



JAYCORP Berhad
199801003663 (459789-X)



Innovating **Together**, Advancing the **Future**.

Annual Report **2025**

27th

Annual General Meeting of
Jaycorp Berhad



Meeting Room 3, Level 2, Holiday Inn Melaka,
Jalan Syed Abdul Aziz, 75000 Melaka, Malaysia.

12 December 2025, Friday
at 10:30 a.m.

OUR STORY

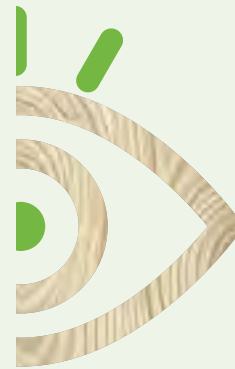
JAYCORP BERHAD was incorporated as **YEO AIK RESOURCES BERHAD** in 2002 when it was listed in Bursa Malaysia Securities Berhad. Subsequently, in 2006 it changed its name to **JAYCORP BERHAD**.

The logo symbolises Jaycorp Berhad's efforts to reach greater heights as a responsible corporate entity. Jaycorp Berhad is an investment holding company while its subsidiaries' principal activities are wooden furniture manufacturing, pressure treatment and kiln drying of wood, biomass, corrugated carton packaging, general trading, property letting, investment holding, general construction and civil engineering works.

VISION

To conscientiously and continuously seek knowledge and improvement of our people and processes.

To constantly pursue our goal of working in harmony with the environment for the good of future generations.



MISSION

To be a leader in all the businesses that we undertake.



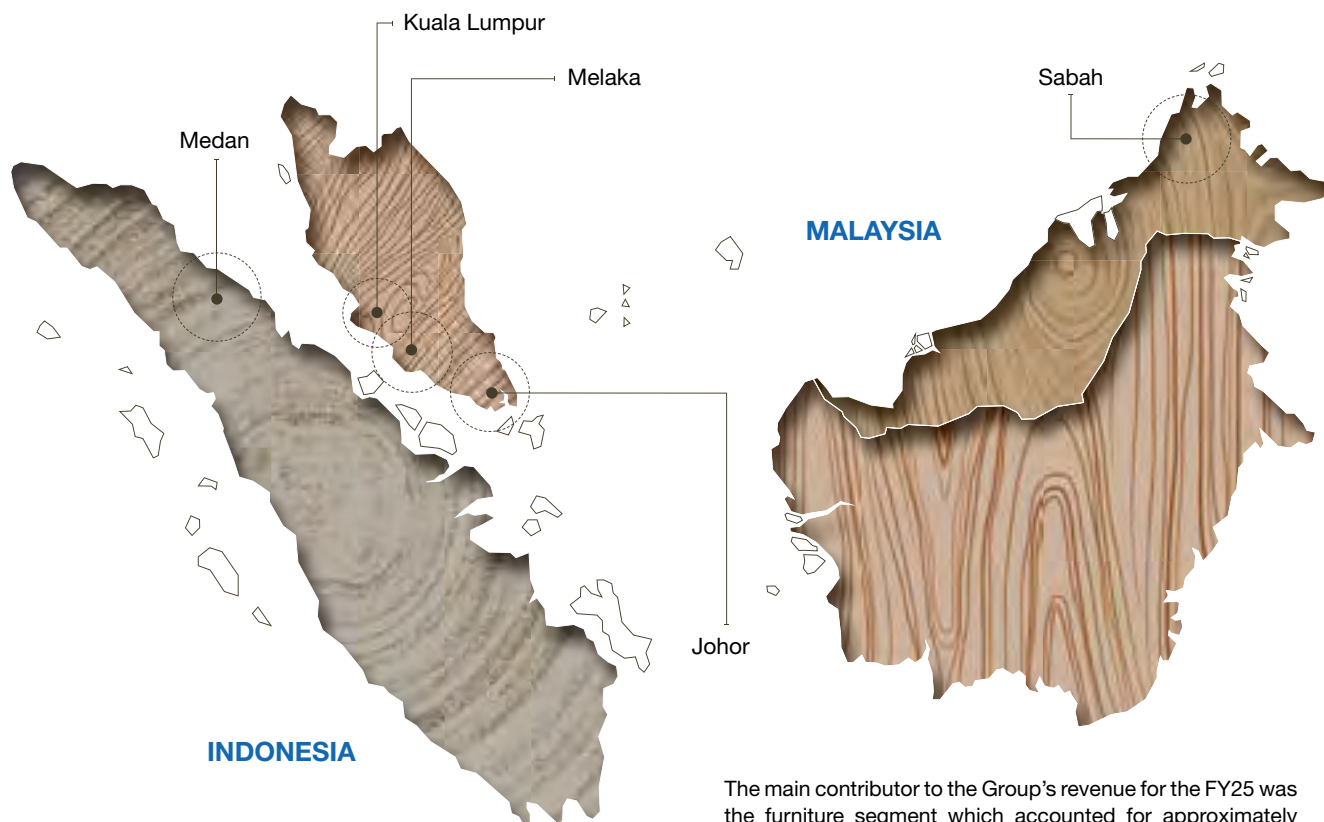
Cover Rationale

The cover design is inspired by tree rings, symbolising Jaycorp's growth, resilience and transformation.

Each ring reflects a year of experience, innovation, and sustainable progress — showing how Jaycorp continues to grow from its strong roots in timber and furniture into new horizons.

The wood engraving texture highlights craftsmanship and quality, while the organic patterns convey authenticity, connection with nature and lasting sustainability.

Together, these elements portray Jaycorp as a company rooted in its values, growing with purpose and vision.



The main contributor to the Group's revenue for the FY25 was the furniture segment which accounted for approximately 54.1% of total revenue (53.4% in FY24).

The Group's operations are located in Kuala Lumpur, Melaka, Johor, Sabah and Medan (Indonesia).

OPERATIONAL OVERVIEW



Furniture

manufacture and sale of furniture (mainly rubberwood furniture)



Packaging

conversion of corrugated boards into carton boxes



Wood Processing

pressure treatment and kiln-drying of wood and manufacturing of furniture parts



Renewable Energy

renewable energy, biomass and environmentally friendly waste treatment



Construction

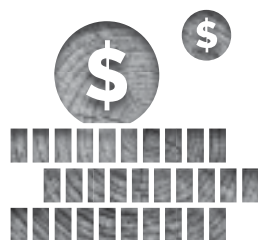
general construction and civil engineering works



Others

general trading, property letting, transportation and printing

Revenue



RM
164
million

Shareholders' Equity



RM
182
million

No. of Shareholders As at 24 October 2025



4,742

KEY METRICS

RM
0.005



Earnings Per Share

RM
4 million



Profit Before Taxation

RM
0.68



Net Assets Per Share

RM
0.015*



Dividend Per Share

* A first single tier interim dividend of 1.5 sen per ordinary share for the financial year ended 31 July 2025 was paid on 30 July 2025. However, the Board does not recommend the payment of a final dividend for the current financial year.

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Proxy Form



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CORPORATE INFORMATION



BOARD OF DIRECTORS

Tan Sri Datuk (Dr.) Abdul Majid Khan

Executive Chairman

Lim Poh Teot

Executive Director

Ivan Oh Boon Wee

Independent Non-Executive Director

Yeo Ayk Ke

Managing Director

Muaz bin Jema Anton Khan

Executive Director

Bianca Daniella Lind

Independent Non-Executive Director

Yeo Aik Tan

Executive Director

Nadja binti Jema Khan

Non-Independent Non-Executive Director

Patricia Ubing @ Magdalene Edward

Independent Non-Executive Director

AUDIT COMMITTEE

Chairman

Ivan Oh Boon Wee

Members

Bianca Daniella Lind

Patricia Ubing @ Magdalene Edward

BOARD RISK MANAGEMENT COMMITTEE

Chairman

Ivan Oh Boon Wee

Members

Muaz bin Jema Anton Khan

Patricia Ubing @ Magdalene Edward

NOMINATION COMMITTEE

Chairperson

Bianca Daniella Lind

Members

Ivan Oh Boon Wee

Patricia Ubing @ Magdalene Edward

ENTERPRISE RISK MANAGEMENT COMMITTEE

Chairman

Muaz bin Jema Anton Khan

Members

Yeo Ayk Ke

Yeo Aik Tan

REMUNERATION COMMITTEE

Chairman

Ivan Oh Boon Wee

Members

Yeo Ayk Ke

Bianca Daniella Lind

COMPANY SECRETARIES

Tea Sor Hua

(MACS 01324) (SSM PC NO. 201908001272)

Lee Siew Fun

(MAICSA 7063623) (SSM PC NO. 202008000735)

INVESTMENT COMMITTEE

Chairman

Muaz bin Jema Anton Khan

Members

Yeo Ayk Ke

Lim Poh Teot

Yeo Aik Tan

Bianca Daniella Lind

Patricia Ubing @ Magdalene Edward

REGISTERED OFFICE

Third Floor, No. 77, 79 & 81
Jalan SS 21/60, Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan

Tel : 603-7725 1777

Email : info@cospec.com.my

Corporate Information

PRINCIPAL PLACE OF BUSINESS

JA 1880, Batu 22½ Parit Perawas
Sungai Rambai, 77400 Melaka

Website : www.jaycorp.com.my

Email : inquiry@jaycorp.com.my

Tel : 606-265 0111

Fax : 606-265 9999

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd

[Registration No. 199601006647 (378993-D)]

11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan

Tel : 603-7890 4700

Fax : 603-7890 4670

Email : BSR.Helpdesk@boardroomlimited.com

ADVOCATES & SOLICITORS

Ben & Partners

7-2, Level 2, Block D2
Dataran Prima, Jalan PJU 1/39
47301 Petaling Jaya
Selangor Darul Ehsan

Tel : 603-7805 2922

Fax : 603-7805 3922

MahWengKwai & Associates

Level 10-1, Tower B, Menara Prima
Jalan PJU 1/39, Dataran Prima
47301 Petaling Jaya
Selangor Darul Ehsan

Tel : 603-7887 2702

Fax : 603-7887 2703

PRINCIPAL BANKERS

AmBank (M) Berhad

[Registration No. 196901000166 (8515-D)]

HSBC Bank Malaysia Berhad

[Registration No. 198401015221 (127776-V)]

Malayan Banking Berhad

[Registration No. 196001000142 (3813-K)]

OCBC Bank (Malaysia) Berhad

[Registration No. 199401009721 (295400-W)]

PT. Bank Mandiri (Persero) Tbk, Indonesia

[Registration No. S99FC5733G]

AUDITORS

Crowe Malaysia PLT

201906000005 (LLP0018817-LCA) & AF 1018

Chartered Accountants

Melaka Office

52, Jalan Kota Laksamana 2/15

Taman Kota Laksamana

Seksyen 2, 75200 Melaka

Website : www.crowe.com.my

Tel : 606-282 5995

Fax : 606-283 6449

STOCK EXCHANGE LISTING

Main Market of

Bursa Malaysia Securities Berhad

STOCK NAME : **JAYCORP**

STOCK CODE : **7152**

WEBSITE

www.jaycorp.com.my



CORPORATE STRUCTURE



JAYCORP Berhad
(Registration No. 199801003663 (459789-X))



FURNITURE

100%

Yeo Aik Wood Sdn Bhd

Manufacturing and selling of furniture

100%

Winshine Holdings Sdn Bhd

Investment holding, provision of management services and property renting

100%

Winshine Industries Sdn Bhd

Manufacturing and selling of furniture

87%

Instyle Sofa Sdn Bhd

Manufacturing of sofa sets and upholstery work

60%

Honsoar Jaycorp Cabinetry Sdn Bhd (*Joint Venture Company*)

Manufacturing, trading, import and export all kind of furniture and related products



WOOD PROCESSING

100%

Yeo Aik Hevea (M) Sdn Bhd

Pressure treatment, processing and kiln-drying of wood and manufacturing of furniture parts

80%

Jaycorp LVL Sdn Bhd

Processing of veneer sheet and manufacturing bent LVL pieces for furniture from veneer sheets

62.3%

PT Tiga Mutiara Nusantara (*Joint Venture Company*)

Manufacturing and selling of finger jointed finished gesso coated and primed moulding products



PACKAGING

100%

Pine Packaging (M) Sdn Bhd

Conversion of corrugated boards into carton boxes



RENEWABLE ENERGY

60%

Jaycorp Green Energy Sdn Bhd

Renewable energy, biomass and environmentally friendly waste treatment



CONSTRUCTION

60%

Jaycorp Engineering & Construction Sdn Bhd

General construction and civil engineering works



INVESTMENT HOLDING

100%

Jaycorp Properties Sdn Bhd

Investment holding

60%

Bongawan Solo Sdn Bhd

Investment holding



TRADING & OTHERS

100%

Jaycorp Trading Sdn Bhd

General trading, property letting, transportation and printing

70%

Jaycorp Limited

(Dormant)

DIRECTORS' PROFILE



TAN SRI DATUK (DR.) ABDUL MAJID KHAN

Executive Chairman
Non-Independent Executive Director

Board Committee Membership

- None

Tan Sri Datuk (Dr.) Abdul Majid Khan was appointed to the Board on 6 November 2003.

Tan Sri is an established businessman and a well-known entrepreneur. He has vast experience in banking, corporate sectors, politics and public service. He served as Political Secretary to the late Tun Fuad Stephens from 1964 to 1965. He was the Information Chief of Party Berjaya Sabah from 1979 to 1985. From 1981 to 1985, he was a member of Sabah State Legislative Assembly. He was the Chairman of the Sabah Timber Association from 1978 to 1985. He was also the Founder, Director and Chairman of Sabah Development Bank (1978 to 1985), Founder and Director of Sabah Bank Berhad (1979 to 1985) and Chairman of Sabah Finance Berhad (1977 to 1985). Tan Sri sat on the Board of Directors of Malaysian Airline System Berhad from 1980 to 1985. He was the former Chairman of Ranhill Power Berhad from 2004 to 2015. He was the Chairman and Director of Dunham-Bush Holdings Berhad from 2009 to 2013. Currently, Tan Sri Datuk (Dr.) Abdul Majid Khan is the Chairman of Jawala Corporation Sdn Bhd.

Tan Sri attended all six (6) Board meetings held in the financial year 2025.

He is not a Director of any other public company.

He is the grandfather of Muaz bin Jema Anton Khan (Executive Director) and Nadja binti Jema Khan (Non-Independent Non-Executive Director) and father of Datuk Jema Anton Khan (deemed substantial shareholder and major shareholder of the Company).



YEO AYK KE

Managing Director
Non-Independent Executive Director

Board Committee Membership

- Member of Remuneration Committee
- Member of Investment Committee
- Member of Enterprise Risk Management Committee

Yeo Ayk Ke was appointed to the Board on 19 July 2002 and re-designated to Managing Director on 10 February 2020.

He started his career as Marketing Executive with Pioneer Packing Industries in 1990. He joined Yeo Aik Wood Sdn Bhd as Marketing Manager in 1992. Since then, he has been involved in developing the marketing master plan for the Group's products, especially in penetrating the overseas market. His great interpersonal skills have enabled him to build up strong relationships with the customers. He has travelled extensively to participate in trade fairs and to meet up with customers overseas. This has given him wide exposure to furniture trade designs, customers buying patterns, trends and behaviours in various countries. He oversees the marketing plan and strategies for the Group. His extensive marketing network enables him to lead the marketing function for the Group's furniture products.

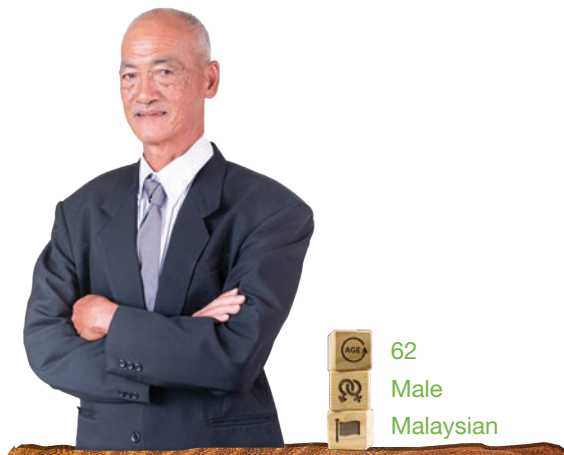
He attended all six (6) Board meetings held in the financial year 2025.

He is not a Director of any other public company.

He is the brother of Yeo Aik Tan (Executive Director).

In financial year 2023, a penalty was imposed on him by the Companies Commission of Malaysia ("CCM") for late disclosure in respect of the changes in his indirect substantial shareholdings in the Company. The penalty imposed amounted to RM50,000.00 (after reduction granted by the CCM).

Directors' Profile



YEO AIK TAN

Non-Independent Executive Director

Board Committee Membership

- Member of Investment Committee
- Member of Enterprise Risk Management Committee

Yeo Aik Tan was appointed to the Board as an Alternate Director to Yeo Ayk Ke on 16 April 2007 and was appointed as Non-Independent Executive Director of the Company on 10 February 2020.

He started his career as a Western Cook with Genting Highland Hotel in 1980. Two years later, he joined Apollo Hotel as a Western Cuisine Chef for two years. He joined his brother in setting up the family's packaging business, Pioneer Packing Industries in 1985. His involvement in the well-established organisation in the hospitality industry has trained him to be disciplined in delivering products that meet customers' expectations. This skill has enabled him to handle the customer service and marketing roles for the packaging business effectively. His drive to continuously find solutions to improve the operational efficiency and enhance productivity has prompted him to computerise the company's production planning and control function, and apply the cutting-edge technology in block making and tracking system.

He attended all six (6) Board meetings held in the financial year 2025.

He is not a Director of any other public company.

He is the brother of Yeo Ayk Ke (Managing Director).



LIM POH TEOT

Non-Independent Executive Director

Board Committee Membership

- Member of Investment Committee

Lim Poh Teot was appointed to the Board on 19 July 2002.

He graduated from Kolej Tunku Abdul Rahman with a Diploma in Commerce (Management Accounting) in 1987. In 1988, he attained his Professional Accountancy Certificate from the Chartered Institute of Management Accountants ("CIMA"). He has been a member of the Malaysian Institute of Accountants ("MIA") since 1991 and has been a Fellow of CIMA ("FCMA") and is a certified Chartered Global Management Accountant ("CGMA") since 9 April 1992 by the Association of International Certified Professional Accountants ("AICPA").

He started his career in 1987 as an Assistant Accountant with Perusahaan Chan Choo Sing Sdn Bhd ("PCCS"). In 1989, he was responsible in setting up Harta Packaging Industries Sdn Bhd ("Harta"), the packaging operation of the PCCS group of companies. Subsequently, in 1992, he was promoted to Deputy Managing Director of Harta. In 1995, he was appointed as Group General Manager of PCCS Group Berhad when it was listed on the Main Board of Bursa Malaysia Securities Berhad ("Bursa Securities"). In 1997, he was involved in the listing of Harta on the Second Board of Bursa Securities. Subsequently, he left the PCCS Group in 1999. He was the Chairman of the Batu Pahat Furniture Association from 2004 to 2010 and Vice President of the Johor Furniture Association ("JFA") for the same period. During that period, he was also the Governing Committee of the Malaysia Furniture Industry Council ("MFIC") and the Joint Council of MFIC and Malaysia Furniture Entrepreneur Association's ("MFEA") Head of Market Development Sub Committee. In January 2010, he was appointed by the Johor State Government as the Ex Officio representing the Batu Pahat Chinese Chamber of Commerce to the Majlis Perbandaran Batu Pahat for a period of 5 years. Currently, he is the Honorary President of the Batu Pahat Chinese Chamber of Commerce and the Batu Pahat Hoon Jiao Tong Association.

He attended all six (6) Board meetings held in the financial year 2025.

He is not a Director of any other public company.

He does not have any family relationship with any Directors and/or major shareholders of the Company.

Directors' Profile



MUAZ BIN JEMA ANTON KHAN

Non-Independent Executive Director

Board Committee Membership

- Chairman of Investment Committee
- Chairman of Enterprise Risk Management Committee
- Member of Board Risk Management Committee

Muaz bin Jema Anton Khan was appointed to the Board on 24 June 2016.

Muaz graduated from University College London (UCL) with a B.S.c. (Honours) in Human Genetics in 2011. He started his career as an associate in CIMB Private Equity Sdn Bhd in 2012. In 2013, he joined Jaycorp Berhad as Head of Business Development and was subsequently appointed as a Non-Independent Executive Director in 2016.

He attended all six (6) Board meetings held in the financial year 2025.

Muaz is also a Non-Independent Non-Executive Director of Jawala Inc, a company listed on the Catalist Board of the Singapore Exchange.

Muaz is the grandson of Tan Sri Datuk (Dr.) Abdul Majid Khan (Executive Chairman), brother of Nadja binti Jema Khan (Non-Independent Non-Executive Director) and son of Datuk Jema Anton Khan (deemed substantial shareholder and major shareholder of the Company).



NADJA BINTI JEMA KHAN

Non-Independent Non-Executive Director

Board Committee Membership

- None

Nadja binti Jema Khan was appointed to the Board as Director cum Chief Financial Officer on 1 October 2018 and was re-designated to Non-Independent Non-Executive Director on 1 November 2019.

Nadja graduated from Imperial College London with a B.S.c. (Honours) in Biomedical Sciences in 2010. She started her career in the audit department in Deloitte LLP, UK in September 2010. Nadja stayed in the audit department for three (3) years and spent this time auditing privately-owned and listed businesses across a range of industries. Subsequently, Nadja was transferred to the tax advisory department in Deloitte LLP where she spent four (4) years advising large businesses (privately-owned and listed) and their owners on both corporate and personal tax issues. During this time, Nadja's main areas of focus included mergers and acquisitions, IPOs, group reorganisations and international expansion.

Nadja left Deloitte LLP, UK, as an Associate Director in 2017 and moved back to Malaysia to join Jaycorp Berhad as Group Financial Controller on 4 September 2017. Nadja was a Non-Independent Non Executive Director of Jawala Inc, a company listed on the Catalist Board of the Singapore exchange from 2017 to 2023. Nadja is a member of the Institute of Chartered Accountants in England and Wales ("ICAEW") and Chartered Institute of Taxation ("CIOT") (UK).

She attended five (5) out of six (6) Board meetings held in the financial year 2025.

She is not a Director of any other public company.

Nadja is the granddaughter of Tan Sri Datuk (Dr.) Abdul Majid Khan (Executive Chairman), sister of Muaz bin Jema Anton Khan (Executive Director) and daughter of Datuk Jema Anton Khan (deemed substantial shareholder and major shareholder of the Company).

Directors' Profile



BIANCA DANIELLA LIND

Independent Non-Executive Director

Board Committee Membership

- Chairperson of Nomination Committee
- Member of Audit Committee
- Member of Remuneration Committee
- Member of Investment Committee

Bianca Daniella Lind was appointed to the Board as an Independent Non-Executive Director on 1 January 2020.

She graduated from Oxford Brookes University with an LLB (Honours) in law in 2000. She obtained the Certificate of Legal Practice qualification in 2003 and an LLM Master of Laws in Intellectual Property Law from Monash University in 2005. She was admitted as an Advocate and Solicitor to the High Court of Malaya in 2006.

Bianca started her career in Kuala Lumpur with Azman Davidson & Co. where she completed her pupillage and went onto to head the Intellectual Property department. Her interest in corporate law continued at Lee Hishamuddin Allen and Gledhill where she had significant exposure to Shahriah compliant transactions.

Bianca moved to the Corporate sector when she joined Navis Capital in the KL office as in-house counsel. There, she had exposure in mergers and acquisitions, public listings, corporate take overs and fund raising. The transactions encompassed many industries from cosmetics, packaging, educational institutes to industrial safety footwear.

She attended all six (6) Board meetings held in the financial year 2025.

She is not a Director of any other public company.

She does not have any family relationship with any Directors and/or major shareholders of the Company.



IVAN OH BOON WEE

Independent Non-Executive Director

Board Committee Membership

- Chairman of Audit Committee
- Chairman of Remuneration Committee
- Chairman of Board Risk Management Committee
- Member of Nomination Committee

Ivan Oh Boon Wee was appointed to the Board as an Independent Non-Executive Director on 20 October 2022.

He began his career with PricewaterhouseCoopers in 1985; spanning over fourteen (14) years which included Assurance and Corporate Advisory services.

He has over thirty-seven (37) years of total working experience with in-depth knowledge and capabilities in his areas of responsibilities whilst extensively familiar with listing requirements and corporate governance. He is also experienced in certain specialised functions such as tax planning and compliance including cross border transactions, corporate restructuring of distressed companies and corporate finance work including fund raising and mergers and acquisitions. He is a Certified Public Accountant of Malaysian Institute of Accountants ("MIA") as well as Malaysian Institute of Public Accountants ("MICPA").

He attended all six (6) Board meetings held in the financial year 2025.

He is not a Director of any other public company.

He does not have any family relationship with any Directors and/or major shareholders of the Company.

Directors' Profile



PATRICIA UBING @ MAGDALENE EDWARD

Independent Non-Executive Director

Board Committee Membership

- Member of Audit Committee
- Member of Nomination Committee
- Member of Board Risk Management Committee
- Member of Investment Committee

Patricia Ubing @ Magdalene Edward was appointed to the Board on 9 June 2023.

She has over 30 years of experience in banking sector comprising areas of corporate and investment banking, consumer banking, and wealth management.

Patricia has worked for Maybank Malaysia for past 21 years. She held position of Head of Corporate and Commercial Business, Regional Manager for Sabah/FT Labuan, and also the Group Head of Private Banking. She had served BNP Paribas Wealth Management as Managing Director, Head of Malaysia and as Managing Director for Deutsche Bank Wealth Management, Singapore. During the period from 2009 to 2016, Patricia was the Managing Director of Tridium Consultant Pte Ltd.

She attended five (5) out of six (6) Board meetings held in the financial year 2025.

She is also a Director and Chief Executive Officer of Sabah Development Bank Bhd.

She does not have any family relationship with any Directors and/or major shareholders of the Company.

Other Information:

1. Directors' Shareholdings

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

2. Conflict of Interest or Potential Conflict of Interest with the Group

None of the Directors of the Company have any conflict of interest or potential conflict of interest with the Group.

3. Convictions for Offences

Save as disclosed above, none of the Directors of the Company have been convicted of any offences (other than traffic offences, if any) within the past five (5) years. There was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 July 2025.

KEY SENIOR MANAGEMENT PROFILE

TAN SRI DATUK (DR.) ABDUL MAJID KHAN

Executive Chairman

Age 81
Gender Male
Nationality Malaysian

Please refer to his Director's profile on page 7 of the Annual Report 2025.

MUAZ BIN JEMA ANTON KHAN

Executive Director

Age 35
Gender Male
Nationality Malaysian

Please refer to his Director's profile on page 9 of the Annual Report 2025.

YEO AYK KE

Managing Director

Age 56
Gender Male
Nationality Malaysian

Please refer to his Director's profile on page 7 of the Annual Report 2025.

TAN CHUN KOON

Group Financial Controller

Age 47
Gender Male
Nationality Malaysian

Board Committee Membership

- None

Tan Chun Koon is a Chartered Certified Accountant, a member of the Association of Chartered Certified Accountant ("ACCA") and Malaysian Institute of Accountants ("MIA"). He began his career as an auditor with Y.C. Chong & Co in January 2002 before joining Jaycorp Berhad as the Group Accountant in March 2007. In February 2016, he resigned from the Company and worked as Finance Manager of another public listed company. He re-joined the Company as the Group Accountant on 1 April 2017 and was promoted to Group Financial Controller on 1 November 2019.

He is not a Director of any public company. He does not have any family relationship with any Directors and/or major shareholders of the Company.

He has no conflict of interest or potential conflict of interest with the Group and has never been convicted of any offences (other than traffic offences, if any) within the past five (5) years and has not been imposed of any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 July 2025.

YEO AIK TAN

Executive Director

Age 62
Gender Male
Nationality Malaysian

Please refer to his Director's Profile on page 8 of the Annual Report 2025.

LIM POH TEOT

Executive Director

Age 61
Gender Male
Nationality Malaysian

Please refer to his Director's profile on page 8 of the Annual Report 2025.

CHAIRMAN'S STATEMENT



Dear Shareholders,

On behalf of the Board of Directors, I present the Annual Report and Financial Statements of the Group and the Company for the financial year ended 31 July 2025 ("FY25").

This year has brought significant challenges for both our business and the broader economic environment. The head of the International Monetary Fund has issued a stark warning about the mounting risks facing the global economy, saying: *"Buckle up: uncertainty is the new normal"*. This highlights the heightened volatility in the global economy, where uncertainty is now a constant. As a business, we must learn to adapt and operate effectively within this evolving landscape.

Locally, the implementation of various government policies aimed at increasing national revenue and uplifting low-wage workers is a welcome step for long-term socioeconomic stability. However, these policies have also led to increased operational costs for businesses, adding to the broader cost pressures faced in an already demanding economic climate.

Against this backdrop, FY25 was a difficult year for the Group. Revenue declined by 15.8%, from RM194.4 million in FY24 to RM163.7 million. This decline significantly impacted profitability, with profit before tax falling sharply by 80.0%, from RM19.3 million to RM3.9 million.

TAN SRI DATUK (DR.) ABDUL MAJID KHAN

Executive Chairman

Non-Independent Executive Director

Chairman's Statement

Revenue in the furniture segment fell by 14.8%, mainly due to slower customer orders across both export and domestic markets. Furniture purchases are often deferred during periods of economic uncertainty, given their non-essential nature and infrequent replacement cycle. Additionally, the appreciation of the Malaysian Ringgit (MYR) against the United States Dollar (USD) further pressured revenue from export sales. In response, the Group will place greater emphasis on strategic marketing, continuous product innovation, operational efficiency and implementing stringent cost control to restore performance in this segment.

The packaging segment saw a 16.2% drop in revenue, largely due to reduced demand from Malaysian furniture exporters, key customers for this segment. Efforts to diversify the customer base by targeting other industries are ongoing, but progress has been gradual, given the challenges of entering established markets with entrenched competitors and varying product requirements. Moving forward, the Group remains committed to strengthening the packaging segment through market diversification, improved efficiency and increased automation to enhance productivity.

In contrast, the renewable energy segment delivered strong results, with revenue rising 42.2%. This was driven by higher steam offtake from existing customers, stable plant operations and improved reliability. The absence of major disruptions, particularly following the plant upgrade and repair works in FY24, further supported performance. With global focus intensifying on green technologies and sustainability, the Group remains confident in the segment's long-term growth prospects.

In line with this strategy, the segment secured an Engineering, Procurement, Construction, and Commissioning ("EPC") contract on 18 April 2025 to develop a new biomass boiler system with a capacity of 70 tonnes per hour. Scheduled for completion in FY27, this project marks a strategic investment to expand future capacity and technical capabilities and to further strengthen the Group's presence in the renewable energy sector.

The construction segment recorded a 48.2% decline in revenue, mainly due to a lower percentage completion on existing projects, most of which were nearing their final stages, along with the absence of new project awards in FY25. The construction industry remains highly competitive, placing continued pressure on profit margins and often necessitating more aggressive pricing strategies to win projects. In response, the Group intends to actively pursue a higher number of project tenders while conducting thorough budget evaluations for each opportunity, with a clear focus on maintaining a prudent balance between competitiveness and profitability.

Our Malaysian joint venture company recorded higher losses in FY25 due to a significant drop in orders during the second half of the financial year. This was largely caused by U.S. tariff measures, which led many customers to delay orders, relying instead on existing inventory. Discussions are ongoing with these customers to secure future order volumes and restore performance.

Conversely, our Indonesian joint venture company successfully turned a profit in FY25, supported by higher shipment volumes, a broader product range, and consistent on-time delivery. Despite continued pricing pressures, improved operational efficiency allowed the business to contribute positively. We are optimistic that this momentum will continue and further support the Group's overall performance.

Looking ahead, the Group remains firmly committed to strengthening its core businesses while actively exploring new avenues for sustainable growth. Our solid balance sheet and low gearing levels provide us with the flexibility to pursue expansion opportunities and make strategic investments that will drive long-term value for our shareholders.

On behalf of the Board of Directors, I would like to extend our sincere appreciation to the management team and all employees across the Group. In a year marked by a challenging operating environment and softer financial performance, your unwavering dedication, resilience and commitment have been truly commendable. Your continued efforts in executing the Group's strategies with focus and determination have been critical in navigating these headwinds. We deeply value your contributions, which remain integral to the Group's ongoing progress and long-term success.

Our sincere gratitude goes to our shareholders, customers, joint venture partners, business associates, suppliers, bankers and government authorities for their confidence and support to the Board and Management.

Finally, to my fellow Board members, thank you for your guidance, dedication and valuable contributions, which have been instrumental in steering the Group through these challenging times.



MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF BUSINESS AND OPERATIONS

Business and operations

The Jaycorp group (“the Group”) operates six main business segments as follows:



Furniture

manufacture and sale of furniture
(mainly rubberwood furniture)



Packaging

conversion of corrugated boards into carton boxes



Wood Processing

pressure treatment and kiln-drying of wood and manufacturing of furniture parts



Renewable Energy

renewable energy, biomass and environmentally friendly waste treatment



Construction

general construction and civil engineering works



Others

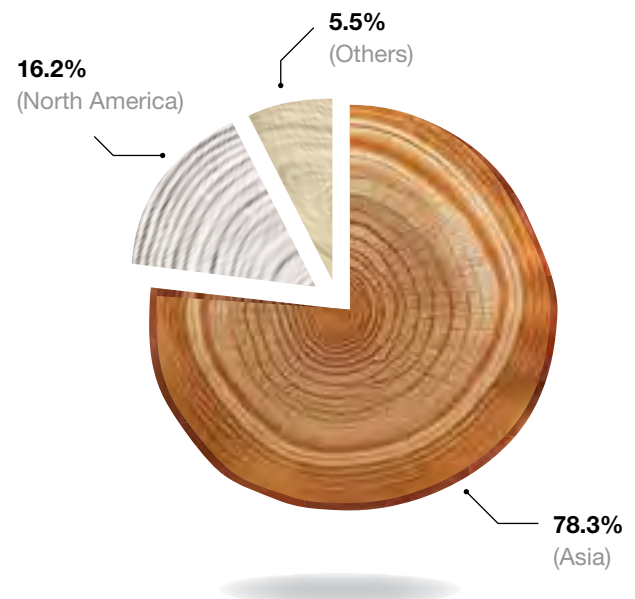
general trading, transportation, property letting and printing

The main contributor to the Group revenue for the financial year ended 2025 (“FY25”) was the furniture segment which accounted for approximately 54.1% of total revenue (FY24: 53.4%).

The Group’s operations are located in Kuala Lumpur, Melaka, Johor, Sabah, and Medan (Indonesia).

Key markets

The Group’s key markets are Asia and North America, which contributed 78.3% and 16.2% of consolidated revenue in FY25 respectively (FY24: Asia – 79.3% and North America – 13.8%).



Management Discussion and Analysis

OVERVIEW OF BUSINESS AND OPERATIONS (CONTINUED)

Objectives and strategy

The Group's primary objective is to enhance shareholder value by nurturing sustainable growth in all businesses the Group undertakes.

The Group's strategy continues to focus on controlling costs and improving operational efficiency to achieve better profits. Furthermore, the Group continues to actively explore new markets, develop new products, and expand its customer base to facilitate business growth and deliver maximum value to its shareholders.

Highlights of the Group's financial information for the past 5 financial years

Financial	2021	2022	2023	2024	2025
1. Revenue (RM'000)	353,034	305,691	222,735	194,416	163,658
2. Profit before taxation (RM'000)	37,994	30,196	26,339	19,327	3,874
3. Profit/(Loss) after taxation (RM'000)	28,490	21,387	20,729	13,566	(70)
4. Shareholders' equity (RM'000)	177,562	186,472	192,128	190,634	182,392
5. Total assets (RM'000)	263,306	279,388	251,072	252,101	237,747
6. Borrowings (RM'000)	22,578	19,987	14,197	13,461	13,542
7. Debt/Equity (%)	12.72	10.72	7.39	7.06	7.42
8. Earnings per share (sen) *	11.03	7.99	7.49	5.26	0.50
9. Net assets per share (RM) *	0.66	0.69	0.71	0.71	0.68

* For comparative purpose, the earnings per share and net assets per share had been adjusted to reflect the bonus issue of 1 for every 1 existing ordinary share which was completed on 17 January 2022.

REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION

Segmental results

The Group experienced a decline in revenue in FY25 compared to FY24, primarily driven by reduced demand in both export and local markets.

The Group's financial results broken down into its six main segments are as follows:

FY25

	Furniture RM'000	Packaging RM'000	Wood processing RM'000	Renewable energy RM'000	Construction RM'000	Others RM'000	Consolidated RM'000
Revenue	99,635	36,741	19,646	15,466	9,838	2,822	163,658
Segment result	8,127	2,332	(1,804)	2,473	(3,761)	(211)	8,177

FY24

	Furniture RM'000	Packaging RM'000	Wood processing RM'000	Renewable energy RM'000	Construction RM'000	Others RM'000	Consolidated RM'000
Revenue	116,987	43,863	22,731	10,873	19,010	5,656	194,416
Segment result	16,023	3,877	1,727	875	(795)	148	23,319

Management Discussion and Analysis

REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION (CONTINUED)

Segmental results (continued)



Furniture Segment

The revenue and segment result in the furniture segment decreased from RM117.0 million and RM16.0 million in FY24 to RM99.6 million and RM8.1 million in FY25 respectively. The reduction in both revenue

and segment results was attributable to weaker sales in export markets and to local customers, further impacted by the strengthening of the Malaysian Ringgit (MYR) against the United States Dollar (USD).



Packaging Segment

The packaging segment recorded a reduction in revenue and segment results, decreasing from RM43.9 million and RM3.9 million in FY24 to RM36.7 million and RM2.3 million in FY25. The lower revenue and segment result

in this segment were attributed to reduced demand from both existing internal and external customers in the furniture industry, as well as discounts extended to certain customers affected by tariffs.



