations does not result in significant changes in the accounting policies of the Group.

The Group has not adopted the new standards, amendments to published standards and IC Interpretations that have been issued but not yet effective. These new standards, amendments to published standards and IC Interpretations do not result in significant changes in accounting policies of the Group upon their initial application.



NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2025

2. Basis of preparation of financial statements (Cont'd)

2.3 Material accounting policy information

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 the entity operates ("functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

Non controlling interests

For business combination, non controlling interests are initially measured at the present ownership instruments' proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Investment properties

The Group adopted the fair value model in measuring its investment properties.

Inventories

Cost of inventories are accounted for on a first in first out basis.

Leases

The Company has elected not to recognise right of use assets and lease liabilities for short term leases that have a lease term of 12 months or less and do not contain a purchase option, and leases of low value assets. The Company recognises the lease payment associated with these leases as an expense on straight line basis over the lease term.

Financial instruments

Financial assets at fair value through profit or loss

At initial recognition, the Group irrevocably designate its investments in other financial assets to be measured at fair value through profit or loss. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss does not include exchange differences, interest and dividend income.



NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2025

3. Critical accounting estimates and judgements

In the preparation of the financial statements, the directors are required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Estimates and judgements are continually evaluated by the directors and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period other than as follows:

(a) Impairment of non financial assets

In assessing impairment of plant and equipment, right of use assets and investment in subsidiaries, the recoverable amount of the assets is estimated using the latest available fair value (after taking into account the costs to sell) or the value in use of the relevant assets.

Significant variations to these assumptions and estimates could result in changes to the assessment of the recoverability of these non financial assets. To the extent of any future determination that these non financial assets are not recoverable, future financial results in the reporting period in which this determination is made will be affected.

(b) Allowance for expected credit losses for debt instruments at amortised cost

When measuring expected credit losses, the Group uses reasonable and supportable forward looking information, which is based on assumptions for future conditions and how these conditions will affect the amount of expected credit losses.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, taking into account cash flows from collateral and internal credit enhancements. Probability of default constitutes a key input in measuring expected credit losses. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

(c) Recognition of construction and renovation revenue

Over time construction and renovation revenue is recognised by selecting an appropriate method for measuring the Group's progress towards complete satisfaction of that performance obligation.

The progress towards complete satisfaction of the performance obligation is measured using an input method, by reference to the construction costs incurred to date as a percentage of the estimated total costs of the contract.

Significant estimation is required in determining the progress based on actual costs incurred to date over the estimated total construction costs. The total estimated costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example scope of work and costs to completion. In making the estimation, the Group evaluates based on past experience.



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3. Critical accounting estimates and judgements (Cont'd)

(d) Fair values of investment properties

Fair values of investment properties are determined by independent firms of professional valuers.

Significant judgements are involved in determining the fair values by using the chosen valuation technique and applying the assumptions as disclosed in Note 36.3. Any changes in fair values of these investment properties are recognised in profit or loss.

(e) Capitalisation of development costs

The Group capitalised development costs for the telemedicine portal to provide remote clinical services. The extent of development costs incurred and capitalised is based on management's judgements that takes into consideration the technical feasibility of the application, the milestones achievability in completing the development and the anticipated economic return that outweighs the costs incurred and capitalised.

(f) Impairment of development costs in progress

In assessing impairment of development costs in progress, the recoverable amount is estimated using the value in use of the asset. Significant variations to the assumptions and estimates used to determine future cash flows could result in changes to the assessment of the recoverability of the development costs incurred.

4. Revenue

4.1 Disaggregation of revenue

Set out below is the disaggregation of the Group's and the Company's revenue from contracts with customers:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Type of goods or services				
Data centre and cloud services				
Data centre, cloud services and co-location services	4,283,515	6,599,569	-	-
Sale of hardware	630,057	-	-	-
IT support services	1,300,201	1,681,214	-	-
	6,213,773	8,280,783	-	-
Trading				
Sale of multifunction printers	120,480	3,999	-	-
Sale of accessories, consumables, computers and software	201,038	133,473	-	-
Click charges income	1,521,981	1,535,238	-	-
Service charges income	180,786	294,512	-	-
Sale of kitchen appliances	188,141	461,146	-	-
Sale of medical products	-	(313,516)	-	-
Other services	-	1,928	-	-
	2,212,426	2,116,780	-	-



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4. Revenue (Cont'd)

4.1 Disaggregation of revenue (Cont'd)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Type of goods or services				
<i>Others</i>				
Management fees	252,000	-	252,000	324,000
Mobile application development	281,600	-	-	-
	533,600	-	252,000	324,000
Revenue from contracts with customers	8,959,799	10,397,563	252,000	324,000
Operating lease income	961,673	1,206,243	-	-
	9,921,472	11,603,806	252,000	324,000
Timing of revenue recognition				
Goods transferred at a point in time	1,421,316	285,102	-	-
Services transferred over time	6,057,496	8,134,807	252,000	324,000
Services transferred at a point in time	1,480,987	1,977,654	-	-
Revenue from contracts with customers	8,959,799	10,397,563	252,000	324,000

4.2 Contract balance

	Group	
	2025 RM	2024 RM
Contract liabilities		
Current	1,094,091	8,729,839
Non current	207,408	24,264
	1,301,499	8,754,103

The contract liabilities primarily relate to the Group's obligation to transfer goods or services to customers for which the Group has received the consideration in advance or has billed the customers.

Contract liabilities are recognised as revenue upon the Group delivering the goods to customers or performing the services under the contract.

	Group	
	2025 RM	2024 RM
The performance obligations for the non current portion of the contract liabilities are expected to be satisfied as follows:		
Later than 1 year and not later than 2 years	205,796	23,644
Later than 2 years and not later than 5 years	1,612	620
	207,408	24,264



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4. Revenue (Cont'd)

4.2 Contract balance (Cont'd)

The following table provides information of the contract balance:

	Group	
	2025	2024
	RM	RM
At beginning of year	8,754,103	11,054,056
Advance consideration received/Billings issued during the year	3,051,782	25,509,195
Revenue recognised during the year from:		
- continuing operations	(2,920,417)	(5,593,775)
- discontinued operations	(694,096)	(22,215,373)
	(3,614,513)	(27,809,148)
Disposal of a subsidiary	(6,889,873)	-
At end of year	1,301,499	8,754,103

The significant decrease in contract liabilities was mainly due to the disposal of a subsidiary in the construction and renovation segment.

4.3 Performance obligations

Segment	Nature of goods or services	Timing of transfer of goods or services	Significant payment terms
Data centre and cloud services	Data centre, cloud services and co-location services	Revenue is recognised over time when the customer simultaneously receives and consumes the benefits	Generally due within 30 days to 90 days from invoice date
Data centre and cloud services	IT support services (including installation and configuration)	Revenue is recognised at a point in time when the services are rendered	Generally due within 90 days from invoice date
Data centre and cloud services	Sale of hardware	Revenue is recognised at a point in time upon delivery of goods to the customers	Generally due within 90 days from invoice date
Trading	Sale of multi function printers, accessories, consumables, computers and software	Revenue is recognised at a point in time upon delivery of goods to the customers	Generally due within 30 to 60 days from invoice date
Trading	Click charges income	Revenue is recognised over time when the customer simultaneously receives and consumes the benefits	Generally due within 30 to 60 days from invoice date
Trading	Service charges income	Revenue is recognised at a point in time when the services are rendered	Generally due within 30 to 60 days from invoice date
Trading	Sale of kitchen appliances	Revenue is recognised at a point in time upon delivery of goods to the customers	Generally due within 30 to 90 days from invoice date
Trading	Sale of medical products	Revenue is recognised at a point in time upon delivery of goods to the customers	Generally due within 30 days from invoice date



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4. Revenue (Cont'd)

4.3 Performance obligations (Cont'd)

Segment	Nature of goods or services	Timing of transfer of goods or services	Significant payment terms
Trading	Other services	Revenue is recognised at a point in time when the services are rendered	Generally due within 30 to 90 days from invoice date
Others	Management fees	Revenue is recognised over time when subsidiaries simultaneously receive and consume the benefits	Generally due within 30 days from invoice date
Others	Mobile application development	Revenue is recognised at a point in time when the goods are delivered	Generally due within 30 to 90 days from delivery date

4.4 Transaction price allocated to the remaining performance obligations

The following table shows the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period for contracts that have a duration of more than one year:

	Group	
	2025 RM	2024 RM
- 2025	-	213,155
- 2026	269,021	23,644
- 2027	205,796	620
- 2028	1,612	-
	476,429	237,419

For practical expediency, no information is provided on the remaining performance obligations at the reporting date that have an original expected duration of one year or less as allowed under the paragraph 121(a) of MFRS 15.

4.5 Financing components

The Group does not have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

5. Cost of sales

	Group	
	2025 RM	2024 RM
Data centre and cloud services	8,084,825	8,080,554
Trading	2,677,024	2,546,982
Others	207,788	-
	10,969,637	10,627,536



NOTES TO THE FINANCIAL STATEMENTS

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6. Loss from operations

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Loss from operations is arrived at after charging/(crediting):				
Auditors' remuneration				
- statutory audit				
- current year	203,000	219,000	74,000	76,000
- under/(over) provision in prior years	7,320	-	(2,000)	-
- non statutory				
- under provision in prior years	59,992	-	59,992	-
Bad debts written off	15,714	28,953	5,932	-
Directors' remuneration				
- fees				
- Company	344,387	546,532	337,387	397,532
- subsidiaries	193,000	103,000	-	-
- other than fees				
- Company	295,680	660,475	-	-
- subsidiaries	202,316	-	-	-
Intangible assets written off	-	93,778	-	-
Inventories written off	-	19,611	-	-
Expenses relating to leases of low value assets	21,668	41,851	-	-
Expenses relating to short term leases	40,777	19,932	14,468	14,982
Plant and equipment/Right of use assets written off	58,344	22,068	46,700	-
Staff costs	4,988,558	5,383,930	1,197,208	1,410,765
Liquidated and ascertained damages income	-	(154,191)	-	-
(Gain)/Loss on foreign exchange - net				
- realised	(3,699)	(1,639)	-	-
- unrealised	(687)	804	-	-
Distribution income from unquoted mutual funds	(223)	(217)	(223)	(217)
Gain on disposal of plant and equipment	(19,009)	(338,708)	(10)	-
Gain on disposal of right of use assets	(102,333)	-	(102,333)	-
Gain on disposal of other financial assets	-	(671,000)	-	(671,000)
Loss/(Gain) on disposal of a subsidiary	613,273	(6,136,389)	900,000	(99,998)
Gain on derecognition of lease liabilities/lease modifications	(316,602)	(1,797)	(280,352)	-
Rental income - included in other operating income	(701,324)	(857,490)	(364,166)	(649,012)
Staff costs comprise:				
Salaries, bonus and allowances	4,386,629	4,699,854	1,066,920	1,236,766
Defined contribution plan	401,838	453,445	81,723	97,493
Other employee related expenses	200,091	230,631	48,565	76,506
	4,988,558	5,383,930	1,197,208	1,410,765



NOTES TO THE FINANCIAL STATEMENTS

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6. Loss from operations (Cont'd)

The key management personnel of the Group and the Company whose remuneration is analysed as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Executive directors				
- fees	220,290	243,000	213,290	192,000
- other than fees	497,996	656,975	-	-
	718,286	899,975	213,290	192,000
Non executive directors:				
- fees	317,097	406,532	124,097	205,532
Total remuneration	1,035,383	1,306,507	337,387	397,532
Estimated money value of benefits in kind	-	3,500	-	-
Total remuneration including benefits in kind	1,035,383	1,310,007	337,387	397,532

7. Finance income

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest income from:				
- fixed deposits	61,961	68,700	61,783	67,686
- advances to a subsidiary	-	-	471,357	436,262
- unit trust funds	-	5,050	-	-
- short term deposits	914	62,676	914	68,506
	62,875	136,426	534,054	572,454

8. Finance costs

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest expense on:				
- hire purchase	2,900	3,368	2,900	4,777
- other lease liabilities	373,146	353,124	206,286	267,667
- interest bearing advances				
from a corporate shareholder of a subsidiary	47,966	48,097	-	-
- overdrafts	63,577	68,432	-	-
	487,589	473,021	209,186	272,444



NOTES TO THE FINANCIAL STATEMENTS

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9. Income tax expense

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Expected income tax payable				
- current year	-	-	-	-
- under provision in prior years	(56)	(6,574)	-	-
	(56)	(6,574)	-	-
Deferred tax (Note 20)				
- current year	(100,000)	-	-	-
	(100,056)	(6,574)	-	-

A reconciliation of income tax expense applicable to loss before tax at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Loss before tax	(14,356,026)	(12,262,933)	(18,231,186)	(26,996,940)
Less: Share in loss/ (profit) of associates	205,054	(322,768)	-	-
	(14,150,972)	(12,585,701)	(18,231,186)	(26,996,940)
Taxation at statutory tax rate of 24% (2024: 24%)	3,396,000	3,020,000	4,375,000	6,479,000
Expenses not deductible for tax purposes	(1,713,200)	(5,465,100)	(3,963,000)	(6,613,000)
Income not subject to tax	3,000	5,308,100	-	425,000
Effect of different tax rate arising from fair value gain of investment properties	140,000	-	-	-
Deferred tax assets not recognised	(1,925,800)	(2,863,000)	(412,000)	(291,000)
Under provision of current tax expense in prior years	(56)	(6,574)	-	-
Income tax expense for the year	(100,056)	(6,574)	-	-

10. Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held for sale. When an operation is classified as discontinued, the comparative statements of comprehensive income are re-presented as if the operation had been discontinued from the start of the comparative year.

During the reporting period, the Group disposed of its entire construction and renovation segment and is reported in the current reporting period as a discontinued operation. The construction and renovation segment was not previously classified as held for sale or as a discontinued operation. The comparative statement of comprehensive income of the Group for 2024, including its related Notes, has been re-presented to show the discontinued operation separately from continuing operations.



