VERSATILE CREATIVE BERHAD
REGISTRATION NO: 200301001350 (603770-D)

2026 ANNUAL REPORT

TABLE OF CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Tan Sri Dato' Seri Mohd Shariff Bin Omar
Chairman,
Independent Non-Executive Director

Khat Chee How
Executive Director

Lim Siew Yeng
Executive Director

Loh Teck Wah
Executive Director

Chen Chuen Sum
Non-Independent Non-Executive Director

Dato' Sri Wira Ayub Bin Yaakob
Independent Non-Executive Director

Maggie Then
Independent Non-Executive Director

COMPANY SECRETARY

Mak Chooi Peng
(MAICSA 7017931)
SSM PC NO. 201908000889

AUDIT COMMITTEE

Maggie Then
Chairman

Tan Sri Dato' Seri Mohd Shariff Bin Omar
Member

Dato' Sri Wira Ayub Bin Yaakob
Member

NOMINATION COMMITTEE

Dato' Sri Wira Ayub Bin Yaakob
Chairman

Chen Chuen Sum
Member

Maggie Then
Member

REMUNERATION COMMITTEE

Maggie Then
Chairman

Dato' Sri Wira Ayub Bin Yaakob
Member

Chen Chuen Sum
Member

AUDITORS

Grant Thornton Malaysia PLT
(AF 0737)
(Member of Grant Thornton International Ltd)
Chartered Accountant
Level 11, Sheraton Imperial Court
Jalan Sultan Ismail
50250 Kuala Lumpur, Malaysia
Tel No: +603 - 2692 4022
Fax No: +603 - 2732 5119

STOCK EXCHANGE LISTING

**Main Board of Bursa Malaysia
Securities Berhad**

Stock Code: 4995
Stock Name: VERSATL

REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No.8 Jalan Kerinchi
59200 Kuala Lumpur
Tel No: +603 - 2783 9299
Fax No: +603 - 2783 9222
Email: is.enquiry@my.tricorglobal.com

REGISTERED OFFICE

Unit 2005, 20th Floor
Tower 2, Faber Towers
Jalan Desa Bahagia, Taman Desa
58100 Kuala Lumpur
Tel No: +603 – 8084 3751
Email: cpmak@aconas.com.my

CORPORATE OFFICE

Lot 30745, Jalan Pandan Indah
Pandan Indah
55100 Kuala Lumpur
Tel No: +603 - 4292 1288
Fax No: +603 - 4294 2388
Email: corporate.vcb@vc-b.com.my

PRINCIPAL BANKERS

RHB Bank Berhad
Hong Leong Bank Berhad
Public Bank Berhad
Affin Bank Berhad
Ambank (M) Berhad
United Overseas Bank Berhad
Al-Rajhi Banking & Investment Corporation Berhad

SOLICITOR

Rose Hussin Advocates & Solicitors

CORPORATE PROFILE

About Us

Versatile Creative Berhad ("VCB") is a public company listed on the Main Market of Bursa Malaysia Securities Berhad. The principal activities of the Group consist of those relating to manufacturing and trading of paper and plastic packaging products, wholesale and retail grocery business and other grocery related businesses.

Being in the industry for more than 25 years, VCB continues to take pride in serving a majority of major companies from various industries in and around the region.

Our commitment in being the one-stop printing and packaging solutions provider is proven by our multitude of services, which ranges from product conceptualisation and design, to the finished product, warehousing and logistics.

Currently, our client base reads like a "Who's Who" in the industry, including major Fast-Moving Consumer Goods players such as, Malaysia Milk, Mamee and Danone; well-known pharmaceutical such as, Meditop; automotive Yokohama, SKF; Food & Beverage players, namely, QSR, The Coffee Bean & Tea Leaf, Baba's, and Quality Coils from the general consumer sector. Regionally, we also work with Medzah in the United States of America, KFC in Mongolia and SKF in China.

Through the years, we have established ourselves as a major player in the region. Whilst fulfilling their many needs, our track record in customer service has encouraged clients to stay on and keep working with us. From Versatile Creative Plastic Sdn Bhd being the main yogurt tub supplier and Versatile Paper Boxes Sdn Bhd as the pioneer of the laminated corrugated box, our clients continue to seek our expert service as they are confident in our reliability, and we have earned their trust with our outstanding products and services.

CORPORATE PROFILE
(Cont'd)

The Group's Manufacturing and Color Separation and printing operation are currently carried out by the following subsidiary companies:

VERSATILE PAPER BOXES SDN. BHD.
Registration No: 198201013736 (93498-D)

We are one of the country's leading manufacturers of paper and cardboard packaging products, and the first company to acquire the German-made Heidelberg Speedmaster CD 5-colour offset printing machine complete with computerised quality and register control system. We specialise in the production of offset printed cartons; laminated, corrugated, and die-cut boxes. We serve various clients from different industries such as Ansell, SKF, WRP, and QSR, and will continue to grow and gain quality standards throughout the industry. Versatile Paper Boxes Sdn. Bhd. is certified with ISO 9001:2015, ISO14001:2015, FSSC 22000:V6 and FSC CoC. Versatile Paper Boxes Sdn. Bhd. is also a member of SEDEX.

VERSATILE CREATIVE PLASTIC SDN. BHD.
Registration No: 198501012620 (145075-W)

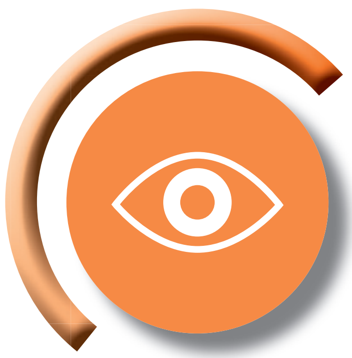
We are the country's leading manufacturer of food-grade plastic packaging products, certified with FSSC 22000: v6 ISO9001:2015 and HACCP. Our specialisation is in injection molding. By investing in and utilising the state-of-the-art machines and precision molds, we were able to produce our worldwide patented combo lids, dairy scoops, chilled food tubs and lids, and noodle cups. We also provide our clients with product design and packaging consultations.