Wood Processing Segment

In FY25, the wood processing segment generated revenue of RM19.6 million and a segment result of RM1.8 million (loss), compared to revenue of RM22.7 million and a segment result of RM1.7 million in FY24. The lower revenue was due to reduced intercompany

sales to the furniture segment and external customers. The decline in this segment's result was driven by lower revenue, higher write down of inventories and losses incurred by a newly incorporated subsidiary still in its initial stage of operations.



Renewable Energy Segment

The renewable energy segment posted improved performance in FY25, with revenue rising from RM10.9 million in FY24 to RM15.5 million, and segment result increasing from RM0.9 million to RM2.5 million. The

higher revenue and segment result in FY25 reflect increased steam offtake from customers after a temporary plant closure in FY24 to address combustion and emissions issues.



Construction Segment

Revenue in the construction segment dropped to RM9.8 million in FY25 from RM19.0 million in FY24, while segment losses widened from RM0.8 million to RM3.8 million. The lower revenue in FY25 was primarily due to a reduced percentage of completion on existing projects, as no new projects were secured during the

year. The larger segment loss resulted from reduced revenue, decrease in overall construction margins and additional project-related expenses including provisions for foreseeable losses and liquidated ascertained damages (LAD) cost.



Others Segment

The revenue and segment result in the "others" segment decreased from RM5.7 million and RM0.1 million in FY24 to RM2.8 million and RM0.2 million (loss) in FY25 respectively. The decreased revenue was largely due to

the cessation of general trading business. The decrease in segment result was driven by lower revenue and the write-off of property, plant and equipment.



Joint Venture Company

The share of loss from the joint venture companies increased from RM1.4 million (loss) in FY24 to RM2.0 million (loss) in FY25. This was mainly attributed to losses incurred by the Malaysian joint venture company,

arising from lower export sales, which were partly impacted by the strengthening of the MYR against the USD and a higher write-down of inventory.

Management Discussion and Analysis

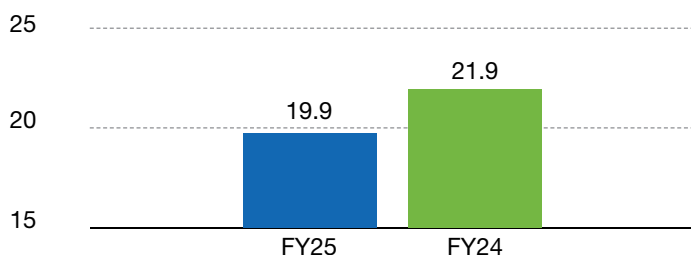
REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION (CONTINUED)

Significant balances

Trade Receivables

Trade receivables decreased from RM21.9 million in FY24 to RM19.9 million in FY25, primarily due to lower Group revenue recorded in July 2025 compared to July 2024.

RM million



Inventories

Inventories decreased to RM23.2 million in FY25 from RM23.6 million in FY24, mainly due to lower inventory levels in the furniture segment as a result of reduced revenue.

Cash & Bank

Cash & bank decreased from RM73.7 million in FY24 to RM54.3 million in FY25 due to lower net cash generated from operations, higher capital expenditure on property, plant and equipment and dividend payments, despite the Group recording a loss after taxation for the financial year.

Trade Payables

Trade payables decreased from RM17.3 million in FY24 to RM10.0 million in FY25. This was due to reduced procurement activity in the Group's furniture segment following a decline in revenue. In the construction segment, the decrease was also driven by the near completion of certain existing projects, which led to lower material purchases and subcontracting activity.

Borrowings

Group borrowings increased slightly to RM13.54 million in FY25 from RM13.46 million in FY24, mainly due to the construction segment's utilisation of other borrowing as working capital to support ongoing operational needs.

The Group's gearing ratio increased from 7.06% in FY24 to 7.42% in FY25.

ANTICIPATED OR KNOWN RISKS

The Group is exposed to various risks that could affect its business operations and overall performance. To address these risks, the Group has established robust processes for their identification, assessment, and management. An Enterprise Risk Management Committee ("ERMC") convenes regularly, working in close collaboration with key members of management ("Management") to:

- Identify and assess risks relevant to the Group.
- Develop, implement, and continuously monitor the risk management framework.
- Detect changes in existing risks or the emergence of new risks, take appropriate actions, and promptly escalate significant matters to the Board Risk Management Committee ("BRMC"), which in turn reports to the Board.

The following are the key risks considered material and specific to the Group.

Availability and cost of raw materials

The Group faces key risks related to the shortage and price fluctuations of raw materials, as purchases are made from suppliers without long-term supply contracts. To mitigate this, the Group actively monitors raw material pricing and sourcing while maintaining strong relationships with its suppliers.

Environmental factors, including weather conditions and rainfall levels, may also impact the supply of rubberwood. In addition, new or enhanced government regulations (such as logging restrictions) could further constrain supply availability.

In addition, the Group's sourcing strategy may rely heavily on a small number of key suppliers or specific geographic regions for critical raw materials. This concentration risk exposes the Group to potential supply disruptions if any of these suppliers experience operational issues, financial instability, quality non-compliance or capacity constraints.



Management Discussion and Analysis

ANTICIPATED OR KNOWN RISKS (CONTINUED)

Staff availability and cost of labour

During the financial year, the Group did not experience worker shortages due to subdued customer demand. However, factory operations were unable to run at optimum capacity, leading to lower worker productivity. Labour-related costs continue to rise, and any changes in government policies concerning foreign workers, such as restrictions on recruitment, increases in levies, or adjustments to minimum wage requirements, could adversely impact the Group's operations and financial performance.

To mitigate these risks, certain manufacturing processes are outsourced to subcontractors. The Group collaborates closely with these subcontractors to ensure timely delivery of components in line with production schedules and to maintain product quality standards. Furthermore, the Group is continuously exploring and implementing practical automation solutions to enhance efficiency across relevant manufacturing processes.

On the other hand, the Group faces potential challenges arising from an ageing workforce and the possible loss of key personnel, particularly within management and critical technical roles. The departure or retirement of experienced employees may result in a loss of institutional knowledge, disruption to operations, and reduced leadership continuity. Recognising these risks, management is currently exploring practical succession planning measures to identify, nurture and retain future leaders. This initiative aims to ensure effective knowledge transfer, strengthen talent pipelines, and maintain organisational stability and performance over the long term.

Foreign currency exchange rates

As a substantial portion of the Group's revenue is generated from export sales, significant fluctuations in the Malaysian Ringgit ("MYR") against the United States Dollar ("USD") may impact the Group's financial results. Given the numerous factors influencing exchange rate movements, currency trends remain inherently unpredictable. To mitigate this risk, the Group employs appropriate hedging strategies to reduce its exposure to major foreign exchange fluctuations. In FY25, the MYR appreciated by approximately 10% against the USD.



Market Competition and Key Customer Reliance

The furniture market is more competitive than ever, shaped by rising costs, evolving consumer preferences and shifting global trade dynamics. Manufacturers not only compete on price and quality but also face pressures from increasing raw material and labour costs, supply chain disruptions and changing regulatory/tariff regimes particularly for export markets. In addition, the portions of Group's revenue are dependent on a few key customers and the loss or reduction of orders from any of these customers could adversely impact business performance.

To stay resilient in this environment, the Group continues to strengthen cost discipline, through cost effective sourcing and pushing for efficient production processes. At the same time, it is investing in product innovation, design differentiation to meet the customer's expectations. Exploring new markets beyond traditional ones, leveraging e-commerce and digital channels and adapting to changing buyer demands are all part of the strategy to maintain relevance, margin and market position during this period of volatility.

Safety, Health & Environment

The Group operates under stringent safety, health and environmental regulations that cover areas such as accident prevention, workplace safety practices, air and noise emissions, dust control and waste management. Compliance with these laws and regulations forms a core component of the Group's risk management framework. In addition to meeting regulatory requirements, the Group is committed to conducting its operations in a safe, sustainable and responsible manner. Continuous efforts are made to maintain a safe and healthy work environment for employees, minimise environmental impact and uphold the wellbeing of the communities in which the Group operates.

Management Discussion and Analysis

ANTICIPATED OR KNOWN RISKS (CONTINUED)

Operational risks associated with the construction segment

The construction and property development market in Sabah is highly competitive, with the Group competing against larger and more established industry players. As this business segment expands, the Group is increasingly exposed to risks inherent to the construction and property development industry. These include:

- fluctuations in property demand and potential market oversupply;
- volatility in the cost of building materials;
- project delays arising from unforeseen circumstances such as weather conditions, labour shortages or supply chain disruptions; and
- the need to comply with stringent legal, safety and environmental regulations governing the industry.

To address these challenges, the Group has expanded its risk management framework to encompass construction and property-related risks. Furthermore, the construction division is led by key personnel with extensive industry experience and proven capabilities in managing projects effectively, ensuring compliance and mitigating potential risks throughout the project lifecycle.

BUSINESS OUTLOOK

Manufacture and sale of furniture

Global economic growth remains uncertain amid recent U.S. tariff measures, a slowdown in global trade, heightened geopolitical tensions, and increased volatility in financial markets. These factors have compounded existing macroeconomic challenges and weighed on business sentiment worldwide.

Despite the global headwinds, the Malaysian economy continued to grow, supported by resilient domestic demand. Positive developments in U.S. trade negotiations could potentially enhance Malaysia's export performance and overall growth outlook. However, local businesses are facing mounting cost pressures due to several government policy changes, including the increase in the minimum wage to RM1,700, increases in electricity and water tariffs, the expanded scope of the Sales and Service Tax ("SST") and the mandatory 2% Employees Provident Fund ("EPF") contribution for foreign workers.

In addition to these cost pressures, the Group's profit margins were further affected by weaker customer demand and the appreciation of the MYR against the USD, which reduced the value of export proceeds when converted into MYR.

The furniture segment remains the Group's core business. Although its financial performance is expected to remain challenging due to sluggish customer orders and escalating operating costs, the Group will continue to prioritise cost control, market expansion and product development to improve profitability and support long-term growth.



Management Discussion and Analysis

BUSINESS OUTLOOK (CONTINUED)

Manufacture and sale of carton boxes

The packaging segment primarily serves customers in the furniture industry. However, this segment continues to face a highly competitive and challenging environment, driven by a decline in orders from the furniture industry and intense price competition, with many players undercutting prices to secure business.

Despite these challenges, this segment's strength lies in its ability to build long-term relationships with customers, offer competitive pricing and ensure on-time delivery. These key strengths have helped the segment earn the trust and loyalty of its customers.

Moving forward, this segment will continue to strengthen its market position by expanding its customer base and enhancing service quality. Efforts will also be focused on controlling production costs and investing in machinery upgrades to improve operational efficiency and maintain competitiveness in a challenging market landscape.

The Group has acquired nine (9) acres of leasehold land at Muar Furniture Park in Bakri, Johor. Although there are currently not many factories established in the area, the Group believes this strategic acquisition will enable it to capitalise on future business opportunities by supplying carton boxes to furniture manufacturers expected to operate within the park.

Renewable energy

The renewable energy segment was the only segment to record growth in both revenue and profitability in FY25. This positive performance was driven by initiatives implemented in FY24, including improvements in boiler efficiency and the strengthening of preventive maintenance practices. Moving forward, the Group will continue to focus on these measures to support increased customer offtake and, in turn, enhance profitability.

The Group has announced an expansion project in this segment, scheduled for completion in FY27. All necessary measures will be taken to ensure the successful completion of the project, enabling it to make a positive contribution to the Group in the future.



Construction and property development

The construction segment is presently concentrated in Sabah. In light of the recent allocation of federal government funds to the Sabah state government for infrastructure projects, including the construction of new schools, the refurbishment of dilapidated schools and the enhancement of water and electricity infrastructure, substantial opportunities have arisen. It is anticipated that this segment will leverage these developments to drive sustainable growth and enhance the Group's financial performance going forward.

The Group also owns some land ("the Bongawan Land") through its 60% indirect subsidiary, Bongawan Solo Sdn Bhd. Management believes that the Bongawan Land holds potential for the construction and development of resorts, residential properties, and other tourism-related infrastructure, which it intends to pursue at the appropriate time.

Dividend

When recommending dividends, the Board considers the Group's and the Company's financial position, operating working capital requirements, and its commitment to shareholders. Having done so, a first single tier interim dividend of 1.5 sen per ordinary share for the financial year ended 31 July 2025 was paid on 30 July 2025. However, in view of the current challenging market conditions, the Board does not recommend the payment of a final dividend for the current financial year.

SUSTAINABILITY STATEMENT

INTRODUCTION

This Sustainability Statement (“the Statement”) presents Jaycorp Berhad and its subsidiaries’ (“Jaycorp” or “the Group”) continued commitment to responsible and sustainable business practices. It highlights the Group’s efforts and performance in identifying, managing, and responding to material Economic, Environmental and Social (“EES”) risks and opportunities that are integral to long-term business resilience and stakeholder value creation.

Through this Statement, Jaycorp outlines the approach to embedding sustainability principles across its operations, from governance and ethical conduct to environmental stewardship, employee safety and community engagement. Guided by our core values and commitment to responsible business practices, the Group remains focused on balancing business growth with positive environmental and social impact. We strive to ensure that the progress we make today strengthens our long-term resilience and contributes to a more sustainable future for our stakeholders and communities.



REPORTING FRAMEWORK

In preparing this Statement, the Group has been guided by the Sustainability Reporting requirements outlined in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), while also taking into consideration the principles and disclosures recommended by the Global Reporting Initiative (“GRI”) Standards.

REPORTING SCOPE

This Statement covers the Group’s principal business segments, comprising furniture manufacturing, packaging, wood processing operations in Malaysia and Indonesia, renewable energy, construction, and other related activities for the financial year ended 31 July 2025 (“FY25”). For the current reporting year, the data is inclusive of our newly-established subsidiaries that is Jaycorp LVL Sdn Bhd.

It outlines the Group’s response to material sustainability matters that have a significant impact on our business operations, performance, and long-term value creation, as well as our approach in addressing the needs and expectations of our stakeholders.

Sustainability Statement

OUR APPROACH TO SUSTAINABILITY

Our approach to sustainability is anchored in the integration of responsible practices into our organisational culture, the continuous strengthening of our core operations, and the cultivation of a high-performance and resilient workforce.

At Jaycorp, a Sustainability Policy has been established to guide our efforts in embedding ethical, responsible, and transparent practices across the Group's activities. The Policy outlines our commitment to addressing material EES matters in a manner that supports both business growth and long-term value creation. The key objectives of the Sustainability Policy are presented below, while the full policy document is available on our corporate website at www.jaycorp.com.my.

Objectives of Sustainability Policy:

- Endeavour to integrate the principles of sustainability into the Group's strategies, policies and procedures;
- Promote sustainable practices;
- Ensure that the Board and senior management are involved in the implementation of this policy and review the sustainability performance; and
- Create a culture of sustainability within the Group and communicate this, with an emphasis on integrating the environmental, social and governance considerations into decision making and the delivery of outcomes.

Our aims and focus on sustainability can be summarised as follows:



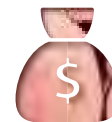
ENVIRONMENT

- Reduce consumption of non-renewable and non-recycled materials
- Pursue and encourage the use of renewable resources
- Reduce the amount of pollutants released into air and water as a result of business activities
- Reduce waste produced by operational practices and manage waste effectively
- Comply with environmental and legal requirements



SOCIAL

- Maintain a safe and healthy workforce
- Recruit and retain high potential and high performing employees
- Use training and development as a strategic investment and a way of shaping culture in the Group
- Enable employees to further develop their professional and personal skills
- Provide a safe working environment for all employees
- Promote racial harmony and prevent racial discriminations
- Prevent sexual harassment and other forms of violence against women
- Be recognised as a good corporate citizen
- Support and encourage community development
- Respond in a professional and timely manner to public enquiries
- Enhance the public's perception of and experience with the Group



ECONOMIC

- Ensuring sustainability forms an integral part of strategic planning
- Enhance sustainability through regular updates of strategies, policies, procedures and provide relevant training
- Assess the impacts and outcomes of sustainability
- Plan for long term resources including human and financial
- Ensure business is conducted in an ethical way with effective implementation and enforcement of our Code of Conduct policies and procedure

Sustainability Statement

SUSTAINABILITY GOVERNANCE

The Group's sustainability governance is closely integrated with its corporate governance structure and Enterprise Risk Management ("ERM") framework, ensuring that sustainability considerations are embedded in strategic decision-making and operational practices. The Board of Directors ("the Board") retains ultimate responsibility for overseeing the Group's sustainability agenda, including its performance and alignment with long-term business objectives.

During the current reporting financial year, the Board was supported by two (2) key committees, the Board Risk Management Committee ("BRMC") and the Enterprise Risk Management Committee ("ERMC") in carrying out this oversight. The ERMC comprises Executive Directors, Group Financial Controller ("GFC"), Group Risk & Compliance Manager and selected representatives from subsidiaries, providing a coordinated approach to sustainability and risk management across the Group. Each subsidiary maintains its own risk management team, consisting of a Risk Coordinator and Risk Owner with the support of Group Risk & Compliance Manager to assist the ERMC in identifying and assessing material risks, gathering relevant information, and ensuring the effective integration of risk management practices within day-to-day operations.

Progress updates, key sustainability risks, and performance outcomes are reported periodically to the Board through the BRMC ensuring continuous monitoring, accountability, and improvement in the Group's sustainability governance and performance.

Board of Directors

- Responsible for ensuring adequate oversight on management of sustainability matters.

Board Risk Management Committee

- Comprises two (2) Independent Non-Executive Directors and an Executive Director.
- Review management of key risks and sustainability matters through periodic update on key/principal risks and sustainability related matters.
- Communicate the Board's vision, strategy, policy, responsibilities and reporting lines in risk management to all personnel across Jaycorp.
- Articulate and provide direction on risk appetite, organisational control environment and risk culture at Jaycorp Berhad.

Enterprise Risk Management Committee

- Management working committee - consists of Executive Directors, Group Financial Controller, Group Risk & Compliance Manager and representatives from subsidiaries.
- Spearheads the implementation of Jaycorp's risk management function which includes management of material sustainability matters.
- Ensure that the ERM Framework and related processes are applied consistently across the organisation.
- Provide guidance on suitable risk treatment options and assist in developing an action plan.

STAKEHOLDER ENGAGEMENT

We recognise that active stakeholder engagement is fundamental to our sustainability journey. The Group integrates stakeholder feedback to ensure that our sustainability initiatives remain relevant and aligned with stakeholder interests and expectations. Engagement with both internal and external stakeholders is conducted on an ongoing basis through various channels to promote transparency, trust, and mutual understanding.

Through continuous dialogue with stakeholders, including regular discussions with top management and the Board, we identify and prioritise key sustainability matters that have a direct impact on our operations and long-term business objectives. We also monitor developments within our business environment to ensure that stakeholder concerns are appropriately addressed and emerging issues are managed effectively.

Sustainability Statement

STAKEHOLDER ENGAGEMENT (CONTINUED)

The table below outlines the Group's principal stakeholder groups, their key areas of interest, and the primary modes of engagement through which we maintain ongoing communication and collaboration.

Stakeholders	Focus Areas	Engagement Approach	Frequency
Customers	<ul style="list-style-type: none"> Product quality and pricing Market demand Product development and innovation Customer satisfaction After-sales services Quality assurance 	<ul style="list-style-type: none"> Marketing plan Product promotions Customer feedback and surveys Customer/factory visits Regular meetings and visits 	<ul style="list-style-type: none"> Continuously Continuously Continuously Continuously Continuously
Employees	<ul style="list-style-type: none"> Employee occupational health and safety Career development and advancement Remuneration package Performance review 	<ul style="list-style-type: none"> Performance appraisals Team building activities Social events with employees Meetings and discussions Trainings 	<ul style="list-style-type: none"> Annually Continuously Continuously Continuously Continuously
Vendors & suppliers	<ul style="list-style-type: none"> Material and service quality Suppliers' service and complaints resolution Legal compliance Contract terms and conditions review 	<ul style="list-style-type: none"> Supplier performance evaluations Meeting and discussions Factory visits Quality audit Contract negotiations 	<ul style="list-style-type: none"> Annually Continuously Continuously Continuously Continuously
Shareholders & investors	<ul style="list-style-type: none"> Financial performance Regulatory compliance Corporate governance Ethical business conduct Internal control and risk management 	<ul style="list-style-type: none"> Financial announcement and reporting Annual & Extraordinary General Meetings Bursa announcements Corporate website Annual Report 	<ul style="list-style-type: none"> Annually/ Quarterly Continuously Continuously Continuously Annually
Government regulators/ authorities etc	<ul style="list-style-type: none"> Regulatory compliance Approvals and permits Standards and certifications Bursa listing requirements 	<ul style="list-style-type: none"> Meetings and consultations Training programmes and dialogue Audit and verification 	<ul style="list-style-type: none"> Continuously Continuously Continuously
Local communities	<ul style="list-style-type: none"> Community wellbeing Community investment Job opportunities Corporate Social Responsibilities ("CSR") activities 	<ul style="list-style-type: none"> Media announcements Annual report Company website Community events 	<ul style="list-style-type: none"> As and when necessary Annually Continuously Continuously
Financial institutions	<ul style="list-style-type: none"> Financial performance Compliance with terms & conditions 	<ul style="list-style-type: none"> Periodic reporting Loan covenant compliance reporting 	<ul style="list-style-type: none"> Continuously Continuously

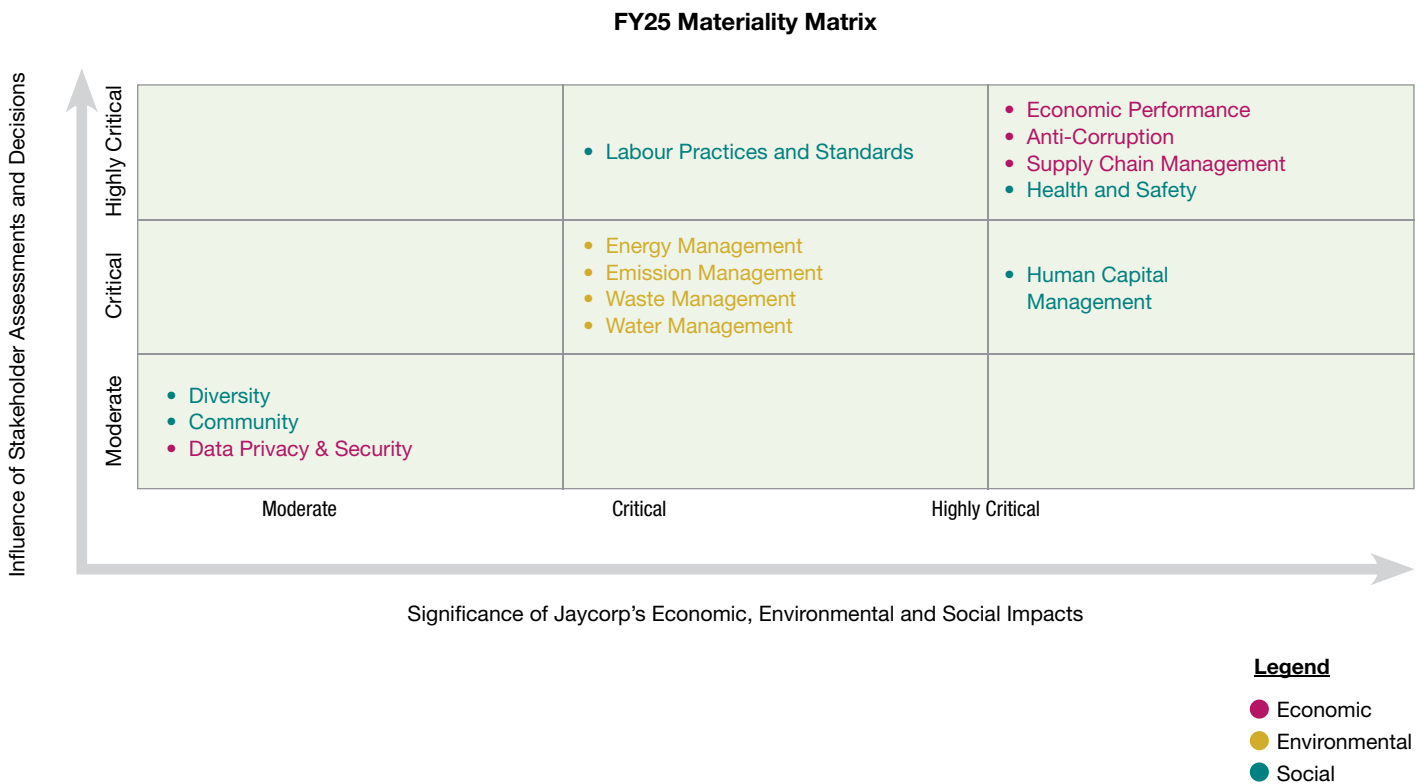
Sustainability Statement

MATERIALITY ASSESSMENT

Through ongoing stakeholder engagement, Jaycorp has identified, assessed, and prioritised material sustainability topics that are most significant to the Group's operations and have the greatest influence on stakeholders' decision-making.

The prioritisation of these material matters is presented in the materiality matrix for the reporting year, which has been reviewed and endorsed by the Board of Directors through the BRMC.

The materiality matrix below maps each material topic along two dimensions: the horizontal axis represents the significance of the Group's EES impacts on our business, while the vertical axis reflects the degree of influence these topics have on stakeholders' assessments and decisions regarding their engagement with the Group.



Based on the materiality assessment, four topics were identified as the most critical due to their high significance to the Group's EES impacts and their strong influence on stakeholders' assessments and decision-making. These are Economic Performance, Anti-Corruption, Supply Chain Management, and Health and Safety.

Economic performance remains central to the Group's ability to deliver long-term value and sustain business growth. Anti-corruption reflects our commitment to integrity, transparency, and ethical business conduct across all operations. Supply chain management is vital to ensuring responsible sourcing, quality assurance, and fair working practices throughout our value chain. Health and safety continue to be a top priority, underscoring our duty of care towards employees, contractors, and business partners. Together, these focus areas represent the foundation of Jaycorp's sustainability agenda and guide our continuous efforts to balance business performance with responsible and ethical practices.

Sustainability Statement

MATERIALITY ASSESSMENT (CONTINUED)

The following is a list of material topics and key indicators.

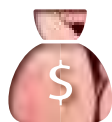
No.	Material Topic	GRI Reference	Indicators
1	Economic Performance	201-1	Direct economic value generated and distributed
2	Anti-Corruption	205-1	Percentage of operations assessed for corruption-related risks
		205-2	Percentage of employees that have received training on anti-corruption by employee category
		205-3	Confirmed incidents of corruption and action taken
3	Supply Chain Management	204-1	Proportion of spending on local suppliers
4	Data Privacy and Security	418-1	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data
5	Health and Safety	403-5	Number of employees trained on health and safety standards
		403-9	Lost time incident rate
		403-9	Number of work-related fatalities
6	Labour Practices and Standards	N/A	Number of substantiated complaints concerning human rights violations
7	Diversity	405-1	Percentage of employees by gender and age group for each employee category
		405-1	Percentage of directors by gender and age group
8	Human Capital Management	401	Percentage of employees that are contractors or temporary staff
		401-1	Total number of employee turnover by employee category
		404	Total hours of training by employee category
9	Community	201-1	Total amount invested in the community where the target beneficiaries are external
		201-1	Total number of beneficiaries of the investment in communities
10	Energy Management	302-1	Total energy consumption
11	Emissions Management	305-1	(i) Scope 1 emissions in tonnes of CO ₂ e
		305-2	(ii) Scope 2 emissions in tonnes of CO ₂ e
		N/A	(iii) Reduction of GHG Emissions, in tonnes of CO ₂ e
			(iv) Number of non-compliance to environmental laws
12	Water Management	303-3	Total volume of water used
		303-4	
		303-5	
13	Waste Management	306-3	Total waste generated and a breakdown of:
		306-4	(i) Total waste diverted from disposal
		306-5	(ii) Total waste directed to disposal

ASSURANCE STATEMENT

The information disclosed in this Statement has been reviewed by the BRMC and subsequently endorsed by the Board of Directors. At present, this Statement, whether in full or in part, has not been subjected to independent assurance by internal or external assurance providers.

Recognising the growing importance of transparency and accountability in sustainability reporting inclusive of upcoming regulatory requirements, the Board through Management will continue to evaluate the feasibility and benefits of obtaining independent assurance on selected sustainability information in future reporting periods. This will be undertaken in consultation with key stakeholders and in alignment with regulatory requirements and industry best practices, with the aim of progressively enhancing the credibility, reliability, and robustness of the Group's sustainability disclosures.

Sustainability Statement



ECONOMIC

Economic Performance

Jaycorp's economic performance remains a primary concern for our key stakeholders. Our target is to generate and sustain financial returns for our shareholders and lenders, continue to provide job opportunities for our direct and indirect employees, and pay our fair share of taxes to local authorities. The Group's economic performance is essential not only for driving business growth, but also for creating long-term value for the communities and economies in which we operate.

To achieve these objectives, the Group continues to implement strategic initiatives focused on enhancing operational efficiency, expanding market reach, and developing new business opportunities. In FY25, the Group's revenue was primarily derived from five (5) main business segments - furniture, packaging, wood processing, renewable energy, and construction with the furniture segment remaining the principal contributor. Throughout the year, the Group has made continuous efforts to strengthen its economic performance through cost optimisation, product innovation, and market diversification. These initiatives have reinforced the Group's resilience and positioned it to capture emerging opportunities as market conditions continue to recover.

A summary of economic value generated during the reporting year and prior years are as follows:

(RM'000)	FY25	FY24	FY23
Economic Value Generated	163,658	194,416	194,045

The economic value distributed to our key stakeholders is summarised as follows:

(RM'000)	FY25	FY24	FY23
Payment to employees - salaries and other staff costs	33,973	34,469	30,815
Payment to government - income tax	3,944	5,761	5,396
Payment to investors - dividend	9,406	16,124	16,124
Payment to lenders - interest	679	566	582
Payment to suppliers	97,315	111,241	111,078

We believe that Jaycorp's economic success is driven by our unwavering commitment to customer satisfaction and the consistent delivery of high-quality products and services. To sustain this success, we maintain continuous engagement with our customers to better understand and respond to their evolving needs and expectations.

A more detailed discussion of the Group's economic performance, key drivers and challenges can be found in the Management Discussion and Analysis section of this Annual Report.

Anti-Corruption

As a responsible and ethical organisation, Jaycorp recognises that the implications of failing to uphold a robust compliance environment extend beyond potential legal repercussions under anti-corruption laws. Such failures could erode stakeholder trust, damage our corporate reputation, and undermine our ability to create long-term value for shareholders. Accordingly, we maintain a strong culture of integrity and vigilance to ensure that our operations and business relationships are conducted in full compliance with applicable laws and in a manner that discourages any form of corrupt practice.

Sustainability Statement

ECONOMIC (CONTINUED)

Anti-Corruption (continued)

Our Anti-Bribery and Anti-Corruption Manual and related procedures are derived from corruption risk assessments and are subject to continuous review and enhancement. These assessments are carried out annually by the Group Risk and Compliance Department and are reviewed by the ERM and the BRMC to ensure that emerging and significant risks are effectively identified and addressed.



100%

**Percentage of operations
assessed for corruption
risks for FY25**

1. Our risk assessment is performed at the group and subsidiary level.
2. We continuously review and improve our corruption risk assessment and management.

To strengthen our ethical foundation, all employees and relevant business partners are required to familiarise themselves with Jaycorp's Anti-Corruption and Anti-Bribery Policy and adhere to the highest standards of professional conduct. Annual training and awareness programmes are conducted to reinforce understanding of anti-corruption and anti-bribery principles, while our Whistleblowing Policy provides a secure and confidential channel for reporting any suspected misconduct without fear of retaliation. Through these collective measures, Jaycorp strives to uphold a transparent, accountable, and integrity-driven business environment.

The following table illustrates the extent of participation by employee categories in our annual anti-bribery and anti-corruption training for FY25.

Percentage of employees that have received training on anti-corruption by employee category	FY25 (%)
Key Senior Management	100
Management	100
Executive	100
Non-Executive	100

Key Senior Management consist of Executive Directors of the company and the GFC.

Notwithstanding, we remain dedicated to strengthening communication and awareness initiatives across the Group. These include regular compliance monitoring and feedback sessions led by top management and the Board, complemented by ongoing discussions and meetings at the executive level to reinforce ethical conduct and accountability.

Through continuous assessment, monitoring, and transparent communication, we are pleased to report that no confirmed incidents of corruption were recorded during the reporting year. This outcome reflects our ongoing commitment to maintaining a culture of integrity and responsible business practices throughout Jaycorp's operations.



None

Number of confirmed incidents of corruption and action taken for FY25

Sustainability Statement

ECONOMIC (CONTINUED)

Supply Chain Management

Responsible sourcing

As the Group engaged in furniture manufacturing, packaging, and wood processing, Jaycorp is committed to ensuring that all raw materials are sourced responsibly. We recognise that sustainable sourcing is an evolving area and are dedicated to engaging relevant stakeholders continuously to enhance our value proposition and promote responsible practices across our supply chain.

Rubberwood, the primary type of wood used in our furniture production is considered an environmentally friendly choice compared to many other timber sources. Rubberwood (*Hevea brasiliensis*) is obtained from trees harvested from rubber plantations originally cultivated for latex production. These trees are typically felled at around 20 years of age, once they become less productive for latex, after which replanting is undertaken. As such, the use of rubberwood represents a sustainable practice, optimising the use of resources from rubber estates while minimising environmental impact.

To further ensure responsible sourcing, Jaycorp actively engages with suppliers to promote compliance with environmental standards, ethical labour practices, and traceability of raw materials. We prioritise sourcing from certified or sustainably managed plantations wherever feasible. In addition, the Group is in the process of aligning its sourcing practices with the European Union Deforestation Regulation (“EUDR”) requirements and other relevant wood traceability certification schemes to enhance transparency and strengthen the credibility of our supply chain.

Through these combined measures, Jaycorp strives to maintain a supply chain that balances operational efficiency, environmental stewardship, and social responsibility, reinforcing our commitment to sustainable business practices and long-term stakeholder value.

Local Sourcing Policy

Jaycorp’s policy is to prioritise local suppliers, provided they meet our standards for price, quality, performance, and ethical conduct. Supporting local suppliers enables us to contribute to the domestic economy while fostering strong, long-term partnerships. The table below summarises the proportion of our spending allocated to local suppliers during the reporting period.

Proportion of spending on local suppliers



Jaycorp’s subsidiaries has established a Procurement Standard Operating Procedure (“SOP”) to ensure that all suppliers meet our requirements before being included in the Approved Supplier List. Suppliers undergo a thorough selection and qualification process, and their performance is regularly evaluated to ensure the consistent delivery of products and services that meet our quality and ethical standards. Feedback from these evaluations is shared with suppliers to support continuous improvement and strengthen our partnerships.

Building and maintaining strong supplier relationships is critical for Jaycorp, particularly as we rely on our suppliers for raw materials in the absence of long-term supply agreements. We are also cognisant of the increasing scrutiny by stakeholders regarding labour rights and compliance with environmental regulations throughout the supply chain. As a matter of principle, we require all vendors to comply with applicable local laws and regulations, reinforcing our commitment to responsible and ethical sourcing practices.

Supply Chain Continuity

We recognise that supply chain continuity is critical to the success of our business. To manage this, we continuously assess our exposure to supply chain risks and have begun implementing contingency measures, including identifying alternative suppliers and enhancing sourcing practices. These proactive steps are designed to mitigate potential disruptions and ensure the ongoing resilience of our operations.

Sustainability Statement

ECONOMIC (CONTINUED)

Data Privacy and Security

At Jaycorp, we are mindful of data privacy regulations, including the Personal Data Protection (Amendment) Act 2024. Our exposure to data privacy risk is considered moderate, as our business operations do not involve the collection or processing of significant or sensitive personal data from our customers.

In FY25, we are pleased to report that no complaints or notifications were received from regulatory or official bodies regarding breaches of customer privacy or loss of customer data. This reflects our ongoing commitment to maintaining robust data protection practices and safeguarding the trust of our stakeholders.



None

Number of substantiated complaints concerning breaches of customer privacy and losses of customer data for FY25, FY24 and FY23



SOCIAL

Health and Safety

We are firmly committed to safeguarding the health, safety, and well-being of all our direct and indirect employees, ensuring that every individual returns home safely at the end of each workday. This commitment underpins our continuous efforts to prevent and minimise workplace incidents through proactive risk management, effective controls, and adherence to recognised safety standards. We are proud to report that we have maintained a record of zero fatal incidents, reflecting our ongoing dedication to a strong safety culture across all operations.

The Group's safety management approach is guided by compliance with applicable occupational health and safety laws and regulations, including those set by the Department of Occupational Safety and Health (DOSH) in Malaysia and relevant authorities in Indonesia. Each subsidiary is responsible for implementing safety programmes tailored to its operations, supported by regular workplace inspections, safety audits, and risk assessments.

In addition, Jaycorp fosters open communication and collaboration between management and employees through active safety and health committees inclusive of employer and employee representatives. These committees monitor safety performance, review incidents, and recommend improvements to ensure a safe and healthy working environment.



FY25
FY24
FY23

Nil

Number of work-related fatalities

We are aware that the nature of our work involves intricate processes, stringent safety standards, and the potential for unforeseen challenges. As we navigate this demanding environment, our focus remains on continuous improvement and proactive measures to safeguard our workforce. Our Health, Safety & Environment (HSE) Department plays a vital role in ensuring compliance with regulatory requirements, monitoring safety performance, and maintaining ongoing communication with employees through regular training and awareness programmes.

Sustainability Statement

SOCIAL (CONTINUED)

Health and Safety (continued)

The following table provides a summary of the number of employees trained on health and safety standards during the reporting period.