NOTES TO THE FINANCIAL STATEMENTS

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10. Discontinued operations (Cont'd)

- a) Financial information relating to the discontinued operations up to the date of disposal is set out below:

	2025 RM	2024 RM
Results of discontinued operations		
Revenue	762,859	22,277,377
Cost of sales	(510,880)	(19,403,667)
Gross profit	251,979	2,873,710
Other operating income	45,635	9,253
Administrative expenses	(840,210)	(1,492,366)
Other operating expenses	(347,900)	(376,717)
Net allowance for expected credit losses	-	(219,034)
(Loss)/Profit from discontinued operations	(890,496)	794,846
Finance income	-	5,830
Finance costs	(7,999)	-
(Loss)/Profit before tax	(898,495)	800,676
Income tax expense	39,486	(202,344)
Net (loss)/profit for the year from discontinued operations attributable to owners of the Company	(859,009)	598,332
	2025 RM	2024 RM
Cash flows used in discontinued operations:		
Net cash (used in)/from operating activities	(1,847,789)	8,009,131
Net cash from/(used in) investing activities	197,116	(2,266)
Net cash used in financing activities	(36,078)	(2,000,000)
Net cash (outflows)/inflows	(1,686,751)	6,006,865

- b) Loss from discontinued operations is arrived at after charging/(crediting):

	2025 RM	2024 RM
Auditors' remuneration	1,750	28,000
Directors' remuneration		
- fees		
- Company	54,000	41,000
- subsidiary	6,000	-
Expenses relating to leases of low value assets	924	1,584
Expenses relating to short term leases	73,675	111,318
Interest expense on lease liabilities	7,999	-
Staff costs	780,210	1,481,025
Distribution income from unquoted mutual funds	(1,797)	(5,050)
Gain on disposal of plant and equipment	-	(1,267)
Interest income from fixed deposits	-	(5,830)



NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2025

10. Discontinued operations (Cont'd)

- b) Loss from discontinued operations is arrived at after charging/(crediting): (Cont'd)

	2025 RM	2024 RM
Staff costs comprise:		
Salaries, bonus and allowances	690,987	1,292,311
Defined contribution plan	81,451	149,875
Other employee related expenses	7,772	38,839
	780,210	1,481,025

The key management personnel of the discontinued operations whose remuneration is analysed as follows:

	2025 RM	2024 RM
Executive directors		
- fees	60,000	41,000

- c) Income tax expense on discontinued operations are as follows:

	2025 RM	2024 RM
Expected income tax payable		
- current year	-	(198,000)
- over/(under) provision in prior years	39,486	(4,344)
	39,486	(202,344)

A reconciliation of income tax expense applicable to (loss)/profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate is as follows:

	2025 RM	2024 RM
(Loss)/Profit before tax	(898,495)	800,676
Taxation at statutory tax rate of 24% (2024: 24%)	216,000	(192,000)
Expenses not deductible for tax purposes	(43,100)	(7,200)
Income not subject to tax	-	1,200
Deferred tax assets not recognised	(172,900)	-
Over/(Under) provision of current tax expense in prior years	39,486	(4,344)
Income tax expense for the year	39,486	(202,344)



NOTES TO THE FINANCIAL STATEMENTS

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11. (Loss)/Earnings per share

11.1 Basic (loss)/earnings per share

Basic (loss)/earnings per ordinary share is calculated based on the net (loss)/profit attributable to ordinary shareholders and weighted average number of ordinary shares in issue as follows:

	Group	
	2025 RM	2024 RM
Net (loss)/profit attributable to owners of the Company from:		
- continuing operations	(13,598,300)	(11,814,952)
- discontinued operation	(859,009)	598,332
	(14,457,309)	(11,216,620)
Weighted average number of ordinary shares in issue	122,602,365	122,601,365
Basic (loss)/earnings per ordinary share (sen):		
- continuing operations	(11.09)	(9.64)
- discontinued operation	(0.70)	0.49
	(11.79)	(9.15)

The weighted average number of ordinary shares in issue as at 31 March 2024 has been restated to reflect the retrospective adjustment arising from the shares consolidation completed during the reporting period as disclosed in Note 26.

11.2 Diluted (loss)/earnings per share

Diluted (loss)/earnings per share equals to the basic (loss)/earnings per share as there are no dilutive potential ordinary shares at the end of the current and previous reporting periods.



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12. Plant and equipment

Group	Computers, equipment, software, furniture and fittings RM	Motor vehicles RM	Renovation RM	Cabling and storage systems RM	Signboard RM	Equipment rental units RM	Data centre RM	Total RM
Cost								
At 1 April 2023	2,910,247	2,096,877	5,435,511	11,900,000	118,687	1,277,520	36,207,844	59,946,686
Reclassification from right of use assets	-	-	-	-	-	679,676	-	679,676
Transfer to inventories	-	-	-	-	-	(174,219)	-	(174,219)
Additions	101,840	-	-	-	-	35,929	11,840	149,609
Disposals	(10,498)	(1,924,093)	-	-	-	-	-	(1,934,591)
Disposal of a subsidiary	(25,500)	-	-	-	-	-	-	(25,500)
Write offs	(13,632)	-	-	-	-	-	(11,840)	(25,472)
At 31 March 2024	2,962,457	172,784	5,435,511	11,900,000	118,687	1,818,906	36,207,844	58,616,189
Reclassification from right of use assets	-	-	-	-	-	108,410	-	108,410
Transfer to inventories	-	-	-	-	-	(456,013)	-	(456,013)
Additions	122,266	-	-	-	-	27,600	-	149,866
Disposals	(15,299)	(172,784)	-	-	-	-	-	(188,083)
Disposal of a subsidiary	(143,347)	-	-	-	-	-	-	(143,347)
Write offs	(506,271)	-	(4,628,464)	-	-	-	-	(5,134,735)
At 31 March 2025	2,419,806	-	807,047	11,900,000	118,687	1,498,903	36,207,844	52,952,287



NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2025

12. Plant and equipment

Group	Computers, equipment, software, furniture and fittings RM	Motor vehicles RM	Renovation RM	Cabling and storage systems RM	Signboard RM	Equipment rental units RM	Data centre RM	Total RM
Accumulated depreciation								
At 1 April 2023	1,884,563	2,090,476	4,948,368	1,289,167	26,494	841,664	8,402,161	19,482,893
Reclassification from right of use assets	-	-	-	-	-	511,116	-	511,116
Disposals	(6,078)	(1,919,401)	-	-	-	-	-	(1,925,479)
Disposal of a subsidiary	(18,275)	-	-	-	-	-	-	(18,275)
Transfer to inventories	-	-	-	-	-	(137,251)	-	(137,251)
Charge for the year	326,965	1,708	371,867	1,190,000	-	104,276	2,404,446	4,399,262
Write offs	(5,226)	-	-	-	-	-	-	(5,226)
At 31 March 2024	2,181,949	172,783	5,320,235	2,479,167	26,494	1,319,805	10,806,607	22,307,040
Reclassification from right of use assets	-	-	-	-	-	80,971	-	80,971
Disposals	(11,309)	(172,783)	-	-	-	-	-	(184,092)
Disposal of a subsidiary	(104,587)	-	-	-	-	-	-	(104,587)
Transfer to inventories	-	-	-	-	-	(366,964)	-	(366,964)
Charge for the year	285,847	-	30,676	1,190,000	-	106,357	2,357,397	3,970,277
Write offs	(470,669)	-	(4,560,798)	-	-	-	-	(5,031,467)
At 31 March 2025	1,881,231	-	790,113	3,669,167	26,494	1,140,169	13,164,004	20,671,178



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12. Plant and equipment (Cont'd)

Group	Computers, equipment, software, furniture and fittings RM	Motor vehicles RM	Renovation RM	Cabling and storage systems RM	Signboard RM	Equipment rental units RM	Data centre RM	Total RM
Accumulated depreciation losses								
At 1 April 2023	13,075	-	38,652	-	92,193	211,579	-	355,499
Reclassification from right of use assets	-	-	-	-	-	117,211	-	117,211
Transfer to inventories	-	-	-	-	-	(24,220)	-	(24,220)
Disposal	(687)	-	-	-	-	-	-	(687)
Impairment loss for the year	232,804	-	20,045	-	-	-	-	252,849
At 31 March 2024	245,192	-	58,697	-	92,193	304,570	-	700,652
Reclassification from right of use assets	-	-	-	-	-	16,244	-	16,244
Transfer to inventories	-	-	-	-	-	(60,466)	-	(60,466)
Disposals	(3,000)	-	-	-	-	-	-	(3,000)
Write offs	(3,161)	-	(41,763)	-	-	-	-	(44,924)
Impairment loss for the year	-	-	-	-	-	98,386	-	98,386
At 31 March 2025	239,031	-	16,934	-	92,193	358,734	-	706,892
Carrying amount								
At 31 March 2025	299,544	-	-	8,230,833	-	-	23,043,840	31,574,217
At 31 March 2024	535,316	1	56,579	9,420,833	-	194,531	25,401,237	35,608,497



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12. Plant and equipment

Company	Computers, software, furniture and fittings RM	Furniture and fittings RM	Office Equipment RM	Renovation RM	Total RM
Cost					
At 1 April 2023	93,820	262,733	45,136	4,468,183	4,869,872
Additions	3,399	-	38,518	-	41,917
At 31 March 2024	97,219	262,733	83,654	4,468,183	4,911,789
Disposals	(3,299)	-	-	-	(3,299)
Write offs	(23,312)	(261,633)	(61,768)	(4,468,183)	(4,814,896)
At 31 March 2025	70,608	1,100	21,886	-	93,594
Accumulated depreciation					
At 1 April 2023	27,387	260,607	26,539	4,206,498	4,521,031
Charge for the year	15,776	1,060	13,634	202,384	232,854
At 31 March 2024	43,163	261,667	40,173	4,408,882	4,753,885
Charge for the year	15,441	709	12,903	43,041	72,094
Disposals	(2,309)	-	-	-	(2,309)
Write offs	(20,426)	(261,624)	(34,223)	(4,451,923)	(4,768,196)
At 31 March 2025	35,869	752	18,853	-	55,474
Carrying amount					
At 31 March 2025	34,739	348	3,033	-	38,120
At 31 March 2024	54,056	1,066	43,481	59,301	157,904



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12. Plant and equipment (Cont'd)

Cash payments made to purchase plant and equipment are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Total additions	149,866	149,609	-	41,917
Repayments to other payables	-	449,466	-	-
Total cash payments	149,866	599,075	-	41,917

12.1 Impairment review for plant and equipment, right of use assets and intangible assets

In the current reporting period

As the trading segment and the data centre and cloud services segment had been persistently making losses, the Group performed an impairment test on the plant and equipment and right of use assets of the subsidiaries in these segments. The respective carrying amounts (before impairment) are as follows:

Subsidiary	Segment	Plant and equipment RM	Right of use assets RM
Digital Paper Solutions Sdn Bhd ("DPS")	Trading	98,386	-
Progenet Innovations Sdn Bhd ("PGI")	Data centre and cloud services	31,640,223	1,777,519

The impairment review led to the recognition of impairment loss of plant and equipment in the trading segment as follows:

	Plant and equipment RM
DPS	98,386

The impairment loss has been recognised in profit or loss under "Other operating expenses" line item in the Group's statement of comprehensive income for the reporting period ended 31 March 2025.

No impairment is required for the plant and equipment and right of use assets of PGI as the recoverable amounts of these assets are higher than their respective carrying amounts.



NOTES TO THE FINANCIAL STATEMENTS

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12. Plant and equipment (Cont'd)

12.1 Impairment review for plant and equipment, right of use assets and intangible assets (Cont'd)

In the previous reporting period

As the trading segment, the others segment and the data centre and cloud services segment had been persistently making losses, the Group performed an impairment test on the plant and equipment, right of use assets and intangible assets of the subsidiaries in these segments. The respective carrying amounts (before impairment) are as follows:

Subsidiary	Segment	Plant and equipment RM	Right of use assets RM	Intangible assets RM
Digital Paper Solutions Sdn Bhd ("DPS")	Trading	221,892	191,081	-
GE Green Sdn Bhd ("GEG")	Trading	-	211,176	-
Progenet Innovations Sdn Bhd ("PGI")	Data centre and cloud services	35,289,189	2,348,508	-
Agrocloud Sdn Bhd ("Agro")	Others	252,849	21,551	127,908

The impairment review led to the recognition of impairment loss of plant and equipment and right of use assets in the others segment as follows:

	Plant and equipment RM	Intangible assets RM
Agro	252,849	127,908

The impairment losses have been recognised in profit or loss under "Other operating expenses" line item in the Group's statement of comprehensive income for the reporting period ended 31 March 2024.

No impairment is required for the plant and equipment and right of use assets of DPS, GEG and PGI as the recoverable amounts of these assets are higher than their respective carrying amounts.

12.2 Key assumptions used in the value in use calculations

In the current reporting period

The recoverable amount of the plant and equipment of DPS is determined to be RM Nil as DPS is not expected to generate any positive operating cash flows.

In the previous reporting period

The recoverable amount of the plant and equipment of DPS is determined from value in use calculations using cash flows projections from financial budgets prepared by management covering a 2 year business plan and the following are the key assumptions:

- The discount rate used for the value in use calculation is based on the country's industry weighted average cost of capital specific to the business of DPS at the rate of 9.51%; and
- The value assigned to the key assumptions such as sales growth, fixed and variable costs are based on management's assessment of future trends of the business and its historical data.



NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2025

12. Plant and equipment (Cont'd)

12.2 Key assumptions used in the value in use calculations (Cont'd)

In the previous reporting period (Cont'd)

The recoverable amount of the plant and equipment of GEG is determined to be RM Nil as GEG is not expected to generate any positive operating cash flows.

The recoverable amount of the plant and equipment and intangible assets of Agro is determined to be RM Nil as Agro is not expected to generate any positive operating cash flows.

Management has considered and assessed reasonably possible changes of key assumptions and has not identified any instances that could cause the carrying amount of these plant and equipment, right of use assets and intangible assets to materially exceed their respective recoverable amounts

12.3 Key assumptions used in the fair value calculations

The recoverable amount of the plant and equipment and right of use assets of PGI is determined based on valuation of its estimated net selling price carried out by a firm of independent professional valuers using the cost approach of valuation. The depreciated replacement cost method in applying the cost approach considers the new cost of replacement of the plant and equipment and the accrued depreciation. New costs of replacement is calculated by assuming the costs of reconstruction of similar utilities and functions of the plant and equipment are estimated based on current market price of constructing the assets carried out as a turnkey contract and adjusted to reflect the impact on the value of physical, functional, technological, and economic obsolescence on value.

Management has considered and assessed reasonably possible changes of key assumptions and has not identified any instances that could cause the carrying amount of these plant and equipment and right of use assets to materially exceed their respective recoverable amounts.