IMAGESCAN CREATIVE SDN. BHD.
Registration No: 199201013273 (244776-A)

We are one of the industry's most trusted names in colour separation and an award winner of the Epson Award for Best in Digital Colour Proofing at the Asian Print Award 2004. We offer services ranging from printing, high resolution scanning and inkjet proofing to desktop publishing, synology backup and media digital transmission.

CORPORATE PROFILE
(Cont'd)

OUR VISION



We strive to be an outstanding and preferred global supplier of innovative, versatile, cost-effective, and the best delivery and products to all our customers.

OUR MISSION

- To be acknowledged as an outstanding and preferred supplier of packaging materials, and recognised as such by customers, suppliers and employees.
- To research and develop products that will bear the "Versatile" name, instead of only providing services.
- To achieve profitability, cost-control and efficiency so to meet the aspiration of shareholders, employees, and customers.
- To have a team of professional, loyal, and dedicated managers to lead the company for further growth, expansion and continuous improvement.
- To have a team of motivated and well-trained workforce with a fair rewarding system, and a safe, clean, harmonious, and conducive working environment.
- To be a responsible corporate citizen towards the community and the environment.

CORPORATE PROFILE
(Cont'd)

The Group's trading, wholesale and retail grocery business and other grocery related businesses are currently carried out by the following subsidiary companies:

VN TRADING SDN. BHD.
Registration No: 202001034331 (1390652-V)

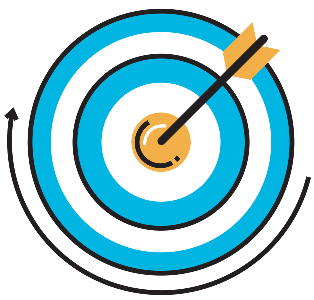
VN Trading Sdn. Bhd. ("VN Trading") was incorporated pursuant to a Collaboration Agreement entered into between the Company and NSK Trading Sdn. Bhd. on 20 October 2020 to jointly undertake trading, wholesale and retail grocery business. VN Trading is 51% owned by the Group. The subsidiary companies of VN Trading are as follows:

- **NSK Grocer (KL) Sdn. Bhd.** was incorporated on 27 January 2021 to carry on the business as an operator of supermarkets and hypermarkets, wholesaler, retailer, online retailer, importer, exporter, buyer, seller, dealer, distributor and food processing, packaging of all types of consumer products, goods, merchandise, produce, foodstuffs and commodities.
- **Oriental Mart Sdn. Bhd.** was incorporated on 12 July 2022 to carry on the business as an operator of supermarkets and hypermarkets, wholesaler, retailer, online retailer, importer, exporter, buyer, seller, dealer, distributor, food processing and packaging of non-halal grocery, liquor & wine business and general trading for food and beverages.
- **Winetopia Sdn. Bhd.** was incorporated on 27 April 2023 to carry on the business of retailing and trading of wine and liquor.
- **Cheers Hub Sdn. Bhd.** was incorporated on 28 June 2023 to carry on the business of retail sale of alcoholic beverages and liquor, vintry, wine bar, restaurant and cafe.

OUR VISION

To be Malaysian preferred fresh grocer.

OUR MISSION



Offering comfortable shopping experience and comprehensive range of quality products at affordable prices.

CHAIRMAN'S STATEMENT

DEAR VALUED SHAREHOLDERS,

"ON BEHALF OF THE BOARD OF DIRECTORS ("THE BOARD") OF VERSATILE CREATIVE BERHAD ("VCB") AND ITS SUBSIDIARIES ("THE GROUP"), I AM PLEASED TO PRESENT THE ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026 ("FYE2026")"

CHAIRMAN'S STATEMENT
(Cont'd)

FYE2026 was characterised by a dynamic operating environment influenced by geopolitical uncertainties, cost volatility and evolving consumer spending patterns. Despite these challenges, the Group remained resilient through prudent financial management, disciplined cost controls and operational efficiency across its businesses.

The Grocery Division continued to be the Group's primary growth driver, supported by stable demand for essential consumer goods and the continued strengthening of its retail operations. Meanwhile, the Manufacturing Division remained focused on operational efficiency, customer service and cost optimisation amid softer market demand.

Throughout the year, the Group also strengthened its sustainability governance and reporting practices, reflecting our commitment to responsible business conduct and long-term value creation. Climate-related considerations and sustainability matters continue to be integrated into our business planning and risk management processes.

Looking ahead, the Board remains cautiously optimistic. While external uncertainties are expected to persist, we believe the Group is well-positioned to navigate future challenges through its diversified business model, operational discipline and commitment to sustainable growth.

Grocery Division: Expanding Consumer Reach

The Grocery Division remained a key growth driver for the Group during the year, contributing RM419.88 million or 92.58% of the Group's total revenue. With ten (10) strategically located outlets across the Klang Valley, the division continued to benefit from stable domestic demand for essential food items, particularly within urban markets.

Despite inflationary pressures and more value-conscious consumer spending, the division prioritised the consistent availability of fresh products while enhancing the overall in-store experience. Through a continued focus on product quality, competitive pricing and customer satisfaction, store operations were further strengthened to enhance the shopping experience and support sales growth.

During the year, the Group strengthened its long-term retail platform and operational footprint through the acquisition of a retail property located at Plaza Pelangi Astana, Petaling Jaya, by its 51% owned subsidiary, NSK Grocer (KL) Sdn. Bhd. This strategic investment enhances the Group's asset base and supports its future expansion plans by securing a suitable location for retail operations while reducing reliance on leased premises. The acquisition reflects the Group's commitment to strengthening its market presence, enhancing operational flexibility and creating sustainable long-term value for shareholders.

Looking ahead, the Grocery Division is expected to remain a key growth pillar for the Group. The division will continue to focus on enhancing operational efficiency, reinforcing its presence in high-potential urban locations and positioning the business to capture future growth opportunities within the grocery retail market.

Manufacturing Division: Driving Efficiency and Innovation

The Manufacturing Division, comprising the Paper Products and Plastics Products Divisions, recorded revenue of RM33.11 million for the financial year, compared to RM38.98 million in the preceding year. The decline was primarily attributable to softer demand from domestic customers, as well as the downsizing exercise and discontinuation of certain unprofitable product lines within the Plastics Products Division during the year.