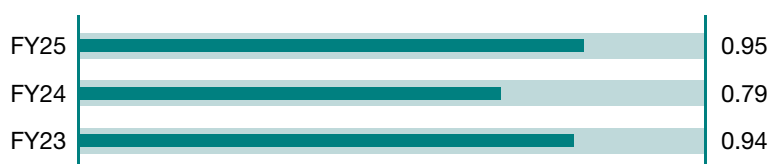
Number of employees trained on health and safety standards



Despite our best efforts and continuous awareness initiatives, we recognise that workplace incidents cannot be entirely eliminated. This is inherent to the nature of our operations in manufacturing and construction, where the handling of raw materials, equipment, and machinery naturally presents higher occupational health and safety risks.

The following table provides a summary of the Loss Time Incident Rate ("LTIR") during the reporting period.

Loss Time Incident Rate ("LTIR")



1. LTIR refers to the loss of productivity associated with accidents or injuries arising out of or in the course of work.
2. LTIR is calculated as a rate, where the number of lost time incidents during the reporting period is expressed per the total number of hours worked as at the end of the reporting period, subsequently multiplied by 200,000. The value of 200,000 represents the standardised value of hours that 100 employees work weekly for 40 hours for 50 weeks.
3. The total number of hours worked is based on the number of working hours for an average employee across the group in the reporting year.
4. The incident reported is inclusive of subcontractors.
5. The number of loss time injuries/incidents is as follows: 18 (FY25), 8 (FY24) and 9 (FY23).

Nevertheless, we remain committed to prompt incident investigations, root-cause analysis, and the implementation of corrective and preventive actions to strengthen our safety culture and drive continuous improvement across all operations.

Labour Practices and Standards

Here at Jaycorp, we recognise the increasing global scrutiny on labour and human rights practices, particularly from mature export markets where compliance expectations for Malaysian manufacturing companies are high.

We are committed to ensuring full compliance with local labour regulations and our customers' ethical sourcing and human rights standards. To uphold these commitments, our operations are regularly audited by customers and independent assessors, and we extend the same expectations to our vendors and subcontractors. Furthermore, we have established a whistleblowing channel to enable employees and stakeholders to report any suspected misconduct or violations confidentially and without fear of retaliation.

Sustainability Statement

SOCIAL (CONTINUED)

Labour Practices and Standards (continued)

These collective measures reflect our firm stance against forced labour and other exploitative practices, aligning with the principles of the International Labour Organization (ILO). A summary of our key labour policies is presented below.

Policy	Description
Non-Discrimination and Equal Opportunity	<ul style="list-style-type: none"> We are committed to maintaining a diverse and inclusive workplace that provides equal opportunities regardless of gender, ethnicity, religion, or background
No Recruitment Fees Policy	<ul style="list-style-type: none"> We ensure that employees, including foreign workers, are not required to pay any recruitment-related fees, costs, or deposits, directly or indirectly, to obtain or maintain employment with Jaycorp or its contractors.
Passport Handling	<ul style="list-style-type: none"> We uphold workers' right to retain possession of their personal identification documents, including passports and work permits. Secure storage facilities are provided for those who voluntarily wish to store their documents, and access remains fully controlled by the workers.
Employee Accommodation	<ul style="list-style-type: none"> We provide decent, safe, and hygienic living accommodations for our workers in compliance with the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019).
Fair Wages and Working Hours	<ul style="list-style-type: none"> All employees are compensated in compliance with applicable wage and hour laws.
Overtime and Leaves	<ul style="list-style-type: none"> We ensure that employees' working hours, rest days, overtime, and leave entitlements are managed in accordance with the Employment Act 1955.
Forced and Child Labour	<ul style="list-style-type: none"> We strictly prohibit the use of any form of forced, bonded, or child labour within our operations and supply chain.
Safe and Healthy Working Conditions	<ul style="list-style-type: none"> We provide a safe and healthy workplace environment through continuous monitoring, training, and hazard prevention measures.

As a result of our continuous engagement, monitoring, and proactive management of labour practices, we are pleased to report that no substantiated complaints relating to human rights violations have been identified within our operations or value chain over the past three (3) years. We remain vigilant and committed to ensuring that all employees, contractors, and business partners uphold our ethical, labour, and human rights standards in every aspect of our operations.

The following table provides a summary of substantiated complaints relating to human rights violations.



None

Number of substantiated complaints concerning human rights violations for FY25, FY24 and FY23

Sustainability Statement

SOCIAL (CONTINUED)

Diversity

Here at Jaycorp, we are committed to providing equal employment opportunities to both existing and prospective employees. All recruitment, promotion, and development decisions are made based on merit, qualifications, and potential for growth, without bias or discrimination. In line with this merit-based approach, the Group does not set specific diversity quotas or targets but remains steadfast in fostering an inclusive and fair workplace that values individual contributions.

The following tables present an overview of the age and gender composition of our workforce, categorised by employee group.

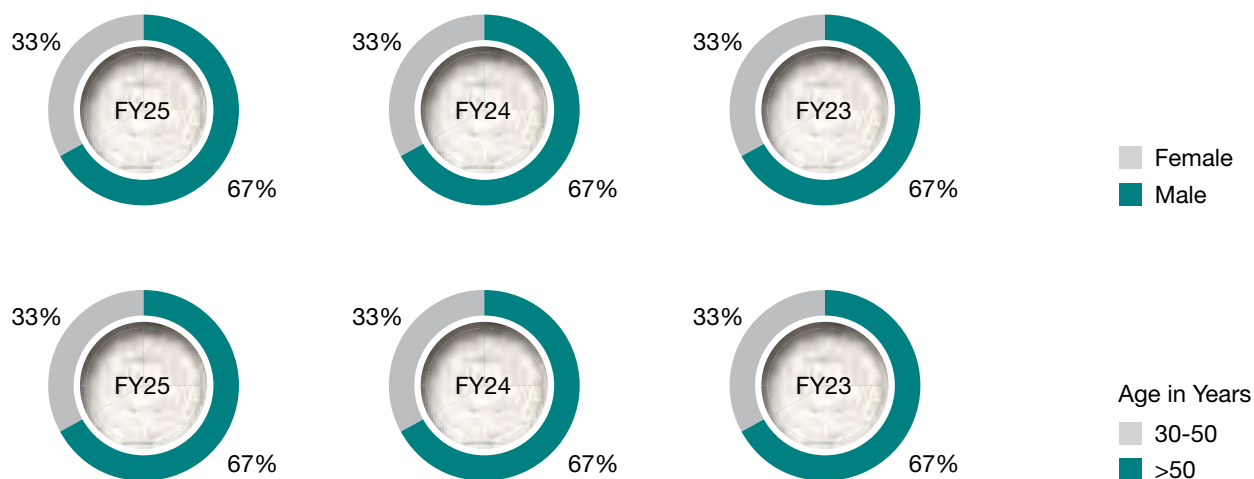
Percentage of employees by gender and employee category	% for FY25		% for FY24		% for FY23	
	Male	Female	Male	Female	Male	Female
Key Senior Management	100	Nil	100	Nil	100	Nil
Management	69	31	69	31	69	31
Executive	54	46	49	51	53	47
Non-Executive	85	15	76	24	75	25

Percentage of employees by age and employee category	Age in Years (%)								
	FY25			FY24			FY23		
	<30	30-50	>50	<30	30-50	>50	<30	30-50	>50
Key Senior Management	Nil	33	67	Nil	33	67	Nil	33	67
Management	1	66	33	4	66	30	4	63	33
Executive	6	88	6	17	66	17	17	67	16
Non-Executive	36	60	4	35	60	5	29	66	5

Board Diversity

We recognise that gender and age diversity at the decision-making level is an important consideration for our stakeholders, as it enhances perspective, balance, and strategic insight. Jaycorp remains committed to building a diverse and inclusive Board, where appointments are based on merit, integrity, and the ability to contribute effectively to the Group's long-term strategy. We continue to value representation that reflects a balance of experience, expertise, age, and gender.

As at the date of this report, the composition of our Board of Directors by gender and age group is as follows:



Sustainability Statement

SOCIAL (CONTINUED)

Human Capital Management

At Jaycorp, we recognise that our employees are the driving force behind our success and a core part of our corporate identity. We depend on their skills, dedication, and creativity to deliver quality products and services that uphold our reputation and create value for our customers. Our goal is to attract, develop, and retain talented individuals, ensuring the long-term sustainability of our workforce and, in turn, the continued growth and resilience of our business.

To achieve this, we provide training and development opportunities to enhance employee skills and competencies, enabling them to perform effectively and grow with the organisation.

A breakdown of total training hours across the Group, categorised by employee level is presented in the table below.

Total hours of training by employee category	FY25 (Hours)	FY24 (Hours)	FY23 (Hours)
Key Senior Management	102	182	59
Management	420	419	611
Executive	538	542	633
Non-Executive	3,860	1,713	2,059
Overall Composition	4,920	2,856	3,362

Employee benefits

Employee benefits help in employee retention as well as in demonstrating our commitment to our workforce. By supporting and valuing our employees, we in turn contribute to their health and well-being. Here at Jaycorp, we continuously benchmark against industry standards to maintain a competitive compensation package. We regularly review our employee benefits to ensure they remain fair, equitable, and aligned with the evolving needs of our workforce. The key benefits that we offer include:

Types of Benefits	Description
Insurances	Group hospitalisation and surgical plan, personal accident insurance
Leaves	Paid study and examination leave, annual leave, medical/sick leave, maternity and paternity leave, compassionate leave, prolonged illness leave, marriage leave
Allowances	Travelling allowance (including mileage and subsistence allowance), handphone allowance, overseas training/work allowance, medical allowance

Utilisation of temporary/contractor staff

To support our business operations, we recognise the importance of hiring both permanent and temporary staff, particularly as we rely on a significant percentage of foreign workers. All our foreign workers are employed under temporary contracts aligned with the validity of their work permits and in compliance with relevant labour laws and regulations.

We ensure that all employment terms for temporary and foreign workers are fair and transparent, including remuneration, working hours, and welfare benefits. Where applicable, we also provide induction and on-the-job training to familiarise them with our safety standards, operational procedures, and ethical expectations.

The following table illustrates the trend in contractors/temporary staff hiring within the Group.

Employment Type	% for FY25	% for FY24	% for FY23
Temporary/contractor staff*	68	61	65

* Our temporary/contractor staff mainly consist of foreign workers, who are temporary staff – given their employment are subject to management's periodic renewal and validity of their working permits.

Sustainability Statement

SOCIAL (CONTINUED)

Employee retention

Employee retention is critical to ensuring the continuous and uninterrupted delivery of our value proposition. At Jaycorp, we strive to retain our employees through various initiatives, including a comprehensive employee benefits package designed to promote satisfaction, well-being, and long-term engagement.

That said, a certain degree of turnover, particularly at the management level, is inevitable in a free labour market due to factors such as voluntary resignations and retirements. We recognise, however, that moderate turnover can be healthy for the organisation, as it provides opportunities to attract new talent who bring fresh perspectives, enhanced competencies and renewed energy often at a more competitive cost.

Moving forward, we remain committed to maintaining a balanced approach that ensures workforce stability, supports organisational renewal, and enhances cost competitiveness.

The following table presents the number and percentage of employee turnover at the end of the reporting period:

Employee Category	Number and Percentage of Employee Turnover					
	FY25		FY24		FY23	
	Number	Percentage	Number	Percentage	Number	Percentage
Key Senior Management	Nil	Nil	Nil	Nil	Nil	Nil
Management	6	10.0%	4	7.3%	1	2.0%
Executive	11	3.0%	10	12.0%	19	21.8%
Non-Executive ¹	97	12.0%	147	14.6%	184	19.8%

1. The high turnover amongst the non-executives is in part due to foreign worker's permit expiry. Notwithstanding, the nature of business which is manufacturing contributes to inherently high turnover.
2. The employee turnover is based on number of employees on 31 July for the respective reporting years.

Community

The Group acknowledges the importance of contributing to the well-being of the communities in which we operate, as part of our broader commitment to social responsibility. During the reporting period, a total of RM46,760 was channelled towards community development initiatives, benefitting approximately 3,790 recipients. These initiatives reflect our ongoing efforts to create positive socio-economic impact and strengthen our relationship with the communities that support our operations.

	FY25	FY24	FY23
Total amount invested in an external community (RM'000)	47	108	24
The total number of individuals who benefited	3,790	10,350	47

The total number of individuals who benefited is based on the management's rough estimate.

Sustainability Statement



ENVIRONMENT

Energy Management

At Jaycorp, we recognise that our manufacturing operations are inherently energy intensive. With rising energy costs and growing uncertainties surrounding global energy supply and climate change, the Group continues to face mounting pressure on operational costs. In response, we remain committed to monitoring our energy consumption closely and implementing measures to improve efficiency and reduce our carbon footprint.

The following initiatives demonstrate our ongoing efforts to enhance energy efficiency across our operations. We continue to monitor their effectiveness to ensure sustained performance improvements:

1. **Solar Photovoltaic ("PV") Systems:** Three (3) of our production sites are equipped with solar PV installations, with a total capacity of 1.8 MWp. These systems collectively supply approximately 40% of the electricity requirements at the respective sites.
2. **Enhanced Biomass Steam Plant Efficiency:** We have upgraded our biomass steam plant assets to increase utilisation capacity and operational availability, improving the thermal conversion of biomass into renewable energy.
3. **Energy-Efficient Technologies and Practices:**
 - a) Implementation of LED lighting across facilities.
 - b) Energy conservation measures such as switching off lighting and air-conditioning during rest periods and after working hours.
 - c) Upgrading of office equipment, including photocopy machines, computers, and laptops, to models with enhanced power-saving features.
 - d) Regular maintenance of boilers and production equipment to ensure optimal energy performance.

A breakdown of the Group's total energy consumption for FY25 is presented in the table below.

Total Energy Consumption (Megawatt)		FY25	FY24	FY23
Fuel Consumption (i.e. diesel and petrol)		3,270	3,959	3,391
Electricity Consumption	Malaysia	9,281	10,209	9,103
	Indonesia	2,967	5,343	3,211
Total		15,518	19,511	15,705

1. The energy conversion factors used for fuel consumption are derived from the UK Government GHG Conversion Factors for Company Reporting for FY25, FY24 and FY23. For FY25, the energy conversion factors used are 10.46 kWh/litre for diesel and 9.545 kWh/litre for petrol, both of which are 100% mineral oil.
2. For FY25, approximately 18% of our group-wide energy consumption is from solar photovoltaic panels on our properties.

Sustainability Statement

ENVIRONMENT (CONTINUED)

Emission Management

Emission Contributed

The Group has not yet established a formal emissions management framework or programme. Consequently, specific targets or roadmaps for greenhouse gas (“GHG”) emissions reduction have not been set at this stage. Nevertheless, we continue to monitor and report our emissions performance in line with prevailing regulatory requirements. During the reporting period, we tracked and disclosed our Scope 1 and Scope 2 GHG emissions, as presented below.

Emission Type	Locations	FY25 (tCO ₂ e)	FY24 (tCO ₂ e)	FY23 (tCO ₂ e)
Direct GHG Emission (Scope 1)	Overall	643	988	847
Indirect GHG Emission (Scope 2)	Malaysia	5,520	4,569	4,190
	Indonesia	2,803	5,049	3,034
	Overall	8,323	9,618	7,224
Total GHG Emissions		8,966	10,606	8,071

1. Scope 1 emissions are direct GHG emissions that occur from sources that are owned or controlled by the Group. The Emission Conversion factor for Scope 1 is derived from the UK Government GHG Conversion Factors for Company Reporting FY25, FY24 and FY23, based on petrol/diesel which are 100% mineral oil.
2. Our disclosure of Scope 1 emissions is limited to the fuel consumption of our vehicles/machineries only. It excludes any other emissions as a result of our production process at our sites.
3. Scope 2 emissions are indirect GHG emissions arising from the generation of purchased electricity consumed by the Group. The emission conversion factor for Scope 2 is derived from the Grid Emission Factor (GEF) for 2019 by Energy Commission of Malaysia. Emission factor of 0.780 tCO₂/MWh for Peninsular Malaysia and 0.527 tCO₂/MWh for Sabah. For Indonesia, the emission factor is 0.945 tCO₂/MWh, as stated in the Ministry of Energy and Mineral Resources of Indonesia No. 163.K/HK.02/MEM.S/2021 for Sumatera Utara.

Emission Reduction

The following represents the estimated emissions reduced or avoided through power generation from our solar photovoltaic (“PV”) systems, which have been installed across three (3) of our production facilities.

Emissions Reduced	FY25	FY24	FY23
tCO ₂ e	1,703	1,402	1,135

Non-Compliance to Local Environmental Laws

Our operations involve processes that generate various types of emissions and waste, inclusive of air emissions, domestic and scheduled waste. Dust emissions primarily result from cutting, planing, and sanding activities within our furniture and wood processing operations. These are managed through continuous monitoring and maintenance of dust extraction systems to ensure compliance with acceptable air quality standards across 100% of our factories. In addition, our Health, Safety and Environment (“HSE”) team conducts scheduled preventive maintenance to ensure these systems operate efficiently and safely.

Another source of air emissions arises from our renewable energy operations, where biomass is combusted to generate renewable energy. We continuously monitor and manage these emissions to minimise environmental impact and maintain full compliance with applicable environmental laws and regulations.

Sustainability Statement

ENVIRONMENT (CONTINUED)

Non-Compliance to Local Environmental Laws (continued)

In addition to air quality management, we also manage scheduled waste in accordance with the Environmental Quality (Scheduled Wastes) Regulations 2005. All hazardous wastes, such as used oil, sludge, and contaminated materials, are properly labelled, stored and disposed of through licensed waste contractors approved by the Department of Environment (“DOE”).

We are pleased to report that during FY25, there were no recorded incidents of non-compliance related to air emissions across our operations.

Through these measures, Jaycorp remains committed to operating responsibly, minimising environmental impact, and upholding full compliance with all applicable environmental regulations.

Number of non-compliance to local environmental laws	FY25	FY24	FY23
	Nil	1	1

Water Management

Challenges posed by global water scarcity and climate change-induced disruptions have increased the volatility and reduced the reliability of water supply chains. The Group recognises the vital importance of water as a resource in supporting our operations, particularly in sectors that are inherently more water-intensive, such as renewable energy, wood processing activities, and furniture manufacturing.

A breakdown of the Group’s total water consumption for FY25 is presented in the table below.

Total Water Consumption (Megalitres/MI)

FY25	299
FY24	224
FY23	254

The Group’s water consumption is equivalent to our water withdrawal, given that we have zero water discharge.

We prioritise responsible water management practices, recognising their critical role in conserving this essential resource for both the environment and surrounding communities. While our current operations benefit from stable and readily available water supplies, we remain mindful of potential water scarcity risks in certain regions. Accordingly, we implement water-saving and efficiency measures wherever practicable to minimise our overall consumption and ensure long-term water sustainability across our operations.

Waste Management

With respect to waste management, the Group is guided by applicable local laws to ensure that all waste handling, storage, and disposal activities are conducted responsibly. Our operations generate both non-hazardous and hazardous waste, and we remain committed to full compliance with the Environmental Quality Act 1974 and all relevant regulations enforced by the DOE. These include strict adherence to requirements for the management of scheduled waste, proper documentation, and the engagement of licensed waste collectors and disposal contractors.

Sustainability Statement

ENVIRONMENT (CONTINUED)

Waste Management (continued)

The following table presents a summary of the total waste generated by the Group, categorised by waste diverted from disposal and waste directed to disposal.

Category	FY25 (Tonnes)	FY24 (Tonnes)	FY23 (Tonnes)
Waste directed to disposal:			
Hazardous Waste	37	27	22
Non-Hazardous Waste	420	42	5
Overall Waste diverted to disposal	457	69	27
Add: Waste diverted from disposal	1,958	383	134
Total Waste Generated	2,415	452	161

1. Waste diverted from disposal includes waste that is reused, recycled, or subject to other recovery operations.
2. Recovery refers to an operation wherein products, components of the products or materials that have become waste are prepared to fulfil a purpose in place of new products, components, or materials that would otherwise have been used for that purpose.
3. Waste diverted from disposal mainly inclusive of wood scraps from production processes which are re-used again as fuel for boiler operation.
4. The increase in reported waste generation is primarily attributable to improved tracking and monitoring of waste disposal activities, reflecting our ongoing enhancement of data collection and reporting practices rather than an actual increase in operational waste.

Waste Directed to Disposal

Jaycorp recognises the critical importance of properly managing and disposing of scheduled waste generated by our operations, in order to mitigate potential risks to public health and the environment due to its hazardous nature.

In compliance with legal requirements, we engage licensed external contractors who are authorised to handle the collection, transport, and disposal of our scheduled waste safely and responsibly.

During FY25, the Group generated a total of 37 tonnes of scheduled waste. The reported increase in scheduled waste is primarily attributable to enhanced tracking and monitoring of disposal activities, reflecting our improved data collection and reporting practices. A detailed breakdown of this waste is presented in the table below.

	SW Code*	Scheduled Waste Generated	Total Hazardous Waste
FY25	SW 322	3	37
	SW409	15	
	SW410		
	SW416	19	
FY24	SW 409	2	27
	SW410		
	SW416	25	
FY23	SW410	1	22
	SW416	21	

1. SW 322 - Waste of non-halogenated organic solvents
2. SW 409 - Disposed containers, bags or equipment contaminated with chemicals, pesticides, mineral oil or scheduled wastes.
3. SW 410 - Rags, plastics, papers or filters contaminated with scheduled wastes.
4. SW 416 - Sludges of inks, paints, pigments, lacquer, dye or varnish.

Sustainability Statement

ENVIRONMENT (CONTINUED)

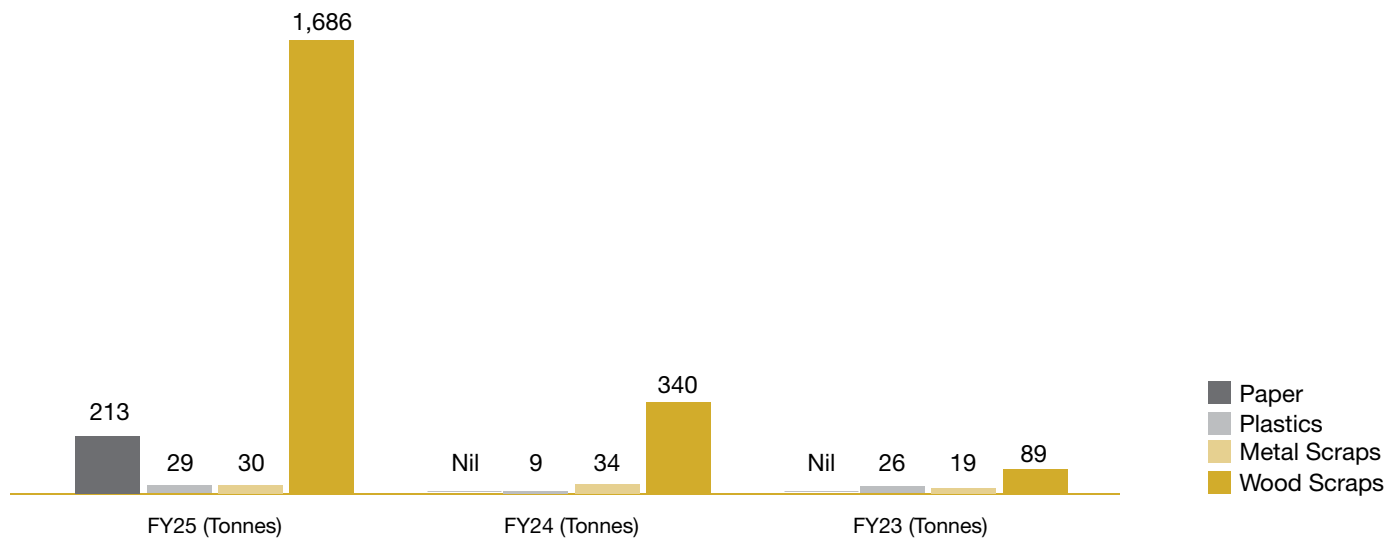
Waste Management (continued)

Waste Diverted from Disposal

Reducing reliance on landfills is a key component of responsible waste management, as landfills can have adverse run-off effects on surrounding ecosystems and communities. In line with this, Jaycorp has adopted the 3Rs approach (Reduce, Reuse, and Recycle) and continues to embed these principles across its operations to minimise environmental impact and promote resource efficiency.

For the reporting year, the Group successfully diverted 1,958 tonnes of waste from disposal, comprising primarily of plastics, metal scraps, and wood scraps.

Diverted Waste



Our diverted waste is based on sales information of our waste to third-party buyers and our internal records of wood scraps that have been re-used for boiler operation.

Preparing for The Future

Acknowledging that sustainability is an ongoing journey, we remain committed to continually reviewing and strengthening our sustainability practices in response to evolving regulatory developments, stakeholder expectations, and global best practices. As new sustainability requirements emerge, we will proactively integrate them into our business strategy and operations, ensuring alignment with both national and international standards.

Looking ahead, our focus will be on enhancing climate readiness, improving supply chain resilience, and strengthening sustainability reporting and data management capabilities. We will also continue to deepen our stakeholder engagement, ensuring that our long-term strategies remain relevant and responsive to the changing sustainability landscape.

Sustainability Statement

ENVIRONMENT (CONTINUED)

Task Force on Climate-Related Financial Disclosures (“TCFD”) Realignment

Building on our initial climate-related disclosures introduced in FY24, Jaycorp continues to align its reporting with the recommendations of the TCFD. This ongoing effort underscores our commitment to transparency and accountability in addressing climate-related risks and opportunities.

There were no material changes to our climate-related disclosure approach compared to the previous reporting year, as our governance structure, risk management processes, and overall strategy remain consistent. Nonetheless, we continue to monitor developments in climate-related regulations and industry best practices, and will progressively enhance our disclosures as data availability and business maturity improve.

The Board and management remain actively engaged in overseeing climate-related risks and opportunities. While we recognise the evolving nature of climate challenges, our response will continue to be guided by the Group’s financial capacity, feasibility of initiatives, and the effectiveness of government policies supporting a low-carbon and climate-resilient economy.

The table below summarises Jaycorp’s approach to the four pillars of the TCFD framework — Governance, Strategy, Risk Management, and Metrics & Targets.

Recommendations	Our Responses
Governance	
a. Describe the Board’s oversight of climate-related risks and opportunities.	Climate-related risk and opportunities are overseen through the Group’s Sustainability Governance structure, as detailed in the <i>“Sustainability Governance”</i> section of this Statement.
b. Describe management’s role in assessing and managing climate-related risks and opportunities.	<p>Management plays an active role in assessing, managing, and integrating climate-related risks and opportunities within the Group’s overall operations and decision-making processes. The Enterprise Risk Management Committee (ERMC), which comprises Executive Directors and senior management representatives from key subsidiaries, is primarily responsible for identifying, assessing, and monitoring climate-related risks as part of the Group’s broader risk management framework.</p> <p>The Health, Safety and Environment (HSE) and Operations teams provide support by monitoring environmental performance indicators, including energy consumption, emissions, and waste management, and by recommending operational efficiency initiatives that can help reduce the Group’s carbon footprint.</p> <p>Findings, progress updates, and significant climate-related issues are reported to the Board Risk Management Committee (BRMC) on a periodic basis for oversight, guidance, and alignment with the Group’s strategic priorities.</p> <p>Management also remains attentive to emerging regulatory requirements and industry developments relating to climate change and will continue to review and strengthen the Group’s approach in alignment with evolving stakeholder expectations and sustainability best practices.</p>

Sustainability Statement

ENVIRONMENT (CONTINUED)

Task Force on Climate-Related Financial Disclosures (“TCFD”) Realignment (continued)

Recommendations	Our Responses
Strategy	
<p>a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.</p> <p>b. Describe the impact of climate-related risks and opportunities on the organisation’s business, strategy, and financial planning.</p> <p>c. Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.</p>	<p>The Group has not yet conducted a formal scenario analysis to assess the potential impacts of physical and transition climate risks. Nonetheless, we remain aware of the growing importance of this area and will continue to monitor developments and assess our capacity to perform such analysis in the future. This will enable us to better evaluate and disclose the resilience of our business strategy and operations against evolving climate-related risks.</p> <p>As part of our ongoing commitment to enhancing transparency and meeting stakeholder expectations, we have provided below a descriptive overview of the key risks and opportunities that may arise from climate change and their potential implications for Jaycorp’s business activities.</p> <p><u>Risks posed by climate change:</u></p> <p>a. Security of People and Property</p> <p>The increasing frequency and intensity of extreme weather events, such as floods and prolonged heat waves, pose potential threats to the safety and security of our people and property.</p> <p>Impact: These events may result in damage to assets, production downtime, and disruptions to operations, as well as a higher likelihood of workplace accidents or injuries involving employees and third parties.</p> <p>Mitigation Plan:</p> <ul style="list-style-type: none"> • Conducting regular property inspections and preventive maintenance to ensure structural integrity and operational safety. • Continuous weather monitoring by management personnel and activation of emergency response protocols during adverse conditions • Employee training and awareness programmes on emergency preparedness, first aid, and safe response during extreme weather events. • Insurance coverage reviews to ensure adequate protection for physical assets and business interruption risks. <p><i>Refer to Health and Safety section of our Sustainability Statement</i></p> <p>b. Supply Chain Disruption</p> <p>Climate change and extreme weather events can cause supply chain disruptions, particularly through the shortage or delay in the availability of critical raw materials and manpower, either within our operating sites or among our key suppliers.</p> <p>Impact: Potential production or construction delays, cost escalation, and reduced operational efficiency, which may affect our ability to meet delivery schedules and customer expectations.</p> <p>Mitigation plan:</p> <ul style="list-style-type: none"> • Diversifying suppliers and sourcing channels to reduce reliance on a single region or vendor. • Maintaining open and transparent communication with clients and suppliers to manage expectations and ensure business continuity during disruptions. • Periodic review of buffer stocks and manpower practices to ensure adequate contingency planning. • Engaging with local suppliers where feasible, to reduce dependency on long-distance supply chains that may be more vulnerable to climate-related disruptions. <p><i>Refer to Supply Chain Management Section of our Sustainability Statement.</i></p>

Sustainability Statement

ENVIRONMENT (CONTINUED)

Task Force on Climate-Related Financial Disclosures (“TCFD”) Realignment (continued)

Recommendations	Our Responses
Strategy (continued)	<p>c. Regulatory and Policy Risk</p> <p>The evolving regulatory landscape surrounding climate change including potential carbon pricing mechanisms, emission reporting requirements, and sustainability disclosure obligations may increase compliance costs and operational complexity for the Group. Inconsistent or rapidly changing regulations across jurisdictions may also impact business planning and competitiveness.</p> <p>Impact: Increased compliance costs, potential operational disruptions, or penalties arising from non-compliance with new environmental standards or carbon-related regulations.</p> <p>Mitigation plan:</p> <ul style="list-style-type: none"> • Ongoing monitoring of regulatory developments related to climate change, energy efficiency, and emissions management. • Engagement with industry associations and relevant government agencies to stay informed of upcoming requirements and compliance expectations. • Progressive enhancement of data tracking and reporting capabilities to support future regulatory disclosures, including carbon and energy reporting. • Capacity building and staff training to improve understanding of sustainability-related regulations and compliance procedures. <p><i>Refer to Sustainability Governance and Energy and Emissions Management sections of our Sustainability Statement.</i></p> <p><u>Opportunities posed by climate change:</u></p> <p>a. Renewable Energy</p> <p>Recognising the growing emphasis on renewable energy due to the following:</p> <ol style="list-style-type: none"> Rising energy costs and energy security concerns given Malaysia’s high reliance on imported non-renewable energy sources; Malaysia’s Net Zero aspirations; and Technological advancements in green technology enabling wider adoption through lower costs. <p>Jaycorp is continuously exploring opportunities to integrate renewable energy systems, such as solar photovoltaic (“PV”) panels, into additional properties and production sites. Currently, a significant portion of the energy mix in three (3) of our factories is derived from renewable sources.</p> <p>b. Operational Efficiency</p> <p>Our continued focus on energy and resource efficiency presents opportunities to reduce carbon emissions while enhancing productivity. By investing in energy-efficient technologies, upgrading equipment, and implementing process optimisation initiatives, we aim to reduce wastage, improve overall operational performance, and lower production costs.</p> <p>c. Market and Product Opportunities</p> <p>The increasing demand for sustainably produced goods, particularly in export markets, opens opportunities for Jaycorp to strengthen our market positioning. Through ongoing adherence to environmental and social standards including traceability requirements under the EUDR, we are well-positioned to meet customer expectations and capture emerging opportunities in environmentally conscious markets.</p>

Sustainability Statement

ENVIRONMENT (CONTINUED)

Task Force on Climate-Related Financial Disclosures (“TCFD”) Realignment (continued)

Recommendations	Our Responses
Strategy (continued)	
	<p>d. Improving Cost Competitiveness</p> <p>As energy and raw material prices continue to fluctuate due to global climate and market dynamics, improving cost competitiveness remains a key strategic focus. By adopting energy-efficient technologies, optimising resource utilisation, and reducing waste to landfill, Jaycorp mitigates rising operating costs while enhancing long-term profitability.</p> <p>Our early investments in renewable energy and sustainable operations also position us favourably against competitors who may face higher transition costs or regulatory compliance burdens in the future. These measures collectively strengthen our operational resilience and cost leadership in an increasingly sustainability-conscious market.</p> <p><i>Refer to the Energy Management Section of our Sustainability Statement.</i></p>
Risk Management	
<p>a. Describe the organisation's processes for identifying and assessing climate-related risks.</p> <p>b. Describe the organisation's processes for managing climate-related risks.</p> <p>c. Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.</p>	<p>Currently, climate-related risks are not managed through a separate or standalone process but are considered within Jaycorp's broader Enterprise Risk Management (“ERM”) framework. Through this framework, management reviews key operational, financial, and compliance risks that may be influenced by climate-related factors such as rising energy costs, raw material availability, and changing regulatory expectations.</p> <p>At present, climate-related risks are identified and assessed qualitatively through ongoing discussions at the management and Board committee levels, particularly within the ERM and the BRMC. These discussions allow the Group to consider potential exposures such as supply chain disruptions, asset damage due to extreme weather, and the implications of future carbon-related regulations.</p> <p>While a dedicated climate risk assessment framework has not yet been established, the Group aims to progressively formalise the integration of climate-related risk identification, assessment, and management into its ERM process. This will include developing internal capacity, improving data collection, and conducting scenario-based assessments in the medium term.</p> <p>Looking ahead, Jaycorp plans to embed climate-related considerations into strategic planning, capital allocation, and business continuity management. This integration will ensure that climate-related risks and opportunities are evaluated alongside traditional business risks, enhancing the Group's overall resilience to a changing climate.</p>
Metrics and Targets	
<p>a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</p> <p>b. Disclose Scope 1, Scope 2 and if appropriate Scope 3 GHG emissions and the related risks.</p> <p>c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.</p>	<p>Refer to the <i>Energy Management and Emissions Management sections of our Sustainability Statement</i> for the Group's material metrics relating to climate performance, which include energy consumption as well as Scope 1 and Scope 2 GHG emissions.</p> <p>At present, Scope 3 GHG emissions are excluded from our disclosure, as the Group is still in the process of enhancing its existing data collection framework to ensure completeness and accuracy of emission data across the Group.</p> <p>The Group has not yet established specific quantitative targets to manage climate-related risks and opportunities. Nonetheless, we remain committed to monitoring our emissions performance and prioritising energy efficiency initiatives. These efforts are aimed at mitigating the impact of rising electricity costs, enhancing operational efficiency, and supporting the Group's long-term business resilience.</p> <p>As our sustainability management practices evolve, we will continue to strengthen our data collection systems and assess the feasibility of setting measurable targets to better track our progress in managing climate-related risks and opportunities.</p>

Sustainability Statement

PERFORMANCE DATA

Indicator	Measurement Unit	2024	2025
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Key Senior Management	Percentage	33.00*	100.00
Management	Percentage	100.00	100.00
Executive	Percentage	100.00	100.00
Non-Executive	Percentage	100.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	75.00	80.00
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.79	0.95
Bursa C5(c) Number of employees trained on health and safety standards	Number	517	611
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Key Senior Management	Hours	182*	102
Management	Hours	419	420
Executive	Hours	542	538
Non-Executive	Hours	1,713	3,860
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	61.00	68.00
Bursa C6(c) Total number of employee turnover by employee category			
Key Senior Management	Number	0	0
Management	Number	4	6
Executive	Number	10	11
Non-Executive	Number	147	97
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Key Senior Management Under 30	Percentage	0.00	0.00
Key Senior Management Between 30-50	Percentage	33.00*	33.00
Key Senior Management Above 50	Percentage	67.00*	67.00
Management Under 30	Percentage	4.00	1.00
Management Between 30-50	Percentage	66.00	66.00
Management Above 50	Percentage	30.00	33.00

Sustainability Statement

PERFORMANCE DATA (CONTINUED)

Indicator	Measurement Unit	2024	2025
Bursa (Diversity) (continued)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category (continued)			
Age Group by Employee Category (continued)			
Executive Under 30	Percentage	17.00	6.00
Executive Between 30-50	Percentage	66.00	88.00
Executive Above 50	Percentage	17.00	6.00
Non-Executive Under 30	Percentage	35.00	36.00
Non-Executive Between 30-50	Percentage	60.00	60.00
Non-Executive Above 50	Percentage	5.00	4.00
Gender Group by Employee Category			
Key Senior Management Male	Percentage	100.00*	100.00
Key Senior Management Female	Percentage	0.00	0.00
Management Male	Percentage	69.00	69.00
Management Female	Percentage	31.00	31.00
Executive Male	Percentage	49.00	54.00
Executive Female	Percentage	51.00	46.00
Non-Executive Male	Percentage	76.00	85.00
Non-Executive Female	Percentage	24.00	15.00
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	67.00	67.00
Female	Percentage	33.00	33.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	33.00	33.00
Above 50	Percentage	67.00	67.00
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	108,000.00	47,000.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	10,350	3,790
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	19,511.00	15,518.00
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	988.00*	643.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	9,618.00*	8,323.00
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	224.000000	299.000000
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	452.00*	2,415.00
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	383.00*	1,958.00
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	69.00*	457.00

Internal assurance	External assurance	No assurance	(*) Restated
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CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of Jaycorp Berhad (“Jaycorp” or “the Company”) is committed to cultivating a responsible organisation by instilling corporate conscience through excellence in Corporate Governance (“CG”) standards at all times. This includes accountability and transparency which is observed throughout the Group as a fundamental part of building a sustainable business and discharging its responsibilities to protect and enhance shareholders’ value and the financial performance of the Group.