12.4 Depreciation

Depreciation on plant and equipment is calculated on a straight line basis at the following annual rates based on their estimated useful lives:

Computers, equipment and software	20% to 30%
Furniture and fittings	10% to 30%
Office equipment	10% to 20%
Motor vehicles	20%
Renovation	20%
Equipment rental units	20%
Signboard	10%
Cabling and storage systems	10%
Data centre	15 years



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13. Right of use assets

Group	Office buildings RM	Equipment rental units RM	Motor vehicles RM	Total RM
Cost				
At 1 April 2023	7,216,626	1,334,919	298,000	8,849,545
Reclassification to plant and equipment	-	(679,676)	-	(679,676)
Transfer to inventories	-	(108,057)	-	(108,057)
Additions	2,169,183	-	-	2,169,183
Write offs	-	(7,818)	-	(7,818)
Lease modifications	28,703	-	-	28,703
Derecognition upon lease completion	(1,923,861)	-	-	(1,923,861)
At 31 March 2024	7,490,651	539,368	298,000	8,328,019
Reclassification to plant and equipment	-	(108,410)	-	(108,410)
Transfer to inventories	-	(430,958)	-	(430,958)
Disposals	-	-	(298,000)	(298,000)
Derecognition upon lease termination	(5,067,939)	-	-	(5,067,939)
Derecognition upon lease completion	(253,529)	-	-	(253,529)
At 31 March 2025	2,169,183	-	-	2,169,183
Accumulated depreciation				
At 1 April 2023	3,175,581	501,103	139,067	3,815,751
Reclassification to plant and equipment	-	(511,116)	-	(511,116)
Transfer to inventories	-	(69,415)	-	(69,415)
Charge for the year	1,259,232	186,358	59,600	1,505,190
Write offs	-	(4,324)	-	(4,324)
Derecognition upon lease completion	(1,917,587)	-	-	(1,917,587)
At 31 March 2024	2,517,226	102,606	198,667	2,818,499
Reclassification to plant and equipment	-	(80,971)	-	(80,971)
Transfer to inventories	-	(187,568)	-	(187,568)
Charge for the year	1,118,798	165,933	49,666	1,334,397
Disposals	-	-	(248,333)	(248,333)
Derecognition upon lease termination	(3,042,879)	-	-	(3,042,879)
Derecognition upon lease completion	(201,481)	-	-	(201,481)
At 31 March 2025	391,664	-	-	391,664



NOTES TO THE FINANCIAL STATEMENTS

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13. Right of use assets (Cont'd)

Group	Office buildings RM	Equipment rental units RM	Motor vehicles RM	Total RM
Accumulated Impairment losses				
At 1 April 2023	108,622	368,305	-	476,927
Reclassification to plant and equipment	-	(117,211)	-	(117,211)
Transfer to inventories	-	(20,617)	-	(20,617)
Derecognition upon lease completion	(6,428)	-	-	(6,428)
Write offs	-	(1,672)	-	(1,672)
At 31 March 2024	102,194	228,805	-	330,999
Reclassification to plant and equipment	-	(16,244)	-	(16,244)
Transfer to inventories	-	(212,561)	-	(212,561)
Derecognition upon lease termination	(50,146)	-	-	(50,146)
Derecognition upon lease completion	(52,048)	-	-	(52,048)
At 31 March 2025	-	-	-	-
Carrying amount				
At 31 March 2025	1,777,519	-	-	1,777,519
At 31 March 2024	4,871,231	207,957	99,333	5,178,521
Company		Motor vehicles RM	Office buildings RM	Total RM
Cost				
At 1 April 2023/31 March 2024		298,000	4,789,771	5,087,771
Disposals		(298,000)	-	(298,000)
Derecognition upon lease termination		-	(4,789,771)	(4,789,771)
At 31 March 2025		-	-	-
Accumulated depreciation				
At 1 April 2023		139,067	1,263,975	1,403,042
Charge for the year		59,600	798,300	857,900
At 31 March 2024		198,667	2,062,275	2,260,942
Charge for the year		49,666	798,300	847,966
Disposals		(248,333)	-	(248,333)
Derecognition upon lease termination		-	(2,860,575)	(2,860,575)
At 31 March 2025		-	-	-
Carrying amount				
At 31 March 2025		-	-	-
At 31 March 2024		99,333	2,727,496	2,826,829



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13. Right of use assets (Cont'd)

The information relating to the impairment review for right of use assets is disclosed in Notes 12.1, 12.2 and 12.3.

13.1 Depreciation

The right of use assets are depreciated on a straight line basis over the shorter of the lease term and the estimated useful life as follows:

Office buildings	2 - 6 years
Equipment rental units	3 - 5 years
Motor vehicles	4 years

14. Investment properties

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Freehold buildings, at fair value				
At beginning of year	18,200,000	18,200,000	9,000,000	9,000,000
Additions	6,754,550	-	6,754,550	-
Fair value changes	1,000,000	-	-	-
At end of year	25,954,550	18,200,000	15,754,550	9,000,000

At the reporting date, the title deeds of the freehold buildings have yet to be transferred to the Group by the developer.

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

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Rental income	663,344	835,490	213,944	435,240
Liquidated and ascertained damages income	-	154,191	-	-
Direct operating expenses				
- income generating investment properties	(306,631)	(256,423)	(222,476)	(172,887)

Details of valuation techniques and inputs are disclosed in Note 36.3.



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14. Investment properties (Cont'd)

Cash payments made to purchase investment properties are as follows:

	Group and Company	
	2025	2024
	RM	RM
Total additions	6,754,550	-
Contra payment against outstanding other receivables		
- performance bond	(6,000,000)	-
- other receivables	(754,550)	-
Total cash payments	-	-

15. Intangible assets

	Website development expenditure RM	Software development expenditure RM	Telemedicine portal development costs in progress RM	Total RM
Group Cost				
At 1 April 2023	93,778	127,908	-	221,686
Additions	-	-	7,000,000	7,000,000
Write offs	(93,778)	-	-	(93,778)
At 31 March 2024/31 March 2025	-	127,908	7,000,000	7,127,908
Accumulated impairment loss				
At 1 April 2023	-	-	-	-
Impairment loss for the year	-	127,908	-	127,908
At 31 March 2024/31 March 2025	-	127,908	-	127,908
Carrying amount				
At 31 March 2025	-	-	7,000,000	7,000,000
At 31 March 2024	-	-	7,000,000	7,000,000

Cash payments made to purchase intangible assets are as follows:

	2025	Group	2024
	RM		RM
Total additions	-		7,000,000
Repayment to other payables	1,000,000		-
Additions through other payables	-		(3,000,000)
Total cash payments	1,000,000		4,000,000



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15. Intangible assets (Cont'd)

15.1 Depreciation

No amortisation is provided on website development expenditure, software development expenditure and telemedicine portal development cost in progress. Amortisation is recognised in profit or loss on a straight line basis over the estimated useful lives of the intangible assets from the date that they are available for use as follows:

Website development expenditure	5 years
Software development expenditure	5 years
Telemedicine portal development costs in progress	10 years

15.2 Impairment review

The information relating to the impairment review for software development expenditure is disclosed in Notes 12.1 and 12.2.

Capitalised telemedicine portal development costs in progress that are not ready for use, are not subject to amortisation and are tested annually for impairment. The recoverable amount of the development costs is based on its value in use.

No impairment is required for the development costs in progress as the recoverable amount of this development costs is higher than its carrying amount.

15.3 Key assumptions used in the value in use calculations

The recoverable amount of the telemedicine portal development costs in progress is determined from value in use calculations using cash flows projections from financial budgets prepared by management covering a 10-year business plan and the following are the key assumptions:

- The discount rate used for the value in use calculation is based on the country's industry weighted average cost of capital specific to the business at the rate of 15.00% (2024:17.83%); and
- The value assigned to the key assumptions such as sales growth, fixed and variable costs are based on management's assessment of future trends of the business.

Management has considered and assessed reasonably possible changes of key assumptions and has not identified any instances that could cause the carrying amount of the telemedicine portal development costs in progress to materially exceed its recoverable amounts.



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16. Investment in subsidiaries

	Company	
	2025 RM	2024 RM
Unquoted shares at cost		
At beginning of year	30,216,364	30,874,754
Acquisition of additional shares in a subsidiary	-	102,020
Disposal of a subsidiary	(1,000,000)	(760,410)
At end of year	29,216,364	30,216,364
Accumulated impairment losses		
At beginning of year	28,364,341	24,474,736
Disposal of a subsidiary	-	(760,408)
Impairment loss no longer required	-	(999,999)
Impairment loss during the year	750,000	5,650,012
At end of year	29,114,341	28,364,341
Carrying amount	102,023	1,852,023

The details of the subsidiaries are as follows:

	Country of incorporation	Group's effective and voting interest		Principal activities
		2025	2024	
Subsidiaries of the Company		%	%	
Progenet Innovations Sdn Bhd ("PGI")	Malaysia	100	100	Provide cloud data center services to business entities and individuals
Digital Paper Solutions Sdn Bhd ("DPS")	Malaysia	51	51	Trading and rental of office equipment
Design Dept Sdn Bhd ("DDSB")	Malaysia	-	100	Engaged in the business of general builders, contractors, renovations, project management and its related field
GE Green Sdn Bhd	Malaysia	100	100	Trading of kitchen wares and related products
Pacifica KAG Sdn Bhd	Malaysia	100	100	Dormant
Agrocloud Sdn Bhd ("Agro")	Malaysia	70	90	Providing solutions and services related to mobile app for building management systems and information technology system security



NOTES TO THE FINANCIAL STATEMENTS

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16. Investment in subsidiaries (Cont'd)

The details of the subsidiaries are as follows: (Cont'd)

	Country of incorporation	Group's effective and voting interest		Principal activities
		2025	2024	
Subsidiaries of the Company		%	%	
Corporate One Training Academy Sdn Bhd	Malaysia	100	100	Provision of business and operational support systems and services, software development and business process outsourcing
Ebizmedic Sdn Bhd ("EBIZ")	Malaysia	100	100	One stop business to business medical products and services supplier platform over the internet
Subsidiary of PGI Progenet Sdn Bhd	Malaysia	100	100	Engaged in the business of computer networking and system consultants including the supply of equipment and cabling

16.1 Acquisition and subscription of shares in a subsidiaries

During the reporting period, Agro increased its issued and paid up share capital from RM1,051,000 to RM1,074,160 by way of issuance and allotment of 571 new ordinary shares to the non controlling interest to settle the amount due to the non controlling interest of RM23,160. As a result of the allotment, the equity interest of the Company in Agro is diluted from 90% to 70%.

In the previous reporting period, the Company acquired 100% equity interest in EBIZ for a cash consideration of RM102,020. Upon the completion of the acquisition, EBIZ became a wholly owned subsidiary of the Company.

16.2 Disposal of shares in a subsidiary

In the current reporting period

The Company disposed of its entire shareholding of 1,000,000 ordinary shares representing 100% shareholding in DDSB for a cash consideration of RM100,000. As a result of the disposal, DDSB ceased to be a subsidiary of the Company.



NOTES TO THE FINANCIAL STATEMENTS

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16.2 Disposal of shares in a subsidiary (Cont'd)

The disposal of DDSB had the following financial effects on the Group's financial statements:

	2025 RM
Plant and equipment	38,760
Inventories	270,390
Trade receivables	1,916,754
Other receivables, deposits and prepayments	7,410,355
Contract costs	6,300,794
Tax recoverable	275,387
Fixed deposit with a licensed bank	2,052,764
Cash and bank balances	101,957
Trade payables	(2,739,301)
Other payables and accruals	(6,177,047)
Contract liabilities	(6,889,873)
Borrowings (bank overdrafts)	(1,847,667)
Net assets disposed of	713,273
Less: Cash consideration received	(100,000)
Loss on disposal of a subsidiary (included in "Other operating expense" line item in profit or loss)	613,273
Cash consideration received	100,000
Less: Cash and cash equivalents disposed of	(307,054)
Net cash outflow on disposal of subsidiary	(207,054)

The subsidiary had also contributed the following results to the Group prior to being disposed of:

	2025 RM
Revenue	762,859
Net loss	(859,009)

In the previous reporting period

The Company disposed of its entire shareholding of 1,000,000 ordinary shares representing 100% shareholding in Key Alliance Sdn Bhd ("KASB") for a cash consideration of RM100,000. As a result of the disposal, KASB ceased to be a subsidiary of the Company.



NOTES TO THE FINANCIAL STATEMENTS

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16. Investment in subsidiaries (Cont'd)

16.2 Disposal of shares in a subsidiary (Cont'd)

The disposal of KASB had the following financial effects on the Group's financial statements:

	2024 RM
Plant and equipment	7,225
Trade receivables	1,855,088
Other receivables, deposits and prepayments	84,853
Trade payables	(1,804,287)
Other payables and accruals	(6,179,268)
Net liabilities disposed of	(6,036,389)
Less: Cash consideration received	(100,000)
Gain on disposal of a subsidiary (included in "Other operating income" line item in profit or loss)	(6,136,389)
Cash consideration received	100,000
Less: Cash and cash equivalents disposed of	-
Net cash inflow on disposal of subsidiary	100,000

The subsidiary had also contributed the following results to the Group prior to being disposed of:

	2025 RM
Revenue	3,264,825
Net profit	8,068,175

16.3 Impairment of investment in subsidiaries

In the current reporting period

The directors performed an impairment test on the investment in PGI as PGI had been persistently making losses. An impairment loss of RM750,000 was recognised to write down the carrying amount of investment in PGI to its recoverable amount of RM Nil. The recoverable amount has been determined based on the net assets of PGI.

The amount of impairment loss has been recognised under "Other operating expenses" line item.

In the previous reporting period

The directors performed an impairment test on the investment in PGI and Agro as these subsidiaries had been persistently making losses. An impairment loss of RM4,650,000 and RM1,000,012 was recognised to write down the carrying amount of investment in PGI and Agro to its recoverable amount of RM750,000 and RM Nil respectively. The recoverable amount has been determined based on the adjusted net assets of the respective subsidiaries.

Reversal of impairment loss on the investment in DDSB of RM999,999 was recognised to write back the investment in this subsidiary to its recoverable amount, determined based on its net assets.

The amount of impairment loss has been recognised under "Other operating expenses" line item.

The amount of reversal of impairment loss has been included in the profit or loss under "Other operating income" line item.



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16. Investment in subsidiaries (Cont'd)

16.4 Interest in subsidiary with material non controlling interests ("NCI")

The Group has the following subsidiary with NCI that is material to the Group.

