



Date: 1 December 2025

THE SHAREHOLDERS OF NEXGRAM HOLDINGS BERHAD

Dear Sir/Madam,

ADDENDUM TO ANNUAL REPORT 2025 FOR THE FINANCIAL YEAR ENDED 31 JULY 2025 (“ANNUAL REPORT 2025”)

We refer to the Annual Report 2025 and wish to highlight the following amendments. Please note that these updates relate solely to formatting and alignment, with no changes made to the content.

<u>No.</u>	<u>Amendments</u>	<u>Page(s)</u>
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A copy of the amended Pages of the Annual Report 2025 is attached herewith for information.

Save for the abovementioned amendments, all other information in the Nexgram Holdings Berhad Annual Report 2025 remains unchanged. We sincerely apologies for any inconvenience caused.

This Addendum is dated 1 December 2025.

Thank you.

Yours faithfully,

NEXGRAM HOLDINGS BERHAD

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CHEANG SOON SIANG

Executive Director

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NEXGRAM HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)
(CONTINUED)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current period. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Basis for Qualified Opinion* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
<p>Impairment assessment of goodwill</p> <p>Refer to material accounting policy information in Note 3.1, 3.6(b) and material accounting estimates and judgement in Note 4(c) and the disclosure in Note 12 to the financial statements.</p> <p>As of 31 July 2025, the carrying amount of goodwill on consolidation of the Group amounted to RM7,533,466, which represents 5% of the total assets of the Group.</p> <p>The Group's annual impairment assessment of goodwill is considered to be an area of audit focus because the assessment process is complex, involves significant management judgement and is based on assumptions that are affected by expected future market and economic conditions.</p> <p>The Group has performed an impairment assessment of goodwill, and has concluded adequate impairment losses had been made.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Assessed the cash-generating units ("CGU") identified by management; Evaluated management's key assumptions against financial and non-financial historical trends; Verified the discount rate for the CGU by using the weighted average cost of capital of the Group; Assessed the sensitivity of the cash flows to changes in the key assumptions to understand the impact that reasonable overall recoverable amount; and Evaluated the adequacy of the Group's disclosure in the financial statements concerning those key assumptions.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NEXGRAM HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)
(CONTINUED)

Key Audit Matters (Cont'd)

Key audit matters	How our audit addressed the key audit matters
<p>Valuation of investment properties</p> <p>Refer to material accounting policy information in Note 3.7, material accounting estimates and judgement in Note 4(a) and the disclosure in Note 7 to the financial statements.</p> <p>As of 31 July 2025, the carrying amount of the investment properties of the Group amounted to RM47,100,000, which represents 33% of the total assets of the Group.</p> <p>The Group's investment properties are stated at fair value based on valuation performed by an independent qualified professional valuer ("Valuer"). The fair value of the investment properties was derived using the direct comparison method.</p> <p>We identified the valuation of investment properties as a key audit matter due to the significance of the balance to the financial statements as a whole, combined with the significant judgements associated in determining the fair value.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Assessed the competency, capabilities and objectivity of the Valuer engaged by the management in accordance with ISA 620 <i>Using the Work of an Expert</i>; Evaluated the appropriateness of the Valuer's valuation approach to assess if it is consistent with the requirements of MFRSs and industry norms; Challenged the reasonableness of the critical assumptions and judgements applied based on available market data and our knowledge of the property industry; and Obtained the working of the Valuer on investment properties to evaluate the accuracy and relevance of crucial data inputs underpinning the valuation, including the recent market transaction of properties in similar locations and conditions and the adjustment factors applied in the valuation.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF NEXGRAM HOLDINGS BERHAD (INCORPORATED IN MALAYSIA)
(CONTINUED)

Key Audit Matters (Cont'd)