The Board believes that good governance will help to realise long-term shareholders value, whilst taking into account the interest of other stakeholders. The Board evaluates and continues to enhance the existing corporate governance practices in order to remain relevant with developments in market practice and regulations.

The Board is pleased to set out below the manner in which the Group has applied the three (3) main principles in the Malaysian Code on Corporate Governance (“MCCG”) known as Board Leadership and Effectiveness (Principle A), Effective Audit and Risk Management (Principle B) and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders (Principle C) and the application of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) throughout the financial year ended 31 July 2025.

This CG Overview Statement should be read together with the Company’s CG Report for the financial year ended 31 July 2025, which is available on Bursa Securities’s website at <http://www.bursamalaysia.com>. The CG Report has disclosed the extent the Company has applied the Practices set out in the MCCG.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I Board Responsibilities

1.0 Every company is headed by a Board, which assumes responsibility for the Company’s leadership and is collectively responsible for meeting the objectives and goals of the Company.

- 1.1 The Board takes full responsibility for the oversight and overall performance of the Group and provides leadership within a framework of prudent and effective controls which enables risk to be appropriately assessed and managed. The Board sets the strategic direction, ensuring that the necessary resources are in place for the Group to meet its objectives and deliver sustainable performance. The Board is entrusted with the responsibility in leading and directing the Group towards achieving its strategic goals and realising long-term shareholders’ values.

The Board has assumed the following principal responsibilities in discharging its fiduciary duties:

- (a) reviewing and adopting a strategic plan for the Group, addressing the sustainability of the Group’s business;
- (b) overseeing the conduct of the Group’s businesses and evaluating whether or not its businesses are being properly managed and sustained;
- (c) identify principal business risks faced by the Group and ensuring the implementation of appropriate internal controls and mitigating measures to address and manage such risks;
- (d) ensuring that all candidates appointed to Senior Management positions are of sufficient caliber, including the orderly succession of Senior Management personnel;
- (e) reviewing the adequacy and integrity of the Group’s internal control and Management Information Systems, including systems for compliance with applicable laws, regulations, rules, directives and guidelines;
- (f) carrying out periodic review of the Group’s financial performance and operating results and major capital commitments; and
- (g) reviewing and approving any major corporate proposals, new business ventures or joint ventures of the Group.

To ensure the effective discharge of its function and responsibilities, the Board has delegated specific responsibilities to the following Board committees:

- (a) Audit Committee (“AC”)
- (b) Nomination Committee (“NC”)
- (c) Remuneration Committee (“RC”)
- (d) Board Risk Management Committee (“BRMC”)
- (e) Investment Committee (“IC”)

(collectively referred to as the “Board Committees”).

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I Board Responsibilities (continued)

1.0 Every company is headed by a Board, which assumes responsibility for the Company's leadership and is collectively responsible for meeting the objectives and goals of the Company. (continued)

- 1.2 All Board Committees have written Terms of Reference. These Board Committees are formed in order to enhance business and operational efficiency as well as efficacy. The Chairman of the respective Board Committees will report to the Board the outcome of the Board Committees meetings for the Board's considerations and approvals and extracts of such reports are incorporated in the minutes of the Board meetings. The Board retains full responsibility for the direction and control of the Company and the Group.
- 1.3 The Executive Chairman leads the Board and is responsible for the effective performance of the Board. He ensures that all relevant issues and quality information to facilitate decision making and effective running of the Group's business are included in the meeting agenda.

The positions of Executive Chairman and Managing Director are held by different individuals. The Chairman is an Executive member of the Board.

The roles of the Executive Chairman and Managing Director as well as Terms of Reference of the Board Committees are spelt out in detail in the Board Charter which is made available for reference at the Company's website at www.jaycorp.com.my.

- 1.4 The Board has delegated to the Managing Director, the authority and responsibility for implementing of the Board policies, strategies and decisions adopted by the Board. The Managing Director takes on primary responsibility to spearhead and manage the overall business activities of the various business divisions of the Group. The Managing Director is assisted by Executive Directors, Key Senior Management and head of each division in implementing and running the Group's day-to-day business operations.

The presence of the Independent Directors fulfills a pivotal role of corporate accountability. They provide unbiased and independent advice, alternative viewpoints, challenge perceptions and judgment as appropriate to take account of the interest of the Group, shareholders, employees and any party with whom the Group conducts business.

- 1.5 The Board is supported by two (2) Companies Secretaries who are experienced and qualified to act as Companies Secretaries under Section 235(2) of the Companies Act 2016 and are registered holders of the Practising Certificate issued by the Companies Commission of Malaysia.

The Company Secretaries carry out the following tasks:

- (a) attend and ensure proper conduct and procedures at all Board Meetings, Board Committee Meetings, Annual General Meeting ("AGM"), Extraordinary General Meeting and any other meetings that require the attendance of Company Secretary and ensure that meetings are properly convened;
- (b) ensure that the quarterly financial results, audited financial statements, annual reports, circulars and all relevant announcements are announced to Bursa Securities on a timely basis;
- (c) ensure that deliberations at the meetings are well captured and minuted;
- (d) ensure that the Company complies with the MMLR and the requirements of the relevant authorities;
- (e) inform and keep the Board updated of the latest enhancement in corporate governance, changes in the legal and regulatory framework, new statutory requirements and best practices;
- (f) remind the Directors and principal officers to refrain from dealings in the Company's securities during the closed period;
- (g) ensure proper record and maintenance of the Company's proceedings, resolutions, statutory records, register books and documents;
- (h) assist the Chairman to organise and co-ordinate in all the Board, Board Committees and General meetings;
- (i) attend all the Board, Board Committees and General meetings;
- (j) to upkeep and update the statutory records;
- (k) to liaise with internal and external auditors to furnish them with the statutory records for audit purposes;
- (l) as the adviser to the Board and compliance officer of the Company; and
- (m) to discharge duties in compliance with Companies Act 2016, MMLR of Bursa Securities, Securities Commission Act, MCCG and any other relevant regulatory bodies.

The appointment and removal of the Company Secretaries are matter of the Board as a whole.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I Board Responsibilities (continued)

1.0 Every company is headed by a Board, which assumes responsibility for the Company's leadership and is collectively responsible for meeting the objectives and goals of the Company. (continued)

1.6 The Board meets on quarterly basis, with additional meetings convened as and when necessary.

All Directors are notified with the notice of Board Meetings at least seven (7) days in advance. The agenda and a set of board papers were issued at least three (3) days from the date of Board Meetings so as to ensure that the Directors can appreciate the issues to be deliberated and to obtain further explanations, where necessary, to expedite the decision-making process effectively.

During the financial year ended 31 July 2025, six (6) Board Meetings were held. A brief profile of each member of the Board is set out in the Directors' Profile section of this Annual Report.

The Board recognises that the decision-making process is highly contingent on the quality of information furnished. As such, all Directors have unrestricted access to any information pertaining to the Company and the Group. All the Directors are supplied with relevant information and reports on financial, operational, corporate, regulatory, business development and audit matters, by way of Board reports or upon specific requests, for decisions to be made on an informed basis and effective discharge of Board's responsibilities.

The Executive Directors and/or other relevant Board members will furnish comprehensive explanation on pertinent issues and recommendations by Management. The issues are then deliberated and discussed thoroughly by the Board prior to decision-making. In addition, the Board members are updated on the Company's activities and its operations on a regular basis.

External advisers are invited to attend meetings to provide insights and professional views, advice and explanation on specific items on the meeting agenda, when required. Senior Management team from different business units are also invited to participate at the Board meetings to enable all Board members to have equal access to the latest updates and developments of business operations of the Group presented by the Senior Management team.

All proceedings at the Board meetings are properly minuted and signed by the Chairman of the meetings. The Board also resolved and approved the Company's matters through circular resolutions during the financial year.

Every Director also has unhindered access to the advice and services of the Company Secretaries as and when required to enable them to discharge their duties effectively.

There is a formal procedure sanctioned by the Board, whether as a full Board or in their individual capacity to take independent professional advice at the Group's expense, where necessary in furtherance of their duties.

2.0 There is demarcation of responsibilities between the Board, Board Committees and Management. There is clarity in the authority of the Board, its Committees and individual Directors.

The Board is guided by a Board Charter which sets out the principles governing the Board of Directors of the Company and adopts the principles of good governance and practice in accordance with applicable laws, rules and regulations in Malaysia. The Board Charter also sets out the respective roles and responsibilities of the Board, Board Committees, individual Directors and Managements; and issues and decisions reserved for the Board.

The Board will periodically review the Board Charter and make any changes whenever necessary. The Board Charter is published on the Company's corporate website at www.jaycorp.com.my. The Board Charter was last reviewed and adopted.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I Board Responsibilities (continued)

3.0 The Board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness. The Board, Management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the Company.

- 3.1 The Board has formalised the Code of Ethics and Conduct that set out the basic principles to guide all the Directors, employees and its subsidiaries and associate companies. The Board shall observe and adhere to the Group's Code of Ethics and Conduct for Directors which provide guidance regarding ethical and behavioral considerations or actions in discharging their duties and responsibilities.

The Board will periodically review the Code of Ethics and Conduct to ensure it remains relevant and appropriate. The details of the Code of Ethics and Conduct are available for reference at the Company's website at www.jaycorp.com.my. The Code of Ethics and Conduct was reviewed and adopted.

- 3.2 The Board has put in place an avenue for employees and stakeholders to report genuine concerns about unethical behaviour, malpractices and illegal acts on failure to comply with regulatory requirements without fear of reprisal. All cases shall be independently investigated and appropriate actions taken where required.

The details of the Whistleblowing Policy are available for reference at the Company's website at www.jaycorp.com.my. The Whistleblowing Policy was reviewed and adopted.

- 3.3 The Board has adopted the Sustainability Policy which aims to integrate the principles of sustainability into the Group's strategies, policies and procedures, ensure that the Board and Senior Management are involved in implementing sustainability practices and monitoring the sustainability performance. This policy also aims to create a culture of sustainability within the Group, and the community, with an emphasis on integrating the environmental, social and governance considerations into decision making and the delivery of outcomes.

The Sustainability Policy is available on the Company's website at www.jaycorp.com.my. The Sustainability Policy was reviewed and adopted.

- 3.4 The Board has adopted the Anti-Bribery and Anti-Corruption Policy across the Group in line with the guidelines provided under Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 which was implemented on 1 June 2020.

The Board believes that the policy would be key in ensuring a systematic approach to prevent corruption, and complying with applicable legal and regulatory requirements in the various jurisdictions in which the Group operates. Every Director, employee and person acting on the Group's behalf is responsible for maintaining the Group's reputation and for conducting company business honestly and professionally.

The Anti-Bribery and Anti-Corruption Policy is available on the Company's website at www.jaycorp.com.my. The Anti-Bribery and Anti-Corruption Policy was reviewed and adopted.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II Board Composition

4.0 Board decisions are made objectively in the best interests of the Company taking into account diverse perspectives and insights.

- 4.1 As at to date, the Board consists of nine (9) members; comprising of one (1) Executive Chairman, one (1) Managing Director, three (3) Executive Directors, one (1) Non-Independent Non-Executive Director, and three (3) Independent Non-Executive Directors. The composition of the Board complies with Paragraph 15.02 of the MMLR of Bursa Securities. The individual profile of each Director is presented in this Annual Report.

The Directors comprise of diversified expertise, ranging from business, legal, manufacturing, marketing, finance, audit and banking. The Board acknowledges that a well-balanced board will benefit the Group in promptly appraising matters and to competently arrive at decisions which will enhance the performance of the Group.

The Group is led and controlled by an experienced Board, many of whom have vast knowledge of the business. There is a clear division of responsibility between the Executive Chairman and the Managing Director to ensure that there is a balance of power and authority. The Executive Chairman is responsible to set the Company's direction, ensuring the Board's effectiveness and conduct, monitoring the monthly result so as to ensure it meets the budget and goals. The Managing Director, with the assistance of the Executive Directors, is responsible for the day-to-day management of the business as well as the implementation of the Board's policies and decisions.

Tan Sri Datuk (Dr.) Abdul Majid Khan is the Executive Chairman of the Board whilst the Group Managing Director is Yeo Ayk Ke.

The Non-Executive Directors contribute significantly in areas such as policy and strategy, performance monitoring, allocation of resources as well as improving governance and controls and provide unbiased and independent views to safeguard the interest of the shareholders. Together with the Executive Directors who have in-depth knowledge of the business, the Board constitutes of individuals who are committed to business coupled with integrity and professionalism in all its activities.

The Board considers that the current size of the Board is adequate and facilitates effective decision making. The NC has reviewed the present composition of the Board and the three (3) main existing committees and is satisfied that they have adequately carried out their functions within their scope of work.

- 4.2 The Board recognises the importance of independence and objectivity in the decision-making process. The Board is committed to ensure that the Independent Directors are capable of exercising independence judgment and acting in the best interests of the Group. The Independent Directors of the Company fulfill the criteria of "Independence". They act independently of management and are not involved in any other relationship with the Group that may impair their independent judgment and decision making. Each Director has a continuing responsibility to determine whether he has a potential or actual conflict of interest in relation to any material transactions. The Director is required to immediately disclose to the Board and to abstain from participating in discussions, deliberations and decisions of the Board on the respective matters.

The Board, via NC and guided by the Corporate Governance Guide – Towards Boardroom Excellence has developed the criteria to assess independence and formalised the current independence assessment practice. The evaluation process also involved a peer and self-review assessment, where Directors will assess their own performance and that of their fellow Directors. These assessments and comments by all Directors were summarised and discussed at the NC meeting which were then reported to the Board at the Board Meeting held thereafter. Each Independent Director abstained from deliberation on his own assessment. The NC was satisfied that the Independent Directors still maintain their independence.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II Board Composition (continued)

4.0 Board decisions are made objectively in the best interests of the Company taking into account diverse perspectives and insights. (continued)

- 4.3 The Board appoints its members through a formal and transparent selection process, in line with the provision in the MCCG. This process has been reviewed, approved and adopted by the Board. New appointees will be considered and evaluated by the NC. The NC will interview, select and shortlist the right candidate to be approved and appointed by the Board. The Company Secretaries will ensure all appointments are properly made and that legal and regulatory requirements are met.

The appointment process of a new Director is summarised as follows:

- (i) the NC recommends the needs for additional Board member(s) or when there is a vacancy arise;
- (ii) to go through the assessment process guided by the Directors' Fit and Proper Policy;
- (iii) the Management through their contacts search for the suitable candidates in related industries who has exposure and relevant experience to contribute to the Group;
- (iv) in evaluating the suitability of candidates to the Board, the NC considers, inter-alia, the required mix of skills, expertise, experience, time commitment and contribution of the candidates;
- (v) for candidates proposed for appointment as Independent Non-Executive Directors, the NC assesses the candidate's independence in accordance with Paragraph 1.01 and Practice Note 13 of the MMLR of Bursa Securities;
- (vi) recommendation to be made by NC to the Board. This also includes recommendation for appointment as a member of the various Board Committees, where necessary; and
- (vii) decision to be made by the Board on the proposed new appointment including appointment to the various Board committees.

The appointment of new Board Members and Senior Management will be guided by the diversity in skills, competencies, experience, commitment and integrity of the candidate. The assessment is on merit base.

- 4.4 The Board acknowledges the importance of boardroom diversity and is supportive of the recommendation of MCCG to the establishment of boardroom and workforce gender diversity policy. Though there is no formal gender diversity policy, the Board currently has three (3) female Directors which the Board is of the view, is in line with the gender diversity recommended by MCCG.

The Group does not adopt any formal gender diversity policy in the selection of new Board candidates and does not have specific policies on setting target for female candidates in the workplace. The evaluation on the suitability of candidates as the new Board member or as a member of the workforce is based on the candidates' competency, skills, character, time commitment, knowledge, experience and other qualities in meeting the needs of the Group, regardless of gender and race.

The Group gives an equal opportunity to all its employees. The appointment of Board members and employees are based on objective criteria, merit, experience and credibility on a continuing basis and, may not limit to gender, age, ethnicity, religion and culture background.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II Board Composition (continued)

4.0 Board decisions are made objectively in the best interests of the Company taking into account diverse perspectives and insights. (continued)

- 4.5 The Constitution of the Company provides that all Directors of the Company are subject to retirement. At least one-third (1/3) of the Directors for the time being, or the number nearest to one-third (1/3), shall retire from office and shall be eligible for re-election. The Constitution further provides that all Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election. This provides an opportunity for shareholders to renew their mandates. Newly appointed Directors shall hold office only until the next AGM and shall be eligible for re-election.

Prior to tabling of the re-election/re-appointment of Director(s) to the shareholders, the NC will review of their performance and their contribution to the Board through their skills, experience, qualities and ability to act in the best interests of the Company in decision making. The evaluation process was carried out through a set of questionnaires to be completed by each NC member in respect to each of Director seeking for re-election and eligible for re-appointment. The evaluation process is guided by the Directors' Fit & Proper Policy, details are available for reference at the Company's website at www.jaycorp.com.my. Recommendation from the NC would then be considered by the Board as support of their re-election/re-appointment by the shareholders at the AGM.

The election of each Director is voted separately. To assist shareholders in their decision, sufficient information such as personal profile, meetings attendance and their shareholdings in the Group of each Director standing for re-election are furnished in the Annual Report Statement Accompanying the Notice of AGM.

The NC assessed and was satisfied and made recommendations to the Board for re-election with regards to the following:

- (i) the re-election of the Director, Muaz bin Jema Anton Khan, who is due to retire but shall be eligible for re-election pursuant to Clause 125 of the Company's Constitution at the forthcoming 27th AGM;
- (ii) the re-election of the Director, Ivan Oh Boon Wee, who is due to retire but shall be eligible for re-election pursuant to Clause 125 of the Company's Constitution at the forthcoming 27th AGM; and
- (iii) the re-election of the Director, Patricia Ubong @ Magdalene Edward, who is due to retire but shall be eligible for re-election pursuant to Clause 125 of the Company's Constitution at the forthcoming 27th AGM.

The profiles of these Directors are set out on pages 9 to 11 of the Annual Report.

- 4.6 All Directors of the Company do not hold more than five (5) directorships in public listed companies under Paragraph 15.06 of the MMLR.

The Board meets at least four (4) times a year at quarterly intervals with additional meetings convened when urgent and important decisions need to be taken between the scheduled meetings. Besides Board meetings, the Board also exercises control on matters that require Board's approval through Directors' Circular Resolutions. The Board met six (6) times for the financial year ended 31 July 2025. Amongst others, key matters such as approval of annual and quarterly results, financial statements, major acquisitions and disposals, major investments, policies and strategy planning, re-appointment of external auditors are discussed and decided by the Board.

The dates scheduled for Board meetings, Board Committee meetings and AGM are set in advance and circulated to the Directors to facilitate the Directors' time planning. The Directors' Circular Resolutions are used for determination of urgent matters arising in between meetings. In accordance with Clause 147 of the Constitution of the Company, a signed and approved resolution by a majority of the Directors present in Malaysia and who are sufficient to form a quorum, shall be as valid and effectual as if it had been passed at a meeting of the Directors duly called and constituted.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II Board Composition (continued)

4.0 Board decisions are made objectively in the best interests of the Company taking into account diverse perspectives and insights. (continued)

- 4.6 The Company Secretaries issues a notice of meeting prior to each Board meeting together with relevant Board papers and any corporate announcement for release to Bursa Securities. Management and professional advisors may be invited by the Board, if there is a need, for information or advice on matters that require expert knowledge.

During the financial year ended 31 July 2025, the Board held six (6) meetings and the details of each Director's attendance are set out below:

Name of Directors	Designation	Meetings attended	Percentage (%)
TAN SRI DATUK (DR.) ABDUL MAJID KHAN	Executive Chairman	6/6	100
YEO AYK KE	Managing Director	6/6	100
YEO AIK TAN	Executive Director	6/6	100
LIM POH TEOT	Executive Director	6/6	100
MUAZ BIN JEMA ANTON KHAN	Executive Director	6/6	100
NADJA BINTI JEMA KHAN	Non-Independent Non-Executive Director	5/6	83
BIANCA DANIELLA LIND	Independent Non-Executive Director	6/6	100
IVAN OH BOON WEE	Independent Non-Executive Director	6/6	100
PATRICIA UBING @ MAGDALENE EDWARD	Independent Non-Executive Director	5/6	83

The attendance of all the Directors at Board meetings held during the financial year ended 31 July 2025 surpassed the minimum requirements stipulated under the MMLR of Bursa Securities.

- 4.7 The Board acknowledges that continuous education is essential for the Directors to further enhance their skills and knowledge. The Board ensures that the Directors (including new Directors) attend and complete the requisite Mandatory Accreditation Programme ("MAP") Part I and Part II prescribed under the MMLR of Bursa Securities within the stipulated timeframe.

In addition, Directors are encouraged to participate in external professional programmes deemed relevant to keep them informed of issues in the evolving business environment in which the Group operates. Directors are also encouraged to continuously assess their own training needs and propose to the Board suitable programmes, seminars, briefings, or dialogues that would enhance their knowledge, active participation in Board deliberations, and effectiveness in discharging their duties.

During the financial year under review, Directors have attended in the following training programmes:

Name of Directors	Date	Training attended
TAN SRI ABDUL MAJID KHAN	26 & 27 May 2025 25-Jul-25	Mandatory Accreditation Programme Part II: Leading for Impact Related Party Transactions Simplified
YEO AYK KE	4 & 5 June 2025 25-Jul-25	Mandatory Accreditation Programme Part II: Leading for Impact Related Party Transactions Simplified
LIM POH TEOT	26 & 27 May 2025 25-Jul-25	Mandatory Accreditation Programme Part II: Leading for Impact Related Party Transactions Simplified
MUAZ BIN JEMA ANTON KHAN	26 & 27 Aug 2024 25-Jul-25	Mandatory Accreditation Programme Part II: Leading for Impact Related Party Transactions Simplified

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II Board Composition (continued)

4.0 Board decisions are made objectively in the best interests of the Company taking into account diverse perspectives and insights. (continued)

4.7 During the financial year under review, Directors have attended in the following training programmes (continued):

Name of Directors	Date	Training attended
YEO AIK TAN	4 & 5 June 2025	Mandatory Accreditation Programme Part II: Leading for Impact
	25-Jul-25	Related Party Transactions Simplified
IVAN OH BOON WEE	12-Nov-24	Crowe Malaysia Budget 2025 Conference
	25-Jul-25	Related Party Transactions Simplified
BIANCA DANIELLA LIND	25-Jul-25	Related Party Transactions Simplified
PATRICIA UBING @ MAGDALENE EDWARD	25-Jul-25	Related Party Transactions Simplified
NADJA BINTI JEMA KHAN	25-26 June 2025	Mandatory Accreditation Programme Part II: Leading for Impact
	25-Jul-25	Related Party Transactions Simplified

All the Executive Directors have been with the Company for many years and are familiar with their duties and responsibilities as Directors. Wherever a new Board member is appointed, he/she will be given briefings and orientation by Executive Directors and Senior Management on the business activities of the Group and its strategic directions, as well as their duties and responsibilities as Directors.

The Directors are regularly updated on new statutory and regulatory requirements and the impact and implication to the Group and Directors in carrying out their duties and responsibilities. In addition, the Directors also receives briefings and updates on the Group's businesses and operations, risk management activities and technology initiatives on a regular basis.

5.0 Stakeholders are able to form an opinion on the overall effectiveness of the Board and individual Directors.

The Company conducts an annual assessment to evaluate the effectiveness of the Board and the Board Committees as well as the performance of each individual Director through the NC.

The NC of the Company comprises exclusively Independent Non-Executive Directors and its composition is as follows:

- Bianca Daniella Lind (Chairperson)
- Ivan Oh Boon Wee (Member)
- Patricia Ubung @ Magdalene Edward (Member)

The NC held one (1) meeting during the financial year ended 31 July 2025. The details of the Terms of Reference of NC are available for reference at the Company's website at www.jaycorp.com.my. The Terms of Reference of NC was reviewed and adopted.

The evaluation involves individual Directors and Board Committee members completing separate evaluation questionnaires regarding the processes of the Board and its Board Committees, their effectiveness and where improvements could be considered. The criteria for the evaluations are guided by the Corporate Governance Guide – Towards Boardroom Excellence. The NC carried out its evaluation with the view to maximise the performance of the individual committees in the interest of the Company. The evaluation process involved self-review assessment, where Directors will assess their own performance. These assessments and comments were summarised and discussed at the NC meeting which were then reported to the Board at the Board Meeting held thereafter. The NC evaluated all the above Assessment Forms at the NC Meeting held on 26 September 2025 and was satisfied with the performance of the Board and Board Committees as well as the performance of individual Directors.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II Board Composition (continued)

5.0 Stakeholders are able to form an opinion on the overall effectiveness of the Board and individual Directors. (continued)

During the financial year under review, the NC carried out the following assessments and were satisfied with the results of the assessments:

- (i) reviewed and discussed the Board's composition;
- (ii) reviewed and assessed the structure, size, required mix of skills, experience, diversity and other qualities, including core competencies and effectiveness of the Board, as a whole and the Board Committees;
- (iii) reviewed and assessed the contribution of each individual Director based on the criteria stipulated in the Directors Fit & Proper Policy;
- (iv) reviewed the term of office and performance of the AC and each of its members to determine whether the AC and its members have carried out their duties in accordance with their Terms of Reference;
- (v) assessed the independence of each of the existing Independent Directors with each Director abstaining from deliberation on his/her own assessment; and
- (vi) reviewed, assessed and recommended to the Board the Directors who are due for retirement at the AGM in accordance with the Company's Constitution but are eligible for re-election.

The Directors' Assessment Policy which sets out the procedures and criteria used in the assessment of the Board, Board Committees, Directors and independence of Independent Directors is available on the Company's website at www.jaycorp.com.my. The Directors' Assessment Policy was reviewed and adopted.

III Remuneration

6.0 The level and composition of remuneration of Directors and Senior Management take into account the Company's desire to attract and retain the right talent in the Board and Senior Management to drive the Company's long-term objectives. The remuneration policies and decisions are made through a transparent and independent process.

6.1 The RC of the Company comprises both Executive and Independent Non-Executive Directors, majority of whom are the latter and its composition is as follows:

- Ivan Oh Boon Wee (Chairman)
- Yeo Ayk Ke (Member)
- Bianca Daniella Lind (Member)

The RC held one (1) meeting during the financial year to carry out its function as stated within the Terms of Reference. The details of the Terms of Reference of RC are available for reference at the Company's website at www.jaycorp.com.my. The Terms of Reference of RC was reviewed and adopted.

Below is a summary of the key activities undertaken by the RC in discharging of its duty:

- (i) to recommend to the Board the remuneration of the Executive Directors and Non-Executive Directors in all its forms. The determination of remuneration packages of Executive Directors and Non-Executive Directors, should be a matter for the Board as a whole where the individuals concerned shall abstain from discussion of their own remuneration; and
- (ii) to recommend to the Board the remuneration package of the Key Senior Management.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

III Remuneration (continued)

6.0 The level and composition of remuneration of Directors and Senior Management take into account the Company's desire to attract and retain the right talent in the Board and Senior Management to drive the Company's long-term objectives. The remuneration policies and decisions are made through a transparent and independent process. (continued)

6.2 The primary function of the RC is to set up and review the policy of remuneration framework and recommend to the Board the remuneration packages of all the Directors according to the skills, level of responsibilities, experience and performance of the Directors.

The remuneration of Directors is determined at levels which enables the Company to attract and retain Directors with the relevant experience and expertise to manage the business of the Group effectively. The RC reviews the Board remuneration policy and terms of conditions of service of each Director annually taking into consideration market conditions and comparisons, responsibilities held, business strategy, long term objectives and the overall financial performance of the Group.

The RC is also responsible for reviewing the remuneration packages of the Non-Executive Directors of the Company and thereafter making recommendations to the Board for their consideration. Non-Executive Directors are paid by way of fixed monthly fees and a meeting allowance for each day of attending the meeting. Individual Directors are not allowed to participate in discussion of his/her own remuneration.

The Board will then recommend the Directors' fees and other benefits payable to Directors to the shareholders for approval at the AGM in accordance with Section 230(1) of the Companies Act 2016.

The Directors' Remuneration Policy, which aims to attract, develop and retain high performing and motivated Directors with a competitive remuneration package is available on the Company's website at www.jaycorp.com.my. The Directors' Remuneration Policy was reviewed and adopted.

7.0 Stakeholders are able to assess whether the remuneration of Directors and Senior Management commensurate with their individual performance, taking into consideration the Company's performance.

7.1 The aggregate remuneration of Directors received from the Company and on Group basis for the financial year ended 31 July 2025 amounted to RM1,044,000 and RM4,297,000 respectively. Details of the individual Director's Remuneration from the Company and the Group are set out under Practice 8.1 of the Corporate Governance Report, which is uploaded on the Company's website at www.jaycorp.com.my.

7.2 The Board is of the view that the disclosure of Senior Management's remuneration on a named basis will not be in the best interest of the Group, as it will give rise to recruitment and talent retention issues and hence, the Group may lose high calibre personnel who have been contributing to the Group's performance. Alternatively, the Group and the Company have disclosed the aggregate total remuneration of Senior Management personnel for the financial year ended 31 July 2025, under Note 22(b) to the Financial Statements of the Company's Annual Report 2025.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I Audit Committee

8.0 There is an effective and independent Audit Committee. The Board is able to objectively review the Audit Committee's findings and recommendations. The Company's financial statement is a reliable source of information.

8.1 The Board aims to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements and quarterly announcement of financial results. The Board is assisted by the AC to oversee the Group's financial reporting processes and the quality of its financial reporting.

The AC comprises solely Independent Directors and its composition is as follows:

- Ivan Oh Boon Wee (Chairman)
- Bianca Daniella Lind (Member)
- Patricia Ubing @ Magdalene Edward (Member)

The details of the Terms of Reference of AC are available for reference at the Company's website at www.jaycorp.com.my. The Terms of Reference of AC was reviewed and adopted.

The Chairman of the AC is not the Chairman of the Board, to uphold objectivity on the Board's review of the AC's findings and recommendation remains intact.

8.2 The Board is responsible for ensuring that the financial statements 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 results and cash flows for the financial year then ended. In preparing the financial statements, the Directors have ensured that Applicable Approved Accounting Standards in Malaysia and the provisions of the Companies Act 2016 and the MMLR of the Bursa Securities have been applied.

In preparing the financial statements, the Directors have selected and applied consistently appropriate accounting policies and made reasonable and prudent judgments and estimates where applicable.

The Directors also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Board is satisfied that it has met its obligation to present a balanced and comprehensive assessment of the Company's position and prospects in the Directors' Report and the Financial Statements of this Annual Report.

The Board is assisted by the AC to oversee the Group's financial reporting process and the quality of its financial reporting.

The AC Report is presented and separately set out in this Annual Report.

8.3 An internal compliance framework exists to ensure that the Group meets its obligations relating to related party transactions under the MMLR of Bursa Securities. The Board through its AC, reviews and reports to the Board any related party transactions (including recurrent related party transactions) and conflict of interest or potential conflict of interest situations that may arise within the Company or the Group. A Director who has an interest in a transaction must abstain from deliberation and voting on the relevant resolution in respect of such transaction at the Board and any general meeting convened to consider such matters.

Further details of these transactions are set out in the Recurrent Related Party Transactions Circular to Shareholders dated 20 November 2025.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

I Audit Committee (continued)

8.0 There is an effective and independent Audit Committee. The Board is able to objectively review the Audit Committee's findings and recommendations. The Company's financial statement is a reliable source of information. (continued)

- 8.4 The AC assesses the suitability and independence of the External Auditors on an annual basis. Areas of assessment including amongst others, the External Auditor's objectivity and independence, audit fees, size and competency of the audit team, audit strategy, audit reporting and partner involvement. The inputs/opinions from the Company's personnel who had constantly contacted with the external audit team throughout the year would also be used as a tool in the judgment of the suitability of the external auditor.

The External Auditors, in supporting their independence, will provide the AC with a written assurance confirming their independence throughout the conduct of the audit engagement in accordance with the relevant professional and regulatory requirements. The External Auditors have provided such declaration in their annual audit plan presented to the AC of the Company during the financial year.

The External Auditors of the Company fulfill an essential role on behalf of Company's shareholders in giving an assurance to the shareholders on the reliability of the financial statements of the Company and the Group.

The External Auditors have an obligation to bring to the attention of the Board of Directors, the AC and Management any significant defects in the Group's systems of reporting, internal control and compliance with Applicable Approved Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The External Auditors of the Company are invited to attend at least two (2) meetings with the AC a year to discuss their audit plan and audit findings on the Company's yearly financial statements. In addition, the AC will also have private sessions with the External Auditors without the presence of the Management to enable exchange of views on issues requiring attention.

During the financial year, the amount of audit fee and non-audit fee paid or payable to the External Auditors of the Company during the financial year ended 31 July 2025 were as follows:

	Group (RM'000)	Company (RM'000)
Audit Fees	205	41
Non-audit Fees	5	5
Total	210	46

The non-audit fees were paid to External Auditors for the review of Statement on Risk Management and Internal Control.

In considering the nature and scope of non-audit fees, the AC was satisfied that they were not likely to create any conflict or impair the independence and objectivity of the External Auditors.

The AC and the Board are satisfied with the performance, competence and independence of the External Auditors and the Board had recommended their re-appointment for shareholders' approval at the forthcoming 27th AGM.

The key features underlying the relationship of the AC with External Auditors are included in the AC's Terms of Reference.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

II Risk Management and Internal Control Framework

9.0 The Group makes informed decisions on the risk appetite and implement necessary controls to pursue its objectives. The Board is provided with reasonable assurance that any adverse impacts arising from foreseeable future events are identified on a timely basis and managed/mitigated appropriately.

9.1 The Board has ultimate responsibility for reviewing the Company's risks, approving the risk management framework and policy and overseeing the Company's strategic risk management and internal control framework to achieve its objectives within an acceptable risk profile as well as safeguarding the interest of stakeholders and shareholders and the Group's assets.

The Company formed a BRMC to oversee the strategies, policies, initiatives, targets and performance of the Group and the Enterprise Risk Management Committee ("ERMC") to oversee the implementation of risk management. The BRMC is chaired by an Independent Non-Executive Director and the ERMC is chaired by an Executive Director.

BRMC held one (1) meeting during the financial year to carry out its function as stated within the Terms of Reference. The details of the Terms of Reference of BRMC are available for reference at the Company's website at www.jaycorp.com.my. The Terms of Reference of BRMC was reviewed and adopted.

The BRMC members and their attendance at the BRMC meetings held during the financial year ended 31 July 2025 are as follows:

Members of Board Risk Management Committee	No. of meeting attended
Ivan Oh Boon Wee (Chairman)	1/1
Muaz bin Jema Anton Khan (Member)	1/1
Patricia Ubing @ Magdalene Edward (Member)	1/1

The ERMC held three (3) meetings during the financial year to carry out its function as stated within the Terms of Reference. The details of the Terms of Reference of ERMC are available for reference at the Company's website at www.jaycorp.com.my. The Terms of Reference of ERMC was reviewed and adopted.

The representatives from key operating subsidiaries and joint venture companies attended the ERMC meetings upon invitation.

The Board is ultimately responsible for the establishment of a sound framework to manage risks. The ERMC is responsible to implement risk management policies and strategy. It monitors and manages principal risk exposures by ensuring Management has taken necessary steps to mitigate such risks and recommends actions, where necessary.

The periodic updated key risk profile of the Group would be reviewed by the BRMC and ERMC prior to table to the Board.

The Statement on Risk Management and Internal Control set out on pages 70 to 72 of this Annual Report provides an overview of the state of risk management activities within the Group.

9.2 The primary responsibility and purpose of the BRMC and ERMC are to assist the Board in fulfilling its responsibility with respect to ongoing evaluating, reviewing and monitoring the Group's risk management framework and activities. The BRMC reports to the Board regarding the Group's risk exposures, including reviewing the risk assessment model used to monitor the risk exposures and Management's view on the acceptable and appropriate level of risks faced by the Group's Business Unit.

The key features of the Enterprise Risk Management Framework are presented in the Statement on Risk Management and Internal Control of the Company as set out on page 70 of this Annual Report.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

II Risk Management and Internal Control Framework (continued)

10.0 The Group has an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

The internal audit function is outsourced to a professional firm (Internal Auditors) who reports directly to the AC.

The Internal Auditors review and monitor the compliance of the internal control system, governance and risk management and operational assessments by carrying out audit checks on such control processes and provide feedback on its effectiveness and compliance at the operating level. Any weaknesses reported by the Internal Auditors to the AC will include management's response and actions that are required to rectify the weaknesses.

The Internal Auditors assisted the AC in discharging its duties and responsibilities with respect to adequacy and integrity of internal controls within the Group and undertook the following activities:

- carrying out the internal auditing of the subsidiaries and joint venture companies;
- facilitating the improvement of business processes within the Group;
- establishing a follow up process in monitoring the implementation of audit recommendation to Management; and
- monitoring the effectiveness of the Group's risk management systems by reviewing the implementation of the risk assessment action plans by Management.

The Statement on Risk Management and Internal Control is furnished on pages 70 to 72 of the Annual Report provides an overview on the state of internal controls within the Group, in an effort to manage risk.

The Board is aware of the need to establish corporate disclosure policies and procedures to enable comprehensive, accurate and timely disclosures of material information relating to the Company and the Group to be made to the regulators, shareholders and stakeholders. On this basis, the Board has formalised pertinent policies and procedures not only to comply with the disclosure requirements as stipulated in the MMLR of Bursa Securities, but also setting out the persons authorised and responsible to approve and disclose material information to regulators, shareholders and stakeholders.

The release of material information will be made publicly via Bursa Securities. Members of the public can also obtain the full financial results and the Company's announcements from the Bursa Securities' website.