Name of subsidiary	Principal place of business	Proportion of ownership interest held by NCI		Net loss allocated to NCI during the reporting period		Accumulated NCI at the end of reporting period	
		2025	2024	2025	2024	2025	2024
		%	%	RM	RM	RM	RM
DPS	Malaysia	49	49	(717,002)	(349,594)	(4,609,890)	(3,892,888)

Summarised financial information about subsidiary with material NCI

(i) Summarised statement of financial position

	2025 RM	2024 RM
Non current assets	-	412,973
Current assets	5,059,201	5,586,267
Total assets	5,059,201	5,999,240
Current liabilities	14,467,139	13,943,909
Total liabilities	14,467,139	13,943,909
Net liabilities	(9,407,938)	(7,944,669)
Non-controlling interests share of net liabilities	(4,609,890)	(3,892,888)

(ii) Summarised statement of comprehensive income

	2025 RM	2024 RM
Revenue	2,985,958	3,384,240
Loss before tax	(1,463,269)	(713,457)
Net loss	(1,463,269)	(713,457)
Total comprehensive loss	(1,463,269)	(713,457)

(iii) Other summarised information

	2025 RM	2024 RM
Cash flows from operating activities	234,070	733,369
Cash flows used in investing activities	(27,600)	(38,329)
Cash flows used in financing activities	(248,138)	(779,137)
Net decrease in cash and cash equivalents	(41,668)	(84,097)



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17. Investment in associates

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cost				
At beginning of year	11,071,798	10,000,300	11,071,798	10,000,300
Additions	-	633,333	-	633,333
Reclassification from other financial assets (Note 18)	-	438,165	-	438,165
At end of year	11,071,798	11,071,798	11,071,798	11,071,798
Accumulated impairment loss				
At beginning/end of year	-	-	(300)	(300)
	11,071,798	11,071,798	11,071,498	11,071,498
Share in post acquisition profit of associates	80,113	285,167	-	-
Carrying amount	11,151,911	11,356,965	11,071,498	11,071,498

The details of the associates are as follows:

	Country of incorporation	Group's effective and voting interests		Principal activities
		2025	2024	
Name of company		%	%	
DVM AllSportz Asia Sdn Bhd	Malaysia	30	30	Streaming of audio and video on sports news
Tree Med Sdn Bhd ("Tree Med")	Malaysia	30	30	Distributor and commission agent in the sale of medical equipment, reagents and consumables
Modern Falcon Sdn Bhd	Malaysia	50	50	Investment holding

The financial statements of the associates are not audited by Russell Bedford LC PLT.

In the previous reporting period, the Company acquired 400,000 ordinary shares representing 40% equity interest in Modern Falcon Sdn Bhd ("MFSB") for a cash consideration of RM633,333. As a result of the acquisition, the equity interest in MFSB increased from 10% to 50% and MFSB became an associate of the Company.



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17. Investment in associates (Cont'd)

The summarised financial information of the major associate is as follows:

	Tree Med 2025 RM	Tree Med 2024 RM
Assets and liabilities		
Non current assets	6,538,449	6,531,993
Current assets	25,161,749	27,272,908
Total assets	31,700,198	33,804,901
Non current liabilities	5,122,449	5,136,824
Current liabilities	19,272,100	20,678,909
Total liabilities	24,394,549	25,815,733
Net assets	7,305,649	7,989,168
Results		
Revenue	77,698,271	83,131,648
Net (loss)/profit/Total comprehensive (loss)/income for the year	(683,519)	1,075,894

Reconciliation of the summarised financial information presented to the carrying amount of the interest in associates are as follows:

	Group 2025 RM	2024 RM
Group's share of net assets	2,347,612	2,552,666
Goodwill on acquisition	8,804,299	8,804,299
Carrying amount	11,151,911	11,356,965



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18. Other financial assets

Group	Unquoted ordinary shares RM	Unquoted redeemable preference shares RM	Quoted shares RM	Quoted irredeemable convertible preference shares RM	Quoted warrants RM	Unquoted mutual funds RM	Total RM
At fair value							
At 1 April 2023	688,165	63,862	20,956,992	788,849	652,313	201,727	23,351,908
Additions	-	-	16,310,450	-	-	5,267	16,315,717
Disposals	-	-	(2,198,000)	-	-	-	(2,198,000)
Reclassification to investment in associates (Note 17)	(438,165)	-	-	-	-	-	(438,165)
Changes in fair value	-	-	(14,508,536)	-	2,809,479	-	(11,699,057)
At 31 March 2024	250,000	63,862	20,560,906	788,849	3,461,792	206,994	25,332,403
Additions	-	-	-	-	-	2,020	2,020
Disposals	-	-	-	-	-	(201,671)	(201,671)
Changes in fair value	-	-	(1,527,661)	(543,430)	(2,581,717)	-	(4,652,808)
At 31 March 2025	250,000	63,862	19,033,245	245,419	880,075	7,343	20,479,944
Accumulated impairment losses							
At 1 April 2023/31 March 2024/31 March 2025	249,998	-	-	-	-	-	249,998
Carrying amount							
At 31 March 2025	2	63,862	19,033,245	245,419	880,075	7,343	20,229,946
At 31 March 2024	2	63,862	20,560,906	788,849	3,461,792	206,994	25,082,405



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18. Other financial assets (Cont'd)

Company	Unquoted ordinary shares RM	Unquoted redeemable preference shares RM	Quoted shares RM	Quoted irredeemable convertible preference shares RM	Quoted warrants RM	Unquoted mutual funds RM	Total RM
At fair value							
At 1 April 2023	688,165	63,862	20,956,992	788,849	652,313	6,903	23,157,084
Additions	-	-	16,310,450	-	-	217	16,310,667
Disposals	-	-	(2,198,000)	-	-	-	(2,198,000)
Reclassification to investment in associates (Note 17)	(438,165)	-	-	-	-	-	(438,165)
Changes in fair value	-	-	(14,508,536)	-	2,809,479	-	(11,699,057)
At 31 March 2024	250,000	63,862	20,560,906	788,849	3,461,792	7,120	25,132,529
Additions	-	-	-	-	-	-	223,223
Changes in fair value	-	-	(1,527,661)	(543,430)	(2,581,717)	-	(4,652,808)
At 31 March 2025	250,000	63,862	19,033,24	245,419	880,075	7,343	20,479,944
Accumulated impairment losses							
At 1 April 2023/31 March 2024/31 March 2025	249,998	-	-	-	-	-	249,998
Carrying amount							
At 31 March 2025	2	63,862	19,033,245	245,419	880,075	7,343	20,229,946
At 31 March 2024	2	63,862	20,560,906	788,849	3,461,792	7,120	24,882,531



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19. Goodwill

	Group	
	2025 RM	2024 RM
Cost		
At beginning/end of year	10,597,004	10,597,004
Accumulated impairment losses		
At beginning/end of year	10,597,004	10,597,004
Carrying amount	-	-

20. Deferred tax assets/(liabilities)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At beginning of year	(496,793)	(496,793)	(496,793)	(496,793)
Recognised in profit or loss (Note 9)	(100,000)	-	-	-
At end of year	(596,793)	(496,793)	(496,793)	(496,793)
Gross:				
Deferred tax assets	2,748,700	2,374,700	4,800	4,800
Deferred tax liabilities	(3,345,493)	(2,871,493)	(501,593)	(501,593)
	(596,793)	(496,793)	(496,793)	(496,793)
Presented after appropriate offsetting as follows:				
Deferred tax assets	-	-	-	-
Deferred tax liabilities	(596,793)	(496,793)	(496,793)	(496,793)
Tax effects of:				
Fair value of investment properties	(596,793)	(496,793)	(496,793)	(496,793)
Differences between tax capital allowances and accounting depreciation	(2,748,700)	(2,374,700)	(4,800)	(4,800)
	(3,345,493)	(2,871,493)	(501,593)	(501,593)



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

Deferred tax assets of the Group are in respect of the following:

	Gross		Tax effect	
	2025 RM	2024 RM	2025 RM	2024 RM
Unutilised tax losses to be utilised up to year ending				
- 31 March 2028	6,666,800	6,666,800	1,600,000	1,600,000
- 31 March 2029	1,382,500	1,382,500	332,000	332,000
- 31 March 2030	2,744,300	2,744,300	658,700	658,700
- 31 March 2031	7,501,200	7,501,200	1,800,200	1,800,200
- 31 March 2032	3,314,600	3,314,600	795,900	795,900
- 31 March 2033	3,251,600	3,251,600	780,300	780,300
- 31 March 2034	2,735,600	2,783,700	656,800	668,200
- 31 March 2035	4,531,900	-	1,086,700	-
Unabsorbed capital allowances	20,903,200	16,769,400	5,015,600	4,024,900
Differences between accounting depreciation and tax capital allowance	641,200	796,300	153,800	191,000
Differences between accounting depreciation and finance lease payments	73,000	267,500	18,000	64,100
Other deductible temporary differences	603,000	475,000	145,000	114,000
	54,348,900	45,952,900	13,043,000	11,029,300
Less: Deferred tax assets recognised	(11,452,600)	(9,896,000)	(2,748,700)	(2,374,700)
Deferred tax assets not recognised	42,896,300	36,056,900	10,294,300	8,654,600

Deferred tax assets of the Company are in respect of the following:

	Gross		Tax effect	
	2025 RM	2024 RM	2025 RM	2024 RM
Unutilised tax losses to be utilised up to year ending				
- 31 March 2028	342,000	342,000	82,100	82,100
- 31 March 2029	633,000	633,000	151,900	151,900
- 31 March 2030	778,000	778,000	186,700	186,700
- 31 March 2031	983,000	983,000	235,900	235,900
- 31 March 2032	1,139,000	1,139,000	273,400	273,400
- 31 March 2033	1,174,000	1,174,000	281,800	281,800
- 31 March 2034	1,239,000	1,165,000	297,400	279,600
- 31 March 2035	1,997,000	-	479,300	-
Unabsorbed capital allowances	76,000	78,000	18,200	18,700
Differences between accounting depreciation and finance lease payments	-	278,000	-	66,700
	8,361,000	6,570,000	2,006,700	1,576,800
Less: Deferred tax assets recognised	(20,000)	(20,000)	(4,800)	(4,800)
Deferred tax assets not recognised	8,341,000	6,550,000	2,001,900	1,572,000

Portion of the deferred tax assets has not been recognised as it is not probable that taxable profit will be available in the foreseeable future to utilise these tax benefits.



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21. Inventories

	Group	
	2025 RM	2024 RM
Trading merchandise, at costs	-	1,281,100
Amount of inventories recognised as expenses	2,677,024	2,593,162

22. Trade receivables

	Group	
	2025 RM	2024 RM
Third parties	2,867,109	6,837,202
Amount due from corporate shareholder of a subsidiary	3,734,854	3,731,496
	6,601,963	10,568,698
Less: Allowance for expected credit losses	(950,914)	(1,003,484)
	5,651,049	9,565,214

The Group's normal trade credit terms range from 30 to 90 days (2024: 30 to 90 days). Other credit terms are assessed and approved on a case by case basis. Trade receivables are not secured by any collateral or credit enhancements.

The movements in the allowance for expected credit losses of trade receivables during the reporting period are as follows:

	Group	
	2025 RM	2024 RM
At beginning of year	1,003,484	2,757,176
Additions	256,122	314,031
Write offs	-	(7,828)
Disposal of a subsidiary	(265,537)	-
Reversals	(43,155)	(2,059,895)
At end of year	950,914	1,003,484



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22. Trade receivables (Cont'd)

The following table provides information on the trade receivables' credit risk exposure.

2025		Trade receivables - days past due				
Group	Not past due RM	<30 days RM	31-60 days RM	61-90 days RM	>90 days RM	Total RM
Impairment assessed through provision matrix						
Gross carrying amount	1,111,024	424,526	156,845	22,276	434,882	2,149,553
Less: Allowance for expected credit losses	(30,500)	(24,815)	(19,558)	(13,087)	(341,119)	(429,079)
	1,080,524	399,711	137,287	9,189	93,763	1,720,474
Impairment assessed individually						
Gross carrying amount	352	292	347	326	4,451,093	4,452,410
Less: Allowance for expected credit losses	-	-	-	-	(521,835)	(521,835)
	352	292	347	326	3,929,258	3,930,575
	1,080,876	400,003	137,634	9,515	4,023,021	5,651,049
2024		Trade receivables - days past due				
Group	Not past due RM	<30 days RM	31-60 days RM	61-90 days RM	>90 days RM	Total RM
Impairment assessed through provision matrix						
Gross carrying amount	1,069,647	186,398	65,615	46,258	386,916	1,754,834
Less: Allowance for expected credit losses	(12,716)	(8,821)	(5,324)	(38,727)	(186,465)	(252,053)
	1,056,931	177,577	60,291	7,531	200,451	1,502,781
Impairment assessed individually						
Gross carrying amount	1,510,956	198,368	2,126	15,822	7,086,592	8,813,864
Less: Allowance for expected credit losses	-	-	-	-	(751,431)	(751,431)
	1,510,956	198,368	2,126	15,822	6,335,161	8,062,433
	2,567,887	375,945	62,417	23,353	6,535,612	9,565,214



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23. Other receivables, deposits and prepayments

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest bearing advances due from a subsidiary at 8% (2024: 8%) per annum	-	-	6,150,408	5,679,050
Less: Allowance for expected credit losses	-	-	(6,150,408)	(5,101,781)
	-	-	-	577,269
Interest free advances due from subsidiaries	-	-	62,178,904	61,110,869
Less: Allowance for expected credit losses	-	-	(19,506,099)	(10,644,470)
	-	-	42,672,805	50,466,399
Interest free advances due from associates	819,916	1,159,116	813,946	1,153,146
Less: Allowance for expected credit losses	(15,893)	(15,893)	(9,923)	(9,923)
	804,023	1,143,223	804,023	1,143,223
Other receivables	13,115,358	14,257,809	12,880,978	13,998,928
Less: Allowance for expected credit losses	(13,012,494)	(13,372,494)	(12,875,948)	(13,235,948)
	102,864	885,315	5,030	762,980
Deposits	727,517	753,424	461,489	456,769
Prepayments	376,720	1,698,767	294,892	481,626
Performance bond	-	6,000,000	-	6,000,000
Advance billings	227,212	454,642	-	-
	2,238,336	10,935,371	44,238,239	59,888,266
Less: non-current portion	-	-	-	-
Interest free advances due from subsidiaries	-	-	(12,177,290)	(7,076,722)
Advanced billings	(17,515)	(35,779)	-	-
	(17,515)	(35,779)	(12,177,290)	(7,076,722)
	2,220,821	10,899,592	32,060,949	52,811,544



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23. Other receivables, deposits and prepayments (Cont'd)

At the reporting date, amount due from subsidiaries of RM12,177,290 (2024: RM7,076,722) has been presented under non current assets as these advances are not expected to be realised within 12 months after the reporting date in accordance with FRSIC Consensus 31 - Classification of Amount Due from Subsidiaries and Amount Due to Holding Company that is Repayable on Demand issued by The Malaysian Institute of Accountants.

The amounts due from subsidiaries and associates represent unsecured advances receivable on demand.