As part of the Group's strategic initiatives to optimise resources and enhance operational efficiency, the Plastics Products Division underwent a comprehensive restructuring and relocation of its operations during the financial year. Although the exercise temporarily affected production capacity and revenue contribution during the transition period, the Division demonstrated resilience by achieving improved profit margins through disciplined cost management, enhanced operational efficiencies, and a leaner operating structure. These initiatives have strengthened the Division's operational foundation, positioning it for greater efficiency, competitiveness, and sustainable growth in the years ahead. The Group also continued to implement cost containment measures, optimise production processes and review material utilisation across its manufacturing operations. These efforts were directed towards managing costs, maintaining product quality and ensuring timely delivery to customers.

CHAIRMAN'S STATEMENT
(Cont'd)

Despite the challenging market conditions and softer demand environment, the Manufacturing Division remained focused on operational discipline, customer service and continuous improvement. The Group continues to strengthen customer relationships, actively pursue opportunities to expand its customer base and enhance its operational capabilities. These efforts are aimed at reinforcing the Division's resilience, improving competitiveness and supporting sustainable long term growth and performance.

Sustainability Commitment and forward strategy

We view sustainability as an integral part of our long-term business success. Across our operations, we continue to embed responsible business practices, whether through improving resource efficiency, strengthening governance standards or promoting responsible sourcing within our retail operations. Our objective is to create sustainable value for stakeholders while balancing economic growth with environmental and social responsibilities.

During the year, the Group continued to strengthen its sustainability governance and reporting practices, including the management of climate-related risks and opportunities. The management of the Group's 11 material sustainability matters is discussed in this year's Sustainability Statement, reflecting our commitment to transparency, stakeholder engagement and long-term value creation.

Appreciation

The Board and I are proud of Team Versatile and their demonstration of teamwork and relentless efforts towards outstanding results for the Group for FYE 2026. On that note, and on behalf of the Board, I would also like to express our sincere appreciation to Team Versatile for their resilience and dedication.

My warmest regards are also extended to our shareholders, esteemed customers and suppliers, financial institutions and other stakeholders for their continued support and confidence in the Group. I believe that team Versatile, with the guidance of the Board and support from the management, will prevail in strengthening the adoption of various initiatives for sustainability to meet standards and demand, thus enhancing a sustainable future for the Group moving forward. May we continue to work together and strive forward to reach for more opportunities and achieve business growth and success for the betterment of the Group in the coming years.

Tan Sri Dato' Seri Mohd Shariff Bin Omar
Independent Non-Executive Chairman

22 July 2026

PROFILE OF DIRECTORS

Tan Sri Dato' Seri Mohd Shariff Bin Omar

Chairman,
Independent Non-Executive Chairman
Malaysian, Male, Age 79

Tan Sri Dato' Seri Mohd Shariff Bin Omar was appointed to the Board of Directors of Versatile Creative Berhad ("Board") on 30 August 2018 as an Independent Non-Executive Director. He was subsequently appointed as Chairman of the Board on 25 October 2018. He is also a member of the Audit Committee of the Company.

Tan Sri holds a Bachelor's Degree in Economics majoring in Rural Development, University Malaya. He began his career in civil service in 1972 as the Assistant District Officer of Pekan, Pahang and continued to serve the State of Perak and Penang until 1982. His political career started when he won the State Seat of Sungai Dua in the 1982 General Election. He then served as a member of Penang State Legislative EXCO from 1982 until 1990, and was subsequently appointed as the Parliamentary Secretary for Ministry of Agriculture in 1990 until 1995. Between 1995 and 1999, he was appointed as Deputy Chief Minister of Penang. He returned as a Member of Parliament for another 2 terms from 1999 until 2008, and during that period he was appointed as Deputy Minister of Agriculture and Agro-Based Industry.

Tan Sri is also a Director of Serba Dinamik Holdings Berhad (In liquidation). He has no family relationship with any directors and/or substantial shareholders of the Company. He does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years other than traffic offences, if any, as well as any public sanction or penalty imposed by the relevant regulatory bodies.

PROFILE OF DIRECTORS
(Cont'd)

KHAT CHEE HOW

Executive Director and Key Management
Malaysian, Male, Age 41

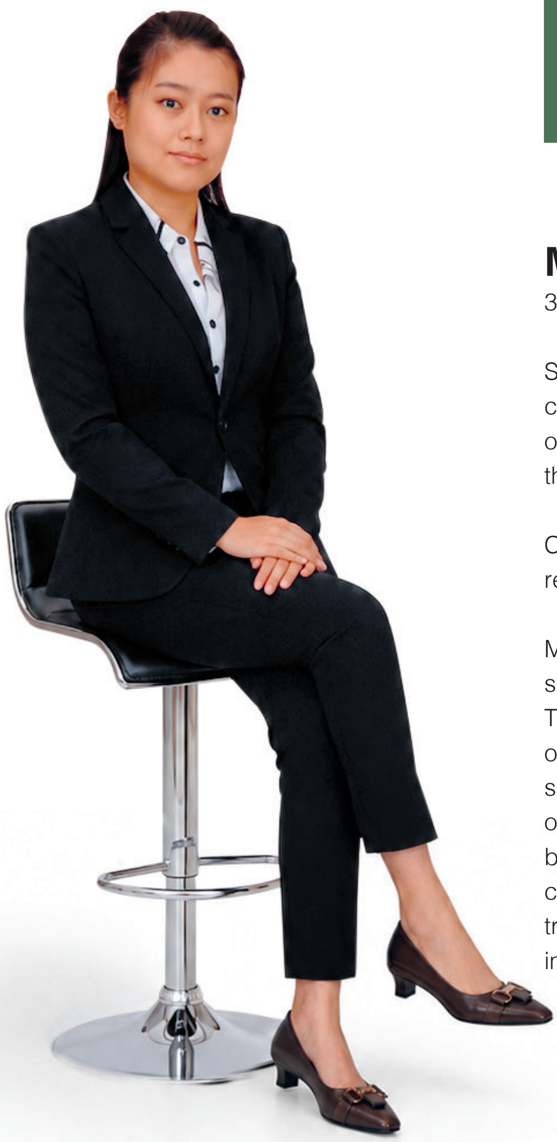
Mr. Khat Chee How was appointed to the Board on 30 August 2018 as an Executive Director.