The Company's website at www.jaycorp.com.my is regularly updated and provides relevant information on the Company which is accessible to the public to make informed investment decision.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I Communication with Stakeholders

11.0 There is continuous communication between the Company and stakeholders to facilitate mutual understanding of each other's objectives and expectations. Stakeholders are able to make informed decisions with respect to the business of the Company, its policies on governance, the environment and social responsibility.

The Board believes that a constructive and effective investor relationship is essential in enhancing shareholder value and recognises the importance of timely dissemination of information to shareholders.

In addition to shareholders participation at general meetings, the Board also encourages other channel of communication with shareholders. For this purpose, shareholders and other stakeholders may convey their concerns relating to the Company to the AC Chairman, Mr. Ivan Oh Boon Wee at the contact details set out in the Corporate Information section of this Annual Report.

The Board and Management ensure timely dissemination of information on the Company's performance and other matters affecting shareholders' interests to shareholders and investors through appropriate announcement (where necessary), quarterly announcements, relevant circulars, press releases and distribution of annual reports.

Corporate Governance Overview Statement

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONTINUED)

I Communication with Stakeholders (continued)

11.0 There is continuous communication between the Company and stakeholders to facilitate mutual understanding of each other's objectives and expectations. Stakeholders are able to make informed decisions with respect to the business of the Company, its policies on governance, the environment and social responsibility. (continued)

The Company recognises the importance of accountability to shareholders and effective communication between the Company and investors. In compliance with Paragraph 9.21 of the MMLR of Bursa Securities, the Company has established its own website at www.jaycorp.com.my which contains vital information concerning the Group and is updated on a regular basis. Shareholders and investors are able to direct their queries to the Company through the Company's website.

The Company is not categorised as large company under the MCCG and has not adopted the integrated reporting based on a globally recognised framework.

II Conduct of General Meetings

12.0 Shareholders are able to participate, engage the Board and Senior Management effectively and make informed voting decisions at general meetings.

12.1 The last AGM was held on 12 December 2024. The AGM is the principal forum for dialogue and interaction with shareholders.

The key element of the Company's dialogue with its shareholders is the opportunity to gather views of, and answer questions from, both the individual and institutional investors on all aspects relevant to the Company at the AGM. It is also a requirement for the Company to send the Notice of the AGM and related circular to its shareholders at least twenty-one (21) days before the meeting. At the AGM, shareholders are encouraged to ask questions both about the resolutions being proposed or about the Group's operations in general to seek more information. Where it is not possible to provide immediate answers, the Chairman will undertake to furnish the shareholders with a written answer after the AGM.

12.2 Pursuant to Paragraph 8.29(A) of MMLR of Bursa Securities, the Company must ensure that any resolution set out in the Notice of any general meeting is to be voted by poll.

The Board will continue to adopt poll voting for all resolutions set out in the Notice of the AGM of which the votes cast will be validated by an Independent Scrutineer. The Board make announcement of the detailed results showing the number of votes cast for and against each resolution at general meetings to facilitate greater shareholder participation.

COMPLIANCE STATEMENT

Save as disclosed above, the Board is satisfied that throughout the financial year ended 31 July 2025, the Company has applied the principles and recommendations of the corporate governance set out in MCCG, where necessary and appropriate.

The Board is required to present the financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards and give a true and fair view of the state of affairs, the results and cash flows of the Group and of the Company.

The Board is satisfied that the Group has used the appropriate accounting policies and applied them consistently and supported by reasonable prudent judgment and estimates, adopted to include new and revised MFRSs where applicable, in preparing the financial statements of the Group and of the Company for the financial year ended 31 July 2025. The Board is also of the view that relevant approved accounting standards have been followed in the preparation of these financial statements.

The Board has also taken all such necessary steps to ensure that proper internal controls are in place to safeguard the assets of the Group and to detect and prevent fraud and other irregularities.

This CG Overview Statement is made in accordance with a resolution of the Board dated 6 November 2025.

ADDITIONAL DISCLOSURE REQUIREMENTS

PURSUANT TO THE LISTING REQUIREMENTS OF BURSA SECURITIES

1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE EXERCISE

During the financial year, there was no proceed raised by the Company from any corporate exercise.

2. MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

There was no material contract entered into by the Company and the Group which involved Directors' and Major Shareholders' interest subsisting as at the end of the financial year ended 31 July 2025 other than those disclosed under notes to financial statements.

3. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPT")

The Group has Shareholders' Mandate on RRPT at the last Annual General Meeting held on 12 December 2024.

Detailed below the RRPT conducted pursuant to the shareholders' mandate during the financial year ended 31 July 2025:

Jaycorp Group	Name of Related Parties	Type of Transaction	Actual value of transaction for the financial year ended 31 July 2025 (RM'000)	Interested Related Parties and the Relationship
i) Jaycorp Berhad ("Jaycorp")	Jawala Corporation Sdn Bhd ("Jawala")	i) Rental of Lot 17.03, 17 th Floor, Menara KH, Jalan Sultan Ismail, 50250 Kuala Lumpur to Jaycorp	90	Jawala is a Major Shareholder of Jaycorp.
ii) Yeo Aik Hevea (M) Sdn Bhd ("YAHSB")		ii) Receipt of commission income from YAHSB for assisting YAHSB to successfully tender of rubber wood	-	<p>Tan Sri Datuk (Dr.) Abdul Majid Khan (Executive Chairman and Major Shareholder of Jaycorp via interest in Jawala)</p> <p>Tan Sri Datuk (Dr.) Abdul Majid Khan is a Director and Major Shareholder of Jawala.</p> <p>Muaz bin Jema Anton Khan (Executive Director of Jaycorp) Muaz bin Jema Anton Khan is the grandson of Tan Sri Datuk (Dr.) Abdul Majid Khan and a shareholder of Jawala.</p> <p>Nadja binti Jema Khan (Non-Independent Non-Executive Director of Jaycorp) Nadja binti Jema Khan is the granddaughter of Tan Sri Datuk (Dr.) Abdul Majid Khan and a shareholder of Jawala.</p>

Additional Disclosure Requirements

3. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPT") (CONTINUED)

Jaycorp Group	Name of Related Parties	Type of Transaction	Actual value of transaction for the financial year ended 31 July 2025 (RM'000)	Interested Related Parties and the Relationship
<u>Joint Venture Company</u> Honsoar Jaycorp Cabinetry Sdn Bhd ("HJCSB")	i) Honsoar New Building Material Co. Ltd ("HNBML"), China	i) Sales of furniture parts, board material and hardware to HJCSB	8,324	Sun Guan Jun, China citizen, is a Director and having an indirect interest in HJC.
	ii) Shandong Honsoar Cabinetry Co. Ltd. ("SHCCL"), China	ii) Sales of furniture parts, board material and hardware to HJCSB	7,040	Sun Guan Jun is a Director and having an indirect interest in HNBML, SHCCL, HIL and HHUI.
	iii) Honsoar International Limited ("HIL"), Hong Kong	iii) Purchase of kitchen cabinets and bathroom vanity cabinets from HJCSB	55,880	
	iv) Honsoar Home USA Inc. ("HHUI"), USA	iv) Purchase of kitchen cabinets and bathroom vanity cabinets from HJCSB	-	
i) Winshine Industries Sdn Bhd ("WISB")	HJCSB	i) a) Rental of three (3) units of factories located at No. 6, 6-1, Jalan Wawasan 14, Kawasan Perindustrian Sri Gading, 83300 Batu Pahat, Johor from WISB	1,272	Yeo Ayk Ke (Managing Director of Jaycorp) Yeo Ayk Ke is a Director of HJCSB, JTSB, PPSB, WHSB and WISB.
		i) b) Rental of a single storey factory building cum three storey office building located at No. 2, Jalan Wawasan 12, Kawasan Perindustrian Sri Gading, 83300 Batu Pahat, Johor from WISB	648	Lim Poh Teot (Executive Director of Jaycorp) Lim Poh Teot is a Director of HJCSB, WHSB and WISB.
		i) c) Purchase and sub-contract work of furniture part from WISB	232	

Additional Disclosure Requirements

3. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (“RRPT”) (CONTINUED)

Jaycorp Group	Name of Related Parties	Type of Transaction	Actual value of transaction for the financial year ended 31 July 2025 (RM'000)	Interested Related Parties and the Relationship
ii) Winshine Holdings Sdn Bhd (“WHSB”)	HJCSB	ii) Rental of a single storey detached factory building cum double storey office building located at No. 1, Jalan Wawasan 12, Kawasan Perindustrian Sri Gading, 83300 Batu Pahat, Johor from WHSB	552	Yeo Ayk Ke (Managing Director of Jaycorp) Yeo Ayk Ke is a Director of HJCSB, JTSB, PPSB, WHSB and WISB. Lim Poh Teot (Executive Director of Jaycorp) Lim Poh Teot is a Director of HJCSB, WHSB and WISB.
iii) Pine Packaging (M) Sdn Bhd (“PPSB”)		iii) Purchase of carton boxes from PPSB	2,286	
iv) Jaycorp Trading Sdn Bhd (“JTSB”)		iv) Purchase of assembly instruction (“AI”) from JTSB. AI is included in HJCSB’s product to show visually and with words on how to assemble the HJCSB’s product	-	
<u>Joint Venture Company</u> PT Tiga Mutiara Nusantara (“PTTMN”)	Weston Wood Solutions Inc (Weston Wood), Canada	Purchase of finger jointed finished gesso coated primed moulding products and LVL moulding and millwork products from PTTMN.	26,518	Alan Stuart Lechem, Canada citizen, is a Director and having an indirect interest in PTTMN. Alan Stuart Lechem is also a Director and shareholder of Weston Wood.
JTSB	PTTMN	Purchase of indirect material i.e. coating glue, calcium carbonate powder and machinery spare parts from JTSB.	-	Tan Sri Datuk (Dr.) Abdul Majid Khan (Executive Chairman of Jaycorp) Tan Sri Datuk (Dr.) Abdul Majid Khan is a Director of JTSB and PTTMN.

Note:

None of the actual value of transaction for the financial year ended 31 July 2025 has exceeded the estimated aggregate value of transactions disclosed in Circular to Shareholders dated 20 November 2024 by 10%.

The Group will seek for Shareholders’ Mandate on the RRPT at the forthcoming Twenty-Seventh Annual General Meeting to be held on 12 December 2025.

AUDIT COMMITTEE REPORT

The primary objective of the Audit Committee (“AC”) is to assist the Board in the effective discharge of its fiduciary responsibilities for corporate governance, financial reporting process and internal control system.

The AC has adopted practices aimed at maintaining appropriate standards of responsibility, integrity and accountability to all the Company’s shareholders.

MEMBERSHIP

The AC is appointed by the Board and comprise exclusively of Independent Non-Executive Directors:

Chairman	Ivan Oh Boon Wee
Members	Bianca Daniella Lind Patricia Ubing @ Magdalene Edward

MEETINGS

There were four (4) AC meetings held during the financial year ended 31 July 2025. The meetings were appropriately structured through the use of agendas which were distributed to members with sufficient notification. The details of attendance of Committee members are as follows:

Name of Committee Members	Attendance
Ivan Oh Boon Wee	4/4
Bianca Daniella Lind	4/4
Patricia Ubing @ Magdalene Edward	4/4

In addition to the AC members and Company Secretary, the Group Financial Controller, Risk & Compliance Manager and the Internal Auditors may attend the meeting as invitees. Representatives of the External Auditors shall attend meetings where matters relating to the audit of the statutory accounts are to be discussed and to present the Audit Planning Memorandum and Audit Review Memorandum at the relevant meetings. Executive Directors and other management personnel may attend the meeting upon the invitation of the AC Chairman. The AC had a closed-door discussion with the External Auditors without the presence of the Executive Directors and the management at least once a year.

The Company Secretary shall be the secretary of the AC. Notice of meeting and supporting documents are to be circulated to the AC members at least seven (7) days prior to the meeting so as to provide the AC members with relevant and timely information for effective discussions during the meeting. The AC Chairman shall report on each meeting to the Board.

Any resolution in writing signed by all the members of the AC shall be as valid and effectual as if it had been passed at a meeting of the AC duly convened and held and may consist of several documents in the like form, each signed by one or more members of the AC.

The AC members have undergone relevant training during the financial year to be apprised of regulatory changes as well as to stay abreast with contemporary issues that may affect the Group. Details of the AC members’ training are disclosed in the Company’s Corporate Governance Overview Statement in this Annual Report.

AUTHORITY

The AC shall, in accordance with policies and procedure determined by the Board and at the cost of the Group:

- have authority to investigate any matter within its Terms of Reference;
- have adequate resources and unrestricted access to any information from both Internal and External Auditors and all employees of the Group in performing its duties;
- have direct communication channels with the External Auditors and person(s) carrying out the internal audit function or activity;
- to obtain external legal or other independent professional advice when necessary; and
- to convene meetings with the External Auditors, Internal Auditors or both, excluding the attendance of other Directors and employees of the Group, whenever deemed necessary.

Audit Committee Report

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR

In line with the Terms of Reference of the AC, the following activities were carried out by the AC during the financial year ended 31 July 2025 in discharging its functions and duties:

Financial Performance & Reporting

- Reviewed the unaudited quarterly financial announcements and annual financial statements of the Group prior to submission to the Board of Directors for their perusal and approval. This was to ensure compliance of the financial statements with the provisions of the Companies Act 2016, Malaysian Financial Reporting Standards, International Financial Reporting Standards and applicable Listing Requirements of Bursa Malaysia Securities Berhad.
- Reported to the Board on significant audit issues and concerns discussed during the AC meetings which have significant impact of the Group from time to time, for consideration and deliberation by the Board.
- Reviewed the AC Report and the Statement on Risk Management and Internal Control prior to submission of the same to the Board for consideration and inclusion in the Annual Report of the Company.
- The dates the AC met during the financial year to deliberate on financial reporting matters are as detailed below:

Date of meetings	Financial reporting statements reviewed
27 September 2024	Unaudited quarterly report on consolidated results of the Company and its Group of Companies for the fourth quarter ended 31 July 2024.
10 December 2024	Unaudited quarterly report on consolidated results of the Company and its Group of Companies for the first quarter ended 31 October 2024.
19 March 2025	Unaudited quarterly report on consolidated results of the Company and its Group of Companies for the second quarter ended 31 January 2025.
16 June 2025	Unaudited quarterly report on consolidated results of the Company and its Group of Companies for the third quarter ended 30 April 2025.

External Auditors

- Discussed and reviewed the External Auditors' audit planning memorandum for the financial year ended 31 July 2025 outlining responsibilities of Directors, Management and External Auditors, independence of Crowe Malaysia PLT, Group structure, audit approach, areas of audit emphasis, Group audit, information technology, internal auditors, reporting and deliverables, engagement team, audit fees and recent development in accounting standards.
- Deliberated on the External Auditors' report at its meeting with regard to the finalisation of the annual audited financial statement for financial year ended 31 July 2024.
- Reviewed the External Auditors' findings arising from audits, particularly comments and response in management letters in order to be satisfied that appropriate action is being taken.
- Dialogue session with the External Auditors, without the presence of the Executive Director and management.
- Reviewed and evaluated the performance and effectiveness of the External Auditors. The AC assessed the integrity, capability, professionalism and work ethics of the External Auditors. The AC was satisfied with the External Auditor's performance and therefore, the AC had recommended to the Board, the re-appointment of the External Auditors at the Annual General Meeting.
- Reviewed the audit fees, the number and experience of audit staff assigned to the audit engagement, resources and effectiveness of the External Auditors.
- During the financial year ended 31 July 2025, the AC met the External Auditors on 27 September 2024 and 16 June 2025 respectively to discuss on audit matters.

Internal Audit

- Reviewed the Internal Audit Reports during the financial year ended 31 July 2025 by the Internal Auditors and assessed the internal audits' findings, recommendations together with the Management's comments.
- Reviewed the Internal Audit Plan for the financial year ended 31 July 2025 presented by Internal Auditor.
- Reviewed the adequacy and performance of Internal Audit function and its comprehensiveness of the coverage of activities within the Group.
- The AC had met the internal Auditors during the financial year ended 31 July 2025 on 27 September 2024, 10 December 2024, 19 March 2025 and 16 June 2025 respectively to discuss internal audit matters.

Audit Committee Report

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR (CONTINUED)

Risk Management

- Ensure the effectiveness of the process for identifying, assessing, managing and monitoring risks are in place, oversee execution of the process and continuous improvement of the process as the business environment changes.
- Reviewed the Statement on Risk Management and Internal Control before recommending the same for Board's approval for inclusion in the Annual Report 2025.

Recurrent Related Party Transactions and Related Party Transactions

- At each quarterly meeting, AC reviewed the related party transactions presented by the Management to ensure that the transactions were not more favourable to the related parties than those generally available to the public and not detrimental to minority shareholders.
- Reviewed the Circular to Shareholders relating to Proposed Renewal of Shareholders' Mandate for recurrent related party transactions of revenue or trading nature, including the procedures governing such transactions, prior to recommending the same for the Board's consideration of inclusion as a resolution for shareholders' approval at the Annual General Meeting of the Company.

Conflict of Interest or Potential Conflict of interest

- At each quarterly meeting AC reviewed any conflict of interest or potential conflict of interest situations that may arise within the Group including any transaction, procedure or course of conduct that raises questions of management integrity.

Others

- Reviewed and discussed the tax position of the Group, including the tax compliance matters, transfer pricing and e-invoicing implementation.
- AC will consider and discuss any other matters arising for Board's approval.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to a professional company, BDO Governance Advisory Sdn Bhd and subsequently changed to Axcelasia Sdn Bhd (formerly known as Tricor Axcelasia Sdn Bhd) effective from 1 August 2025. The professional fee and other cost incurred in respect of the internal audit function for the financial year ended 31 July 2025 was RM145,000.

During the financial year ended 31 July 2025, the Internal Auditors have carried out audits to assess the adequacy of the internal controls of the main operating subsidiaries and joint venture company, based on the audit plan approved by the AC. The Internal Auditors reported their findings and recommendations to the AC for deliberations together with the Management. Where areas of improvements were required, it was highlighted to the Management for implementation. The AC monitored the progress of the implementation.

The detail of internal audit functions during the period under review is stated in the Statement on Risk Management and Internal Control of this Annual Report.

During the period under review, the Internal Auditors, in the course of carrying out the internal audit reviews:

- presented and obtained approval from the AC on the annual internal audit plan, comprising its audit strategy and scope of audit work;
- performed audits in accordance with the annual internal audit plan, reviewed the adequacy and effectiveness of the internal control systems in place, compliance with policies and procedures and reported ineffective and inadequate controls and made recommendations to improve their effectiveness; and
- performed follow-up reviews in assessing the progress of the agreed management's action plans and report to the AC and Management.

The AC is of the view that there are no significant breakdown or weaknesses in the systems of internal controls of the Group that may result in material losses incurred by the Group for the financial period.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance (“the Code”) requires public listed companies to maintain a sound system of risk management and internal control to safeguard shareholders’ investment and the Group’s assets. The Board is pleased to present the Statement on Risk Management and Internal Control (“the Statement”) which is in compliance with Paragraph 15.26(b) of Bursa Malaysia Securities Berhad’s Main Market Listing Requirements.

RESPONSIBILITIES OF THE BOARD

The Board of Directors acknowledges its responsibility for maintaining a sound system of internal control and risk management as well as the adequacy and integrity of those systems to safeguard shareholders’ investments and the Group’s assets. The Board has in place a conducive control environment and processes to assist the Board in maintaining a proper internal control system within the Group. The system of risk management and internal control, while designed to safeguard shareholders’ investments and the Group’s assets, by its nature can only manage rather than eliminate risk of failure to achieve business objectives. Accordingly, it can only provide reasonable and not absolute assurance against material misstatement or loss, fraud or breaches of laws or regulations.

The Board confirms that there is continuous effort to enhance the overall risk management process of identifying, evaluating and managing significant risks by pursuing various initiatives and to enhance the tools and processes for effective management of risks faced by the Group in its achievement of objectives and strategies. This is in accordance with the guidance as contained in the “Statement on Risk Management and Internal Control - Guidelines for Directors of Listed Issuers”.

The Board has received assurances from the Executive Chairman and the Managing Director that the Group’s risk management and internal control systems are operating adequately, in all material aspects, based on the risk management and internal control systems of the Group.

ENTERPRISE RISK MANAGEMENT FRAMEWORK

The Board through the Board Risk Management Committee (“BRMC”) and Enterprise Risk Management Committee (“ERMC”), continually reviews risk management and ensures that necessary actions have been taken to remedy any significant weaknesses identified from that review. The risk assessment process involves identification of risks, prioritisation and formulation of action plans to mitigate these risks and enhance the control systems, which operates independently of the activities in the Group. Please refer to the “Anticipated or Known Risks” of the Management Discussion and Analysis for the significant risks faced by the Group and the mitigation plans implemented.

The BRMC consists of two (2) Independent Non-Executive Directors and one (1) Executive Director. The BRMC, which is chaired by an Independent Director, reports directly to the Board. There was one (1) BRMC meeting held during the financial year.

The ERMC consists of three (3) Executive Directors and the appointed representatives of subsidiaries within the Group. The ERMC, which is chaired by an Executive Director, reports directly to the BRMC. There were three (3) ERMC meeting held during the financial year.

The Board believes that maintaining a sound system of risk management is founded on a clear understanding and appreciation of the following key elements of the Group’s risk management framework:

- a risk management structure which outlines the lines of reporting and establishes the responsibilities of personnel at different levels, i.e. the Board, BRMC, ERMC and Management; and
- on-going identification of principal business risks (present and potential) faced by the Group and formalisation of Management’s action plans to mitigate these risks to acceptable levels, considering the established risk appetite and parameters (qualitative and quantitative) of the Group.

The monitoring of risk management by the Group is enhanced by the internal audits carried out by the outsourced internal audit function with specific audit objectives and business risks identified for each internal audit cycle based on an internal audit plan approved by the Audit Committee.

The above process has been practiced by the Group for the financial year under review.

Statement on Risk Management and Internal Control

INTERNAL CONTROL

Key elements of the Group's system of internal control include:

- a. a Group annual budget is prepared and tabled to the Board for approval as a performance measurement tool for the Group. Continuous monitoring is carried out to measure actual performance against budget to identify significant variances and devise appropriate plans;
- b. management review of subsidiaries results and performances via management meetings are on a monthly basis;
- c. regular visits to subsidiaries by Senior Management;
- d. clearly defined Standard Operating Procedures and a Group Human Resource Manual as the key framework for good internal control practices; and
- e. clearly defined authority limits at appropriate levels to ensure accountability and responsibility.

CONTROL AND MONITORING PROCESS

The Board is responsible for setting the Group's long-term business objectives and monitors the conduct of the Group's operations through various board committees. The process adopted by the Board to monitor the effectiveness of the Group's risk management and internal control system are as follows:

- a. the Board, Audit Committee, BRMC and the ERMC meet to discuss matters raised by Management, the internal audit function and External Auditors on business and operational matters;
- b. the Board has delegated the responsibilities to Management to implement and monitor the Board's policies on control;
- c. internal control procedures and policies are documented and reviewed from time to time; and
- d. meetings are held during the financial year in order to assess the Group's performance.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to a professional services firm which provides internal audit services ("Internal Auditors"). This is part of its effort to provide the Audit Committee and Board with much of the assurance it requires regarding the adequacy and integrity of the system of internal control. The role of the Internal Auditors is to review the adequacy, integrity and effectiveness of the Group's system of internal controls to mitigate the risks of the Group including financial, operational and compliance risks.

The internal audit function for the financial year ended 31 July 2025 was outsourced to BDO Governance Advisory Sdn Bhd ("BDO") and subsequently changed to Axcelasia Sdn Bhd (formerly known as Tricor Axcelasia Sdn Bhd) effective from 1 August 2025. The internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence. The internal audit reviews were conducted using a risk-based approach and was guided by International Professional Practice Framework (IPPF). The number of staff deployed for the internal audit reviews ranged from three (3) to four (4) staff per visit including the Engagement Director, who is a member of the Institute of Internal Auditors Malaysia. The staffs involved in the internal audit reviews hold professional qualifications and/or a university degree.

The Audit Plan sets out the areas of coverage and the rationale for their selection and is presented to the Audit Committee for comments and subsequent approval before actual internal audit work is carried out. The internal audit reports, which comprise of observations raised, potential impact, recommendations by Internal Auditors and management actions, are issued and reported directly to the Audit Committee. Representatives from BDO are invited to attend Audit Committee meetings to table the Internal Audit report. The Internal Auditors, Group Financial Controller, Risk & Compliance Manager and Management provide clarification to the Audit Committee on the matters highlighted, including the action plans to address the issues highlighted. The Internal Auditor also conducted follow up audits on the status of the Management action plans to address issues highlighted in the preceding cycles of internal audit before reporting to the Audit Committee.

The professional fee and other costs incurred in respect of the internal audit function for the financial year ended 31 July 2025 was RM145,000.00.

Statement on Risk Management and Internal Control

REVIEW BY EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Main Market Listing Requirement of the Bursa Malaysia Securities Berhad, the External Auditors have reviewed this Statement. Their review was performed in accordance with Audit and Assurance Practice Guide 3 ("AAPG 3"): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control, issued by the Malaysian Institute of Accountants. Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the Group's internal control system. AAPG 3 does not require the External Auditors to, and they did not, consider whether this Statement covers all risk and controls, or to form an opinion on the effectiveness of the Group's risk and control procedures.

CONCLUSION

The system of internal control provides reasonable, rather than absolute, assurance that the Group will not be adversely affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. However, the Board also notes that no system of internal control can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

The Board and Management are committed to operating a sound system of internal control and the internal control system will continue to be reviewed, updated and improved upon in line with changes in the operating environment.

For the financial year under review and up to the date of issuance of the financial statements, the Board is satisfied with the adequacy, integrity and effectiveness of the Group's system of risk management and internal control. No material losses, contingencies or uncertainties have arisen from any inadequacy or failure of the Group's system of internal control that would require separate disclosure in the Group's Annual Report.

The Board believes that, in the absence of any evidence to the contrary, the system of internal controls, including financial, operational and compliance controls and risk management systems, maintained by the Group's management and that were in place throughout the financial year and up to and as of the date of this report, are adequate to meet the needs of the Group in its current business environment.

This statement is made in accordance with a resolution of the Board dated 6 November 2025.



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FINANCIAL STATEMENTS



FINANCIAL PERFORMANCE

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DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2025

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

Principal activities

The Company is principally engaged in the business of investment holding and the provision of management services.

The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in each subsidiary company are set out in the "Subsidiaries" section of this report.

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

Results

	Group RM'000	Company RM'000
(Loss)/Profit after taxation for the financial year	(70)	6,084
Attributable to:		
Owners of the Company	1,356	6,084
Non-controlling interests	(1,426)	-
	(70)	6,084

Dividends

Dividends paid or declared by the Company since 31 July 2024 are as follows:

- (i) Final single tier dividend of 2 sen per ordinary share totalling RM5,374,668 in respect of the financial year ended 31 July 2024 on 30 December 2024; and
- (ii) First single tier interim dividend of 1.5 sen per ordinary share totalling RM4,031,001 in respect of the financial year ended 31 July 2025 on 30 July 2025.

The directors do not recommend the payment of any further dividends for the 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.

Issues of shares and debentures

During the financial year:

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

Treasury shares

As at 31 July 2025, the Company held as treasury shares a total of 5,766,600 of its 274,500,000 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM2,799,000. The details of the treasury shares are disclosed in Note 16 to the financial statements.

Directors' Report

for the year ended 31 July 2025

Options granted over unissued shares

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

Bad and doubtful debts

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there all known bad debts had been written off and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

Current assets

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

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

Valuation methods

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

Contingent and other liabilities

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

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

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

Change of circumstances

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

Items of an unusual nature

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

Directors' Report

for the year ended 31 July 2025

Directors

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:

Tan Sri Datuk (Dr.) Abdul Majid Khan
 Mr Yeo Ayk Ke
 Mr Lim Poh Teot
 Encik Muaz bin Jema Anton Khan
 Cik Nadja binti Jema Khan
 Mr Yeo Aik Tan
 Cik Bianca Daniella Lind
 Mr Ivan Oh Boon Wee
 Cik Patricia Ubing @ Magdalene Edward

The names of directors of the Company's subsidiaries who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:

Mr Yeo Yek Meng
 Ms Jocelin Sitorus
 Mr Ang Kok Min
 Mr Chee Ah What
 Encik Asgari bin Mohd Fuad Stephens
 Encik Megat A'rmand Yazid bin Jeffrey Adzman
 Ms Yeo Siw Nee
 Mr Ng Key Huat
 Mr Lau Cheng Hiong
 Encik Abdul Rahman Khan bin Hakim Khan
 Mr Eng Keng Huat (Appointed on 30.8.2024)
 Mr Tan Chun Koon (Appointed on 30.8.2024)

Directors' interests

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company and its related corporations during the financial year are as follows:

	At 1.8.2024	Number of Ordinary Shares		At 31.7.2025
		Bought	Sold	
Interest in the Company:				
Tan Sri Datuk (Dr.) Abdul Majid Khan:				
- deemed interest ⁽ⁱ⁾	62,000,000	-	-	62,000,000
Mr Yeo Ayk Ke:				
- direct interest	3,195,600	-	-	3,195,600
- others ⁽ⁱⁱ⁾	95,500	-	-	95,500
Mr Lim Poh Teot:				
- direct interest	6,568,450	-	-	6,568,450
Mr Yeo Aik Tan:				
- direct interest	1,479,186	-	-	1,479,186
- deemed interest ⁽ⁱⁱⁱ⁾	9,739,200	-	-	9,739,200

⁽ⁱ⁾ Deemed interested by virtue of his direct shareholdings in Jawala Corporation Sdn Bhd pursuant to Section 8(4)(c) of the Companies Act 2016 ("the Act").

⁽ⁱⁱ⁾ Deemed interested in shares held by spouse.

⁽ⁱⁱⁱ⁾ Deemed interested by virtue of his direct shareholdings in NCCT Resources Sdn Bhd pursuant to Section 8(4)(c) of the Act.

Directors' Report

for the year ended 31 July 2025

Directors' interests (continued)

By virtue of his shareholdings in the Company, Tan Sri Datuk (Dr.) Abdul Majid Khan is deemed to have interests in shares in its related corporations during the financial year to the extent of the Company's interests, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares of the Company or its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) 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 except for any benefits which may be deemed to arise from the following transactions:-

	RM'000
Group	
Joint venture companies	
Interest income	(184)
Rental income	(2,472)
Sales of goods	(2,286)
Subcontract work received	(250)
	<hr/>
A company in which certain directors have significant financial interests	
Rental paid/payable	90
	<hr/>
Shareholders of joint venture company	
Sales of goods	(82,398)
Purchase of materials	15,364
	<hr/>
	RM'000
Company	
Subsidiaries	
Dividend income receivable	(8,907)
Management fees receivable	(1,224)
	<hr/>

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

Directors' remuneration

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:

	From the Company RM'000	From the Subsidiaries RM'000	Total RM'000
Fees	588	160	748
Salaries, allowances and bonuses	432	2,813	3,245
Defined contribution benefits	24	275	299
Estimated money value of benefits-in-kind	-	5	5
	<hr/>	<hr/>	<hr/>
	1,044	3,253	4,297

Directors' Report

for the year ended 31 July 2025

Indemnity and insurance cost

During the financial year, the amount of insurance effected for the directors and officers of the Company was RM10,000,000. No indemnity was given to or insurance effected for the auditors of the Company.

Subsidiaries

(a) The details of the company's subsidiary are as follows:

Name of subsidiaries	Name of directors	Principal place of business/ Country of incorporation	Percentage of issued share capital held by parent %	Principal activities
Yeo Aik Wood Sdn Bhd ("YAWSB")	Mr Yeo Ayk Ke Mr Yeo Yek Meng Encik Muaz bin Jema Anton Khan	Malaysia	100	Manufacturing and selling of furniture
Winshine Holdings Sdn Bhd ("WHSB")+	Mr Yeo Ayk Ke Mr Lim Poh Teot Mr Yeo Aik Tan	Malaysia	100	Investment holding, provision of management services and property renting
Winshine Industries Sdn Bhd ("WISB")++	Mr Yeo Yek Meng Mr Yeo Ayk Ke Mr Lim Poh Teot	Malaysia	100	Manufacturing and selling of furniture
Yeo Aik Hevea (M) Sdn Bhd ("YAHSB")	Mr Yeo Yek Meng Mr Yeo Aik Tan Mr Yeo Ayk Ke	Malaysia	100	Pressure treatment, processing and kiln-drying of rubberwood and manufacturing of furniture parts
Pine Packaging (M) Sdn Bhd ("PPSB")	Mr Yeo Yek Meng Mr Yeo Aik Tan Mr Yeo Ayk Ke	Malaysia	100	Conversion of corrugated boards into carton boxes
Jaycorp Trading Sdn Bhd ("JTSB")	Tan Sri Datuk (Dr.) Abdul Majid Khan Mr Yeo Yek Meng Mr Yeo Aik Tan Mr Yeo Ayk Ke	Malaysia	100	General trading, transportation, property letting and printing
Jaycorp Properties Sdn Bhd ("JPSB")	Tan Sri Datuk (Dr.) Abdul Majid Khan Mr Yeo Ayk Ke	Malaysia	100	Investment holding
Bongawan Solo Sdn Bhd ("BSSB")+++	Tan Sri Datuk (Dr.) Abdul Majid Khan Mr Yeo Ayk Ke Encik Muaz bin Jema Anton Khan Ms Jocelin Sitorus Mr Ang Kok Min	Malaysia	60	Investment holding
Jaycorp Limited ("JL")^	Tan Sri Datuk (Dr.) Abdul Majid Khan Mr Chee Ah What Mr Yeo Aik Tan	Malaysia	70	Dormant

Directors' Report

for the year ended 31 July 2025

Subsidiaries (continued)

(a) The details of the company's subsidiary are as follows (continued):

Name of subsidiaries	Name of directors	Principal place of business/ Country of incorporation	Percentage of issued share capital held by parent %	Principal activities
Jaycorp Green Energy Sdn Bhd ("JGESB")	Mr Yeo Yek Meng Encik Muaz bin Jema Anton Khan Encik Asgari bin Mohd Fuad Stephens Encik Megat A'rmand Yazid bin Jeffrey Adzman Mr Yeo Aik Tan	Malaysia	60	Renewable energy, biomass and environmentally friendly waste treatment
Instyle Sofa Sdn Bhd ("ISSB")	Mr Yeo Ayk Ke Encik Muaz bin Jema Anton Khan Ms Yeo Siw Nee Mr Ng Key Huat	Malaysia	87	Manufacturing of sofa sets and upholstery work
Jaycorp Engineering & Construction Sdn Bhd ("JECSB")	Tan Sri Datuk (Dr.) Abdul Majid Khan Mr Yeo Aik Tan Mr Lau Cheng Hiong Encik Abdul Rahman Khan bin Hakim Khan Encik Asgari bin Mohd Fuad Stephens (Resigned on 14.8.2024)	Malaysia	60	General construction and civil engineering works
Jaycorp LVL Sdn Bhd ("JLVL")	Mr Eng Keng Huat Encik Muaz bin Jema Anton Khan Mr Tan Chun Koon	Malaysia	80	Processing of veneer sheet and manufacturing bent laminated veneer lumber pieces for furniture from veneer sheets.

+ Held through YAWSB

++ Held through WHSB

+++ Held through JPSPB

^ Audited by a firm of chartered accountants other than Crowe Malaysia PLT.

(b) The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

Directors' Report

for the year ended 31 July 2025

Auditors

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:

	Group RM'000	Company RM'000
Audit fees	205	41
Non-audit fees	5	5
	210	46

Signed in accordance with a resolution of the directors dated 6 November 2025.