The movements in the allowance for expected credit losses of other receivables during the reporting period are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At beginning of year	13,388,387	6,267,705	28,992,122	19,846,619
Additions	-	7,417,171	9,918,204	9,436,074
Write offs	-	(115,266)	(7,948)	(60,654)
Arising from a disposal of a subsidiary	-	5,818,777	-	-
Reversals	(360,000)	(6,000,000)	(360,000)	(229,917)
At end of year	13,028,387	13,388,387	38,542,378	28,992,122

24. Contract costs

Contract costs incurred for contracted works that has yet to be completed are capitalised as cost to fulfil contracts. These costs are expected to be recoverable and are amortised to profit or loss when the related revenue is recognised.

	Group	
	2025 RM	2024 RM
Contract costs amortised to profit or loss	510,880	23,917,107

25. Fixed deposits with licensed banks

Fixed deposits of the Group and the Company amounting to RM2,878,927 (2024: RM4,774,523) and RM2,826,875 (2024: RM2,764,267) respectively have been pledged with licensed banks to secure the banking facilities of the subsidiaries.



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26. Share capital

	2025 No. of ordinary shares	Group and Company 2024 No. of ordinary shares	2025 RM	2024 RM
Issued and fully paid:				
At beginning of year	3,678,221,440	3,678,171,440	193,399,478	193,395,978
Shares consolidation	(3,555,619,075)	-	-	-
Issue of shares pursuant to exercise of Warrants C	-	50,000	-	3,500
At end of year	122,602,365	3,678,221,440	193,399,478	193,399,478

The Company had on 6 March 2025 completed the share consolidation of every thirty (30) existing ordinary shares in the Company into one (1) ordinary share resulting in the reduction in the number of ordinary shares from 3,678,221,440 ordinary shares to 122,602,365 ordinary shares.

In the previous reporting period, the issued and paid up capital of the Company was increased by way of the exercise of 50,000 Warrants C by the holders to subscribe for 50,000 new ordinary shares at an exercise price of RM0.05 per share for cash.

The new ordinary shares issued rank pari passu with the then existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

26.1 Warrants C

The Company had on 20 November 2020 issued 982,103,848 warrants in conjunction with its renounceable rights issue exercise. The warrants are constituted by a deed poll dated 7 October 2020 ("Deed Poll").

The salient features of the warrants are as follows:

- The issue date of the warrants is 20 November 2020 and the expiry date is on 19 November 2024. Any warrants not exercised at the expiry date will lapse and cease to be valid for any purpose;
- Each warrant entitles the registered holder the right to subscribe for one (1) new ordinary share in the Company at an exercise price of RM0.05 per ordinary share until the expiry of the exercise period;
- The exercise price and the number of warrants are subject to adjustment in the event of alteration to the share capital of the Company in accordance with the provisions in the Deed Poll;
- The warrant holders are not entitled to participate in any distribution and/or offer of further securities in the Company (except for the issue of new warrants pursuant to adjustment as mentioned in item (c) above), unless and until such warrant holders exercise their rights to subscribe for new ordinary shares; and
- The new ordinary shares to be issued upon exercise of the warrants, shall upon issuance and allotment, rank pari passu with the then existing ordinary shares, except that they will not be entitled to dividends, rights, allotments and/or other distributions, declared by the Company which entitlement thereof precedes the allotment date of the new ordinary shares allotted pursuant to the exercise of the warrants.



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26.1 Warrants C (Cont'd)

The movements in the Company's warrants in the previous reporting period are as follows:

	Entitlement for ordinary shares		
	Balance at 1.4.2023	Issuance Expired	Balance at 31.3.2024
Number of unexercised warrants	982,103,848	(50,000) (982,053,848)	-

27. Reserves

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Distributable:				
Accumulated losses	(105,363,333)	(91,190,299)	(109,132,495)	(90,901,309)

28. Lease liabilities

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Hire purchase	-	89,412	-	89,412
Other lease liabilities	2,072,606	5,448,087	-	3,005,706
	2,072,606	5,537,499	-	3,095,118
Less: Portion due within one year	(539,535)	(1,436,466)	-	(846,670)
Non current portion	1,533,071	4,101,033	-	2,248,448

The non current portion of the lease liabilities is payable as follows:

Later than 1 year and not later than 2 years	344,075	1,211,350	-	901,563
Later than 2 years and not later than 5 years	1,188,996	2,475,503	-	1,346,885
Later than 5 years	-	414,180	-	-
	1,533,071	4,101,033	-	2,248,448



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28. Lease liabilities (Cont'd)

28.1 Nature of leasing activities

The Group as a lessee

The Group makes annual lease payments for the right of use of equipment rental units, which is used in the Group's operations for the trading segment.

The Group also makes monthly lease payments for the right of use of motor vehicles and leases office buildings for use in operations. Rental contracts are typically ranging from 2 to 3 years but may have extension options.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

The Group and the Company as a lessor

The Group and the Company owns freehold buildings classified as investment properties, which are leased to external parties to earn rental income or for capital appreciation. These buildings of the Group and the Company are let to tenants under operating lease with rentals receivable monthly, and generally, for a lease term of 3 years.

The trading segment of the Group also leases its equipment rental units to its customers as part of its operations under operating lease with rental receivable monthly. These leases have terms of less than 1 year (2024: between less than 1 year and 5 years).

Future minimum rentals receivable under non-cancellable operating leases as at 31 March are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Within one year	484,135	288,400	53,912	-
Later than 1 year and not later than 2 years	116,000	90,800	-	-
Later than 2 years and not later than 5 years	20,000	-	-	-
	620,135	379,200	53,912	-

28.2 Weighted average effective interest rates

	Group		Company	
	2025 %	2024 %	2025 %	2024 %
Hire purchase	-	6.00	-	6.00
Other lease liabilities	8.08	8.08	-	8.05

28.3 Lease payments

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Total cash outflows	687,184	2,445,375	220,442	1,070,536



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29. Trade payables

	Group	
	2025 RM	2024 RM
Amount due to a corporate shareholder of a subsidiary	5,607,152	5,555,186
Accrued purchases	200,745	200,745
Third parties	2,093,449	7,022,960
	7,901,346	12,778,891

The normal credit terms granted to the Group range from 30 to 120 days (2024: 30 to 120 days). Other credit terms are granted on a case to case basis.

30. Other payables and accruals

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Amount due to subsidiaries – interest free advances	-	-	1,027,449	7,119,302
Amount due to a corporate shareholder of a subsidiary				
- advances bearing effective interest rate of 8%				
(2024: 8%) per annum	728,192	728,192	-	-
Accruals	201,830	991,592	168,016	217,196
Outstanding principal payable on lease liabilities	718,373	-	718,373	-
Interest payable on lease liabilities	288,909	-	170,409	-
Other payables	2,102,864	1,545,196	565,681	640,636
Amount payable to a former subsidiary	7,323,374	-	7,323,374	-
Balance payable for purchase of intangible assets	2,000,000	3,000,000	-	-
Refundable deposits received	312,735	6,439,861	32,668	108,810
	13,676,277	12,704,841	10,005,970	8,085,944

The amounts due to subsidiaries and corporate shareholder of a subsidiary are unsecured and repayable on demand.

31. Borrowings

	Group	
	2025 RM	2024 RM
Bank overdrafts	1,992,669	2,990,732

The effective interest rate is as follows:

	Group	
	2025 %	2024 %
Bank overdrafts	3.20	4.24

The borrowings of the Group are secured by way of:

- (i) Corporate guarantee by the Company and a subsidiary; and
- (ii) Fixed deposits as disclosed in Note 25.



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32. Significant related party disclosures

32.1 Related party transactions

Significant transactions with related parties are as follows:

Name of company	Type of transactions	Company	
		2025 RM	2024 RM
With subsidiaries:			
Key Alliance Sdn Bhd	Purchases - medical products	-	900
Design Dept Sdn Bhd	Management fee income	72,000	144,000
	Rental income	36,078	72,156
Progenet Innovations Sdn Bhd	Management fee income	180,000	180,000
	Rental income	62,400	62,400
	Subscription fee expenses	5,043	2,032
Digital Paper Solutions Sdn Bhd	Interest income	471,357	436,262
	Printing and stationery expenses	9,838	12,586
GE Green Sdn Bhd	Rental income	51,744	77,616

Name of company	Type of transactions	Group	
		2025 RM	2024 RM
With corporate shareholders of subsidiaries:			
Digital Paper Sdn Bhd	Sales	3,358	3,446
	Interest expense	47,966	48,097
Fortifoods Sdn Bhd	Graphic designer fee expense	-	75,000
	Management fee expense	-	90,000
	Consultancy fee expense	23,160	-
With an associate:			
Tree Med Sdn Bhd	Sales return- medical products	-	830,234



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32. Significant related party disclosures (Cont'd)

32.2 Related party balances

Individually significant outstanding balances arising from transactions other than normal trade transactions are as follows:

	Type of transactions	Group	
		2025 RM	2024 RM
Financial assets			
With associates:			
DVM AllSportz Asia Sdn Bhd	Advances	15,893	15,893
	Less: Allowance for ECL	(15,893)	(15,893)
		-	-
Tree Med Sdn Bhd	Advances	804,023	1,143,223
Financial liability			
With a corporate shareholder of a subsidiary			
Digital Paper Sdn Bhd	Advances	728,192	728,192

	Type of transactions	Company	
		2025 RM	2024 RM
Financial assets			
With subsidiaries:			
Digital Paper Solutions Sdn Bhd	Advances	6,150,408	5,679,050
	Less: Allowance for ECL	(6,150,408)	(5,101,781)
		-	577,269
GE Green Sdn Bhd	Advances	16,254,656	16,369,288
	Less: Allowance for ECL	(9,292,566)	(9,292,566)
		6,962,090	7,076,722
Pacifica KAG Sdn Bhd	Advances	-	7,948
	Less: Allowance for ECL	-	(7,948)
		-	-
Progenet Innovations Sdn Bhd	Advances	38,836,775	39,288,478
	Less: Allowance for ECL	(8,342,340)	-
		30,494,435	39,288,478
Ebizmedic Sdn Bhd	Advances	5,215,200	4,101,199
Agrocloud Sdn Bhd	Advances	1,871,193	1,343,956
	Less: Allowance for ECL	(1,871,193)	(1,343,956)
		-	-
Progenet Sdn Bhd	Advances	1,080	-
With associates:			
DVM AllSportz Asia Sdn Bhd	Advances	9,923	9,923
	Less: Allowance for ECL	(9,923)	(9,923)
		-	-
Tree Med Sdn Bhd	Advances	804,023	1,143,223
Financial liabilities			
With subsidiaries:			
Corporate One Training Academy Sdn Bhd	Advances	932,672	945,294
Digital Paper Solutions Sdn Bhd	Advances	94,777	84,940
Design Dept Sdn Bhd	Advances	-	6,089,068



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32.3 Compensation of key management personnel

The key management personnel comprises mainly directors of the Company whose remuneration is disclosed in Note 6.

33. Segmental information

For management purposes, the Group is organised into business units based on the nature of business and has four reportable operating segments as follows:

Business segment

Continuing operations

Data centre and cloud services

- Provision of cloud, data centre and co-location services and other IT support services

Trading

- Trading and rental of office equipment, trading of kitchen appliances, medical products and other related services

Others

- Investment and property holding and other businesses that do not fall into above segments

Discontinued operations

Construction and renovation

- Contractor for building constructions and provision of renovation works

All the above reportable segments operate in Malaysia.

Management monitors the operating results of its business units as well as relying on the segment information as disclosed below for the purpose of making decision about resources allocation and performance assessment.



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33. Segmental information (Cont'd)

33.1 Business segment

2025	Data centre and cloud services RM	Trading RM	Others RM	Total RM	Elimination RM	Continuing operations RM	Construction and renovation (Discontinued) RM	Total RM
Segment Revenue								
Revenue from external customers	6,213,773	3,174,099	533,600	9,921,472	-	9,921,472	762,859	10,684,331
Results								
Loss from operations before interest	(5,153,377)	(246,711)	(18,631,895)	(24,031,983)	10,305,725	(13,726,258)	(890,496)	(14,616,754)
Interest income	178	-	534,054	534,232	(471,357)	62,875	-	62,875
Loss from operations	(5,153,199)	(246,711)	(18,097,841)	(23,497,751)	9,834,368	(13,663,383)	(890,496)	(14,553,879)
Finance costs	(172,105)	(601,420)	(209,776)	(983,301)	495,712	(487,589)	(7,999)	(495,588)
Share in loss of associates	-	-	(205,054)	(205,054)	-	(205,054)	-	(205,054)
Loss before tax	(5,325,304)	(848,131)	(18,512,671)	(24,686,106)	10,330,080	(14,356,026)	(898,495)	(15,254,521)
Income tax expense	(56)	(100,000)	-	(100,056)	-	(100,056)	39,486	(60,570)
Net loss for the year	(5,325,360)	(948,131)	(18,512,671)	(24,786,162)	10,330,080	(14,456,082)	(859,009)	(15,315,091)
Non controlling interests	-	717,002	140,780	857,782	-	857,782	-	857,782
Net loss attributable to equity owners of the Company	(5,325,360)	(231,129)	(18,371,891)	(23,928,380)	10,330,080	(13,598,300)	(859,009)	(14,457,309)



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33. Segmental information (Cont'd)

33.1 Business segment (Cont'd)

2025	Data centre and cloud services RM	Trading RM	Others RM	Total RM	Elimination RM	Continuing operations RM	Construction and renovation (Discontinued) RM	Total RM
Segment assets	35,943,194	15,386,843	84,720,068	136,050,105	(36,858,800)	99,191,305	-	99,191,305
Associates	-	-	11,151,911	11,151,911	-	11,151,911	-	11,151,911
	35,943,194	15,386,843	95,871,979	147,202,016	(36,858,800)	110,343,216	-	110,343,216
Segment liabilities	44,115,427	33,532,110	11,624,430	89,271,967	(61,730,777)	27,541,190	-	27,541,190
Other information								
Bad debts written off	-	15,714	-	15,714	-	15,714	-	15,714
Capital expenditure on:								
- plant and equipment	116,767	27,600	-	144,367	-	144,367	5,499	149,866
- investment properties	-	-	6,754,550	6,754,550	-	6,754,550	-	6,754,550
Depreciation on:								
- plant and equipment	3,765,733	122,074	73,174	3,960,981	-	3,960,981	9,296	3,970,277
- right of use assets	450,897	144,547	869,517	1,464,961	(130,564)	1,334,397	-	1,334,397
Fair value loss on other financial assets	-	-	4,652,808	4,652,808	-	4,652,808	-	4,652,808
Fair value gain on investment properties	-	1,000,000	-	1,000,000	-	1,000,000	-	1,000,000
Impairment loss of:								
- investment in subsidiaries	-	-	750,000	750,000	(750,000)	-	-	-
- plant and equipment	-	98,386	-	98,386	-	98,386	-	98,386