He holds a Bachelor's Degree in Business Administration (Honours) and is a member of the Malaysian Institute of Chartered Secretaries and Administrators. Mr. Khat has more than 10 years of working experience particularly in corporate planning, fund raising, corporate secretarial, investors relation activities, tax planning, financial management and risk management in various industries and mainly attached to the corporate office of public listed companies.

He is also the key management of the Group principally involved in corporate matters and the Manufacturing Division.

Mr. Khat has no other directorship in any public or listed companies but holds directorships in the Company's subsidiary companies. He has no family relationship with any director and/or substantial shareholder of the Company. He does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years other than traffic offences, if any, as well as any public sanction or penalty imposed by the relevant regulatory bodies.

PROFILE OF DIRECTORS
(Cont'd)



LIM SIEW YENG

Executive Director and Key Management
Malaysian, Female, Age 35

Ms. Lim Siew Yeng was appointed to the Board on 30 August 2018 as an Executive Director.

She holds a Diploma in Advertising Design. Ms. Lim started her career in 2013 and holds various managerial posts in sales, operations, cash and inventory management in both the retail and the food and beverage industries.

Currently, Ms. Lim is also the key management principally responsible for the Grocery Division of the Group.

Ms. Lim is the daughter of Mr. Lim Chou Bu, who is a major shareholder of the Company through his interest held in NSK Trading Sdn. Bhd. She has no other directorship in any public or listed companies but holds directorships in the Company's subsidiary companies. She does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. She has not been convicted of any offence within the past five (5) years other than traffic offences, if any, as well as any public sanction or penalty imposed by the relevant regulatory bodies.

PROFILE OF DIRECTORS
(Cont'd)

LOH TECK WAH

Executive Director and Key Management
Malaysian, Male, Age 53

Mr. Loh Teck Wah was appointed to the Board on 22 November 2018 as an Independent Non-Executive Director. He was subsequently redesignated as an Executive Director of the Company on 25 June 2020.

He holds a Degree in Accounting and Finance from Middlesex University, United Kingdom. Mr. Loh started his career in banking since 1996. He rose from a junior officer position to his final position of vice president in a local financial institution before he left the banking industry to venture into his own business in fund raising consultancy services, corporate advisory services, equity and property investment and food & beverage distribution.

He is also the key management of the Group. Since joining the Group, Mr. Loh has been responsible for establishing and leading the Grocery Division from its inception. He has led the rapid expansion of the Grocery Division into a multi-store retail grocery network, establishing it as the Group's primary growth driver.

Mr. Loh has no other directorship in any public or listed companies but holds directorships in the Company's subsidiary companies. He has no family relationship with any director and/or substantial shareholder of the Company. He does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years other than traffic offences, if any, as well as any public sanction or penalty imposed by the relevant regulatory bodies.

PROFILE OF DIRECTORS
(Cont'd)

DATO' SRI WIRA AYUB BIN YAAKOB

Independent Non-Executive Director
Malaysian, Male, Age 72

Dato' Sri Wira Ayub Bin Yaakob was appointed to the Board on 30 August 2018 as an Independent Non-Executive Director. He is also the Chairman of the Nomination Committee and a member of the Remuneration Committee and Audit Committee of the Company.

He holds a Diploma in Public Administration from MARA Institute of Technology, a Diploma in Police Science from Universiti Kebangsaan Malaysia and a Certificate in Sustainable Leadership from Wolfson College, University of Cambridge, United Kingdom.

Dato' Sri Wira Ayub has served the Royal Malaysia Police for 38 years since 1977 to 2014 in several departments which include the Criminal Investigation Department, Logistic, Training and Management. He also served as the Chief Police Officer of Melaka, Terengganu and Pulau Pinang before he was appointed as Director of Crime Prevention and Community Safety Department in 2012. He retired in 2014 with the rank of Commissioner of Police.

He was the Chairman of Royal Malaysia Police Cooperative Berhad and is presently the Senior Vice Chairman of the Malaysian Crime Prevention Foundation. He also sits on the Asia Professional Security Association Committee and other social institutions.

Dato' Sri Wira Ayub has no other directorship in any public or listed companies, and has no family relationship with any director and/or substantial shareholder of the Company. He does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years other than traffic offences, if any, as well as any public sanction or penalty imposed by the relevant regulatory bodies.

PROFILE OF DIRECTORS
(Cont'd)

CHEN CHUEN SUM

Non Independent
Non-Executive Director
Malaysian, Male, Age 66

Mr. Chen Chuen Sum was appointed to the Board on 1 October 2022 as Non-Independent Non-Executive Director. He is also a member of the Nomination Committee and Remuneration Committee of the Company.

Mr. Chen graduated with B.Sc in Business (Finance) from Montana State University, Bozeman, United States.

Mr. Chen has more than 30 years of working experience in the financial industry covering various areas including Credit and Marketing (Leasing and Hire-Purchase) and Commercial Banking. He began his career in Credit and Marketing (Leasing and Hire-Purchase) division where he was responsible for the marketing of hire-purchase and leasing facilities, and evaluate applicants and loan documentation. He was able to secure a significant amount in leasing and hire-purchase facilities on the back of an economy in recession. In 1987, he joined Malaysian French Bank Berhad (now known as Alliance Bank Malaysia Berhad). He was actively involved in Commercial Banking covering Credit and Marketing, Branch Banking, Priority Banking, Business Development Centre and Regional Sales, Risk Management and Compliance. In 2007, he joined RCE Factoring Sdn Bhd as a General Manager/Director for 7 years. In RCE, he was responsible in managing a factoring house which includes planning, organising and implementing strategic plan to grow market share, to provide leadership to sales team to increase SME market business and organizing sales events/activities and local prospecting to grow new existing business, and to ensure all teams maintain proper operational controls and compliance with policies and procedures. He was the Chairman of the Malaysian Factors Association until March 2015. In 2016, he joined Nexgram Holdings Berhad as Executive Director until 2017.