Tan Sri Datuk (Dr.) Abdul Majid Khan

Yeo Ayk Ke

STATEMENTS OF FINANCIAL POSITION

AS AT 31 JULY 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000 (Restated)	2025 RM'000	2024 RM'000
Assets					
Property, plant and equipment	3	57,924	53,025	46	32
Right-of-use assets	4	3,791	4,055	-	-
Investment properties	5	28,080	28,730	-	-
Investments in subsidiaries	6	-	-	79,561	78,861
Investments in joint ventures	7	7,922	10,111	16,245	16,245
Other investments		1	2	-	-
Deferred tax assets	8	890	864	-	-
Prepaid leases	9	5,981	5,981	-	-
Receivables	10	4,200	-	-	-
Total non-current assets		108,789	102,768	95,852	95,138
Receivables, deposits and prepayments	10	26,607	24,805	14,492	14,241
Contract assets	11	5,779	11,405	-	-
Inventories	12	23,237	23,566	-	-
Derivative assets	13	-	138	-	-
Short-term investments	14	17,103	14,588	1,854	4,230
Current tax assets		1,934	1,102	48	-
Cash and cash equivalents	15	54,298	73,729	497	3,303
Total current assets		128,958	149,333	16,891	21,774
Total assets		237,747	252,101	112,743	116,912
Equity					
Share capital	16	69,926	69,926	69,926	69,926
Reserves	16	112,466	120,708	42,511	45,833
Total equity attributable to shareholders of the Company		182,392	190,634	112,437	115,759
Non-controlling interests	6	6,410	7,536	-	-
Total equity		188,802	198,170	112,437	115,759
Liabilities					
Loans and borrowings	17	4,914	6,167	-	-
Lease liabilities	18	1,160	1,399	-	-
Deferred tax liabilities	8	1,466	1,361	-	-
Total non-current liabilities		7,540	8,927	-	-
Payables and accruals	19	31,831	35,885	306	322
Derivative liabilities	13	23	-	-	-
Loans and borrowings	17	8,628	7,294	-	810
Lease liabilities	18	405	364	-	-
Current tax liabilities		518	1,461	-	21
Total current liabilities		41,405	45,004	306	1,153
Total liabilities		48,945	53,931	306	1,153
Total equity and liabilities		237,747	252,101	112,743	116,912

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 JULY 2025

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	20	163,658	194,416	10,131	16,852
Operating profits	20	3,890	19,785	6,156	13,222
Net impairment gains/(losses) on financial assets	20	367	(337)	(22)	(18)
Share of post-acquisition loss of joint ventures		(1,997)	(1,370)	-	-
		2,260	18,078	6,134	13,204
Interest income		2,293	1,815	147	230
Finance costs	21	(679)	(566)	(16)	(67)
Profit before taxation		3,874	19,327	6,265	13,367
Income tax expense	23	(3,944)	(5,761)	(181)	(184)
(Loss)/Profit after taxation		(70)	13,566	6,084	13,183
Other comprehensive (expenses)/income, net of tax		(192)	490	-	-
Total comprehensive (expenses)/income for the financial year		(262)	14,056	6,084	13,183
(Loss)/Profit attributable to:					
Owners of the Company		1,356	14,140	6,084	13,183
Non-controlling interests		(1,426)	(574)	-	-
		(70)	13,566	6,084	13,183
Total comprehensive (expenses)/income attributable to:					
Owners of the Company		1,164	14,630	6,084	13,183
Non-controlling interests		(1,426)	(574)	-	-
		(262)	14,056	6,084	13,183
Basic earnings per ordinary share (sen)	24	0.50	5.26		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 JULY 2025

Group	Note	— Non-distributable —		Distributable		Non-controlling interests	Total equity
		Share capital RM'000	Treasury shares RM'000	Translation reserves RM'000	Retained profits RM'000	Subtotal RM'000	
At 1 August 2023		69,926	(2,799)	1	125,000	192,128	200,238
Profit after tax for the financial year		-	-	-	14,140	14,140	13,566
Other comprehensive income for the financial year:							
- Share of actuarial gain on defined benefit plan from joint venture		-	-	-	490	490	490
Total comprehensive income for the financial year		-	-	-	14,630	14,630	14,056
Dividends to shareholders	25	-	-	-	(16,124)	(16,124)	(16,124)
At 31 July 2024		69,926	(2,799)	1	123,506	190,634	198,170
		Note 16	Note 16	Note 16			
At 1 August 2024		69,926	(2,799)	1	123,506	190,634	198,170
Loss after tax for the financial year		-	-	-	1,356	1,356	(70)
Other comprehensive expenses for the financial year:							
- Share of actuarial loss on defined benefit plan from joint venture		-	-	-	(192)	(192)	(192)
Total comprehensive expenses for the financial year		-	-	-	1,164	1,164	(262)
Acquisition of a subsidiary		-	-	-	-	300	300
Dividends to shareholders	25	-	-	-	(9,406)	(9,406)	(9,406)
At 31 July 2025		69,926	(2,799)	1	115,264	182,392	188,802
		Note 16	Note 16	Note 16			

Company	Note	Non-distributable		Distributable		Total equity
		Share capital RM'000	Treasury shares RM'000	Retained profits RM'000	Subtotal RM'000	
At 1 August 2023		69,926	(2,799)	51,573	118,700	118,700
Total comprehensive income for the financial year		-	-	13,183	13,183	13,183
Dividends to shareholders	25	-	-	(16,124)	(16,124)	(16,124)
At 31 July 2024/1 August 2024		69,926	(2,799)	48,632	115,759	115,759
Total comprehensive income for the financial year		-	-	6,084	6,084	6,084
Dividends to shareholders	25	-	-	(9,406)	(9,406)	(9,406)
At 31 July 2025		69,926	(2,799)	45,310	112,437	112,437
		Note 16	Note 16			

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 JULY 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000 (Restated)	2025 RM'000	2024 RM'000
Cash flows from operating activities					
Profit before taxation		3,874	19,327	6,265	13,367
<i>Adjustments for:</i>					
Bad debts (recovered)/written off		(26)	1,284	-	-
Depreciation of property, plant and equipment	3	6,821	6,995	15	11
Depreciation of right-of-use assets	4	443	400	-	-
Depreciation of investment properties	5	660	662	-	-
Fair value loss/(gain) on derivatives		161	(53)	-	-
Fair value loss on other investment		1	1	-	-
Gain on disposal of property, plant and equipment		(4)	(6)	-	-
Interest expenses	21	623	515	16	67
Interest expense on lease liabilities	21	56	51	-	-
Interest income		(2,293)	(1,815)	(147)	(230)
Impairment loss on receivables		-	352	22	18
Impairment loss of property, plant and equipment		217	-	-	-
Property, plant and equipment written off		132	130	2	-
Reversal of impairment loss on receivables		(365)	-	-	-
Reversal of impairment loss on other receivables		(2)	(15)	-	-
Share of losses of joint ventures		1,997	1,370	-	-
Unrealised gain on foreign exchange		(85)	(112)	-	-
Write down of inventories		1,036	36	-	-
Operating profit before changes in working capital		13,246	29,122	6,173	13,233
Changes in working capital:					
Inventories		(707)	(1,787)	-	-
Receivables, deposits and prepayments		6,798	1,510	3	(4)
Payables and accruals		(8,408)	3,788	(16)	(29)
Cash from operations		10,929	32,633	6,160	13,200
Tax paid		(5,657)	(6,544)	(250)	(251)
Tax refunded		17	722	-	-
Net cash from operating activities		5,289	26,811	5,910	12,949
Cash flows (for)/from investing activities					
Acquisition of a subsidiary		-	-	(1,200)	-
Interest received		2,293	1,815	147	230
Acquisition of property, plant and equipment	26(a)	(7,779)	(7,877)	(31)	(15)
Acquisition of investment property		(10)	-	-	-
Proceeds from disposal of property, plant and equipment		7	65	-	-
Withdrawal/(Placement) of pledged deposits with licensed banks		844	(486)	-	-
Additions of deposits with tenure more than 3 months		(14,499)	-	-	-
(Increase)/Decrease in short-term investments		(2,515)	(488)	2,376	(147)
Advances to subsidiaries		-	-	(275)	(42)
Advances to joint venture		(6,707)	(405)	(1)	-
Repayment of quasi loan from a subsidiary		-	-	500	500
Net cash (for)/from investing activities		(28,366)	(7,376)	1,516	526

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

Statements of Cash Flows

for the financial year ended 31 July 2025

		Group		Company	
	Note	2025 RM'000	2024 RM'000 (Restated)	2025 RM'000	2024 RM'000
Cash flows for financing activities					
Interest paid	26(b)	(623)	(515)	(16)	(67)
Interest paid on lease liabilities	26(b)	(56)	(51)	-	-
Advances from director	26(b)	100	-	-	-
Dividends paid to shareholders of the Company	25	(9,406)	(16,124)	(9,406)	(16,124)
Proceeds from issuance of ordinary shares to minority shareholders		300	-	-	-
Drawdown of term loans	26(b)	238	1,862	-	-
Drawdown of other borrowing	26(b)	2,595	1,640	-	-
Repayment of lease liabilities	26(b)	(377)	(335)	-	-
Repayment of hire purchase liabilities	26(b)	(408)	(428)	-	-
Repayment of term loans	26(b)	(2,754)	(2,793)	(810)	(1,058)
Repayment of other borrowing	26(b)	(631)	(1,630)	-	-
Net drawdown/(repayment) of bankers' acceptances	26(b)	567	(466)	-	-
Net cash for financing activities		(10,455)	(18,840)	(10,232)	(17,249)
Net (decrease)/increase in cash and cash equivalents		(33,532)	595	(2,806)	(3,774)
Effect of foreign exchange translation		(25)	-	-	-
Cash and cash equivalents at 1 August		67,866	67,271	3,303	7,077
Cash and cash equivalents at 31 July	26(d)	34,309	67,866	497	3,303

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

NOTES TO THE FINANCIAL STATEMENTS

Jaycorp Berhad is a public limited company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The addresses of its registered office and principal place of business are as follows:

Registered office : Third Floor, No. 77, 79 & 81 Jalan SS 21/60, Damansara Utama 47400 Petaling Jaya Selangor Darul Ehsan	Principal place of business : JA 1880, Batu 22½ Parit Perawas Sungai Rambai 77400 Melaka
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These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The Company is principally engaged in the business of investment holding and the provision of management services. The principal activities of the subsidiaries are set out in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

The financial statements of the Group and of the Company are presented in Ringgit Malaysia (“RM”), which is the Company's functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 6 November 2025.

1. Basis of preparation

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

- (a) During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback
Amendments to MFRS 101: Classification of Liabilities as Current or Non-current
Amendments to MFRS 101: Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group.

- (b) The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

Notes to the Financial Statements

1. Basis of preparation (continued)

- (b) The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year (continued):

MFRSs and/or IC Interpretations (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application.

2. Material accounting policy information

(a) Critical accounting estimates and judgements

Key Sources of Estimation Uncertainty

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 financial year other than as disclosed below:

(i) Depreciation of property, plant and equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 3 to the financial statements.

(ii) Impairment of property, plant and equipment

The Group determines whether an item of its property, plant and equipment is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 3 to the financial statements.

(iii) Impairment of investment properties

The Group determines whether an item of its investment properties is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amount of investment properties as at the reporting date is disclosed in Note 5 to the financial statements.

Notes to the Financial Statements

2. Material accounting policy information (continued)

(a) Critical accounting estimates and judgements (continued)

Key Sources of Estimation Uncertainty (continued)

(iv) Impairment of trade receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 10 to the financial statements.

(v) Write-down of inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 12 to the financial statements.

(vi) Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the Group's accounting policies which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:

(i) Classification between investment properties and owner-occupied properties

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment properties.

(ii) Lease terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Notes to the Financial Statements

2. Material accounting policy information (continued)

(b) Financial instruments

(i) *Financial assets*

Financial assets through profit or loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial assets at amortised cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(ii) *Financial liabilities*

Financial liabilities through profit or loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expense.

Financial liabilities at amortised cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(iii) *Equity*

Ordinary shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

Treasury shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.

(iv) *Derivatives*

Derivatives are initially measured at fair value. Subsequent to the initial recognition, the derivatives are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss.

(v) *Financial guarantee contracts*

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

Notes to the Financial Statements

2. Material accounting policy information (continued)

(c) Investment in subsidiaries

Investments in subsidiaries (including the fair value adjustments on inter-company loans at inception date), which are eliminated on consolidation, are stated in the financial statements of the Company at cost less impairment losses, if any.

(d) Investment in joint ventures

Investments in joint ventures are stated in the financial statements of the Company at cost less impairment losses, if any. The Group recognises its interest in the joint ventures using the equity method.

(e) Property, plant and equipment

All items of property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, all property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:

• Buildings	10, 20 and 50 years
• Plant and equipment	5 - 10 years
• Motor vehicles	5 - 10 years
• Office equipment, furniture and fittings	4 - 10 years
• Tools and equipment	5 - 10 years
• Renovation	5 - 10 years

Asset in progress represent factory and office building under construction and machineries under installation. They are not depreciated until such time when the asset is available for use.

(f) Investment properties

Investment properties are initially measured at cost. Subsequent to the initial recognition, the investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of lease liabilities.

Depreciation is calculated using the straight-line method to allocate the depreciable amounts over the estimated useful lives. The principal annual depreciation periods and rates are within 50 to 66 years.

(g) Right-of-use assets and lease liabilities

(i) Short-term leases and leases of low-value assets

The Group applies the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(ii) Right-of-use assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

Notes to the Financial Statements

2. Material accounting policy information (continued)

(g) Right-of-use assets and lease liabilities (continued)

(iii) *Lease liabilities*

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

(iv) *Prepaid leases*

Prepayment for the acquisition of leasehold land prior to the issuance of title i.e. the commencement of lease are capitalised as prepaid lease upon payments. Such amount shall be reclassified as right-of-use assets upon the commencement of lease.

(h) Inventories

(i) *Furniture, wood processing, general trading*

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method and comprises the purchase price, production or conversion costs and incidentals incurred in bringing the inventories to their present location and condition. The cost of conversion includes cost directly related to the units of production, and a proportion of fixed production overheads based on the normal capacity of the production facilities.

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

(ii) *Packaging*

Inventories are stated at the lower of cost and net realisable value. Cost of raw materials is determined on specific identification while the cost of consumables is determined on the weighted average cost method and both costs comprise the purchase price, production or conversion costs and incidentals incurred in bringing the inventories to their present location and condition. The cost of conversion includes cost directly related to the units of production, and a proportion of fixed production overheads based on the normal capacity of the production facilities.

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

(i) *Contract asset and contract liability*

A contract asset is recognised when the Group's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment requirement of MFRS 9.

A contract liability is stated at cost and represents the obligation of the Group to transfers goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

(j) *Revenue from contracts with customers*

Revenue is recognised by reference to each distinct performance obligation in the contract with customer and is measured at the consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

Notes to the Financial Statements

2. Material accounting policy information (continued)

(j) Revenue from contracts with customers (continued)

The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:

- The customer simultaneously receives and consumes the benefits provided as the Group performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

(i) Sales of goods

Revenue from sale of goods is recognised when the Group has transferred control of the goods to the customer, being when the goods have been delivered to the customer and upon its acceptance. Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, and bears the risks of obsolescence and loss in relation to the goods.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

(ii) Services

Revenue from services rendered is recognised in profit or loss based on the value of work performed and invoiced to customers.

(iii) Construction services

Revenue from construction services is recognised over time in the period in which the services are rendered using the input method, determined based on the proportion of construction costs incurred for work performed to date over the estimated total construction costs. Transaction price is computed based on the price specified in the contract and adjusted for any variable consideration such as incentives and penalties.

A receivable is recognised when the construction services are rendered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. If the construction services rendered exceed the payment received, a contract asset is recognised. If the payments exceed the construction services rendered, a contract liability is recognised.

(k) Revenue from other sources and other operating income

(i) Management fees

Management fees are recognised in profit or loss on an accrual basis.

(ii) Rental income

Rental income is accounted for on a straight-line method over the lease term.

(iii) Dividend income

Dividend income from investment is recognised when the right to receive dividend payment is established.

(iv) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

Notes to the Financial Statements

3. Property, plant and equipment

Group	Freehold land RM'000	Buildings RM'000	Plant and equipment RM'000	Motor vehicles RM'000	Office equipment, furniture and fittings RM'000	Tools and equipment RM'000	Renovation RM'000	Assets in progress RM'000	Total RM'000
Cost									
At 1 August 2023	12,379	32,947	88,275	10,775	5,078	1,691	2,870	216	154,231
Additions	-	1,412	5,064	1,099	255	54	-	729	8,613
Disposals	-	-	-	(225)	(5)	-	-	-	(230)
Written off	-	-	(186)	-	(12)	-	-	-	(198)
Reclassification	-	-	216	-	-	-	-	(216)	-
At 31 July 2024/ 1 August 2024	12,379	34,359	93,369	11,649	5,316	1,745	2,870	729	162,416
Additions	-	-	1,762	518	178	117	141	9,356	12,072
Disposals	-	-	(49)	-	(2)	(1)	-	-	(52)
Written off	-	(200)	-	-	(165)	-	-	-	(365)
At 31 July 2025	12,379	34,159	95,082	12,167	5,327	1,861	3,011	10,085	174,071
Accumulated depreciation									
At 1 August 2023	-	15,624	68,915	8,883	4,431	1,425	2,583	-	101,861
Depreciation for the year	-	892	4,868	771	304	46	114	-	6,995
Disposals	-	-	(5)	(166)	-	-	-	-	(171)
Written off	-	-	(56)	-	(12)	-	-	-	(68)
At 31 July 2024/ 1 August 2024	-	16,516	73,722	9,488	4,723	1,471	2,697	-	108,617
Depreciation for the year	-	865	4,717	767	286	56	130	-	6,821
Disposals	-	-	(47)	-	(2)	-	-	-	(49)
Written off	-	(70)	-	-	(163)	-	-	-	(233)
At 31 July 2025	-	17,311	78,392	10,255	4,844	1,527	2,827	-	115,156
Accumulated impairment loss									
At 1 August 2023/ 31 July 2024/ 1 August 2024	-	-	774	-	-	-	-	-	774
Impairment for the year	-	-	217	-	-	-	-	-	217
At 31 July 2025	-	-	991	-	-	-	-	-	991
Carrying amount									
At 1 August 2023	12,379	17,323	18,586	1,892	647	266	287	216	51,596
At 31 July 2024/ 1 August 2024	12,379	17,843	18,873	2,161	593	274	173	729	53,025
At 31 July 2025	12,379	16,848	15,699	1,912	483	334	184	10,085	57,924

Notes to the Financial Statements

3. Property, plant and equipment (continued)

Company	Office equipment, furniture and fittings RM'000	Renovation RM'000	Motor vehicles RM'000	Total RM'000
Cost				
At 1 August 2023	94	51	719	864
Addition (Note 26(a))	15	-	-	15
Written off	(12)	-	-	(12)
At 31 July 2024/1 August 2024	97	51	719	867
Addition (Note 26(a))	31	-	-	31
Written off	(10)	-	-	(10)
At 31 July 2025	118	51	719	888
Accumulated depreciation				
At 1 August 2023	66	51	719	836
Depreciation for the year	11	-	-	11
Written off	(12)	-	-	(12)
At 31 July 2024/1 August 2024	65	51	719	835
Depreciation for the year	15	-	-	15
Written off	(8)	-	-	(8)
At 31 July 2025	72	51	719	842
Carrying amount				
At 1 August 2023	28	-	-	28
At 31 July 2024/1 August 2024	32	-	-	32
At 31 July 2025	46	-	-	46

(a) Security

The carrying amount of property, plant and equipment of the Group that are charged to licensed banks amounted to RM18,248,000 (2024 – RM19,637,000) to secure credit facilities granted to the Group as disclosed in Note 17 to the financial statements.

(b) Assets under hire purchase

Included in the property, plant and equipment of the Group are plant and equipment and motor vehicles with total carrying amounts of RM806,000 (2024 – RM1,431,000) held under hire purchase arrangements. These assets have been pledged as security for the hire purchase payables of the Group as disclosed in Note 17 to the financial statements.

During the current financial year, the Group has carried out a review of the recoverable amount of its plant and machinery for a subsidiary because the subsidiary had been persistently making loss. An impairment loss of RM217,000, representing the write-down of the plant and machinery to the recoverable amount, was recognised as other expenses in profit or loss and is disclosed in Note 20 to the financial statements. The recoverable amount was determined using the value in use approach and the pre-tax discount rate used was 6.90%.

Notes to the Financial Statements

4. Right-of-use assets

Group	At 1 August 2024 RM'000	Reassessment of lease liabilities RM'000	Addition (Note 26(a)) RM'000	Depreciation charges RM'000	At 31 July 2025 RM'000
2025					
Carrying amount					
Leasehold land	2,386	-	-	(50)	2,336
Operating lease:					
-Factory buildings	1,642	-	112	(376)	1,378
-Hostels	27	50	17	(17)	77
	4,055	50	129	(443)	3,791

Group	At 1 August 2023 RM'000	Reassessment of lease liabilities RM'000	Depreciation charges RM'000	At 31 July 2024 RM'000
2024				
Carrying amount				
Leasehold land	2,435	-	(49)	2,386
Operating lease:				
-Factory buildings	1,049	930	(337)	1,642
-Hostels	27	14	(14)	27
	3,511	944	(400)	4,055

(a) The leasing activities of the Group are summarised below:

- (i) Leasehold land The Group has entered into a number of non-cancellable operating lease agreements for the use of land. The leases are ranges between 54 to 94 years (2024 - 54 to 94 years) with no renewal or purchase option included in the agreements.
- (ii) Factory buildings The Group has leased a number of factory buildings that run between 1 year and 20 years (2024 - 1 year and 20 years), with an option to renew the leases after the date.
- (iii) Hostels The Group has leased a number of hostels that run between 2 to 4 years (2024 - for 2 years), with an option to renew the leases after the date.

(b) The Group also has leases with lease terms of 12 months or less and leases of office equipment with low value. The Group has applied the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

(c) The leasehold land of the Group amounting to RM2,336,000 (2024 - RM2,386,000) has been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 17 to the financial statements.

Notes to the Financial Statements

5. Investment properties

Group	Leasehold land RM'000	Factory building RM'000	Total RM'000
Cost			
At 1 August 2023/31 July 2024/1 August 2024	25,819	13,343	39,162
Addition	10	-	10
At 31 July 2025	25,829	13,343	39,172
Accumulated depreciation			
At 1 August 2023	4,298	5,472	9,770
Depreciation for the year	394	268	662
At 31 July 2024/1 August 2024	4,692	5,740	10,432
Depreciation for the year	394	266	660
At 31 July 2025	5,086	6,006	11,092
Carrying amount			
At 1 August 2023	21,521	7,871	29,392
At 31 July 2024/1 August 2024	21,127	7,603	28,730
At 31 July 2025	20,743	7,337	28,080

- (a) The fair value of the leasehold land and building is RM64,555,000 (2024 – RM64,555,000). The fair value of the investment properties above were estimated based on either valuations by independent qualified valuers or management's estimates.
- (b) The fair values of the investment properties are within level 3 of the fair value hierarchy and are arrived at by reference to market evidence of transaction prices for similar properties and are performed by registered valuers having appropriate recognised professional qualification and recent experience in the locations and category of properties being valued. The most significant input into this valuation approach is the price per square foot of comparable properties. Adjustments are then made for differences in location, size, facilities available, market conditions and other factors in order to arrive at a common basis.
- (c) The leasehold land and building amounting to RM3,873,000 (2024 – RM3,976,000) have been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 17 to the financial statements.
- (d) The investment properties of the Group are leased to customers under operating leases with rentals payable monthly. The leases contain initial non-cancellable periods for 3 (2024 – ranging from 1 to 3) years and an option that is exercisable by the customers to extend their leases ranging from 3 to 6 (2024 - 3 to 6) years.

The Group requires 1 (2024 - 1) month of advanced rental payments from the customers. The leases do not include residual value guarantee and variable lease payments that depend on an index or rate.

As at the reporting date, the future minimum rentals receivable under the non-cancellable operating leases are as follows:

	Group	
	2025 RM'000	2024 RM'000
Within 1 year	1,215	2,500
Between 1 and 2 years	-	1,054
	1,215	3,554

Notes to the Financial Statements

6. Investments in subsidiaries

	Company	
	2025	2024
	RM'000	RM'000
At cost:		
Unquoted shares	72,438	71,238
Quasi loans	7,123	7,623
	79,561	78,861

Quasi loans represent payments made on behalf of which the settlement is neither planned nor likely to occur in the foreseeable future. These amounts are, in substance, a part of the Company's investment in the subsidiaries.

Details of the subsidiaries are as follows:

Name of subsidiaries	Name of directors	Principal place of business/ Country of incorporation	Percentage of issued share capital held by parent		Principal activities
			2025	2024	
			%	%	
Yeo Aik Wood Sdn Bhd ("YAWSB")	Mr Yeo Ayk Ke Mr Yeo Yek Meng Encik Muaz bin Jema Anton Khan	Malaysia	100	100	Manufacturing and selling of furniture
Winshine Holdings Sdn Bhd ("WHSB")+	Mr Yeo Ayk Ke Mr Lim Poh Teot Mr Yeo Aik Tan	Malaysia	100	100	Investment holding, provision of management services and property renting
Winshine Industries Sdn Bhd ("WISB")++	Mr Yeo Yek Meng Mr Yeo Ayk Ke Mr Lim Poh Teot	Malaysia	100	100	Manufacturing and selling of furniture
Yeo Aik Hevea (M) Sdn Bhd ("YAHSB")	Mr Yeo Yek Meng Mr Yeo Aik Tan Mr Yeo Ayk Ke	Malaysia	100	100	Pressure treatment, processing and kiln-drying of rubberwood and manufacturing of furniture parts
Pine Packaging (M) Sdn Bhd ("PPSB")	Mr Yeo Yek Meng Mr Yeo Aik Tan Mr Yeo Ayk Ke	Malaysia	100	100	Conversion of corrugated boards into carton boxes
Jaycorp Trading Sdn Bhd ("JTSB")	Tan Sri Datuk (Dr.) Abdul Majid Khan Mr Yeo Yek Meng Mr Yeo Aik Tan Mr Yeo Ayk Ke	Malaysia	100	100	General trading, transportation, property letting and printing
Jaycorp Properties Sdn Bhd ("JPSB")	Tan Sri Datuk (Dr.) Abdul Majid Khan Mr Yeo Ayk Ke	Malaysia	100	100	Investment holding
Bongawan Solo Sdn Bhd ("BSSB")+++	Tan Sri Datuk (Dr.) Abdul Majid Khan Mr Yeo Ayk Ke Encik Muaz bin Jema Anton Khan Ms Jocelin Sitorus Mr Ang Kok Min	Malaysia	60	60	Investment holding

Notes to the Financial Statements

6. Investments in subsidiaries (continued)

Details of the subsidiaries are as follows (continued):

Name of subsidiaries	Name of directors	Principal place of business/ Country of incorporation	Percentage of issued share capital held by parent		Principal activities
			2025 %	2024 %	
Jaycorp Limited ("JL") [^]	Tan Sri Datuk (Dr.) Abdul Majid Khan Mr Chee Ah What Mr Yeo Aik Tan	Malaysia	70	70	Dormant
Jaycorp Green Energy Sdn Bhd ("JGESB")	Mr Yeo Yek Meng Encik Muaz bin Jema Anton Khan Encik Asgari bin Mohd Fuad Stephens Encik Megat A'rmand Yazid bin Jeffrey Adzman Mr Yeo Aik Tan	Malaysia	60	60	Renewable energy, biomass and environmentally friendly waste treatment
Instyle Sofa Sdn Bhd ("ISSB")	Mr Yeo Ayk Ke Encik Muaz bin Jema Anton Khan Ms Yeo Siw Nee Mr Ng Key Huat	Malaysia	87	87	Manufacturing of sofa sets and upholstery work
Jaycorp Engineering & Construction Sdn Bhd ("JECSB")	Tan Sri Datuk (Dr.) Abdul Majid Khan Mr Yeo Aik Tan Mr Lau Cheng Hiong Encik Abdul Rahman Khan bin Hakim Khan Encik Asgari bin Mohd Fuad Stephens (Resigned on 14.8.2024)	Malaysia	60	60	General construction and civil engineering works
Jaycorp LVL Sdn Bhd ("JLVL")	Mr Eng Keng Huat Encik Muaz bin Jema Anton Khan Mr Tan Chun Koon	Malaysia	80	-	Processing of veneer sheet and manufacturing bent laminated veneer lumber pieces for furniture from veneer sheets.

+ Held through YAWSB

++ Held through WHSB

+++ Held through JPSB

[^] Audited by a firm of chartered accountants other than Crowe Malaysia PLT.

On 30 August 2024, the Company subscribed 8 new ordinary shares of RM1 each, representing 80% of the issued and paid-up share capital of Jaycorp LVL Sdn Bhd ("JLVL").

Subsequently, on 3 October 2024, the Company subscribed for an additional 1,199,992 ordinary shares in JLVL for a total cash consideration of RM1,199,992, thereby maintaining its 80% equity interest in the subscribed ordinary shares of JLVL.

Notes to the Financial Statements

6. Investments in subsidiaries (continued)

Non-controlling interests

- (a) The non-controlling interests at the end of the reporting period comprise the following:

	Effective equity interest		Group	
	2025 %	2024 %	2025 RM'000	2024 RM'000
ISSB	13	13	1,982	2,255
JECSB	40	40	1,991	3,496
JGESB	40	40	3,863	3,220
BSSB	40	40	(1,585)	(1,435)
JLVL	20	-	159	-
			6,410	7,536

- (b) The summarised financial information (before intra-group elimination) for each subsidiary that has non-controlling interests that are material to the Group are as follows:

	ISSB	
	2025 RM'000	2024 RM'000
<u>At 31 July</u>		
Non-current assets	9,728	10,327
Current assets	4,452	4,993
Non-current liabilities	-	(118)
Current liabilities	(2,408)	(1,328)
	11,772	13,874

Financial year ended 31 July

Revenue	9,520	7,956
Loss for the financial year/Total comprehensive expenses	(2,102)	(2,300)

Total comprehensive expenses attributable to non-controlling interests	(273)	(299)
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Net cash flows for operating activities	(1,791)	(1,899)
Net cash flows for investing activities	(17)	-
Net cash flows from/(for) financing activities	61	(146)

	JECSB	
	2025 RM'000	2024 RM'000 (Restated)
<u>At 31 July</u>		
Non-current assets	1,721	2,267
Current assets	13,678	21,520
Non-current liabilities	(587)	(1,035)
Current liabilities	(9,835)	(14,012)
	4,977	8,740

Notes to the Financial Statements

6. Investments in subsidiaries (continued)

Non-controlling interests (continued)

- (b) The summarised financial information (before intra-group elimination) for each subsidiary that has non-controlling interests that are material to the Group are as follows (continued):

	JECSB	
	2025	2024
	RM'000	RM'000
		(Restated)
<u>Financial year ended 31 July</u>		
Revenue	9,838	19,010
Loss for the financial year/Total comprehensive expenses	(3,763)	(877)
Total comprehensive expenses attributable to non-controlling interests	(1,505)	(351)
Net cash flows for operating activities	(1,664)	(125)
Net cash flows from/(for) investing activities	932	(1,464)
Net cash flows from financing activities	1,365	367

	JGESB	
	2025	2024
	RM'000	RM'000
<u>At 31 July</u>		
Non-current assets	11,531	9,556
Current assets	3,974	2,095
Non-current liabilities	(1,963)	(1,511)
Current liabilities	(3,884)	(2,090)
	<u>9,658</u>	<u>8,050</u>

<u>Financial year ended 31 July</u>		
Revenue	15,466	10,873
Profit for the financial year/Total comprehensive income	1,608	555
Total comprehensive income attributable to non-controlling interests	643	222
Net cash flows from operating activities	4,493	2,592
Net cash flows for investing activities	(2,943)	(5,361)
Net cash flows (for)/from financing activities	(167)	813

Notes to the Financial Statements

6. Investments in subsidiaries (continued)

Non-controlling interests (continued)

- (b) The summarised financial information (before intra-group elimination) for each subsidiary that has non-controlling interests that are material to the Group are as follows (continued):

	BSSB	
	2025 RM'000	2024 RM'000
<u>At 31 July</u>		
Non-current assets	19,300	19,638
Current assets	1	1
Current liabilities	(23,262)	(23,227)
	<u>(3,961)</u>	<u>(3,588)</u>
<u>Financial year ended 31 July</u>		
Loss for the financial year/Total comprehensive expenses	(373)	(364)
	<u>(149)</u>	<u>(146)</u>
Total comprehensive expenses attributable to non-controlling interests		
	(149)	(146)
Net cash flows for operating activities	(25)	(16)
Net cash flows from investing activities	25	14
	<u>792</u>	<u>-</u>
	JLVL	
	2025 RM'000	2024 RM'000
<u>At 31 July</u>		
Non-current assets	2,010	-
Current assets	859	-
Non-current liabilities	(341)	-
Current liabilities	(1,736)	-
	<u>792</u>	<u>-</u>
<u>Financial year ended 31 July</u>		
Revenue	619	-
Loss for the financial year/Total comprehensive expenses	(708)	-
	<u>(142)</u>	<u>-</u>
Total comprehensive expenses attributable to non-controlling interests		
	(142)	-
Net cash flows for operating activities	(233)	-
Net cash flows for investing activities	(1,616)	-
Net cash flows from financing activities	1,909	-
	<u>1,909</u>	<u>-</u>

Notes to the Financial Statements

7. Investments in joint ventures

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At cost:				
Unquoted shares, at cost	9,118	9,118	11,250	11,250
Quasi loans	4,995	4,995	4,995	4,995
Share of post acquisition loss	(6,191)	(4,002)	-	-
	7,922	10,111	16,245	16,245

Quasi loans represent loans of which the settlement is neither planned nor likely to occur in the foreseeable future. These amounts are, in substance, a part of the Company's investment in the joint ventures.

Details of the joint ventures are as follows:

Name of joint ventures	Name of directors	Principal place of business/ Country of incorporation	Percentage of issued share capital held by parent		Principal activities
			2025 %	2024 %	
Honsoar Jaycorp Cabinetry Sdn Bhd ("HJCSB")	Mr Lim Poh Teot Mr Yeo Yek Meng Mr Yeo Ayk Ke Mr Sun, Guanjun Mr Cui, Xuecheng	Malaysia	60.0	60.0	Manufacturing, trading, import and export all kind of furniture and related products
PT Tiga Mutiara Nusantara ("PTTMN")*	Tan Sri Datuk (Dr.) Abdul Majid Khan Mr Lim Poh Teot Encik Fahri Hidayat SH. SpN Mr Alan Stuart Lechem Mr Pan, Shifeng	Indonesia	62.3	62.3	Manufacturing and selling of finger jointed finished gesso coated and primed moulding products

* This joint venture was audited by other firm of chartered accountants.

- (a) Although the Group holds more than 50% of the voting power in HJCSB and PTTMN, the Group has determined that it does not have sole control over the investees considering that strategic and financial decisions of the relevant activities of the investees require unanimous consent by all shareholders.
- (b) The summarised financial information for joint ventures that are material to the Group are as follows:

	HJCSB	
	2025 RM'000	2024 RM'000
At 31 July		
Non-current assets	17,626	20,804
Current assets	38,011	33,870
Non-current liabilities	(23,996)	(25,243)
Current liabilities	(29,769)	(23,719)
	1,872	5,712

Notes to the Financial Statements

7. Investments in joint ventures (continued)

(b) The summarised financial information for joint ventures that are material to the Group are as follows (continued):

	HJCSB	
	2025	2024
	RM'000	RM'000
<u>Financial year ended 31 July</u>		
Revenue	56,981	60,709
Depreciation and amortisation	(4,665)	(4,444)
Interest expense	(732)	(742)
Loss for the financial year/Total comprehensive expense	(3,841)	(203)
Group's share of loss for the financial year	(2,305)	(122)
<u>Reconciliation of Net Assets to Carrying Amount</u>		
Group's share of net assets above	1,123	3,427
Quasi loan	4,995	4,995
Carrying amount of the Group's interests in this joint venture	6,118	8,422
	PTTMN	
	2025	2024
	RM'000	RM'000
<u>At 31 July</u>		
Non-current assets	8,969	10,085
Current assets	9,427	8,244
Non-current liabilities	(6,568)	(3,408)
Current liabilities	(7,677)	(10,564)
	4,151	4,357
<u>Financial year ended 31 July</u>		
Revenue	27,225	25,630
Depreciation and amortisation	(664)	(706)
Interest expense	(783)	(823)
Profit/(Loss) for the financial year	494	(2,003)
Other comprehensive (expense)/income	(308)	786
Total comprehensive income/(expense)	186	(1,217)
Group's share of profit/(loss) for the financial year	116	(758)
<u>Reconciliation of Net Assets to Carrying Amount</u>		
Group's share of net assets above	2,586	2,714
Bargain purchase gain arising from acquisition	(1,210)	(1,210)
Others	428	185
Carrying amount of the Group's interests in this joint venture	1,804	1,689

Notes to the Financial Statements

8. Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Group	
	2025 RM'000	2024 RM'000
Deferred tax assets	890	864
Deferred tax liabilities	(1,466)	(1,361)
	(576)	(497)

Movement in temporary differences during the financial year

Group	At 1 August 2023 RM'000	Recognised in profit or loss (Note 23) RM'000	At 31 July 2024 RM'000
2024			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	(3,186)	(263)	(3,449)
Right-of-use assets	(932)	136	(796)
	(4,118)	(127)	(4,245)

Deferred Tax Assets

Derivatives	(20)	(13)	(33)
Provisions	1,752	71	1,823
Lease liabilities	949	(130)	819
Hire purchase liabilities	(16)	63	47
Unabsorbed capital allowances	112	197	309
Unutilised business loss	508	275	783
	3,285	463	3,748
	(833)	336	(497)

Group	At 1 August 2024 RM'000	Recognised in profit or loss (Note 23) RM'000	At 31 July 2025 RM'000
2025			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	(3,449)	1,579	(1,870)
Right-of-use assets	(796)	(173)	(969)
	(4,245)	1,406	(2,839)

Deferred Tax Assets

Derivatives	(33)	39	6
Provisions	1,823	(562)	1,261
Lease liabilities	819	172	991
Hire purchase liabilities	47	(47)	-
Unabsorbed capital allowances	309	(304)	5
Unutilised business loss	783	(783)	-
	3,748	(1,485)	2,263
	(497)	(79)	(576)

Notes to the Financial Statements

8. Deferred tax assets and liabilities (continued)

Movement in temporary differences during the financial year (continued)

No deferred tax assets had been recognised in the statement of financial position for the following items as it is not probable that future taxable profit will be available for offsetting:

	Group	
	2025 RM'000	2024* RM'000
Unused tax losses:		
- expires year of assessment 2028	3,060	3,216
- expires year of assessment 2029	946	946
- expires year of assessment 2030	237	237
- expires year of assessment 2033	55	55
- expires year of assessment 2034	1,831	1,270
- expires year of assessment 2035	5,865	266
Unabsorbed reinvestment allowances	4,402	4,402
Unabsorbed capital allowances	3,974	3,145
Other temporary differences	819	62
	<u>21,189</u>	<u>13,599</u>

* Certain comparative figures have been restated to reflect the revised tax losses carry-forward and other temporary differences available to the Group.

9. Prepaid leases

This represents progress claims paid for 2 pieces of leasehold land acquired in financial year 2019.