Key audit matters	How our audit addressed the key audit matters										
<p>Revenue recognition</p> <p>Refer to material accounting policy information in Note 3.11 and the disclosure in Note 27 to the financial statements.</p> <p>For the financial period ended 31 July 2025, the Group recognised RM72,364,694 of revenue. Revenue is derived from the following segments:-</p> <table border="1"> <thead> <tr> <th></th><th>RM</th></tr> </thead> <tbody> <tr> <td>Sale of goods</td><td>71,596,220/-</td></tr> <tr> <td>Services rendered</td><td>170,874/-</td></tr> <tr> <td>Rental income</td><td>597,600/-</td></tr> <tr> <td></td><td>72,364,694/-</td></tr> </tbody> </table> <p>We identified the revenue recognition as a key audit matter because revenue is the primary focus of the Group's stakeholders.</p>		RM	Sale of goods	71,596,220/-	Services rendered	170,874/-	Rental income	597,600/-		72,364,694/-	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> Discussed with the management to obtain an understanding of the entity and consideration of the composition of the revenue and its attributes, identify specific risks associated with revenue recognition under MFRS 15 <i>Revenue from Contracts with Customers</i>; Performed walkthrough test over sales cycle to understand the business and identify management's control procedures in the key operating cycle. Tested the internal controls over the sales cycle; Performed vouching to respective supporting documents on a higher risk sampling basis; Performed cut-off tests related to sales to ascertain the completeness of the sales; and Reviewed journal entries for significant unusual revenue transactions near or after period-end, including post-closing journal transactions.
	RM										
Sale of goods	71,596,220/-										
Services rendered	170,874/-										
Rental income	597,600/-										
	72,364,694/-										

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)**Non-controlling interests in subsidiaries (continued)**

is allocated only to the ordinary NCI holders who are entitled to share of results.

The summary of financial information before intra-group elimination of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows:-

	SHSB Group RM	NVPSB Group RM
Summarised statement of financial position		
As at 31 July 2025		
Non-current assets	27,260	-
Current assets	5,913,040	9,130,845
Non-current liabilities	(3,817)	-
Current liabilities	(2,612,825)	(12,859,854)
Net assets/(liabilities)	<u>3,323,658</u>	<u>(3,729,009)</u>
Summarised statement of comprehensive income		
Financial period ended 31 July 2025		
Revenue	13,388,553	-
Profit/(Loss) for the financial period	1,109,659	(4,211,608)
Total comprehensive income/(deficit)	<u>1,109,659</u>	<u>(4,211,608)</u>
Summarised cash flow information Financial period ended 31 July 2025		
Cash flows from operating activities	(2,124,053)	(592,297)
Cash flows from investing activities	(14,151)	(2,696,712)
Cash flows from financing activities	(951,181)	3,571,908
Net changes in cash and cash equivalents	<u>(3,089,385)</u>	<u>282,899</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

15. AMOUNT OWING BY/ (TO) SUBSIDIARIES

The amount owing by/ (to) subsidiaries is unsecured, interest-free and recoverable/ (repayable) on demand.

	/----- Company -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
		Restated	Restated
Amount owing by subsidiaries			
Non-trade balances	139,562,732	191,366,037	162,487,833
Less: Bad debts written off	-	(43,740,489)	-
Less: Accumulated for impairment losses	(138,630,655)	(134,804,322)	(157,638,849)
	<u>932,077</u>	<u>12,821,226</u>	<u>4,848,984</u>
Amount owing (to) subsidiaries			
Non-trade balances	<u>(183,825)</u>	<u>(512,137)</u>	<u>(7,458,786)</u>

The reconciliation of amount owing by/ (to) subsidiaries movements in accumulated impairment losses of the Company is as follows:-

	Company RM
At 31 July 2022	157,638,849
Reversal of impairment loss during the period	<u>(22,834,527)</u>
At 31 January 2024	134,804,322
Reversal of impairment loss during the period	<u>(3,826,333)</u>
At 31 July 2025	<u>138,630,655</u>

16. AMOUNT DUE FROM ASSOCIATES

The amount owing from associate is unsecured, interest-free and recoverable on demand.