Apart from being a director in NSK Trading Sdn. Bhd., a major shareholder of Versatile Creative Berhad, Mr. Chen has no other directorship in any public or listed companies, and has no family relationship with any director and/or substantial shareholder of the Company. He does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. He has not been convicted of any offence within the past five (5) years other than traffic offences, if any, as well as any public sanction or penalty imposed by the relevant regulatory bodies.

PROFILE OF DIRECTORS
(Cont'd)

MAGGIE THEN

Independent
Non-Executive Director
Malaysian, Female, Age 43

Ms. Maggie Then was appointed to the Board on 24 January 2019. She is the Chairperson of the Audit Committee and Remuneration Committee and a member of the Nomination Committee of the Company.

Ms. Maggie Then is a Fellow member of the Association of Chartered Certified Accountants (ACCA) and a member of the Malaysian Institute of Accountants (MIA).

She has more than 15 years of working experience in financial reporting and management. She was an Accountant in a forwarding company, responsible for financial reporting and budgeting, cash and fixed asset management. She subsequently joined a FMCG company as Financial Reporting Manager, where she handled the company's statutory reporting requirements, assisted in its internal SOX audit review and also provided technical advice on any shortfalls of actual business performance from the budget forecast. Maggie's expertise was recognised and she was subsequently offered a position as the Finance Manager in a listed company involving in information technology. There, she was given additional responsibilities in coordinating the company's corporate exercises. She also attended board meetings to present the group's quarterly financial results and submitted the results to the stock exchange for public announcements.

Maggie has no other directorship in any public or listed companies, and has no family relationship with any director and/or substantial shareholder of the Company. She does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries. She has not been convicted of any offence within the past five (5) years other than traffic offences, if any, as well as any public sanction or penalty imposed by the relevant regulatory bodies.

MANAGEMENT DISCUSSION AND ANALYSIS

The Board of Directors of Versatile Creative Berhad ("Board") is pleased to present this Management Discussion and Analysis for the financial year ended 31 March 2026 ("FYE2026"), which provides an insight into the Group's business and economic, financial performance and perspective for risk management for FYE2026.

Global Economy

The global economy remained resilient throughout 2025 and into early 2026 despite persistent geopolitical tensions, trade policy uncertainties and evolving macroeconomic challenges. However, the escalation of conflict in the Middle East in early 2026 has heightened downside risks to the global economic outlook, particularly through its impact on commodity prices, inflation expectations and potential disruptions to global financial markets and supply chains.

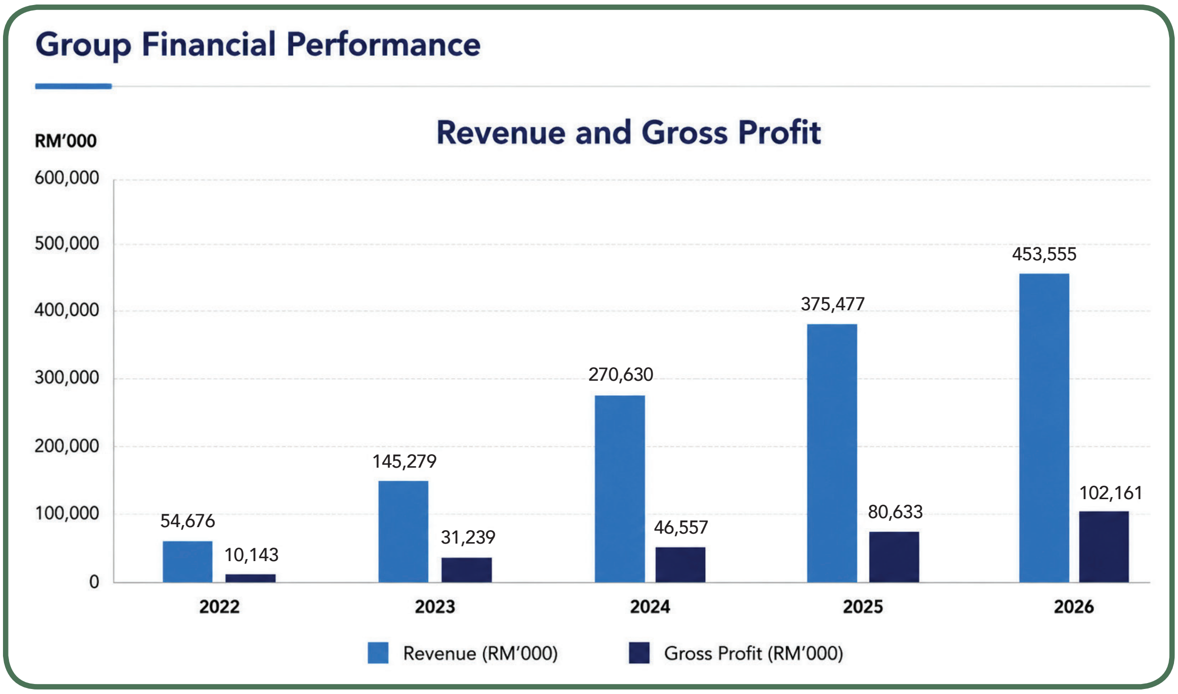
Inflationary pressures remain a key concern amid the risk of supply chain disruptions and potential increases in energy and commodity prices arising from ongoing geopolitical developments. Although monetary conditions have generally become more accommodative following policy easing by several major central banks, downside risks to global growth remain elevated.

Malaysian Economy

Malaysia's economy expanded by 5.2% in 2025 (2024: 5.1%), supported by resilient domestic demand, firm household spending and sustained investment activity. Positive labour market conditions and moderate inflation continued to support consumer spending, which benefited the Group's Grocery Division through higher customer footfall and stable demand for essential household products.

The manufacturing sector continued to benefit from ongoing investments in high-technology industries and infrastructure development projects, contributing to demand for packaging products. Nevertheless, businesses continued to face challenges arising from raw material price volatility, foreign exchange fluctuations and geopolitical uncertainties. Despite these headwinds, Malaysia's stable economic environment and sound financial system provided a supportive backdrop for the Group's operations. Looking ahead, Malaysia's economy is projected to grow between 4.0% and 5.0% in 2026, underpinned by resilient domestic demand and continued investment activity, although external uncertainties are expected to remain key considerations.