10. Receivables, deposits and prepayments

	Note	Group		Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current					
Non-trade					
Amount due from joint ventures	c	4,200	-	-	-
Current					
Trade					
Trade receivables	a	18,675	21,691	-	-
Less: Impairment loss		(689)	(1,054)	-	-
		<u>17,986</u>	<u>20,637</u>	<u>-</u>	<u>-</u>
Amount due from joint venture	a	1,911	1,243	-	-
		<u>19,897</u>	<u>21,880</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements

10. Receivables, deposits and prepayments (continued)

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-trade					
Amount due from subsidiaries					
- management fees	b	-	-	102	102
- advances	b	-	-	14,558	14,283
Less: Impairment loss		-	-	(189)	(167)
		-	-	14,471	14,218
Amount due from joint ventures	c	4,040	1,533	666	665
Less: Impairment loss		(665)	(665)	(665)	(665)
		3,375	868	1	-
Other receivables	d	2,190	1,576	-	-
Less: Impairment loss		(1,525)	(1,527)	-	-
		665	49	-	-
Deposits		1,003	1,249	18	21
Prepayments		1,667	759	2	2
		6,710	2,925	14,492	14,241
		26,607	24,805	14,492	14,241

	Group	
	2025 RM'000	2024 RM'000
Allowance for impairment losses:		
Trade receivables		
At 1 August	1,054	750
Addition	54	612
Reversal	(419)	(260)
Written-off	-	(48)
At 31 July	689	1,054

	Company	
	2025 RM'000	2024 RM'000
Allowance for impairment losses:		
Amount due from subsidiaries		
At 1 August	167	149
Addition	22	18
At 31 July	189	167

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Allowance for impairment losses:				
Amount due from joint venture				
At 1 August/31 July	665	665	665	665

Notes to the Financial Statements

10. Receivables, deposits and prepayments (continued)

	Group	
	2025	2024
	RM'000	RM'000
Allowance for impairment losses:		
Other receivables		
At 1 August	1,527	1,542
Reversal	(2)	(15)
At 31 July	1,525	1,527

Note a

Trade receivables' normal trade terms range from 30 days to 60 days (2024 – 30 days to 60 days). Other trade terms are assessed and approved on a case-by-case basis.

Trade receivables of the Group denominated in currencies other than the functional currency comprise RM5,443,000 (2024 – RM6,857,000) of trade receivables denominated in U.S. Dollar.

Note b

The receivables due from subsidiaries were unsecured, interest free and repayable on demand.

Note c

The amount owing from joint ventures were unsecured, interest free and repayable on demand other than loan advancement of RM5,231,000 (2024 – RMNil) which bear interest ranging from 4% to 8% (2024 – Nil) per annum.

Note d

Other receivables of the Group denominated in currencies other than the functional currency comprise RM85,000 (2024 – RMNil) of other receivables denominated in U.S. Dollar.

11. Contract assets

- (a) Net carrying amount of contract assets is analysed as follows:

	Group	
	2025	2024
	RM'000	RM'000
At 1 August	11,405	12,094
Revenue recognised in profit or loss during the financial year	9,838	19,010
Billings to customers during the financial year	(15,464)	(19,699)
At 31 July	5,779	11,405

- (b) Contract value yet to be recognised as revenue

Revenue expected to be recognised in future relating to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date, are as follows:

	Group	
	2025	2024
	RM'000	RM'000 (Restated)
Within 1 year	6,385	10,238
Between 1 and 5 years	-	6,021
	6,385	16,259

Notes to the Financial Statements

12. Inventories

	Group	
	2025 RM'000	2024 RM'000
At cost:		
Raw materials	2,479	2,675
Work-in-progress	5,816	5,949
Finished goods	12,740	13,222
	<u>21,035</u>	<u>21,846</u>
At net realisable value:		
Raw materials	178	65
Work-in-progress	685	486
Finished goods	1,339	1,169
	<u>2,202</u>	<u>1,720</u>
	<u>23,237</u>	<u>23,566</u>
Recognised in profit or loss:		
Inventories recognised as cost of sales	135,210	151,489
Inventories written down	1,036	36

13. Derivative (liabilities)/assets

	Contract/ Notional amount		Group	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>Derivative (Liabilities)/Assets</u>				
Forward currency contracts	3,943	5,836	(23)	138

The Group does not apply hedge accounting.

Forward foreign currency contracts are used to hedge the Group's sales denominated in United States Dollar (USD) for which firm commitments existed at the end of the reporting period. The settlement dates on forward foreign currency contracts range between 1 to 3 months (2024 – 1 to 3 months) after the end of the reporting period.

14. Short-term investments

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Money market funds, at fair value	17,103	14,588	1,854	4,230

The funds invest mainly into debenture, deposits and money market instruments and thus have minimum exposure to changes in market value.

The money market funds of the Group and of the Company are carried at fair value. The fair value hierarchy for money market funds are classified as Level 2.

Notes to the Financial Statements

15. Cash and cash equivalents

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Cash and bank balances (Note 26(d))	22,492	54,016	497	2,268
Deposits placed with licensed banks (Note 26(d))	31,806	19,713	-	1,035
	54,298	73,729	497	3,303

Included in deposits placed with licensed banks is RM4,662,000 (2024 – RM5,506,000) pledged for loan facilities granted to the Group (Note 17).

Cash and bank balances denominated in currencies other than the functional currency comprise RM586,000 (2024 – RM1,751,000) of cash and cash equivalents denominated in U.S. Dollar.

Deposits placed with licensed banks denominated in currencies other than the functional currency comprise RM2,136,000 (2024 – RMNil) of deposits placed with licensed banks denominated in U.S. Dollar.

The weighted average effective interest rates per annum of deposits placed with licensed banks at the end of the reporting period are as follows:

	Group		Company	
	2025	2024	2025	2024
	%	%	%	%
Deposits placed with licensed banks	1.70 – 3.88	1.90 – 5.10	-	2.45

The average maturities of deposits placed with licensed banks at the end of the reporting period of the Group and of the Company range from 31 days to 144 days (2024 – 30 days to 116 days) and Nil day (2024 – 92 days) respectively.

16. Capital and reserves

Share capital

	Group/Company			
	Amount	Amount	Number of shares	Number of shares
	2025	2024	2025	2024
	RM'000	RM'000	'000	'000
Issued and fully paid-up:				
At 1 August/31 July	69,926	69,926	274,500	274,500

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company. In respect of the Company's treasury shares that are held by the Company (see below), all rights are suspended until those shares are reissued.

Treasury shares

Of the total 274,500,000 (2024 – 274,500,000) issued and fully paid-up ordinary shares at the end of the reporting period, 5,766,600 (2024 – 5,766,600) are held as treasury shares by the Company. None (2024 – None) of the treasury shares were resold or cancelled during the financial year.

Foreign exchange translation reserve

The foreign exchange translation reserve arose from the translation of the financial statements of foreign subsidiary whose functional currencies are different from the Group's presentation currency.

Notes to the Financial Statements

17. Loans and borrowings

This note provides information about the contractual terms of the Group's and the Company's interest-bearing loans and borrowings. For more information about the Group's and the Company's exposure to interest rate risk, see Note 28.

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Non-current				
Secured term loans	4,375	5,292	-	-
Hire purchase liabilities	539	875	-	-
	4,914	6,167	-	-
Current				
Secured term loans	1,131	2,730	-	810
Secured bankers' acceptances	1,081	511	-	-
Secured bank overdrafts	828	357	-	-
Hire purchase liabilities	324	396	-	-
Other borrowing	5,264	3,300	-	-
	8,628	7,294	-	810

Loan and borrowings of the Group denominated in U.S Dollar comprise of RM119,000 (2024 – RMNil).

Securities

The bank overdrafts, bankers' acceptances, term loans and other borrowing of the Group are secured by way of:

- (i) legal charge over freehold land, certain buildings and plant and equipment as disclosed under property, plant and equipment of the Group (Note 3);
- (ii) legal charge over leasehold land as disclosed under right-of-use assets of the Group (Note 4);
- (iii) legal charge over leasehold land and building as disclosed under investment properties of the Group (Note 5);
- (iv) fixed deposits as disclosed under cash and cash equivalents of the Group (Note 15);
- (v) corporate guarantee by the Company; and
- (vi) guarantee by certain directors of a subsidiary.

Notes to the Financial Statements

17. Loans and borrowings (continued)

Terms and debt repayment schedule

	Weighted average effective interest rate %	Year of maturity	Carrying amount RM'000	Within 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	Over 5 years RM'000
2025							
Group							
Bankers' acceptances*	3.47 - 4.97	2026	1,081	1,081	-	-	-
Bank overdrafts	6.43 - 7.40	2026	828	828	-	-	-
Term loans	4.20 - 4.45	2026 - 2034	5,506	1,131	832	1,889	1,654
Hire purchase liabilities	2.30 - 2.73	2026 - 2031	863	324	207	276	56
Other borrowing	5.45	2026	5,264	5,264	-	-	-
			13,542	8,628	1,039	2,165	1,710
2024							
Group							
Bankers' acceptances*	3.59	2025	511	511	-	-	-
Bank overdrafts	6.90	2025	357	357	-	-	-
Term loans	4.45 - 4.95	2025 - 2034	8,022	2,730	1,133	2,116	2,043
Hire purchase liabilities	2.30 - 6.82	2025 - 2029	1,271	396	143	384	348
Other borrowing	6.70	2025	3,300	3,300	-	-	-
			13,461	7,294	1,276	2,500	2,391
Company							
Term loans	4.65	2025	810	810	-	-	-

* Credit facility with interest rate that varies in line with the market interest rate for similar type of facility with comparable terms.

Hire purchase liabilities

Hire purchase liabilities are payable as follows:

	Gross RM'000	2025 Interest RM'000	Principal RM'000	Gross RM'000	2024 Interest RM'000	Principal RM'000
Group						
Less than one year	359	35	324	461	65	396
Between one and five years	584	45	539	945	70	875
	943	80	863	1,406	135	1,271

Notes to the Financial Statements

18. Lease liabilities

	Group	
	2025 RM'000	2024 RM'000
At 1 August	1,763	1,154
Interest expense recognised in profit or loss	56	51
Changes due to reassessment of lease term	50	944
Additions	129	-
Repayment of principal	(377)	(335)
Repayment of interest expense	(56)	(51)
At 31 July	1,565	1,763
Analysed by:		
Current liabilities	405	364
Non-current liabilities	1,160	1,399
	1,565	1,763

19. Payables and accruals

	Note	Group		Company	
		2025 RM'000	2024 RM'000 (Restated)	2025 RM'000	2024 RM'000
Current Trade					
Trade payables	a	9,990	17,311	-	-
Current Non-trade					
Other payables	b	11,296	12,053	14	24
Amount due to a director	c	100	-	-	-
Amount payable for property, plant and equipment (Note 26(a))		4,293	14	-	-
Accrued expenses		5,449	6,408	292	298
Sales and service tax payable		79	99	-	-
Provision for foreseeable losses damages		435	-	-	-
Provision for liquidated ascertained damages		189	-	-	-
		21,841	18,574	306	322
		31,831	35,885	306	322

Note a

The normal trade terms granted to the Group range from 7 days to 90 days (2024 – 7 days to 90 days). Other trade terms are assessed and approved on a case-by-case basis.

Trade payables of the Group denominated in currencies other than the functional currency comprise RM447,000 (2024 – RM201,000) of trade payables denominated in U.S. Dollar.

Note b

Other payables of the Group denominated in currencies other than the functional currency comprise RM790,000 (2024 – RM887,000) of other payables denominated in U.S. Dollar.

Note c

The payables due to a director are unsecured, interest free and repayable on demand.

Notes to the Financial Statements

20. Operating profit

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Revenue from contract with customers				
<u>Recognised at a point in time</u>				
Sale of goods	153,268	174,923	-	-
<u>Recognised over time</u>				
Construction contract revenue	9,838	19,010	-	-
Rental income	552	483	-	-
	163,658	194,416	-	-
Revenue from other sources				
Dividend income from subsidiaries	-	-	8,907	15,628
Management fees	-	-	1,224	1,224
	-	-	10,131	16,852
	163,658	194,416	10,131	16,852
Cost of sales				
Cost of sales	(123,549)	(133,006)	-	-
Construction contract costs	(12,697)	(18,519)	-	-
	(136,246)	(151,525)	-	-
Gross profit	27,412	42,891	10,131	16,852
Distribution costs	(4,316)	(5,036)	-	-
Administration expenses	(21,035)	(21,620)	(3,974)	(3,631)
Other operating expenses	(1,400)	(1,316)	(2)	-
Other operating income	3,229	4,866	1	1
Operating profit	3,890	19,785	6,156	13,222

		Group		Company	
	Note	2025	2024	2025	2024
		RM'000	RM'000	RM'000	RM'000
Operating profit is arrived at after charging/(crediting):					
Auditors' remuneration					
- audit fees		205	195	41	35
- non-audit fees		5	5	5	5
Bad debt (recovered)/written off		(26)	1,284	-	-
Depreciation of property, plant and equipment	3	6,821	6,995	15	11
Depreciation of right-of-use assets	4	443	400	-	-
Depreciation of investment properties	5	660	662	-	-
Fair value loss on other investment		1	1	-	-
Impairment loss on					
- trade receivables	10	-	352	-	-
- amount due from a subsidiary	10	-	-	22	18
Impairment loss of property, plant and equipment		217	-	-	-

Notes to the Financial Statements

20. Operating profit (continued)

		Group		Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Operating profit is arrived at after charging/(crediting) (continued):					
Property, plant and equipment written off	3	132	130	2	-
Personnel expenses (including key management personnel)					
- contribution to defined contribution plans		2,165	2,183	199	162
- wages, salaries and others		31,808	32,286	2,652	2,341
Lease expenses					
- short term lease		159	174	90	90
Write down of inventories	12	1,036	36	-	-
Gain on disposal of property, plant and equipment		(4)	(6)	-	-
Lease income					
- rental income from investment properties		(1,920)	(1,740)	-	-
Total interest income on financial assets measured at amortised cost		(2,293)	(1,815)	(147)	(230)
Reversal of impairment loss on:	10				
- trade receivable		(365)	-	-	-
- other receivables		(2)	(15)	-	-
Realised loss/(gain) on foreign exchange		828	(95)	-	-
Unrealised gain on foreign exchange		(85)	(112)	-	-
Fair value loss/(gain) on derivatives		161	(53)	-	-

21. Finance costs

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest expense on financial liabilities that are not at fair value through profit or loss:				
- Bank overdrafts	16	21	-	-
- Bankers' acceptances	41	30	-	-
- Hire purchase liabilities	53	49	-	-
- Term loans	310	396	16	67
- Others	203	19	-	-
Interest expense on lease liabilities (Note 18)	56	51	-	-
	679	566	16	67

Notes to the Financial Statements

22. Key management personnel compensations

The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensations during the financial year are as follows:

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
(a) Directors				
<u>Directors of the Company</u>				
<i>Executive Directors</i>				
Short-term employee benefits:				
- fees	460	460	300	300
- salaries, allowances and bonuses	3,190	3,227	377	430
	3,650	3,687	677	730
Defined contribution benefits	299	365	24	25
	3,949	4,052	701	755
<i>Non-executive Directors</i>				
Short-term employee benefits:				
- fees	288	288	288	288
- allowances	55	62	55	62
	343	350	343	350
	4,292	4,402	1,044	1,105

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company was RM5,300 (2024 – RM8,800).

Directors of the Subsidiaries

Executive Directors

Short-term employee benefits:

- fees	3	84	-	-
- salaries, allowances and bonuses	923	933	-	-
Defined contribution benefits	66	69	-	-
	992	1,086	-	-
Total directors' remuneration	5,284	5,488	1,044	1,105

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the subsidiaries was RM22,700 (2024 – RM17,400).

Notes to the Financial Statements

22. Key management personnel compensations (continued)

The key management personnel compensations during the financial year are as follows (continued):

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(b) Other key management personnel				
Short-term employee benefits	288	272	288	272
Defined contribution benefits	34	32	34	32
	<u>322</u>	<u>304</u>	<u>322</u>	<u>304</u>

Other key management personnel comprise persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the entity either directly or indirectly.

23. Income tax expense

Recognised in profit or loss

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Current tax expense				
Malaysian tax				
- current year	3,944	6,510	185	250
- over provision in previous financial years	(79)	(413)	(4)	(66)
	<u>3,865</u>	<u>6,097</u>	<u>181</u>	<u>184</u>
Deferred tax expense (Note 8)				
Origination and reversal of temporary differences	379	(520)	-	-
(Over)/Under provision in previous financial years	(300)	184	-	-
	<u>79</u>	<u>(336)</u>	<u>-</u>	<u>-</u>
Total taxation	<u>3,944</u>	<u>5,761</u>	<u>181</u>	<u>184</u>

Reconciliation of effective income tax expense

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(Loss)/Profit after taxation	(70)	13,566	6,084	13,183
Total taxation	3,944	5,761	181	184
Profit before taxation	<u>3,874</u>	<u>19,327</u>	<u>6,265</u>	<u>13,367</u>

Notes to the Financial Statements

23. Income tax expense (continued)**Reconciliation of effective income tax expense (continued)**

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Tax calculated using Malaysian tax rate of 24%	930	4,638	1,504	3,208
Double deduction of expenses	(155)	(191)	-	-
Deferred tax assets not recognised during the year	1,820	518	-	-
Non-deductible expenses	1,372	1,326	45	53
Non-taxable income	(69)	(47)	-	-
Share of results in joint ventures	479	329	-	-
Tax exempt income	-	-	(1,364)	(3,011)
Tax incentives	(47)	(583)	-	-
Utilisation of deferred tax assets not recognised in previous financial years	(7)	-	-	-
	4,323	5,990	185	250
Over provision in previous financial years	(379)	(229)	(4)	(66)
	3,944	5,761	181	184

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024 – 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

The Group has estimated unutilised reinvestment allowance of RM4,402,000 (2024 – RM4,402,000) available at the end of the reporting period to be carried forward to set off against future taxable business income.

24. Earnings per ordinary share**(a) Basic earnings per ordinary share**

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year after deducting for treasury shares.

	Group	
	2025	2024
	RM'000	RM'000
Profit for the year attributable to the ordinary shareholders	1,356	14,140
	<hr/>	
	Group	
	2025	2024
	'000	'000
Weighted average number of ordinary shares in issue	268,734	268,734
	<hr/>	
	Group	
	2025	2024
	sen	sen
Basic earnings per ordinary share	0.50	5.26

(b) Diluted earnings per share

The diluted earnings per share is equal to the basic earnings per share because there were no potential ordinary shares during the financial year.

Notes to the Financial Statements

25. Dividend

	Sen per share (net of tax)	Total amount RM'000
2025		
Final 2024 ordinary (single tier)	2.00	5,375
First 2025 ordinary (single tier)	1.50	4,031
	3.50	9,406
2024		
Final 2023 ordinary (single tier)	4.00	10,749
First 2024 ordinary (single tier)	2.00	5,375
	6.00	16,124

26. Cash flow information

- (a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets is as follows:

	Group	
	2025 RM'000	2024 RM'000
<u>Property, plant and equipment</u>		
Cost of property, plant and equipment purchased	12,072	8,613
Less: Acquired through hire purchase arrangements (Note 26(b))	-	(722)
Less: Other payables – balances remained unpaid at financial year end (Note 19)	(4,293)	(14)
	7,779	7,877
<u>Right-of-use assets</u>		
Cost of right-of-use assets acquired (Note 4)	129	-
Less: Addition of new lease liabilities (Note 26(b))	(129)	-
	-	-
	Company	
	2025 RM'000	2024 RM'000
<u>Property, plant and equipment</u>		
Cost of property, plant and equipment purchased (Note 3)	31	15

Notes to the Financial Statements

26. Cash flow information (continued)

(b) The reconciliations of liabilities arising from financing activities are as follows:

Group	Amount Owing to A Director RM'000	Bankers' Acceptances RM'000	Lease Liabilities RM'000	Hire Purchase Liabilities RM'000	Term Loans RM'000	Others RM'000	Total RM'000
2025							
At 1 August 2024	-	511	1,763	1,271	8,022	3,300	14,867
<u>Changes in Financing Cash Flows</u>							
Net advances from director	100	-	-	-	-	-	100
Net drawdown of bankers' acceptances	-	567	-	-	-	-	567
Repayment of lease liabilities	-	-	(377)	-	-	-	(377)
Repayment of hire purchase liabilities	-	-	-	(408)	-	-	(408)
Repayment of term loans	-	-	-	-	(2,754)	-	(2,754)
Repayment of other borrowing	-	-	-	-	-	(631)	(631)
Repayment of borrowing interests	-	(41)	(56)	(53)	(310)	(219)	(679)
Proceeds from drawdown of term loan	-	-	-	-	238	-	238
Proceeds from drawdown of other borrowing	-	-	-	-	-	2,595	2,595
	100	526	(433)	(461)	(2,826)	1,745	(1,349)
<u>Other Changes</u>							
Acquisition of new lease liabilities (Note 26(a))	-	-	129	-	-	-	129
Changes due to reassessment of lease terms	-	-	50	-	-	-	50
Finance charges recognised in profit or loss (Note 21)	-	41	56	53	310	219	679
Unrealised loss on foreign exchange	-	3	-	-	-	-	3
	-	44	235	53	310	219	861
At 31 July 2025	100	1,081	1,565	863	5,506	5,264	14,379

Notes to the Financial Statements

26. Cash flow information (continued)

(b) The reconciliations of liabilities arising from financing activities are as follows (continued):

Group	Bankers' Acceptances RM'000	Lease Liabilities RM'000	Hire Purchase Liabilities RM'000	Term Loans RM'000	Others RM'000	Total RM'000
2024						
At 1 August 2023	977	1,154	977	8,953	3,290	15,351
<u>Changes in Financing Cash Flows</u>						
Net repayment of bankers' acceptances	(466)	-	-	-	-	(466)
Repayment of lease liabilities	-	(335)	-	-	-	(335)
Repayment of hire purchase liabilities	-	-	(428)	-	-	(428)
Repayment of term loans	-	-	-	(2,793)	-	(2,793)
Repayment of other borrowing	-	-	-	-	(1,630)	(1,630)
Repayment of borrowing interests	(30)	(51)	(49)	(396)	(40)	(566)
Proceeds from drawdown of term loan	-	-	-	1,862	-	1,862
Proceeds from drawdown of other borrowing	-	-	-	-	1,640	1,640
	(496)	(386)	(477)	(1,327)	(30)	(2,716)
<u>Other Changes</u>						
Acquisition of new hire purchase liabilities (Note 26(a))	-	-	722	-	-	722
Changes due to reassessment of lease terms	-	944	-	-	-	944
Finance charges recognised in profit or loss (Note 21)	30	51	49	396	40	566
	30	995	771	396	40	2,232
At 31 July 2024	511	1,763	1,271	8,022	3,300	14,867

Company	Term Loans RM'000
2025	
At 1 August 2024	810
<u>Changes in Financing Cash Flows</u>	
Repayment of term loan	(810)
Repayment of borrowings interests	(16)
<u>Other Changes</u>	
Finance charges recognised in profit or loss (Note 21)	16
At 31 July 2025	-

Notes to the Financial Statements

26. Cash flow information (continued)

- (b) The reconciliations of liabilities arising from financing activities are as follows (continued):

Company	Term Loans RM'000
2024	
At 1 August 2023	1,868
<u>Changes in Financing Cash Flows</u>	
Repayment of term loan	(1,058)
Repayment of borrowings interests	(67)
<u>Other Changes</u>	
Finance charges recognised in profit or loss (Note 21)	67
At 31 July 2024	810

- (c) The total cash outflows for leases as lessee are as follows:

	Group	
	2025 RM'000	2024 RM'000
Payment of short-term lease	159	174
Interest paid on lease liabilities	56	51
Payment of lease liabilities	377	335
	592	560

	Company	
	2025 RM'000	2024 RM'000
Payment of short-term lease	90	90

- (d) The cash and cash equivalents comprise the following:

	Group		Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances (Note 15)	22,492	54,016	497	2,268
Deposits placed with licensed banks (Note 15)	31,806	19,713	-	1,035
Bank overdrafts (Note 17)	(828)	(357)	-	-
	53,470	73,372	497	3,303
Deposits with tenure of more than 3 months	(14,499)	-	-	-
Deposits pledged with licensed banks (Note 15)	(4,662)	(5,506)	-	-
Cash and cash equivalents	34,309	67,866	497	3,303

Notes to the Financial Statements

27. Operating segments

Operating segments are prepared in a manner consistent with the Group's management and internal reporting structure in order to allocate resources to segments and to assess their performance.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly loans and borrowings, head office expenses and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment.

Inter-segment pricing is determined on negotiated basis.

The Group comprised the following main business segments:

Furniture	Manufacture and sale of furniture
Packaging	Conversion of corrugated boards into carton boxes
Wood processing	Pressure treatment and kiln-drying of wood and manufacturing of furniture parts
Renewable energy	Renewable energy, biomass and environmentally friendly waste treatment
Construction	General construction and civil engineering works
Others	General trading, transportation, property letting and printing

The Group operates principally within Malaysia.

	Furniture RM'000	Packaging RM'000	Wood processing RM'000	Renewable energy RM'000	Construction RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
2025								
Business segments								
Total external revenue	99,541	32,217	6,037	15,466	9,838	559	-	163,658
Inter-segment revenue	94	4,524	13,609	-	-	2,263	(20,490)	-
Total segment revenue	99,635	36,741	19,646	15,466	9,838	2,822	(20,490)	163,658
Segment result	8,127	2,332	(1,804)	2,473	(3,761)	(211)	1,021	8,177
Unallocated expenses								(5,917)
Results from operating activities								2,260
Interest income								2,293
Interest expense								(679)
Tax expense								(3,944)
Loss for the year								(70)

Notes to the Financial Statements

27. Operating segments (continued)

2025	Furniture RM'000	Packaging RM'000	Wood processing RM'000	Renewable energy RM'000	Construction RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Segment profit before interest and taxation includes the followings:								
Bad debts recovered	(26)	-	-	-	-	-	-	(26)
Depreciation of property, plant and equipment	2,543	1,841	627	993	669	148	-	6,821
Depreciation of investment property	230	-	-	-	-	430	-	660
Depreciation of right-of-use assets	1,025	350	94	55	9	-	(1,090)	443
Impairment loss of property, plant and equipment	217	-	-	-	-	-	-	217
Impairment/(Reversal of impairment) loss on trade receivables	-	5	-	-	(167)	-	(203)	(365)
Interest expense	150	194	64	137	318	-	(184)	679
Property, plant and equipment written off	2	-	-	-	-	130	-	132
Realised loss on foreign exchange	809	-	19	-	-	-	-	828
Gain on disposal of property, plant and equipment	(2)	-	-	-	(2)	-	-	(4)
Interest income	(1,873)	(300)	(37)	(30)	(77)	(40)	64	(2,293)
Write down of inventories	204	-	832	-	-	-	-	1,036
Reversal of impairment loss on other receivables	-	-	-	-	(2)	-	-	(2)
Unrealised gain on foreign exchange	(85)	-	-	-	-	-	-	(85)
Fair value loss on derivatives	161	-	-	-	-	-	-	161
Fair value loss on other investment	-	1	-	-	-	-	-	1
Segment assets	132,591	34,586	25,146	15,505	14,955	28,989	(16,849)	234,923
Unallocated assets:								
- Current tax assets								1,934
- Deferred tax assets								890
Total assets								237,747
Segment liabilities	13,210	2,628	3,072	3,501	9,548	23,917	(16,849)	39,027
Unallocated liabilities:								
- Current tax liabilities								518
- Deferred tax liabilities								1,466
- Lease liabilities								1,565
- Hire purchase liabilities								863
- Term loans								5,506
Total liabilities								48,945
Additions to non-current assets other than financial instruments are:								
- Property, plant and equipment	7,183	40	1,821	2,973	23	32	-	12,072
- Investment properties	-	-	-	-	-	10	-	10

Notes to the Financial Statements

27. Operating segments (continued)

2024	Furniture RM'000	Packaging RM'000	Wood processing RM'000	Renewable energy RM'000	Construction RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Business segments								
Total external revenue	116,469	38,922	6,258	10,873	19,010	2,884	-	194,416
Inter-segment revenue	518	4,941	16,473	-	-	2,772	(24,704)	-
Total segment revenue	116,987	43,863	22,731	10,873	19,010	5,656	(24,704)	194,416
Segment result	16,023	3,877	1,727	875	(795)	148	1,464	23,319
Unallocated expenses								(5,241)
Results from operating activities								18,078
Interest income								1,815
Interest expense								(566)
Tax expense								(5,761)
Profit for the year								13,566
Segment profit before interest and taxation includes the followings:								
Bad debts written off	1,284	-	-	-	-	-	-	1,284
Depreciation of property, plant and equipment	3,019	2,025	623	558	611	159	-	6,995
Depreciation of investment property	231	-	-	-	-	431	-	662
Depreciation of right-of-use assets	1,001	349	-	54	-	-	(1,004)	400
Impairment/(Reversal of impairment) loss on trade receivables	276	(84)	-	-	160	-	-	352
Interest expense	216	228	67	106	66	-	(117)	566
Property, plant and equipment written off	-	130	-	-	-	-	-	130
Realised gain on foreign exchange	(89)	-	(6)	-	-	-	-	(95)
(Gain)/Loss on disposal of property, plant and equipment	(19)	-	-	13	-	-	-	(6)
Interest income	(1,480)	(197)	(38)	(14)	(69)	(17)	-	(1,815)
Written down of inventories/ (Reversal of inventories written down)	111	-	(75)	-	-	-	-	36
Reversal of impairment loss on other receivables	-	-	-	-	(15)	-	-	(15)
Unrealised gain on foreign exchange	(112)	-	-	-	-	-	-	(112)
Fair value gain on derivatives	(53)	-	-	-	-	-	-	(53)
Fair value loss on other investment	-	1	-	-	-	-	-	1

Notes to the Financial Statements

27. Operating segments (continued)

2024	Furniture RM'000	Packaging RM'000	Wood processing RM'000	Renewable energy RM'000	Construction RM'000 (Restated)	Others RM'000	Eliminations RM'000	Consolidated RM'000 (Restated)
Segment assets	142,210	34,920	25,165	11,651	23,342	29,273	(16,426)	250,135
Unallocated assets:								
- Current tax assets								1,102
- Deferred tax assets								864
Total assets								252,101
Segment liabilities	13,085	2,959	1,333	1,473	13,752	23,877	(16,426)	40,053
Unallocated liabilities:								
- Current tax liabilities								1,461
- Deferred tax liabilities								1,361
- Lease liabilities								1,763
- Hire purchase liabilities								1,271
- Term loans								8,022
Total liabilities								53,931
Additions to non-current assets other than financial instruments are:								
- Property, plant and equipment	1,764	339	9	5,423	1,078	-	-	8,613

2025	Malaysia RM'000	Rest of Asia RM'000	North America RM'000	Europe RM'000	Others RM'000	Total RM'000
Geographical segments						
Revenue from external customers by location of customers	68,126	60,080	26,534	2,323	6,595	163,658
Segment assets by location of assets	237,747	-	-	-	-	237,747

2024	Malaysia RM'000	Rest of Asia RM'000	North America RM'000	Europe RM'000	Others RM'000	Total RM'000
Geographical segments						
Revenue from external customers by location of customers	82,534	71,735	26,832	4,365	8,950	194,416
Segment assets by location of assets (Restated)	252,101	-	-	-	-	252,101

The following are major customers with revenue equal to or more than 10% of the Group's total revenue.

	Revenue		Segment
	2025 RM'000	2024 RM'000	
Customer 1	34,338	42,508	Furniture

Notes to the Financial Statements

28. Financial instruments

The activities of the Group are exposed to a variety of market risk (including foreign currency risk, interest rate risk, equity price risk and price risk), credit risk and liquidity risk. The Group's overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

28.1 Financial risk management policies

The Group's policies in respect of the major areas of treasury activity are as follows:

(a) Market risk

(i) Foreign currency risk

The Group is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currency giving rise to this risk is primarily United States Dollar ("USD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level. On occasion, the Group enters into forward foreign currency contracts to hedge against its foreign currency risk. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

The Group's exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on the carrying amounts of the financial instruments at the end of the reporting period is summarised below:

Foreign currency exposure

	2025 United States Dollar RM'000	2024 United States Dollar RM'000
Group		
Financial assets		
Trade receivables	5,443	6,857
Other receivables	85	-
Deposits placed with licensed banks	2,136	-
Cash and bank balances	586	1,751
	<u>8,250</u>	<u>8,608</u>
Financial liabilities		
Trade payables	(447)	(201)
Other payables and accrued expenses	(790)	(887)
Loan and borrowings	(119)	-
	<u>(1,356)</u>	<u>(1,088)</u>
Net financial assets	<u>6,894</u>	<u>7,520</u>
Currency exposure	<u>6,894</u>	<u>7,520</u>

Notes to the Financial Statements

28. Financial instruments (continued)

28.1 Financial risk management policies (continued)

(a) Market risk (continued)

(i) Foreign currency risk (continued)

Foreign currency risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:

	Group	
	2025	2024
	RM'000	RM'000
Effects on (loss)/profit after taxation		
USD/RM:		
- strengthened by 10% (2024 – 2%)	+524	+114
- weakened by 10% (2024 – 2%)	-524	-114

There is no impact on the Group's equity.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopt a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 17 to the financial statements.

Interest rate risk sensitivity analysis

Any reasonably possible change in the interest rates of floating rate term loans at the end of the reporting period does not have a material impact on the profit after taxation and equity of the Group and hence, no sensitivity analysis is presented.

(iii) Equity price risk

The exposure to equity price risk arises mainly from changes in quoted investment prices of the Group. The Group manages its exposure to equity price risk by maintaining a portfolio of equities with different risk profiles.

Equity price risk sensitivity analysis

Any reasonably possible change in the prices of quoted investments classified as fair value through profit or loss at the end of the reporting period does not have a material impact on the profit after taxation of the Group and hence, no sensitivity analysis is presented. There is no impact on the equity of the Group.

Notes to the Financial Statements

28. Financial instruments (continued)

28.1 Financial risk management policies (continued)

(a) Market risk (continued)

(iv) Price risk

The Group's principal exposure to price risk arises mainly from changes in prices of money market fund.

Price risk sensitivity analysis

Any reasonably possible change in the prices of the money market fund at the end of the reporting period does not have material impact on profit after taxation and other comprehensive income of the Group and of the Company and hence, no sensitivity analysis is presented.

(b) Credit risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including quoted investments, cash and bank balances and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

Credit risk concentration profile

The Group determines the concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables (including related parties), net of loss allowance at the end of the reporting period is as follows:

	Group	
	2025	2024
	RM'000	RM'000
Malaysia	14,454	15,024
Rest of Asia	2,238	3,981
North America	2,447	1,818
Europe	497	549
Others	261	508
	<u>19,897</u>	<u>21,880</u>

At the end of the reporting period, the Group's major concentration of credit risk relates to the amounts owing by Nil (2024 - 1) customer which constituted approximately Nil (2024 - 13%) of its trade receivables and contract assets (including related parties), net of loss allowance.

Notes to the Financial Statements

28. Financial instruments (continued)

28.1 Financial risk management policies (continued)

(b) Credit risk (continued)

Maximum exposure to credit risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries as disclosed under the 'Maturity Analysis' of item (c) below, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair value on initial recognition were not material.

Assessment of impairment losses

The Group has an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the trade receivables. The Group closely monitors the trade receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group assesses whether any of the financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 180 days past due unless the Group has reasonable and supportable information to demonstrate that a more a lagging default criterion is more appropriate.

Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables and contract assets.

(i) *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

To measure the expected credit losses, trade receivables (including related parties) and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Notes to the Financial Statements

28. Financial instruments (continued)

28.1 Financial risk management policies (continued)

(b) Credit risk (continued)

Assessment of impairment losses (continued)

Trade Receivables and Contract Assets (continued)

(i) *Inputs, Assumptions and Techniques used for Estimating Impairment Losses (continued)*

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 24 months (2024 – 24 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regressive analysis. The Group has identified the inflation rate and Gross Domestic Product (GDP) as the key macroeconomic factors of the forward-looking information.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

(ii) *Allowance for Impairment Losses*

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows:

Group	Gross amount RM'000	Lifetime loss allowance RM'000	Carrying value RM'000
2025			
Current (not past due)	11,679	(14)	11,665
1 to 30 days past due	3,509	(13)	3,496
31 to 60 days past due	1,390	(14)	1,376
61 to 90 days past due	569	(65)	504
More than 90 days past due	2,902	(46)	2,856
	20,049	(152)	19,897
Credit impaired:			
– individually impaired	537	(537)	-
Trade receivables	20,586	(689)	19,897
Contract assets	5,779	-	5,779
	26,365	(689)	25,676

Notes to the Financial Statements

28. Financial instruments (continued)

28.1 Financial risk management policies (continued)

(b) Credit risk (continued)

Assessment of impairment losses (continued)

Trade Receivables and Contract Assets (continued)

(ii) *Allowance for Impairment Losses (continued)*

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows (continued):

Group	Gross amount RM'000	Lifetime loss allowance RM'000	Carrying value RM'000
2024			
Current (not past due)	12,457	(20)	12,437
1 to 30 days past due	4,144	(21)	4,123
31 to 60 days past due	2,606	(29)	2,577
61 to 90 days past due	926	(36)	890
More than 90 days past due	2,102	(249)	1,853
	22,235	(355)	21,880
Credit impaired:			
– individually impaired	699	(699)	-
Trade receivables	22,934	(1,054)	21,880
Contract assets	11,405	-	11,405
	34,339	(1,054)	33,285

The movements in the loss allowances in respect of trade receivables are disclosed in Note 10 to the financial statements.

Trade receivables and contract assets that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables and contract assets that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

There has not been any significant change in the gross amounts of trade receivables and contract assets that impacted the allowance for impairment losses.

Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Under this approach, the Group assesses whether there is a significant increase in credit risk on the receivables by comparing the risk of default as at the reporting date with the risk of default as at the date of initial recognition based on available reasonable and supportable forward-looking information. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 180 days past due in making a contractual payment.

The Group considers a receivable is credit impaired when the receivable is in significant financial difficulty, for instances, the receivable is in breach of financial covenants or insolvent. Receivables that are credit impaired are assessed individually while other receivables are assessed on collective basis.

Based on the assessment performed, long outstanding receivables has been fully impaired.

Notes to the Financial Statements

28. Financial instruments (continued)

28.1 Financial risk management policies (continued)

(b) Credit risk (continued)

Assessment of impairment losses (continued)

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group considers the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group is of the view that the loss allowance is immaterial and hence, it is not provided for.