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33. Segmental information (Cont'd)

33.1 Business segment (Cont'd)

2025	Data centre and cloud services RM	Trading RM	Others RM	Total RM	Elimination RM	Continuing operations RM	Construction and renovation (Discontinued) RM	Total RM
Other information (Cont'd)								
Plant and equipment written off	-	11,644	46,700	58,344	-	58,344	-	58,344
Unrealised gain on foreign exchange	-	(687)	-	(687)	-	(687)	-	(687)
Gain on derecognition of lease liabilities	(17,452)	(58,460)	(280,352)	(356,264)	39,662	(316,602)	-	(316,602)
Allowance for expected credit losses - net	27,510	185,457	9,030,966	9,243,933	(9,390,966)	(147,033)	-	(147,033)



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33. Segmental information (Cont'd)

33.1 Business segment (Cont'd)

2024	Data centre and cloud Services RM	Trading RM	Construction and renovation RM	Others RM	Total RM	Elimination RM	Continuing operation RM	Construction and renovation (Discontinued) RM	Total RM
Segment Revenue									
Revenue from external customers	8,280,783	3,323,023	-	-	11,603,806	-	11,603,806	22,277,377	33,881,183
Inter-segment revenue	367,446	214,325	-	324,000	905,771	(905,771)	-	-	-
	8,648,229	3,537,348	-	324,000	12,509,577	(905,771)	11,603,806	22,277,377	33,881,183
Results									
(Loss)/Profit from operations before interest	(3,058,032)	(272,478)	7,404,550	(21,137,649)	(17,063,609)	4,814,503	(12,249,106)	794,846	(11,454,260)
Interest income	234	-	-	572,454	572,688	(436,262)	136,426	5,830	142,256
(Loss)/Profit from operations	(3,057,798)	(272,478)	7,404,550	(20,565,195)	(16,490,921)	4,378,241	(12,112,680)	800,676	(11,312,004)
Finance costs	(54,733)	(628,193)	-	(273,904)	(956,830)	483,809	(473,021)	-	(473,021)
Share in profit of associates	-	-	-	322,768	322,768	-	322,768	-	322,768
(Loss)/Profit before tax	(3,112,531)	(900,671)	7,404,550	(20,516,331)	(17,124,983)	4,862,050	(12,262,933)	800,676	(11,462,257)
Income tax expense	(374)	-	-	(6,200)	(6,574)	-	(6,574)	(202,344)	(208,918)
Net (loss)/profit for the year	(3,112,905)	(900,671)	7,404,550	(20,522,531)	(17,131,557)	4,862,050	(12,269,507)	598,332	(11,671,175)
Non controlling interests	-	349,594	-	104,961	454,555	-	454,555	-	454,555
Net (loss)/profit attributable to equity owners of the Company	(3,112,905)	(551,077)	7,404,550	(20,417,570)	(16,677,002)	4,862,050	(11,814,952)	598,332	(11,216,620)



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33. Segmental information (Cont'd)

33.1 Business segment (Cont'd)

2024	Data centre and cloud Services RM	Trading RM	Construction renovation and RM	Others RM	Total RM	Elimination RM	Continuing operation RM	Construction renovation and (Discontinued) RM	Total RM
Segment assets	42,503,117	16,051,342	-	-	173,992,678	(65,902,227)	108,090,451	21,909,400	129,999,851
Associates	-	-	-	11,356,965	11,356,965	-	11,356,965	-	11,356,965
	42,503,117	16,051,342	-	126,795,184	185,349,643	(65,902,227)	119,447,416	21,909,400	141,356,816
Segment liabilities	45,350,011	33,248,478	-	13,955,020	92,553,509	(69,627,768)	22,925,741	20,337,118	43,262,859
Other information									
Bad debts written off	-	28,953	-	-	28,953	-	28,953	-	28,953
Capital expenditure on:									
- plant and equipment	57,367	38,329	-	45,867	141,563	-	141,563	8,046	149,609
- Right of use assets	2,169,183	-	-	-	2,169,183	-	2,169,183	-	2,169,183
- Intangible assets	-	-	-	7,000,000	7,000,000	-	7,000,000	-	7,000,000
Depreciation on:									
- plant and equipment	3,924,695	122,856	-	334,612	4,382,163	-	4,382,163	17,099	4,399,262
- right of use assets	584,031	304,525	-	886,747	1,775,303	(327,569)	1,447,734	57,456	1,505,190
Fair value loss on other financial assets	-	-	-	11,699,057	11,699,057	-	11,699,057	-	11,699,057
Impairment loss of investment in subsidiaries no longer required	-	-	-	(999,999)	(999,999)	999,999	-	-	-



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33. Segmental information (Cont'd)

33.1 Business segment (Cont'd)

2024	Data centre and cloud Services RM	Trading RM	Construction and renovation RM	Others RM	Total RM	Elimination RM	Continuing operations RM	Construction and renovation (Discontinued) RM	Total RM
Other information (Cont'd)									
Impairment loss									
of:									
- investment in subsidiaries	-	-	-	4,650,000	4,650,000	(4,650,000)	-	-	-
- plant and equipment	-	-	-	252,849	252,849	-	252,849	-	252,849
- right of use assets	-	-	-	127,908	127,908	-	127,908	-	127,908
Plant and equipment written off	11,840	-	-	8,406	20,246	-	20,246	-	20,246
Intangible assets written off	-	-	-	93,778	93,778	-	93,778	-	93,778
Inventories written off	-	19,611	-	-	19,611	-	19,611	-	19,611
Right of use asset written off	-	1,822	-	-	1,822	-	1,822	-	1,822
Unrealised loss on foreign exchange	-	804	-	-	804	-	804	-	804
Gain on lease modification	-	(1,634)	-	(163)	(1,797)	-	(1,797)	-	(1,797)
Allowance for expected credit losses - net	33,227	(593,575)	(7,404,550)	7,862,201	(102,697)	(445,030)	(547,727)	219,034	(328,693)



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33. Segmental information (Cont'd)

33.2 Customers segment information

In the current reporting period, there is no revenue from transactions with major customers that individually accounted for 10 percent or more of the Group's revenue.

In the previous reporting period, revenue from transactions with major customers that individually accounted for 10 percent or more of the Group's revenue are summarised below:

	Segment	2024 RM
Customer A	Construction and renovation	7,970,650
Customer B	Construction and renovation	3,888,362

34. Financial instruments and financial risks management

34.1 Categories of financial instruments

The following table sets out the financial instruments as at the reporting date:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial assets				
Fair value through profit or loss				
- other financial assets	20,229,946	25,082,405	20,229,946	24,882,531
Amortised cost				
- trade and other receivables	7,285,453	18,347,176	43,943,347	59,406,640
- fixed deposits with licensed banks	2,878,927	4,944,450	2,826,875	2,764,267
- cash and bank balances	1,697,877	5,223,754	462,888	1,701,847
	32,092,203	53,597,785	67,463,056	88,755,285
Financial liabilities				
Amortised cost				
- trade and other payables				
- non interest bearing	20,849,431	24,755,540	10,005,970	8,085,944
- interest bearing (fixed rate)	728,192	728,192	-	-
- lease liabilities (fixed rate)	2,072,606	5,537,499	-	3,095,118
- bank overdrafts	1,992,669	2,990,732	-	-
	25,642,898	34,011,963	10,005,970	11,181,062



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34. Financial instruments and financial risks management (Cont'd)

34.2 Financial risk management objectives and policies

The Group's overall financial risk management programme seeks to minimise potential adverse effects on financial performance of the Group.

The Group does not hold or issue derivative financial instruments for speculative purposes.

There has been no change in the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

Credit risk management

The Group's credit risk is primarily attributable to its trade and other receivables and cash and bank balances. The Group minimises credit risk by dealing exclusively with high credit worthy counterparties. At reporting date, there were no significant concentrations of credit risk other than as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Amount due from one subsidiary (2024: one)	-	-	30,494,435	39,288,478

The Group's credit risk grading framework for expected credit losses ("ECL") model is as follows:

Category	Definition	Basis for recognition of ECL
Performing	The debtor has a low risk of default and a strong capacity to meet contractual cash flows.	12-month ECL
Doubtful	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit impaired
Default	Amount is > 90 days past due or there is evidence indicating the asset is credit impaired.	Lifetime ECL - credit impaired
Write off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

i) Trade receivables

For trade receivables, the Group has applied the simplified approach to measure the loss allowance at lifetime expected credit losses. Where appropriate, the Group determines the ECL on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these debtors is presented based on their past due status in terms of the provision matrix as disclosed in Note 22. In determining the ECL of other trade receivables, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring, as well as the loss upon default in each case. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.



NOTES TO THE FINANCIAL STATEMENTS

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34. Financial instruments and financial risks management (Cont'd)

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

Credit risk management (Cont'd)

ii) Other receivables

Other receivables (other than those identified below) are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month ECL.

The following other receivables are not considered to have low credit risk as there has been significant increase in the risk of default on the receivables since initial recognition:

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Amount due from subsidiaries	-	-	37,456,525	7,653,991

The loss allowance of the above receivables is measured at an amount equal to the lifetime ECL as there has been a significant increase in credit risk since initial recognition. In determining the ECL, management has taken into account the historical default experience and the financial position of the counterparties, adjusted for factors that are specific to the debtors and general economic conditions of the industry in which the debtors operate, in estimating the probability of default of each of these financial assets occurring, as well as the loss upon default in each case. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

iii) Cash and bank balances (including fixed deposits)

The cash and bank balances are held with reputable financial institutions with high credit ratings and no history of default. Impairment on cash and bank balances has been measured on a 12-month ECL and reflects the short term maturities of the exposures. The Group considers that its cash and bank balances have low credit risk based on the external credit ratings of the financial institutions. There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

None of the receivables that have been written off is subject to enforcement activities.

The Company provides secured financial guarantees to licensed banks in respect of banking facilities granted to a subsidiary. The Company monitors on an ongoing basis the results of the subsidiary and repayments made by the subsidiary. The maximum exposure to credit risk amounts to RM1,992,669 (2024: RM1,991,072) representing the outstanding credit facilities of the subsidiary as at reporting date.



NOTES TO THE FINANCIAL STATEMENTS

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34. Financial instruments and financial risks management (Cont'd)

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

Liquidity risk management

The Group maintains sufficient cash and bank balances, and internally generated cash flows to finance its activities. The Group and the Company finances its operations by a combination of equity and bank borrowings.

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

	Contractual cash flows (including interest payments)					
	Carrying amount RM	Total RM	On demand			
			1 year or within RM	Within 1 to 2 years RM	Within 2 to 5 years RM	More than 5 years RM
Group 2025						
Non interest bearing debts	20,849,431	20,849,431	20,849,431	-	-	-
Interest bearing debts	4,793,467	5,311,418	3,518,854	453,984	1,338,580	-
	25,642,898	26,160,849	24,368,285	453,984	1,338,580	-
2024						
Non interest bearing debts	24,755,540	24,755,540	24,755,540	-	-	-
Interest bearing debts	9,256,423	10,724,514	5,725,795	1,722,049	2,823,658	453,012
	34,011,963	35,480,054	30,481,335	1,722,049	2,823,658	453,012



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34. Financial instruments and financial risks management (Cont'd)

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

Liquidity risk management (Cont'd)

Company 2025	Contractual cash flows (including interest payments)				
	Carrying amount RM	Total RM	On demand or within 1 year RM	Within 1 to 2 years RM	Within 2 to 5 years RM
Non interest bearing debts	10,005,970	10,005,970	10,005,970	-	-
Corporate guarantee	-	2,061,217	2,061,217	-	-
2024					
Non interest bearing debts	8,085,944	8,085,944	8,085,944	-	-
Interest bearing debts	3,095,118	3,517,954	1,055,554	1,042,276	1,420,124
	11,181,062	11,603,898	9,141,498	1,042,276	1,420,124
Corporate guarantee	-	2,059,504	2,059,504	-	-

The fair value of the corporate guarantees provided to the subsidiary are not expected to be material as the total borrowings of the subsidiary are collateralised against certain fixed deposits of the Group. Further, the probability of the subsidiary defaulting on the credit facilities is remote. Accordingly, the corporate guarantee has not been recognised.

As at the reporting date, the counterparties to the corporate guarantee do not have the right to demand payment as there is no default on borrowings obtained by the subsidiary.



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31 MARCH 2025

34. Financial instruments and financial risks management (Cont'd)

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

Interest rate risk management

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

The Group's primary interest rate risk relates to interest bearing debts. The Group manages its interest rate exposure by maintaining a prudent mix of fixed and floating rate borrowings. The Group actively reviews its debt portfolio, taking into account the investment holding period and nature of its assets. The information on maturity dates and effective interest rates of financial liabilities are disclosed in their respective notes.

The sensitivity analysis below have been determined based on the exposure to interest rates for the banking facilities at the reporting date. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

A change of 50 basis points in interest rate with all other variables being held constant would have decrease or increase the Group's profitability before tax by RM10,000 (2024: RM15,000).

Foreign exchange risk management

The Group transacts business in various currencies, and therefore is exposed to foreign exchange risk. Foreign currency denominated assets and liabilities together with expected cash flows from highly probable purchases and sales give rise to foreign exchange exposures. The net financial assets and financial liabilities of the Group's components that are not denominated in the functional currency are as follows:

Functional currency of the Group's components	Net Financial Liabilities Held in Non-Functional Currencies		
	Chinese Renminbi RM	Euro RM	United States Dollar RM
2025			
Ringgit Malaysia	-	-	(21,588)
2024			
Ringgit Malaysia	(10,759)	(15,575)	(94,193)

The following table details the sensitivity to a 10% increase and decrease in the relevant foreign currencies against the respective functional currency of the Group's components. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items adjusted at the reporting period end for a 10% change in foreign currency rates. If the relevant foreign currencies strengthen by 10% against the functional currency of the Group's components, profitability before tax will decrease by:



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34. Financial instruments and financial risks management (Cont'd)

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

Foreign exchange risk management (Cont'd)

	Group	
	2025	2024
	RM	RM
Chinese Renminbi	-	(1,000)
Euro	-	(2,000)
United States Dollar	(2,000)	(9,000)

The opposite applies if the relevant foreign currencies weaken by 10% against the functional currency of the Group.

The Company is not exposed to any foreign exchange risk.

Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates).