MANAGEMENT DISCUSSION AND ANALYSIS
(Cont'd)

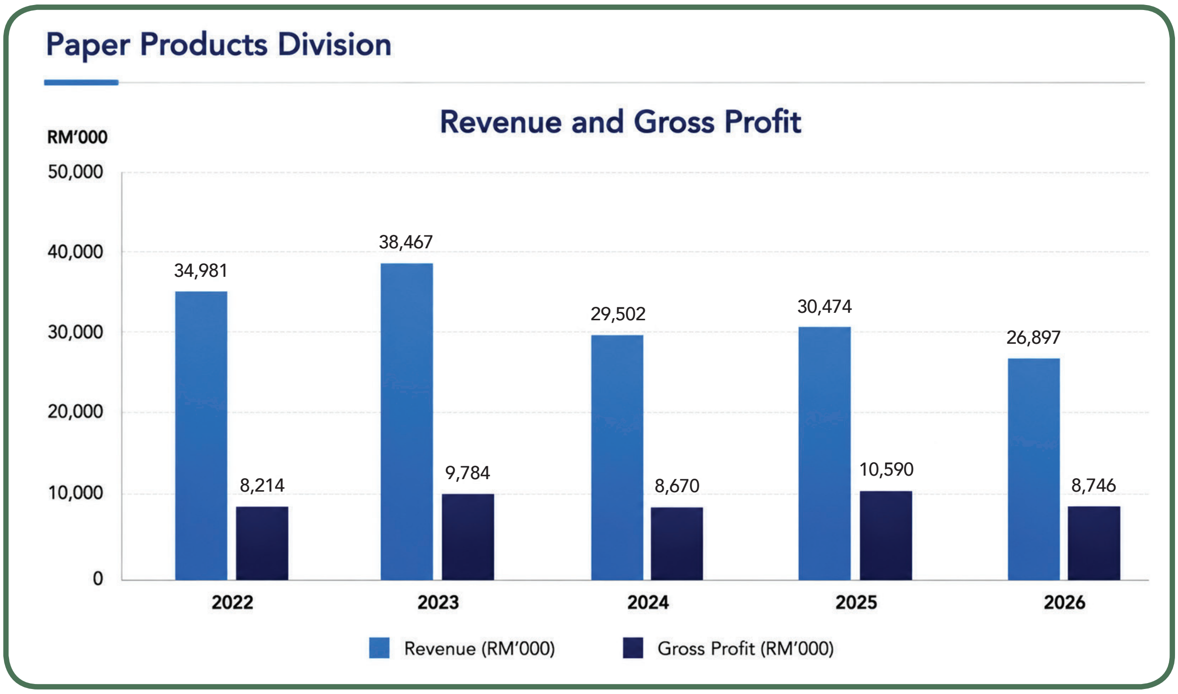


For FYE2026, the Group recorded revenue of RM453.56 million, representing an increase of RM78.08 million or 20.79% compared with RM375.48 million achieved in the financial year ended 31 March 2025 ("FYE2025"). The strong revenue growth was primarily driven by the Grocery Division, supported by contributions from the new grocery outlets opened during the financial year, as well as higher customer footfall across its retail operations.

The Group's gross profit increased by RM21.53 million or 26.70% to RM102.16 million in FYE2026 from RM80.63 million in FYE2025, outpacing the revenue growth. Consequently, gross profit margin improved to 22.52% from 21.47% in the preceding financial year. The margin improvement was mainly attributable to stronger margins achieved by the Grocery Division and the successful turnaround of the Plastic Products Division, which returned to profitability following operational restructuring initiatives. This was partially offset by lower margins recorded by the Paper Products Division amid a more competitive operating environment.

The stronger growth in gross profit relative to revenue reflects the Group's continued focus on operational efficiency and cost management initiatives, which contributed to enhanced profitability across its business Divisions.

MANAGEMENT DISCUSSION AND ANALYSIS
(Cont'd)

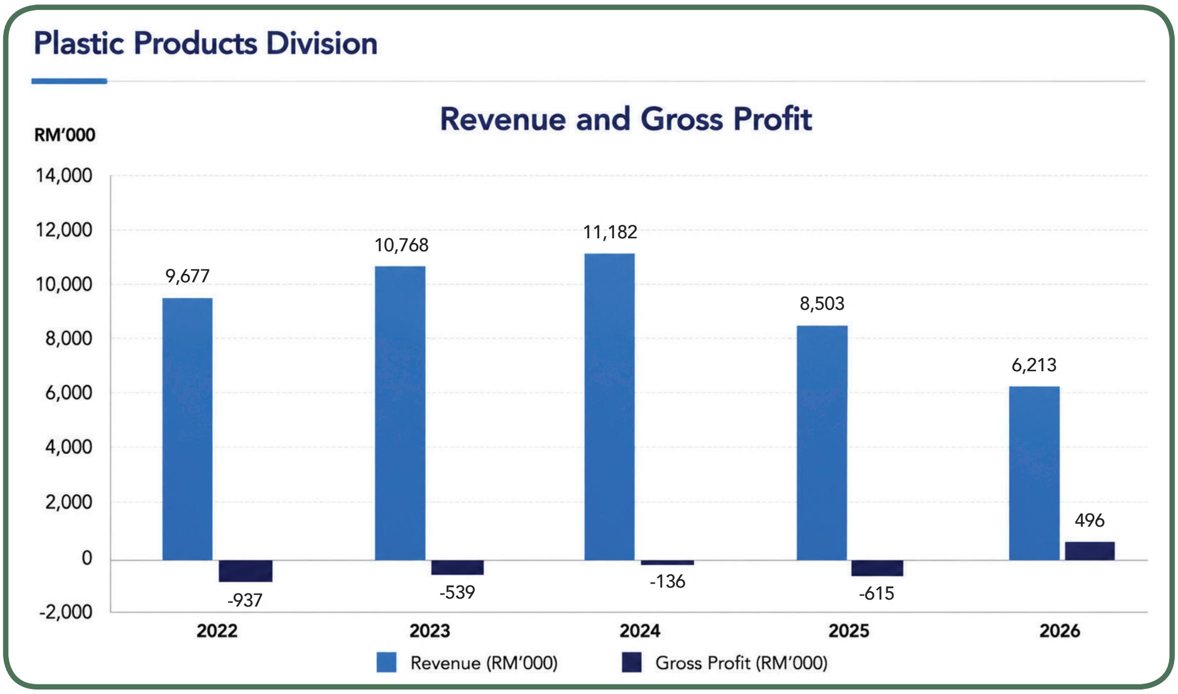


The Paper Products Division recorded revenue of RM26.90 million for FYE2026, representing a decrease of RM3.58 million or 11.74% from RM30.47 million in FYE2025. The decline in revenue was primarily attributable to lower demand from local customers during the financial year.