17. FIXED DEPOSIT WITH LICENSED BANKS

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Fixed deposits with tenure less than three months	9,687,063	2,782,733	9,916,517
Fixed deposits with tenure more than three months	8,721,521	5,526,000	4,907,076
	<u>18,408,584</u>	<u>8,308,733</u>	<u>14,823,593</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

28. OPERATING LOSS

Operating loss has been arrived at:-

		Group		Company	
		01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM	01.02.2024 to 31.07.2025 RM	31.07.2022 To 31.01.2024 RM
Note					
	After charging:-				
	Amortisation of right-of-use assets	376,329	2,058,562	-	-
	Amortisation of intangible assets	-	228,160	-	-
	Auditors' remuneration:-				
	- Company's auditors				
	- statutory audit				
	- current year	524,000	346,000	380,000	105,000
	- other services	10,000	8,000	10,000	8,000
	Depreciation of plant and equipment	560,407	1,332,203	-	-
29	Directors' remunerations	1,382,329	4,157,870	271,126	330,367
	Fair value loss on:-				
	- investment in quoted shares	1,474,235	39,520	1,474,235	39,520
	- investment properties	-	100,000	-	-
	Financial guarantee	-	265,869	-	265,869
	Impairment losses on:-				
	- amount owing by subsidiaries	-	-	17,797,483	-
	- goodwill on consolidation	-	9,251,923	-	-
	- investment in subsidiaries	-	-	204,000	1,641,732
	- trade receivables and other receivables	-	10,014,573	1,000	-
	- investment in other investment	2,675,000	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

28. OPERATING LOSS (CONTINUED)

Operating loss has been arrived at:- (Continued)

	Group		Company	
	01.02.2024	31.07.2022	01.02.2024	31.07.2022
	to	to	to	to
	31.07.2025	31.01.2024	31.07.2025	31.01.2024
	RM	RM	RM	RM
And crediting:-				
Fair value gain on investment properties	(1,100,000)	-	-	-
Fair value gain on investment	(657,112)	-	-	-
Government subsidy ⁽²⁾	-	(195,814)	-	-
Gain on disposal of:-				
- investment in quoted shares	-	(57,900)	-	-
- investment in subsidiaries	(1,007,000)	-	(1,005,000)	-
- plant and equipment	(29,498)	(47,535)	-	-
Gain on foreign exchange:-				
- realised	-	-	-	(43)
- unrealised	-	-	-	(12,802,964)
Gain on lease modification	-	(129,287)	-	-
Interest income	(124,355)	(466,622)	-	(152)
Rental income	-	(21,030)	-	-
Reversal of impairment losses:-				
- amount owing by subsidiaries	-	-	(11,112,446)	(22,834,527)
- trade receivables	(747,315)	-	-	-
- other receivables	(14,317,523)	(64,522)	(3,154,704)	-
Reversal of provision for slow moving inventories	(23,151)	(824,866)	-	-
Waiver of:-				
- amount owing to subsidiaries	-	-	-	(29,000)
- debts	(9,659,043)	(114,416)	(517,000)	-
- deposits	-	(255,000)	-	-

⁽²⁾ The Group received government grants as wage subsidies to retain local employee during the post-pandemic period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

31. TAXATION (CONTINUED)

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

	Group		Company	
	01.02.2024	01.08.2022	01.02.2024	01.08.2022
	to	to	to	to
	31.07.2025	31.01.2024	31.07.2025	31.01.2024
	RM	RM	RM	RM
		Restated		
Continuing operation	(6,286,420)	(30,339,166)	(32,609,429)	(16,010,879)
Discontinued operation	10,191,028	-	-	-
Profit/(loss) before taxation	<u>3,904,608</u>	<u>(30,339,166)</u>	<u>(32,609,429)</u>	<u>(16,010,879)</u>
Taxation at applicable tax rate of 24%	937,106	(7,281,400)	(7,826,263)	(3,842,611)
Tax effects arising from:-				
- expenses not deductible for tax purposes	6,670,178	6,334,728	7,826,263	12,402,621
- income not subject to tax	(5,674,948)	(2,950,932)	-	(8,560,010)
- deferred tax assets not recognised	-	5,408,572	-	-
- utilization of previously unrecognised deferred tax assets	(93,811)	-	-	-
- over accrual in prior years:-				
- income tax	(157,382)	(320)	-	-
- deferred tax	-	(690)	-	-
Tax expenses for the financial period/year	<u>1,681,143</u>	<u>1,509,958</u>	<u>-</u>	<u>-</u>