The Group is exposed to equity price risk arising from its investment in equity and debt instruments. For quoted instruments, these instruments are listed on the Bursa Malaysia Securities Berhad.

Management of the Group monitors these investments on a portfolio basis. Material instruments within the portfolio are managed on an individual basis and all buy and sell decisions are made by the executive directors.

The effect of a 10% strengthening in the specified prices at the end of the reporting period with all other variables held constant would increase the profitability before tax of the Group and the Company as follows:

	Group and Company	
	2025	2024
	RM	RM
Investments listed on:		
Bursa Malaysia Securities Berhad	2,016,000	2,481,000

A 10% weakening in specified stock would have equal but opposite effect on the profitability of the Group and the Company.

35. Capital structure and capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while providing an adequate return to its shareholders through the optimisation of the debt and equity balance.

The Group sets the amount of capital in proportion to risk. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

The Group monitors capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt divided by adjusted capital. Net debt is calculated as total debt [as shown in the statements of financial position (excluding other lease liabilities)] less cash and cash equivalents. Adjusted capital comprises all components of equity and reserves that are managed as capital. There were no changes in the Group's approach to capital management during the reporting period.



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35. Capital structure and capital risk management (Cont'd)

The debt-to-adjusted capital ratios are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Total debts	1,992,669	3,080,144	-	89,412
Less: Cash and bank balances and fixed deposits	(4,576,804)	(10,168,204)	(3,289,763)	(4,466,114)
Net cash	(2,584,135)	(7,088,060)	(3,289,763)	(4,376,702)
Total equity	82,802,026	98,093,957	84,266,983	102,498,169
Debt-to-adjusted capital ratio (times)	N/A	N/A	N/A	N/A

36. Fair value of assets and liabilities

36.1 Financial instruments not carried at fair value and whose carrying amounts are reasonable approximation of fair value

The carrying amounts of cash and cash equivalents, trade and other receivables and payables, and other liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The fair values of the Group's lease liabilities approximate their carrying amounts as these instruments were entered/initially recognised with interest rates which are reasonable approximation of the market interest rates on or near reporting date.

36.2 Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).



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36. Fair value of assets and liabilities (Cont'd)

36.3 Financial instruments and non financial assets carried at fair value

The following table provides an analysis of each class of assets and liabilities measured at fair value at the end of the reporting period:

	Group			
	Fair value measurement at the end of the reporting period using			
	Level 1	Level 2	Level 3	Total
	RM	RM	RM	RM
2025				
Recurring fair value measurement				
Financial assets:				
Other financial assets				
Unquoted equity investments	-	-	63,864	63,864
Quoted investments	20,158,739	-	-	20,158,739
Unquoted mutual funds	-	-	7,343	7,343
Non financial assets:				
Investment properties				
Freehold buildings	-	25,954,550	-	25,954,550
2024				
Recurring fair value measurement				
Financial assets:				
Other financial assets				
Unquoted equity investments	-	-	63,864	63,864
Quoted investments	24,811,547	-	-	24,811,547
Unquoted mutual funds	-	-	206,994	206,994
Non financial assets:				
Investment properties Freehold buildings	-	18,200,000	-	18,200,000



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31 MARCH 2025

36. Fair value of assets and liabilities (Cont'd)

36.3 Financial instruments and non financial assets carried at fair value (Cont'd)

	Company Fair value measurement at the end of the reporting period using			Total RM
	Level 1 RM	Level 2 RM	Level 3 RM	
2025				
Recurring fair value measurement				
Financial assets:				
<u>Other financial assets</u>				
Unquoted equity investments	-	-	63,864	63,864
Quoted investments	20,158,739	-	-	20,158,739
Unquoted mutual funds	-	-	7,343	7,343
Non financial assets:				
<u>Investment properties</u>				
Freehold buildings	-	15,754,550	-	15,754,550
2024				
Non recurring fair value measurement				
Financial assets:				
<u>Investment in subsidiaries</u>				
Impaired subsidiary carried at fair value less cost of disposal	-	-	750,000	750,000
Recurring fair value measurement				
Financial assets:				
<u>Other financial assets</u>				
Unquoted equity investments	-	-	63,864	63,864
Quoted investments	24,811,547	-	-	24,811,547
Unquoted mutual funds	-	-	7,120	7,120
Non financial assets:				
<u>Investment properties</u>				
Freehold building	-	9,000,000	-	9,000,000

There were no transfers between these levels of fair value in the current and previous reporting periods.



NOTES TO THE FINANCIAL STATEMENTS

31 MARCH 2025

36. Fair value of assets and liabilities (Cont'd)

36.3 Financial instruments and non financial assets carried at fair value (Cont'd)

Valuation techniques used to derive Level 2 fair values

Investment properties

In the current reporting period

The fair value of investment properties of the Company and of a subsidiary under Level 2 was stated by the directors based on professional valuations carried out by Mr Nagalingam T., a registered valuer with Azmi & Co (Shah Alam) Sdn Bhd, in March 2025 using the comparison approach of valuation.

The comparison approach considers the sales of similar or substitute properties and related market data, and establishes a value estimate by processes involving comparison. In general, the property being valued is compared with sales of similar properties that have been transacted in the open market. Listing and offering may also be considered. Valuation may be significantly affected by the timing and the characteristics (such as location, accessibility, design, size, improvements and amenities) of the property transactions used for comparison.

In the previous reporting period

The fair value of investment properties of the Company and of a subsidiary under Level 2 was stated by the directors based on professional valuations carried out by Mr Nagalingam T., a registered valuer with Azmi & Co (Shah Alam) Sdn Bhd, in May 2022 using the comparison approach of valuation.

An update of the valuations was carried out by the same valuer in April 2024. The fair value of the investment properties remained unchanged.

The comparison approach considers the sales of similar or substitute properties and related market data, and establishes a value estimate by processes involving comparison. In general, the property being valued is compared with sales of similar properties that have been transacted in the open market. Listing and offering may also be considered. Valuation may be significantly affected by the timing and the characteristics (such as location, accessibility, design, size, improvements and amenities) of the property transactions used for comparison.

Valuation techniques used to derive Level 3 fair values

a) Unquoted equity investments

The fair value of the unquoted equity investments is determined by reference to the audited net assets of the investees.

b) Unquoted mutual funds

The fair value of the unquoted mutual funds is determined by reference to the net assets per unit of the funds.

c) Investment in subsidiaries

The investment in a subsidiary was derived based on the adjusted net assets as at reporting date.

37. Event subsequent to the reporting date

- a. The Company had on 14 April 2025 completed the capital reduction exercise pursuant to Section 117 of the Companies Act 2016 by reducing the issued and paid up share capital of the Company from RM193,399,478 to RM97,399,478 by way of offsetting against accumulated losses of RM96,000,000; and
- b. On 20 May 2025, a subsidiary of the Group, GE Green Sdn Bhd, entered into a sale and purchase agreement to dispose of one unit of its five-storey shop lot investment property for a total cash consideration of RM5,400,000.



LIST OF PROPERTIES

Location	Description/ Existing Use	Area	Tenure	Approximate Age of Property (years)	Fair Value as at 31.03.2025 (RM)	Year of Acquisition (A) and date Valuation (V)
Parcel No. CS/3A/7, Storey No. Level 7, Building No. 3A, Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur.	Office	8,060 sq. ft.	Freehold	21	9,000,000	2004 (A) 28.03.2025 (V)
Unit No. B19 Level: G (Ground Floor), Level: L1 (First Floor), Level: L2 (Second Floor), Level: L3 (Third Floor), Level: L4 (Forth Floor), Block B19 situated in Aurora Place @ Bukit Jalil, Kuala Lumpur.	Office/ Shoplots	6,055 sq. ft.	Freehold	6	5,100,000	2014 (A) 28.3.2025 (V)
Unit No. B20 Level: G (Ground Floor), Level: L1 (First Floor), Level: L2 (Second Floor), Level: L3 (Third Floor), Level: L4 (Forth Floor), Block B20 situated in Aurora Place @ Bukit Jalil, Kuala Lumpur.	Office/ Shoplots	6,055 sq. ft.	Freehold	6	5,100,000	2014 (A) 28.3.2025 (V)
Ground Floor, Unit: G-01, Block A, The Pano, No. 556, Batu 3 ½, Jalan Ipoh, 51200 Kuala Lumpur.	Retail shoplots	807 sq. ft.	Freehold	1	798,122	2024 (A) 23.04.2025 (V)
Ground Floor, Unit: G-02, Block A, The Pano, No. 556, Batu 3 ½, Jalan Ipoh, 51200 Kuala Lumpur.	Retail shoplots	570 sq. ft.	Freehold	1	559,170	2024 (A) 23.04.2025 (V)
Ground Floor, Unit: Unit: G-03, Block A, The Pano, No. 556, Batu 3 ½, Jalan Ipoh, 51200 Kuala Lumpur.	Retail shoplots	1,819 sq. ft.	Freehold	1	1,799,086	2024 (A) 23.04.2025 (V)
Ground Floor, Unit: G-03A, Block A, The Pano, No. 556, Batu 3 ½, Jalan Ipoh, 51200 Kuala Lumpur.	Retail shoplots	1,819 sq. ft.	Freehold	1	1,799,086	2024 (A) 23.04.2025 (V)
Ground Floor, Unit: G-05, Block A, The Pano, No. 556, Batu 3 ½, Jalan Ipoh, 51200 Kuala Lumpur.	Retail shoplots	1,819 sq. ft.	Freehold	1	1,799,086	2024 (A) 23.04.2025 (V)



ANALYSIS OF SHAREHOLDINGS

AS AT 30 JUNE 2025

Issued and Paid Up Share Capital	122,602,365
Class of Shares	Ordinary shares
Voting Rights	One (1) vote per ordinary share
Numbers of Shareholders	12,906

DISTRIBUTION OF SHAREHOLDERS

Size of Holdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	2,807	21.75	89,831	0.07
100 – 1,000	4,030	31.23	2,011,348	1.64
1,001 – 10,000	4,634	35.91	17,782,655	14.50
10,001 – 100,000	1,291	10.00	37,991,165	30.99
100,001 to less than 5% of issued shares	142	1.10	51,260,700	41.81
5% and above of issued shares	2	0.01	13,466,666	10.99
Total	12,906	100.00	122,602,365	100.00

SUBSTANTIAL SHAREHOLDERS AS AT 30 JUNE 2025 (as per the Register of Substantial Shareholders)

	Direct No. of Shares	%	Indirect No. of Shares	%
Dato' Seri Farhash Wafa Salvador, J.P	6,800,000	5.55	-	-
Roy Ho Yew Kee	7,563,332	6.17	-	-

DIRECTORS' SHAREHOLDINGS AS AT 30 JUNE 2025 (as per the Register of Directors' Shareholding)

	Direct No. of Shares	%	Indirect No. of Shares	%
Dato' Seri Farhash Wafa Salvador, J.P	6,800,000	5.55	-	-
Roy Ho Yew Kee	7,563,332	6.17	-	-
Sandraruben A/L Neelamagham	333,333	0.27	-	-
Lee Kien Fatt	-	-	-	-
Dr Azizah Binti Sulaiman	-	-	-	-



ANALYSIS OF SHAREHOLDINGS AS AT 30 JUNE 2025

LIST OF TOP 30 LARGEST SECURITIES ACCOUNTS HOLDERS (ACCORDING TO THE REGISTER OF DEPOSITORS AS AT 30 JUNE 2025)

Names	No. of Shares	% of Shares
1. Dato' Seri Farhash Wafa Salvador, J.P	6,800,000	5.55
2. Affin Hwang Nominees (Tempatan) Sdn. Bhd. Exempt An for Lazarus Securities Pty Ltd	6,666,666	5.44
3. Choong Kean Leang	3,716,666	3.03
4. Aminul Islam Bin Abdul Nor	3,340,000	2.72
5. Woon Jing Wei	2,187,213	1.78
6. Koh Kim Boon	2,037,400	1.66
7. Lim Boon Liat	1,400,000	1.14
8. Low Moey Choo	1,301,100	1.06
9. Tan Kong Han	1,264,000	1.03
10. M & A Nominee (Tempatan) Sdn. Bhd. Exempt An for SFGHK Limited (Account Client)	1,176,666	0.96
11. Cendiriang Asset Sdn. Bhd.	1,169,033	0.95
12. MIDF Amanah Investment Nominees (Asing) Sdn. Bhd. for Lazarus Securities Pty Ltd for Lazarus Capital Partners Global Equities Fund	1,067,800	0.87
13. CGS International Nominees Malaysia (Asing) Sdn. Bhd. Exempt An for CGS International Securities Singapore Pte. Ltd. (Retail Clients)	1,026,331	0.84
14. Ong Teong Yew	937,673	0.77
15. Tee Chee Seng	908,333	0.74
16. Ng Choon Kiat	816,666	0.67
17. Sim Mui Khée	800,000	0.65
18. CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Lim Soon Chai (Langkap)	750,000	0.61
19. Tan Suang Nooi	710,000	0.58
20. HSBC Nominees (Asing) Sdn. Bhd. Exempt An for Morgan Stanley & Co. International Plc (IPB Client Acct)	670,000	0.55
21. Peh Lon Pah @ Pei Tze Chiang	580,000	0.47
22. Moomoo Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Mohd Shaharni Bin Ab Ghani	551,200	0.45
23. M & A Nominee (Tempatan) Sdn. Bhd. SFGHK Limited for Digital Paper Sdn. Bhd.	501,457	0.41
24. Kenanga Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Michael Heng Chun Hong	491,620	0.40
25. Ng Kah Kit	455,100	0.37
26. SJ Sec Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for P.Prem Anand Pillai (SMT)	454,300	0.37
27. Tan Hee Tit	447,500	0.37
28. Maybank Nominees (Tempatan) Sdn. Bhd. Woo Swee Hoe	410,390	0.33
29. Low Loong Kuan	400,000	0.33
30. Maybank Nominees (Tempatan) Sdn. Bhd. Azlan Bin Sefien	400,000	0.33
TOTAL	43,437,114	35.43



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Second (22nd) Annual General Meeting of Key Alliance Group Berhad (“**KAG**” or “**the Company**”) will be held at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Friday, 29 August 2025 at 10.00 a.m., or any adjournment thereof, for the purpose of transacting the following businesses:

AGENDA

- | | |
|--|---|
| 1. To receive the Audited Financial Statements for the financial year ended 31 March 2025 together with the Directors’ and Auditors’ Reports thereon. | Please refer to
Explanatory Note 1 |
| 2. To approve the payment of Directors’ fees and other benefits payable of up to RM500,000 to be divided amongst the Directors in such manner as the Directors may determine for the period commencing from 29 August 2025 until the conclusion of the next Annual General Meeting of the Company. | Ordinary Resolution 1 |
| 3. To re-elect Mr Roy Ho Yew Kee, who retires pursuant to Clause 90 of the Company’s Constitution. | Ordinary Resolution 2 |
| 4. To re-elect Dato’ Seri Farhash Wafa Salvador, J.P, who retires pursuant to Clause 98 of the Company’s Constitution. | Ordinary Resolution 3 |
| 5. To re-appoint Messrs Russell Bedford LC PLT as External Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 4 |

SPECIAL BUSINESSES:

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

- | | |
|--|-----------------------|
| 6. Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 | Ordinary Resolution 5 |
|--|-----------------------|

“**THAT** pursuant to Sections 75 and 76 of the Companies Act 2016 (“**the Act**”) and subject to the approvals of the relevant governmental/regulatory authorities, the Directors be and are hereby empowered to issue shares in the capital of the Company from time to 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 does not exceed 10% of the issued share capital of the Company for the time being and that the Directors be and are hereby also empowered to obtain approval from the Bursa Malaysia Securities Berhad for the listing and quotation of the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company.