The Division's gross profit margin decreased to 32.52% in FYE2026 from 34.75% in FYE2025. The decline in margin was mainly attributable to higher operating costs and a less favourable sales mix, with a larger proportion of lower-margin products contributing to overall revenue during the financial year.

Despite the softer performance, the Paper Products Division continued to deliver strong gross profit margin in excess of 30%, demonstrating the resilience of its business model, operational efficiency and ability to generate sustainable profitability amid a competitive market environment.

MANAGEMENT DISCUSSION AND ANALYSIS
(Cont'd)

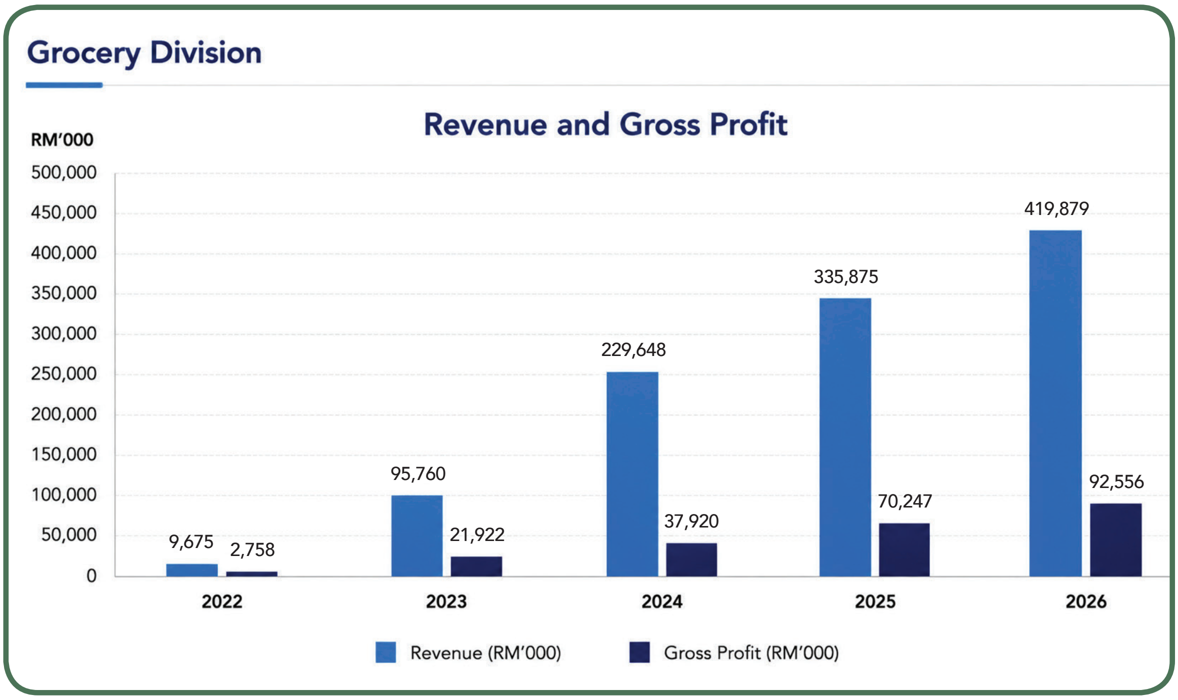


For FYE2026, the Plastic Products Division recorded revenue of RM6.21 million, representing a decrease of RM2.29 million or 26.93% compared to RM8.50 million in FYE2025. The decline in revenue was primarily attributable to the strategic downsizing of operations and the discontinuation of certain loss-making products with negative margins as part of the Group's rationalisation and cost optimisation initiatives.

Despite the lower revenue, the Division successfully returned to profitability and recorded a gross profit margin of 7.98% in FYE2026, compared to a negative gross profit margin of 7.23% in FYE2025. The turnaround was mainly driven by lower operating costs following the relocation and restructuring exercise undertaken as part of the Group's cost optimisation efforts.

The Division's return to profitability demonstrates the effectiveness of the restructuring and cost optimisation measures implemented during the year. These initiatives have strengthened the Division's operational foundation, enhanced efficiency, and positioned it for more sustainable and profitable growth going forward.

MANAGEMENT DISCUSSION AND ANALYSIS
(Cont'd)



The Grocery Division recorded revenue of RM419.88 million for FYE2026, representing an increase of RM84.00 million or 25.01% compared to RM335.88 million in FYE2025. The strong growth was primarily driven by revenue contributions from the new grocery outlets opened during the financial year, coupled with higher customer footfall and sustained consumer demand across its retail operations.

Gross profit increased significantly to RM92.56 million in FYE2026 from RM70.25 million in FYE2025, representing an increase of RM22.31 million or 31.76%. Consequently, gross profit margin improved to 22.04% from 20.91% in the preceding financial year.

The Grocery Division continued to be the Group's largest contributor to both revenue and profitability, accounting for approximately 92.58% of Group revenue and reinforcing its position as the primary growth driver of the Group's overall performance.