Amount Owing by Joint Ventures and Subsidiaries (Non-trade Balances)

The Group and the Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

(i) *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

The Group and the Company measures the expected credit losses on individual basis, which is aligned with its credit risk management practices on the inter-company balances.

The Group and the Company considers loans and advances to joint ventures or subsidiaries have low credit risks. The Group and the Company assumes that there is a significant increase in credit risk when a joint venture or subsidiary's financial position deteriorates significantly. As the Group and the Company is able to determine the timing of payments of the loans and advances when they are payable, the Group and the Company considers the loans and advances to be in default when the joint ventures or subsidiaries are not able to pay when demanded.

For loans and advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the joint venture or subsidiary does not have sufficient highly liquid resources when the loans and advances are demanded, the Group and the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the joint venture or subsidiary.

For loans and advances that are not repayable on demand, impairment loss is measured using techniques that are similar for estimating the impairment losses of other receivables as disclosed above.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

(ii) *Allowance for Impairment Losses*

	Gross amount RM'000	Lifetime loss allowance RM'000	Carrying value RM'000
Group			
2025			
Low credit risk	7,575	-	7,575
Credit impaired	665	(665)	-
	8,240	(665)	7,575

Notes to the Financial Statements

28. Financial instruments (continued)

28.1 Financial risk management policies (continued)

(b) Credit risk (continued)

Assessment of impairment losses (continued)*Amount Owing by Joint Ventures and Subsidiaries (Non-trade Balances) (continued)*

(ii) Allowance for Impairment Losses (continued)

Group	Gross amount RM'000	Lifetime loss allowance RM'000	Carrying value RM'000
2024			
Low credit risk	868	-	868
Credit impaired	665	(665)	-
	1,533	(665)	868
Company	Gross amount RM'000	Lifetime loss allowance RM'000	Carrying value RM'000
2025			
Low credit risk	14,471	-	14,471
Credit impaired	189	(189)	-
	14,660	(189)	14,471
Company	Gross amount RM'000	Lifetime loss allowance RM'000	Carrying value RM'000
2024			
Low credit risk	14,218	-	14,218
Credit impaired	167	(167)	-
	14,385	(167)	14,218

The movements in the loss allowances in respect of amount owing by joint ventures and subsidiaries are disclosed in Note 10 to the financial statements.

Notes to the Financial Statements

28. Financial instruments (continued)

28.1 Financial risk management policies (continued)

(c) Liquidity risk

Liquidity risk arises mainly from general funding and business activities. The Group practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

Maturity analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):

Group 2025	Contractual interest rate %	Carrying amount RM'000	Contractual undiscounted cash flows RM'000	Within 1 year RM'000	1 – 2 years RM'000	2 – 5 years RM'000	Over 5 years RM'000
<u>Non-derivative financial liabilities</u>							
Lease liabilities	3.01 - 5.86	1,565	1,738	485	397	524	332
Hire purchase liabilities	2.30 - 2.73	863	943	359	228	300	56
Term loans	4.20 - 4.45	5,506	6,916	1,367	1,013	2,379	2,157
Bankers' acceptances	3.47 - 4.97	1,081	1,081	1,081	-	-	-
Bank overdrafts	6.43 - 7.40	828	828	828	-	-	-
Other borrowing	5.45	5,264	5,264	5,264	-	-	-
Trade payables	-	9,990	9,990	9,990	-	-	-
Other payables and accrued expenses	-	21,038	21,038	21,038	-	-	-
Amount due to director	-	100	100	100	-	-	-
		46,235	47,898	40,512	1,638	3,203	2,545

Group 2024	Contractual interest rate %	Carrying amount RM'000	Contractual undiscounted cash flows RM'000	Within 1 year RM'000	1 – 2 years RM'000	2 – 5 years RM'000	Over 5 years RM'000
<u>Non-derivative financial liabilities</u>							
Lease liabilities	3.70 - 5.47	1,763	2,487	603	950	574	360
Hire purchase liabilities	2.30 - 6.82	1,271	1,406	461	144	404	397
Term loans	4.45 - 4.95	8,022	10,108	3,178	1,380	2,599	2,951
Bankers' acceptances	3.59	511	511	511	-	-	-
Bank overdrafts	6.90	357	357	357	-	-	-
Other borrowing	6.70	3,300	3,300	3,300	-	-	-
Trade payables	-	17,311	17,311	17,311	-	-	-
Other payables and accrued expenses	-	18,475	18,475	18,475	-	-	-
		51,010	53,955	44,196	2,474	3,577	3,708

Notes to the Financial Statements

28. Financial instruments (continued)

28.1 Financial risk management policies (continued)

(c) Liquidity risk (continued)

Maturity analysis (continued)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (continued):

Company 2025	Contractual interest rate %	Carrying amount RM'000	Contractual undiscounted cash flows RM'000	Within 1 year RM'000
<u>Non-derivative financial liabilities</u>				
Other payables and accrued expenses	-	306	306	306
Financial guarantee contracts in relation to corporate guarantee given to certain joint ventures and subsidiaries	-	-	21,330*	21,330
		306	21,636	21,636

Company 2024	Contractual interest rate %	Carrying amount RM'000	Contractual undiscounted cash flows RM'000	Within 1 year RM'000
<u>Non-derivative financial liabilities</u>				
Term loans	4.65	810	937	937
Other payables and accrued expenses	-	322	322	322
Financial guarantee contracts in relation to corporate guarantee given to certain joint ventures and subsidiaries	-	-	26,793*	26,793
		1,132	28,052	28,052

* The potential exposure of the financial guarantee contracts is equivalent to the outstanding amount of the credit facilities of the joint ventures and subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements since their fair value on initial recognition were not material.

28.2 Capital risk management

Capital structure is a combination of equity and debt used by an entity to finance its overall operations and growth. The objective of the capital management of the Group is to maintain an optimal capital structure and ensuring availability of funds in order to support its businesses and related shareholders value. To achieve this objective, the Group may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group monitors and maintains a prudent level of total debt to total equity ratio to optimise shareholders value and to ensure compliance with debt covenants and regulatory, if any.

The Group manages its capital based on debt-to-equity ratio. The debt-to-equity ratio of the Group at the end of the reporting period is not presented as its cash and cash equivalents exceeded the total external borrowings.

There was no change in the approach to capital management during the financial year.

Notes to the Financial Statements

28. Financial instruments (continued)

28.3 Classification of financial instruments

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Financial assets				
<u>Amortised Cost</u>				
Amount due from subsidiaries (Note 10)	-	-	14,471	14,218
Amount due from joint venture (Note 10)	9,486	2,111	1	-
Trade receivables (Note 10)	17,986	20,637	-	-
Other receivables and deposits (Note 10)	1,668	1,298	18	21
Deposits placed with licensed banks (Note 15)	31,806	19,713	-	1,035
Cash and bank balances (Note 15)	22,492	54,016	497	2,268
	83,438	97,775	14,987	17,542
<u>Fair Value Through Profit or Loss</u>				
Other investments	1	2	-	-
Derivative assets (Note 13)	-	138	-	-
Short-term investments (Note 14)	17,103	14,588	1,854	4,230
	17,104	14,728	1,854	4,230
	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
		(Restated)		
Financial liabilities				
<u>Amortised Cost</u>				
Lease liabilities (Note 18)	1,565	1,763	-	-
Hire purchase liabilities (Note 17)	863	1,271	-	-
Term loans (Note 17)	5,506	8,022	-	810
Bankers' acceptances (Note 17)	1,081	511	-	-
Trade payables (Note 19)	9,990	17,311	-	-
Other payables and accrued expenses (Note 19)	21,038	18,475	306	322
Bank overdrafts (Note 17)	828	357	-	-
Other borrowing (Note 17)	5,264	3,300	-	-
Amount due to a director (Note 19)	100	-	-	-
	46,235	51,010	306	1,132
<u>Fair Value Through Profit or Loss</u>				
Derivative liabilities (Note 13)	23	-	-	-

Notes to the Financial Statements

28. Financial instruments (continued)

28.4 Gains or losses arising from financial instruments

	Group		Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
		(Restated)		
Financial assets				
<u>Amortised Cost</u>				
Net gains recognised in profit or loss	1,607	223	125	212
<u>Fair Value Through Profit or Loss</u>				
Net (losses)/gains recognised in profit or loss by mandatorily required by MFRS 9	(1)	52	-	-
Financial liabilities				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	(731)	(588)	(16)	(67)
<u>Fair Value Through Profit or Loss</u>				
Net losses recognised in profit or loss by mandatorily required by MFRS 9	(161)	-	-	-

28.5 Fair value information

The fair value of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
2025								
<u>Financial assets</u>								
Other investment:								
- quoted shares								
in Malaysia	1	-	-	-	-	-	1	1
Short-term investments	-	17,103	-	-	-	-	17,103	17,103
	1	17,103	-	-	-	-	17,104	17,104

Notes to the Financial Statements

28. Financial instruments (continued)

28.5 Fair value information (continued)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (continued):

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value	Carrying amount
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		
2025								
<u>Financial liabilities</u>								
Term loans	-	-	-	-	5,506	-	5,506	5,506
Hire purchase liabilities	-	-	-	-	861	-	861	863
Derivative liabilities:								
- forward currency contracts	-	23	-	-	-	-	23	23
	-	23	-	-	6,367	-	6,390	6,392
Group								
2024								
<u>Financial assets</u>								
Other investment:								
- quoted shares in Malaysia	2	-	-	-	-	-	2	2
Derivative assets:								
- forward currency contracts	-	138	-	-	-	-	138	138
Short-term investments	-	14,588	-	-	-	-	14,588	14,588
	2	14,726	-	-	-	-	14,728	14,728
<u>Financial liabilities</u>								
Term loans	-	-	-	-	8,022	-	8,022	8,022
Hire purchase liabilities	-	-	-	-	1,254	-	1,254	1,271
	-	-	-	-	9,276	-	9,276	9,293
Company								
2025								
<u>Financial asset</u>								
Short-term investments	-	1,854	-	-	-	-	1,854	1,854
2024								
<u>Financial asset</u>								
Short-term investments	-	4,230	-	-	-	-	4,230	4,230
<u>Financial liability</u>								
Term loans	-	-	-	-	810	-	810	810

Notes to the Financial Statements

28. Financial instruments (continued)

28.5 Fair value information (continued)

(i) Fair value of financial instruments carried at fair value

(a) The fair value above have been determined using the following basis:

- The fair value of other investment is determined at its quoted closing bid prices at the end of the reporting period.
- The fair value of money market funds is determined by reference to statements provided by the respective financial institutions, with which the investments were entered into.
- The fair values of forward currency contracts are determined by discounting the difference between the contractual forward prices and the current forward prices for the residual maturity of the contracts using a risk-free interest rate (government bonds).

(b) There were no transfers between level 1 and level 2 during the financial year.

(ii) Fair value of financial instruments not carried at fair value

The fair values, which are for disclosure purposes, have been determined using the following basis:

- The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- The fair values of hire purchase liabilities are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:

	2025 %	2024 %
Hire purchase liabilities	5.64	3.37

29. Capital commitments

	Group	
	2025 RM'000	2024 RM'000
Property, plant and equipment	41,629	6,169

Notes to the Financial Statements

30. Related party disclosures

(a) Subsidiaries

The subsidiaries are disclosed in Note 6 to the financial statements.

(b) Significant related party transactions and balances

Other than those disclosed elsewhere in the financial statements, the Group also carried out the following significant transactions with the related parties during the financial year:

	2025 RM'000	2024 RM'000
Group		
Joint venture companies		
Interest income	(184)	-
Rental income	(2,472)	(2,223)
Sales of goods	(2,286)	(4,250)
Subcontract work received	(250)	(1,464)
A company in which certain directors have significant financial interests		
Rental paid/payable	90	90
Shareholders of joint venture company		
Sales of goods	(82,398)	(84,318)
Purchase of materials	15,364	19,363
	2025 RM'000	2024 RM'000
Company		
Subsidiaries		
Dividend income receivable	(8,907)	(15,628)
Management fees receivable	(1,224)	(1,224)

31. Comparative figures

The following figures have been reclassified to conform with the presentation of the current financial year:-

	Group	
	As Previously Reported RM'000	As Restated RM'000
Statement of Financial Position (Extract):-		
Current tax assets	925	1,102
Payables and accruals	(35,708)	(35,885)
Statement of Cash Flows (Extract):-		
Change in working capital:		
Payables and accruals	3,611	3,788
Tax paid	(6,367)	(6,544)

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

We, Tan Sri Datuk (Dr.) Abdul Majid Khan and Yeo Ayk Ke, being two of the directors of Jaycorp Berhad, state that, in the opinion of the directors, the financial statements set out on pages 81 to 140 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 July 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the Directors

Tan Sri Datuk (Dr.) Abdul Majid Khan

Yeo Ayk Ke

Melaka,

Date: 6 November 2025

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Tan Chun Koon, MIA Membership Number: 25407, being the officer primarily responsible for the financial management of Jaycorp Berhad, do solemnly and sincerely declare that the financial statements set out on pages 81 to 140 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned in the State of Melaka on 6 November 2025.

Tan Chun Koon

Before me:

Shahrizah binti Yahya (M084)

Commissioner for Oath

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF JAYCORP BERHAD
REGISTRATION NO: 199801003663 (459789-X)
(INCORPORATED IN MALAYSIA)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Jaycorp Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 July 2025, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information, as set out on pages 81 to 140.

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

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

We have determined the matter described below to be the key audit matter to be communicated in our report.

Revenue Recognition Refer to Note 20 in the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
Consolidated revenue recorded by the Group during the year amounted to approximately RM164 million. We consider revenue recognition for sale of goods to be a potential cause for higher risk of material misstatement from the perspective of timing of recognition and the amount of revenue recognised. Accordingly, we regarded revenue recognition to be a key audit matter.	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • testing the operating effectiveness of internal controls over the completeness, accuracy and timing of revenue recognised in the financial statements. • reviewing the terms of sales contract to determine the point of transfer of risk and rewards on a sample basis. • testing the recording of sales transactions, revenue cut-off and review of credit notes after year end. • obtaining confirmations and reviewing collections relating to material trade receivables as at financial year end.

Independent Auditors' Report

to the members of Jaycorp Berhad
Registration No: 199801003663 (459789-X)
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

Independent Auditors' Report

to the members of Jaycorp Berhad
Registration No: 199801003663 (459789-X)
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

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

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

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

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

OTHER MATTERS

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

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants
Melaka

Tan Guan Seng
03387/08/2026 J
Chartered Accountant

6 November 2025

LIST OF LANDED PROPERTIES

Registered/ Beneficial Owner	Property	Tenure	Description / Existing Use	Age of Building (years)	Land Area (sq. meter)	Built-up Area (sq. meter)	Net Book Value as at 31 July 2025 RM'000
Jaycorp Trading Sdn Bhd	GM467 Lot No. 3948,	Freehold	Factory & Office Building	34	1,870	3,951	25
	GM241 Lot No. 4027,	Freehold	Factory Building	34	2,920		370
	GM240 Lot No. 4026,	Freehold	Warehouse (Packaging)	29	4,653	3,986	337
	GM242 Lot No. 4028 and	Freehold	Factory Building	28	6,238	5,279	572
	GM243 Lot No. 4029, Mukim of Sungai Rambai, Melaka.	Freehold	Warehouse* (Furniture)	22	2,077	1,431	121
	GM81 Lot 2611, Mukim of Sungai Rambai, Melaka.	Freehold	Car Park, Warehouse & Factory Building	16	21,626	7,664	2,807
Yeo Aik Wood Sdn Bhd	H.S.D. 25808 P.T.D. No. 11656 and H.S.D. 25809 P.T.D. No. 11657, Mukim of Grisek, District of Ledang, Johor Darul Takzim.	Freehold	Industrial Land Factory Building** (Owned by YAHSB)	- 24	11,841 -	- 6,711	800 1,502
	GM475 Lot No. 5376 and	Freehold	Factory Building	28	4,252	2,992	529
	GM714 Lot No. 5803, Mukim of Merlimau, Melaka.	Freehold	Factory Building	28	14,506	7,024	325
	H.S.D. 25805 P.T.D. No. 11653 Mukim of Grisek, District of Ledang, Johor Darul Takzim.	Freehold	Factory Building	23	4,428	2,081	320
	GM156, Lot No. 133, Mukim of Sebatu, Melaka.	Freehold	Agriculture Land	-	8,434	-	97
	H.S.D. 6205 & 6206 P.T. 320 & 321 Mukim Semujuk, Daerah Jasin, Melaka.	99 years leasehold (Expiring on 23.02.2100)	Vacant Industrial Land	-	14,525	-	647
	Lot 11288 H.S.D. 395675 Mukim of Grisek, District of Ledang, Johor Darul Takzim.	Freehold	Factory Building	11	20,209	1,394	1,034
	MCL 2782, Lot 2269, Mukim Merlimau, Jasin Melaka	Freehold	Hostel ***	3	15,479	5,984	1,002

List of Landed Properties

Registered/ Beneficial Owner	Property	Tenure	Description / Existing Use	Age of Building (years)	Land Area (sq. meter)	Built-up Area (sq. meter)	Net Book Value as at 31 July 2025 RM'000
Yeo Aik Hevea (M) Sdn Bhd	Lot PTD No.15024, HSD 25806	Freehold	Factory Building	13	4,463	6,142	2,803
	Lot PTD No.15025, HSD 25807	Freehold	Factory Building	13	5,056		
	Lot PTD No.15018, HSD 25810 Mukim of Grisek, District of Ledang, Johor Darul Takzim.	Freehold	Industrial Land	-	4,290	-	716
Winshine Holdings Sdn Bhd	Plot 331, Lot No. PTD 35104 Title No HSD 38295 Mukim of Simpang Kanan, District of Batu Pahat, Johor Darul Takzim.	60 years leasehold (expiring on 05.10.2057)	Factory Building	29	8,094	5,514	1,801
Winshine Industries Sdn Bhd	Plot 337, Lot No. PTD 37809 Title No HSD 39280	60 years leasehold (expiring on 06.07.2059)	Factory Building	27	9,777	6,919	3,106
	Plot 360, Lot No. PTD 47268, Title No. HSD 55701 Mukim of Simpang Kanan, District of Batu Pahat, Johor Darul Takzim.	60 years leasehold (expiring on 08.10.2066)	Factory and Office Building	27	20,235	14,853	3,873
	Lot No. PTD 31719 Title No Geran 61861 Mukim of Simpang Kanan, District of Batu Pahat, Johor Darul Takzim.	Freehold	Single-Storey Terrace House	29	313	101	56
Jaycorp Green Energy Sdn Bhd	PTD 192374 Title No HSD 442263, Mukim of Plentong, District of Johor Bahru, Johor Darul Takzim.	60 years leasehold (expiring on 19.03.2067)	Factory Building	18	15,700	12,664	4,649
Bongawan Solo Sdn Bhd	Countries lease 025341226, 025341235 & 025341271 located at Kampung Bongawan, District of Papar, Sabah.	Leasehold (expiring on 31.12.2080)	Agriculture land	-	1,600,200	-	19,300

List of Landed Properties

Registered/ Beneficial Owner	Property	Tenure	Description / Existing Use	Age of Building (years)	Land Area (sq. meter)	Built-up Area (sq. meter)	Net Book Value as at 31 July 2025 RM'000
Instyle Sofa Sdn Bhd	Lot PTD No.11668, HS(D) 25820	Freehold	Industrial Land	-	8,488	-	1,037
			Factory Building	21	-	6,041	2,001
	Lot PTD No.11660, HS(D) 25812	Freehold	Industrial Land	-	4,843	-	484
			Factory Building	16	-	2,185	1,213
	Lot PTD No.11697, HS(D) 25849	Freehold	Industrial Land	-	2,888	-	342
			Factory Building	16	-	1,115	505
	Lot PTD No.11661, HS(D) 25813	Freehold	Industrial Land	-	3,322	-	467
			Factory Building	15	-	1,678	1,278
	Lot PTD No.11662, HS(D) 25814	Freehold	Industrial Land	-	4,027	-	566
			Factory Building	14	-	2,025	1,162
	PTD11733, No.13 Taman Utama Grisek	Freehold	Double Storey Terrace	16	211	76	133
	PTD11732, No.14 Taman Utama Grisek Mukim of Grisek, District of Ledang, Johor Darul Takzim.	Freehold	Double Storey Terrace	16	211	76	136

Notes:

- * Warehouse owned by Yeo Aik Wood Sdn Bhd is constructed on the piece of industrial land owned by Jaycorp Trading Sdn Bhd
- ** Factory building owned by Yeo Aik Hevea (M) Sdn Bhd is constructed on the piece of industrial land owned by Yeo Aik Wood Sdn Bhd
- *** Hostel building owned by Yeo Aik Wood Sdn Bhd is constructed on the piece of MCL land owned by Md Noh Bin Md Yasin. The tenancy agreement signed for 15 years expire on 29 February 2036, with an option to renew for a further period of 5 years

ANALYSIS OF SHAREHOLDINGS

AS AT 24 OCTOBER 2025

Number of Shares Issued : 274,500.000 ordinary shares (inclusive treasury shares)
 Class of Shares : Ordinary shares
 Voting Rights : One Vote Per Ordinary Share
 No. of shareholders : 4,742

DISTRIBUTION OF SHAREHOLDINGS

Category	No. of Shareholders	No. of Shares*	%*
1 to 99	113	3,638	0.001
100 to 1,000	1,139	381,574	0.142
1,001 to 10,000	2,208	11,127,550	4.153
10,001 to 100,000	1,134	34,142,692	12.741
100,001 to less than 5% of issued shares	146	99,765,346	37.230
5% and above of issued shares	2	122,550,000	45.733
Total	4,742	267,970,800	100.000

Note:

* Exclusive of 6,529,200 treasury shares retained by the Company as at 24 October 2025.

LIST OF SUBSTANTIAL SHAREHOLDINGS

No.	Name	Direct		Indirect	
		No. of Shares	%*	No. of Shares	%*
1.	JAWALA CORPORATION SDN BHD	62,000,000	23.14	-	-
2.	CENTRAL GLAMOUR SDN BHD	60,550,000	22.60	-	-
3.	TAN SRI DATUK (DR.) ABDUL MAJID KHAN	-	-	62,000,000 [^]	23.14
4.	DATUK JEMA ANTON KHAN	-	-	62,000,000 [^]	23.14

Notes :

* Exclusive of 6,529,200 treasury shares retained by the Company as at 24 October 2025.

[^] Deemed interest by virtue of Section 8 of the Companies Act 2016 ("Act"), through his shareholding in Jawala Corporation Sdn Bhd.

DIRECTORS' INTERESTS IN SHARES

No.	Name	Direct		Indirect	
		No. of Shares	%*	No. of Shares	%*
1.	TAN SRI DATUK (DR.) ABDUL MAJID KHAN	-	-	62,000,000 ^{^1}	23.14
2.	YEO AYK KE	3,195,600	1.19	95,500 ^{^2}	0.04
3.	YEO AIK TAN	1,479,186	0.55	9,739,200 ^{^3}	3.63
4.	LIM POH TEOT	6,568,450	2.45	-	-
5.	MUAZ BIN JEMA ANTON KHAN	-	-	-	-
6.	NADJA BINTI JEMA KHAN	-	-	-	-
7.	BIANCA DANIELLA LIND	-	-	-	-
8.	IVAN OH BOON WEE	-	-	-	-
9.	PATRICIA UBING @ MAGDALENE EDWARD	-	-	-	-

Notes :

* Exclusive of 6,529,200 treasury shares retained by the Company as at 24 October 2025.

^{^1} Deemed interest by virtue of Section 8 of the Act, through his shareholding in Jawala Corporation Sdn Bhd.

^{^2} Deemed interest by virtue of shares registered in the name of his spouse, On Yin Choo.

^{^3} Deemed interest by virtue of Section 8 of the Act, through his shareholding in NCCT Resources Sdn Bhd.

Analysis of Shareholdings

As at 24 October 2025

LIST OF TOP 30 SHAREHOLDERS/DEPOSITORS

NO.	NAME	HOLDINGS	%
1	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR JAWALA CORPORATION SDN BHD (PB)	62,000,000	23.137
2	CENTRAL GLAMOUR SDN BHD	60,550,000	22.596
3	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR UBS AG SINGAPORE (FOREIGN)	10,000,000	3.732
4	NCCT RESOURCES SDN BHD	9,739,200	3.634
5	LIM PEI TIAM @ LIAM AHAT KIAT	7,000,000	2.612
6	IFAST NOMINEES (TEMPATAN) SDN BHD LIM POH TEOT	6,568,450	2.451
7	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SIEW BOOY (MY0267)	4,866,400	1.816
8	SIM PECK LING	4,601,894	1.717
9	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHUAH SWEE HUAT (E-KLC)	4,255,300	1.588
10	YEO AYK KE	3,195,600	1.193
11	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YOUNG CHUAN KIM (E-KTU)	3,000,000	1.120
12	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN SIEW BOOY (MY3908)	2,240,000	0.836
13	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM PAY KAON	1,713,400	0.639
14	SIAH LEE CHU	1,536,900	0.574
15	THONG THYE SIANG SDN BHD	1,457,000	0.544
16	YEO AIK TAN	1,429,186	0.533
17	QUALITY FURNITURE SDN BHD	1,395,400	0.521
18	YEH INTERNATIONAL SERVICES CORPORATION SDN BHD	1,250,000	0.466
19	CHIN SAU CHAN	1,249,400	0.466
20	QR FURNITURE SDN BHD	1,093,500	0.408
21	NG POH ANN	1,061,600	0.396
22	ROBERT TAN	1,025,000	0.383
23	KAM KIT ENGINEERING SDN BHD	1,000,000	0.373
24	LIM PAY KAON	1,000,000	0.373
25	NG POH SUAN	977,500	0.364
26	KENANGA NOMINEES (TEMPATAN) SDN BHD CHIA LAI JOO	905,064	0.338
27	YEO YEK MENG	881,684	0.329
28	SOLID ARCH SDN BHD	785,000	0.293
29	NG POH HEE	757,000	0.282
30	OU YANG SONG SENG	639,300	0.239
	TOTAL:	198,173,778	73.953

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Seventh (“27th”) Annual General Meeting (“AGM”) of the members of the Company will be held at Meeting Room 3, Level 2, Holiday Inn Melaka, Jalan Syed Abdul Aziz, 75000 Melaka, Malaysia on Friday, 12 December 2025 at 10.30 a.m. for the following purposes:

AS ORDINARY BUSINESS

- | | | |
|----|--|-------------------------------|
| 1. | To receive the Audited Financial Statements of the Company for the financial year ended 31 July 2025 together with the Directors’ and Auditors’ Reports thereon. | Please refer to Note 1 |
| 2. | To approve the payment of Directors’ Fees and Benefits payable to the Directors up to RM1,191,000 from 1 August 2025 until the next AGM. | Ordinary Resolution 1 |
| 3. | To re-elect the following Directors who retire by rotation pursuant to Clause 125 of the Company’s Constitution and being eligible, have offered themselves for re-election: | |
| | (i) Muaz bin Jema Anton Khan; | Ordinary Resolution 2 |
| | (ii) Ivan Oh Boon Wee; and | Ordinary Resolution 3 |
| | (iii) Patricia Ubing @ Magdalene Edward | Ordinary Resolution 4 |
| 4. | To re-appoint Crowe Malaysia PLT as Auditors of the Company until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 5 |

AS SPECIAL BUSINESS

To consider, and if thought fit, to pass the following Resolutions:

- | | | |
|----|--|------------------------------|
| 5. | AUTHORITY TO ISSUE SHARES BY THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 (“ACT”) | Ordinary Resolution 6 |
|----|--|------------------------------|

THAT subject always to the Constitution of the Company, the Act, the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental/regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot new ordinary shares in the Company (“Shares”) to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time (“Mandate”) AND the Directors be and also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities AND such authority shall continue in force until the conclusion of the next AGM of the Company held next after the approval was given or at the expiry of the period within which the next AGM is required to be held after the approval was given, whichever is the earlier.

AND THAT the new Shares to be issued pursuant to the Mandate, shall, upon issuance and allotment, rank *pari passu* in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new Shares.”

Notice of Annual General Meeting

6. **PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE**

Ordinary Resolution 7

"THAT the Company and/or its subsidiaries and joint venture companies ("the Group") be and is/ are hereby authorised to enter into all arrangements and/or transactions involving the interests of Directors, Major Shareholders or persons connected with Directors and/or Major Shareholders of the Group ("Related Parties") as specified in Section 2.3 of the Circular to Shareholders dated 20 November 2025 ("Circular"), provided that such arrangements and/or transactions are:

- (i) recurrent transactions of a revenue or trading nature;
- (ii) necessary for the Group's day-to-day operations;
- (iii) carried out in the ordinary course of business on normal commercial terms not more favourable to the Related Parties than those generally available to the public; and
- (iv) not detrimental to the minority shareholders;

('Recurrent Related Party Transactions ("RRPT") Mandate');

AND THAT the RRPT Mandate, unless revoked or varied by the Company in general meeting, shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier;

AND THAT the Directors be and are hereby authorised to complete and do all such acts and things as they may consider expedient or necessary or in the interest of the Company to give effect to the RRPT Mandate."

7. **PROPOSED RENEWAL OF AUTHORITY FOR THE COMPANY TO PURCHASE ITS OWN SHARES ("PROPOSED RENEWAL OF AUTHORITY FOR SHARE BUY-BACK")**

Ordinary Resolution 8

"THAT subject to the Act, the Constitution of the Company, the Listing Requirements of Bursa Securities and the approval of all relevant governmental and/or regulatory authorities (if any), the Company be and is hereby authorised to utilise an amount not exceeding the total retained profits available for dividend, for the purpose of and to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased and/or held pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company;

THAT an amount not exceeding the retained profits account be allocated by the Company for the proposed share buy-back;

THAT authority be and is hereby given to the Directors of the Company to decide at their absolute discretion to either retain the shares so purchased as treasury shares (as defined in Section 127 of the Act) and/or to cancel the shares so purchased and if retained as treasury shares, may resell the treasury shares and/or to distribute them as share dividend and/or subsequently cancel them."

8. To transact any other business of which due notice shall have been given.

BY ORDER OF THE BOARD

TEA SOR HUA (MACS 01324) (SSM PC NO.: 201908001272)

LEE SIEW FUN (MAICSA 7063623) (SSM PC NO.: 202008000735)

Company Secretaries

Dated this: 20 November 2025

Petaling Jaya, Selangor Darul Ehsan

Notice of Annual General Meeting

Notes:

1. This Agenda is meant for discussion only as under the provisions of Section 340(1)(a) of the Act, the Audited Financial Statements do not require formal approval of the shareholders. As such this item on the Agenda is not put forward for voting.
2. For the purpose of determining a member who shall be entitled to attend, speak and vote at the AGM, the Company shall be requesting the Record of Depositors as at 5 December 2025. Only a depositor whose name appears on the Record of Depositors as at 5 December 2025 shall be entitled to attend the Meeting or appoint proxies to attend and vote on his/her stead.
3. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A member may appoint up to two (2) proxies to attend the same meeting provided that he/she specifies the proportion of his/her shareholding to be represented by each proxy. A proxy may but need not be a member of the Company.
4. Where a member is an authorised nominee as defined under the Security Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
5. A member who is an exempt authorised nominee is entitled to appoint multiple proxies for each omnibus account it holds.
6. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under the Corporation's Common Seal or under the hand of an officer or attorney so authorised.
7. The Proxy Form must be deposited at the office of the Poll Administrator, Boardroom Share Registrars Sdn Bhd of 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia or submitted via email to BSR.Helpdesk@boardroomlimited.com, not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.
8. All resolutions set out in this Notice of AGM will be put to vote by way of poll pursuant to Bursa Securities' Listing Requirements.
9. **Explanatory Notes:**

Ordinary Resolution 1 on Directors' Fees and Benefits

Section 230(1) of the Act provides that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, shareholders' approval shall be sought at the 27th AGM on the Directors' Fees and Benefits under Resolution 1.

The Directors' Benefits comprise meeting allowance payable to Directors for each day of attending meeting.

In the event that the Directors' Fees and Benefits payable during the above period exceed the estimated amount sought at the forthcoming 27th AGM of the Company, shareholders' approval will be sought at the next AGM for the additional amount to meet the shortfall.

Notice of Annual General Meeting

9. Explanatory Notes: (continued)

Ordinary Resolution 6 pursuant to Sections 75 and 76 of the Act

The proposed adoption of Ordinary Resolution 6 is for the purpose of seeking a renewal for the general mandate to empower the Directors of the Company pursuant to Sections 75 and 76 of the Act, from the date of the Meeting, to allot ordinary shares of not more than ten per centum (10%) of the total number of issued share of the Company for such purposes as the Directors of the Company consider would be in the interest of the Company. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next AGM of the Company.

This authority will provide flexibility and enable the Directors to take swift action for allotment of shares for any possible fund-raising activities, including but not limited to further placement of shares for purpose of funding future investment project(s), working capital and/or acquisition(s) and to avoid delay and cost in convening general meetings to approve such issue of shares.

As at the date of this Notice, no new shares in the Company were issued under the provision of the general mandate granted to the Directors at the Twenty-Sixth AGM held on 12 December 2024, which will lapse at the conclusion of the 27th AGM. Hence, no proceeds were raised therefrom.

Ordinary Resolution 7 on Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

This resolution is primarily to give flexibility to the Board of Directors to enter into recurrent related party transactions of a revenue or trading nature with the Directors/Major Shareholders or persons connected with the Directors/Major Shareholders ("Renewal RRPT Mandate").

Further information of Renewal RRPT Mandate is contained in the Circular to Shareholders dated 20 November 2025.

Ordinary Resolution 8 on Proposed Renewal of Authority for Share Buy-Back

This resolution will empower the Directors of the Company to purchase the Company's shares up to ten per centum (10%) of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the total retained profits of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company.

Further information on the Proposed Renewal of Share Buy-Back is set out in the Share Buy-Back Statement dated 20 November 2025.

STATEMENT ACCOMPANYING THE NOTICE OF ANNUAL GENERAL MEETING

Details of the Directors who are standing for re-election at this AGM can be found on pages 9 to 11 – Directors' Profile in the Company's Annual Report 2025.

Muaz bin Jema Anton Khan, Ivan Oh Boon Wee and Patricia Ubing @ Magdalene Edward, are retiring in accordance with Clause 125 of the Constitution of the Company and being eligible for re-election at the forthcoming 27th AGM.

Personal Data Privacy:

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

**JAYCORP BERHAD**

(Registration No. 199801003663 (459789-X))
(Incorporated in Malaysia)

PROXY FORM

(Before completing this form please refer to the notes below)

CDS Account No.	
No. of Shares Held	

I/We * NRIC No./Passport No./Registration. No. *
(Full name in Block)

of
(Full Address)

with Email Address : Mobile Phone No.:

being a member/members* of **JAYCORP BERHAD** ("the Company") hereby appoint(s):

Full Name (in Block) :	NRIC No./Passport No. :	Proportion of Shareholdings	
		No. of Shares	Percentage (%)
Full Address :			
Email Address :			
Mobile Phone No. :			

and/or*

Full Name (in Block) :	NRIC No./Passport No. :	Proportion of Shareholdings	
		No. of Shares	Percentage (%)
Full Address :			
Email Address :			
Mobile Phone No. :			

or failing him/her, the Chairman of the Meeting as *my/our proxy to attend, speak and vote for *my/our behalf at the Twenty-Seventh Annual General Meeting ("AGM") of the Company to be held at Meeting Room 3, Level 2, Holiday Inn Melaka, Jalan Syed Abdul Aziz, 75000 Melaka, Malaysia on Friday, 12 December 2025 at 10.30 a.m. or any adjournment thereof in the manner as indicated below:

RESOLUTIONS RELATING TO:		FIRST PROXY		SECOND PROXY	
		FOR	AGAINST	FOR	AGAINST
ORDINARY RESOLUTION					
1.	Approval on the payment of Directors' Fees and Benefits payable to the Directors up to RM1,191,000 from 1 August 2025 until the next AGM.				
2.	Re-election of Muaz bin Jema Anton Khan who retires in accordance with Clause 125 of the Constitution of the Company.				
3.	Re-election of Ivan Oh Boon Wee who retires in accordance with Clause 125 of the Constitution of the Company.				
4.	Re-election of Patricia Ubing @ Magdalene Edward who retires in accordance with Clause 125 of the Constitution of the Company.				
5.	Re-appointment of Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.				
6.	Authority to issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.				
7.	Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature.				
8.	Proposed renewal of authority for share buy-back.				

Please indicate with an "X" in the space provided how you wish your vote to be cast. If no instruction as to voting is given, the proxy will vote or abstain from voting at his/her discretion.

Signature of Shareholder(s)/Common Seal

Dated this day of 2025

* Strike out whichever is not applicable.



Notes:

1. For the purpose of determining a member who shall be entitled to attend, speak and vote at the AGM, the Company shall be requesting the Record of Depositors as at 5 December 2025. Only a depositor whose name appears on the Record of Depositors as at 5 December 2025 shall be entitled to attend the Meeting or appoint proxies to attend, speak and vote on his/her behalf.
2. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his/her stead. A member may appoint up to two (2) proxies to attend the same meeting provided that he/she specifies the proportion of his/her shareholding to be represented by each proxy. A proxy may but need not be a member of the Company.
3. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
4. Where a member is an exempt authorised nominee, it may appoint multiple proxies for each omnibus account it holds.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under the Corporation's Common Seal or under the hand of an officer or attorney so authorised.
6. The Proxy Form must be deposited at the office of the Poll Administrator, Boardroom Share Registrars Sdn Bhd of 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia or submitted via email to BSR.Helpdesk@boardroomlimited.com, not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.
7. All resolutions set out in this Notice of AGM will be put to vote by way of poll pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad.
8. By submitting the duly executed Proxy Form, a member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for this meeting and any adjournment thereof.

Fold Here

AFFIX
STAMP

The Poll Administrator
JAYCORP BERHAD
(Registration No. 199801003663 (459789-X))
C/O BOARDROOM SHARE REGISTRARS SDN BHD
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13
46200 Petaling Jaya, Selangor, Malaysia

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