AND THAT pursuant to Section 85 of the Act to be read together with Clause 9 of the Constitution of the Company, approval be and is hereby given for the Company to waive the statutory pre-emptive rights of the shareholders and empower the Directors of the Company to issue and allot new ordinary shares pursuant to Sections 75 and 76 of the Act without offering them to the existing members to maintain their relative voting and distribution right and such new shares shall rank pari passu in all respects with the existing class of ordinary shares.”



NOTICE OF ANNUAL GENERAL MEETING

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

By order of the Board,

CHONG VOON WAH (SSM PC No. 202008001343) (MAICSA 7055003)

THAI KIAN YAU (SSM PC No. 202008001515) (MIA 36921)

Company Secretaries

Kuala Lumpur

31 July 2025

Notes:

1. Only depositors whose names appear in the Record of Depositors as at 22 August 2025 shall be regarded as members and be entitled to attend, participate, speak and vote at the 22nd AGM.
2. A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Companies Act 2016. There shall be no restriction as to the qualification of the proxy.
3. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
5. Any alterations in the Proxy Form must be initialed by the member.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised.
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, must be deposited at the Registrar Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via e-mail at ir@shareworks.com.my not less than twenty-four (24) hours before the time appointed for holding this meeting or any adjournment thereof as Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of 22nd AGM to vote by poll.



NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES

1. Audited Financial Statements for the Financial Year Ended 31 March 2025

Agenda No. 1 is meant for discussion only, as Section 340(1) (a) of the Companies Act 2016 provides that the audited financial statements are to be laid in the general meeting and do not require a formal approval of the shareholders. Hence, this Agenda item is not put forward for voting.

2. Ordinary Resolution 1: To Approve the Payment of Directors' Fees and Other Benefits Payable

The Directors' fees and other benefits payable are calculated based on the number of scheduled Board and Committee Meetings to be held for the period commencing from 29 August 2025 until the conclusion of the next Annual General Meeting of the Company and assuming that all the Directors will hold office until the end of the subject financial year.

This resolution is to facilitate payment of Directors' fees and allowances on a monthly basis and/or as and when required. In the event the Directors' fees and allowances proposed are insufficient (e.g. due to more meetings), approval will be sought at the next Annual General Meeting for additional fees to meet the shortfall.

3. Ordinary Resolutions 2 and 3: Re-election of Directors

The following Directors are standing for re-election as Directors of the Company pursuant to the following clauses of the Company's Constitution at the 22nd Annual General Meeting of the Company and are being eligible, have offered themselves for re-election in accordance with the Company's Constitution:

- (a) Mr Roy Ho Yew Kee (Clause 90); and
- (b) Dato' Seri Farhash Wafa Salvador, J.P (Clause 98).

*(collectively referred to as "**Retiring Directors**")*

For the purpose of determining the eligibility of the Retiring Directors to stand for re-election at the 22nd AGM, the Board, through its Nomination Committee ("**NC**"), had assessed the Retiring Directors and considered the following:

- (a) The Retiring Directors' performance and contribution;
- (b) The Retiring Directors' skills, experience and strength in qualities; and
- (c) The Retiring Directors' ability to act in the best interest of the Company in decision-making.

The Board and the NC had deliberated on the suitability of the Retiring Directors to be re-elected as Directors. Upon deliberation, the Board and the NC (except for the Retiring Directors who had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board and Committees meetings) collectively agreed that the Retiring Directors meet the criteria of character, experience, integrity, competence and time commitment to effectively discharge their respective roles as Directors of the Company and recommended the Retiring Directors be re-elected as the Directors of the Company.



NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES (CONT'D)

4. Ordinary Resolution 4: Re-appointment of External Auditors

The Board, through the Audit and Risk Management Committee, had conducted an assessment on the suitability, objectivity and independence of Messrs Russell Bedford LC PLT in respect of the financial year ended 31 March 2025. The Board was satisfied with the performance of Messrs Russell Bedford LC PLT and recommended the re-appointment of Messrs Russell Bedford LC PLT as External Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company in accordance with Section 271 of the Companies Act 2016.

5. Ordinary Resolution 5: Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 5, if passed, is the renewal of the general mandate to empower the Directors to issue and allot shares up to an amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company (“**General Mandate**”). This authority, unless revoked or varied by the Company at a General Meeting, will expire at the next Annual General Meeting.

The General Mandate 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 acquisitions.

Pursuant to Section 85(1) of the Companies Act 2016, read together with Clause 9 of the Company’s Constitution, shareholders have pre-emptive rights to be offered any new shares in the Company which rank equally to the existing issued shares in the Company:

Section 85(1) of the Companies Act 2016 states:

Subject to the constitution, where a company issues shares which rank equally to existing shares as to voting or distribution rights, those shares shall first be offered to the holders of existing shares in a manner which would, if the offer were accepted, maintain the relative voting and distribution rights of those shareholders.

Clause 9 of the Company’s Constitution provides as follows:

Subject to any direction to the contrary that may be given by the Company in a general meeting, all new Shares or other Convertible Securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion as nearly as the circumstances admit, to the amount of the existing Shares or Securities to which they are entitled. The offer shall be made by notice specifying the number of Shares or Securities offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of any intimation from the person to whom the offer is made that he declines to accept the Shares or Securities offered, the Directors may dispose of those Shares or Securities in such manner as they think most beneficial to the Company. The Directors may likewise also dispose of any new Shares or Securities which (by reason of the ratio which the new Shares or Securities bear to Shares or Securities held by persons entitled to an offer of new Shares or Securities) cannot, in the opinion of the Directors, be conveniently offered in the manner provided under this Constitution.

In order for the Board to issue any new shares free of pre-emptive rights, such pre-emptive rights must be waived. The proposed Ordinary Resolution 5, if passed, will exclude your pre-emptive rights over all new shares in the Company to be issued under the general mandate.



NOTICE OF ANNUAL GENERAL MEETING

EXPLANATORY NOTES (CONT'D)

5. Ordinary Resolution 6: Authority to Allot and Issue Shares Pursuant to Sections 75 and 76 of the Companies Act 2016 (Cont'd)

As at the date of this Notice, the Company has not issued any new shares pursuant to the General Mandate granted to the Directors at the Twenty-First (21st) Annual General Meeting held on 30 August 2024, and the said General Mandate will lapse at the conclusion of the 22nd Annual General Meeting.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING (Pursuant to Rule 8.29 (2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad)

As at the date of this notice, there are no individuals who are standing for election as Directors (excluding the above Directors who are standing for re-election) at the 22nd Annual General Meeting.

The Company will seek shareholders' approval on the general mandate for the 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 5 as stated in the Notice of the 22nd Annual General Meeting of the Company for the details.



TWENTY-SECOND (22ND) ANNUAL GENERAL MEETING ADMINISTRATIVE GUIDE

Date & Time : Friday, 29 August 2025 at 10.00 a.m.
Meeting Venue : Level 4.1, 4th Floor, Menara Lien Hoe
No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort
47410 Petaling Jaya, Selangor

Registration for the Twenty-Second (22nd) Annual General Meeting (“AGM”)

1. Registration counter will open at 8.30 a.m. on the day of the AGM up to the time of the commencement of the AGM at 10.00 a.m.
2. Please produce your ORIGINAL Identity Card (“IC”) or Passport (for foreign shareholder) during registration for verification. Only original IC or Passport is valid for registration.
3. Please note that you are not allowed to register on behalf of another shareholder/proxy, even with the original IC or Passport of that other shareholder/proxy. Please make sure you collect your IC or Passport after the registration.
4. After registration and signing on the Attendance List, please vacate the registration area.

Other Information for the Attendance at the Meeting Venue

5. All attendees at the meeting venue must be fully vaccinated or medically fit to attend without any transmissible health condition. Although the wearing of face mask in an enclosed area is now optional, you are encouraged to wear your face mask throughout the meeting session.
6. In the events of you are unwell or display symptoms of illness, the Company also reserve the right to reject entrance of any attendee who does not meet the foregoing health standard operating procedures.
7. Parking bays are available at Menara Lien Hoe. Kindly use Touch’n Go (with minimum RM 20.00 card balance), debit or credit card to enter the parking bay as it is a cashless payment system.
8. All attendees are required to register with the security personnel at the lobby of the building before they can gain access to the 4th Floor for the AGM.

General Meeting Records of Depositors

9. For the purpose of determining members’ eligibility to attend this meeting, only members whose names appear in the Record of Depositors of the Company as at **22 August 2025** shall be entitled to attend this meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.

APPOINTMENT OF PROXY OR ATTORNEY OR BY AUTHORISED REPRESENTATIVE

10. If a member is unable to attend the AGM, he/she/it is encouraged to appoint the Chairman of the AGM as his/her/its Proxy and indicate the voting instructions in the Form of Proxy in accordance with the notes and instructions printed therein.
11. If you wish to participate in the AGM yourself, please do not submit any Form of Proxy for the AGM. You will not be allowed to participate in the AGM together with the proxy appointed by you.



TWENTY-SECOND (22ND) ANNUAL GENERAL MEETING ADMINISTRATIVE GUIDE

APPOINTMENT OF PROXY OR ATTORNEY OR BY AUTHORISED REPRESENTATIVE (CONT'D)

12. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
13. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
14. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised.
15. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notorially certified copy of that power of attorney, must be deposited at the Registrar Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via e-mail at ir@shareworks.com.my no later than 28 August 2025 at 10.00 a.m.
16. If a member has submitted his/her Form of Proxy prior to the AGM and subsequently decides to personally participate in the AGM, the individual member must contact the Company's Share Registrar or the Company, whose contact details are set out in No. 20 below, to revoke the appointment of his/her proxy no later than 28 August 2025 at 10.00 a.m.

Poll Voting

17. The voting at the AGM will be conducted by way of poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed ShareWorks Sdn. Bhd. as the Poll Administrator to conduct the poll by way of electronic voting and SharePolls Sdn. Bhd. as the Scrutineers to verify the poll results. Upon completion of the voting session for the AGM, the Scrutineers will verify and announce the poll results followed by the Chairman's declaration of whether the resolutions are duly passed.

No Recording or Photography

18. Strictly **NO recording or photography** of the proceedings of the AGM is allowed.

No Gifts, E-Vouchers or Food Vouchers

19. There will be no distribution of gifts, e-vouchers or food vouchers to the Members or Proxy(ies)/Corporate Representative(s) who participate in the AGM.

Enquiry

20. If you have any enquiry prior to the meeting, please contact the following officers during office hours [from 9.00 a.m. to 5.30 p.m. (Monday to Friday)]:

**For Registration, logging in and system related:
InsHub Sdn. Bhd.**

Name : Ms. Eris/Mr. Calvin
Telephone No. : +603-7688 1013
Email : vgm@mlabs.com

**For Form of Proxy:
ShareWorks Sdn. Bhd.**

Name : Mr. Kou Si Qiang/En Taufiq
Telephone No. : +603-6201 1120
Email : ir@shareworks.com.my



KEY ALLIANCE GROUP BERHAD
Registration No.: 200301007533 (609953-K)
(Incorporated in Malaysia)

FORM OF PROXY

CDS Account No.:	
No. of Shares held:	

I/We, _____

[Full name in block and NRIC No. / Registration No.]

Tel. No _____ of _____

[Address]

being a member/members of KEY ALLIANCE GROUP BERHAD, hereby appoint:-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address	Contact No:		
	Email Address:		

and / or* (*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address	Contact No:		
	Email Address:		

or failing him, the Chairman of the meeting as my/our proxy to attend and to vote for me/us on my/our behalf at the Twenty-Second (22nd) Annual General Meeting of the Company to be held at Lot 4.1, 4th Floor, Menara Lien Hoe, No. 8, Persiaran Tropicana, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor Darul Ehsan on Friday, 29 August 2025 at 10.00 a.m., or any adjournment thereof, and to vote as indicated below:

No.	Agenda	Resolution	For	Against
1	To approve the payment of Directors' fees and other benefits payable to the Directors.	Ordinary Resolution 1		
2	To re-elect Mr Roy Ho Yew Kee as Director.	Ordinary Resolution 2		
3	To re-elect Dato' Seri Farhash Wafa Salvador, J.P as Director.	Ordinary Resolution 3		
4	To re-appoint Messrs Russell Bedford LC PLT as External Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.	Ordinary Resolution 4		
5	To approve the authority to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.	Ordinary Resolution 5		

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

Signed this _____

Signature*
Member

(* if shareholder is a corporation, this form should be executed under seal)

Notes:-

1. Only depositors whose names appear in the Record of Depositors as at 22 August 2025 shall be regarded as members and be entitled to attend, participate, speak and vote at the 22nd AGM.
2. A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Companies Act 2016. There shall be no restriction as to the qualification of the proxy.
3. Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.
4. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
5. Any alterations in the Proxy Form must be initialed by the member.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised.
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, must be deposited at the Registrar Office of the Company at No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas, 50480 Kuala Lumpur or via e-mail at ir@shareworks.com.my not less than twenty-four (24) hours before the time appointed for holding this meeting or any adjournment thereof as Rule 8.31A(1) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of 22nd AGM to vote by poll.

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Affix Stamp

**THE SHARE REGISTRAR OF
KEY ALLIANCE GROUP BERHAD
COMPANY REGISTRATION NO. 200301007533 (609953-K)**

SHAREWORKS SDN. BHD.
No. 2-1, Jalan Sri Hartamas 8, Sri Hartamas
50480 Kuala Lumpur, Malaysia

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www.kag.com.my

KEY ALLIANCE GROUP BERHAD

Registration No.: 200301007533 (609953-K)

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