MANAGEMENT DISCUSSION AND ANALYSIS
(Cont'd)

Perspective on Risk Management

The Board is mindful and continues to monitor the various risks that the Group is exposed to in pursuance of its growth and diversification strategies. The Group's risk exposure arising from its business activities includes, amongst others, the following risk factors:-

i. Economic Risk

The Group operates in an increasingly complex and uncertain global economic environment. Geopolitical tensions, evolving trade policies, commodity price volatility and fluctuations in global financial markets continue to pose risks to economic growth and business activity. More recently, the conflict in the Middle East has heightened concerns over potential disruptions to energy supply chains, rising transportation costs and increased inflationary pressures.

In response, the Group continues to adopt prudent business and financial management practices, including disciplined cost control, effective working capital management, close monitoring of market developments and ongoing efforts to improve operational efficiency. Management also maintains regular engagement with customers and suppliers to enhance supply chain resilience and mitigate potential disruptions.

While the external environment remains challenging, the Group's diversified business portfolio, established customer base and sound financial position provide a strong foundation to navigate prevailing uncertainties and support sustainable long-term growth.

ii. Volatile Key Raw Material Price and Supply Availability

The Group's manufacturing operations are dependent on the availability and pricing of key raw materials, primarily paper rolls used in the Paper Products Division and plastic resin used in the Plastic Products Division. As these materials account for a significant portion of production costs, the Group remains exposed to fluctuations in raw material prices, supply shortages and disruptions within the global supply chain.

The prices of paper rolls and plastic resin are influenced by various factors, including global commodity prices, oil prices, transportation and logistics expenses. In addition, the Plastic Products Division is exposed to the risk of inconsistent local resin supply, which may result in supply shortages, longer lead times and price volatility.

Increases in raw material costs may adversely affect the Group's production costs and profit margins if such increases cannot be passed on to customers in a timely manner. Likewise, any prolonged disruption in the supply of paper rolls, plastic resin or other key materials may affect production planning, operational efficiency and the Group's ability to fulfil customer orders on a timely basis.

To mitigate the impact of rising material cost without compromising profit margin and quality of products, the Group has implemented several initiatives. These include the continuous monitoring of raw materials prices, optimisation of production process to enhance efficiency and reducing of production wastage. The Group also maintains close collaboration and regular communication with its suppliers to ensure swift and effective responses to market volatility. In addition, the Sales and Marketing Department of respective subsidiaries continue to implement prudent and timely cost pass-through measures by adjusting selling prices in order to ensure long term sustainability.

iii. Foreign Currency Risk

The Group is exposed to foreign currency risk arising primarily from the importation of raw materials as well as export sales denominated in foreign currencies, particularly the United States Dollar ("USD") and Singapore Dollar ("SGD"). Fluctuations in foreign exchange rates may affect the Group's operating costs, profit margins and overall financial performance.

MANAGEMENT DISCUSSION AND ANALYSIS
(Cont'd)

Foreign currency markets continue to be influenced by global economic conditions, geopolitical developments, international trade policies and monetary policy decisions by major central banks. While the Malaysian Ringgit ("RM") strengthened against the USD during 2025 amid improved investor sentiment and capital inflows into emerging markets, exchange rate movements remain inherently volatile and subject to changes in global market conditions.

The Group does not adopt a formal foreign currency hedging policy. Nevertheless, management closely monitors foreign currency exposures and market developments on an ongoing basis. Where considered appropriate, selective foreign exchange forward contracts may be entered into to manage specific transactional exposures. In addition, the Group undertakes prudent cash flow planning, optimises procurement strategies and maintains a balanced sourcing approach through both local and overseas suppliers to reduce excessive reliance on any single market or currency.

Through these measures, the Group seeks to mitigate the impact of adverse foreign currency movements while maintaining operational flexibility, cost competitiveness and business resilience.

iv. Credit Risk

Customers' credit risk may be affected by prevailing economic conditions, evolving consumer spending patterns and business cash flow challenges arising from market uncertainties. The Group continues to adopt a balanced approach between sustainable sales growth and prudent credit management.

Comprehensive credit management policy and processes have been put in place in that respect, whereby credit management is further enhanced by employing proactive credit monitoring, negotiation of temporary measures for payment delays, if necessary, and tightening credit control. Despite the demanding backdrop and market uncertainties that impacted most of the companies' business operations, most of the Group's trade debtors have generally made their payments within the approved credit periods.

FUTURE OUTLOOK

The Group is optimistic that the overall demand for paper and plastic packaging remains intact. The Group will focus on credit risk management, securing various supply sources to minimise supply chain disruption, continued innovations to maintain product quality and enhancing production efficiencies to mitigate against the increase in operating costs and uncontrollable external factors such as economic downturns.

The Plastic Products Division is currently facing significant challenges arising from disruptions in raw material supply and escalating material costs, mainly driven by the increase in crude oil prices following the US-Iran conflict. The situation has also affected global logistics and supply chain stability for petrochemical-based materials.

To mitigate these risks, the Group is actively sourcing alternative materials and expanding its supplier base to ensure a consistent and reliable supply to customers. At the same time, the Group will continue to implement necessary price adjustments and pass on the increased costs to customers where appropriate in order to safeguard the Group's operational sustainability and profitability.

For the Grocery Division, the Board intends to open more outlets in the current financial year and the Board is optimistic that Grocery Division will provide a long-term growth prospect for the Group due to the constant demand for grocery products, which are essential for every household.

DIRECTORS' RESPONSIBILITY STATEMENT IN RELATION TO THE FINANCIAL STATEMENTS

The financial statements of the Group and the Company have been drawn up in accordance with the provisions of the Companies Act 2016, applicable financial reporting standards and approved accounting standards in Malaysia. The Directors take responsibility in 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 each financial year, and of the results and the cash flows of the Group and the Company for that financial year then ended.

In preparing the financial statements, the Directors have ensured that:-

- the Group and the Company have adopted the appropriate accounting policies and applied them consistently;
- all statements are supported by reasonable and prudent judgements and estimates;
- all applicable accounting standards have been followed, subject to any material departure and explained in the financial statements; and
- the financial statements are prepared on a going concern basis.

The Directors are also responsible for ensuring that the Group and the Company maintain proper accounting records that disclose the financial position of the Group and of the Company with reasonable accuracy at any time, thus enabling the financial statements to be complied with the regulatory requirements.

The Directors have overall responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and of the Company, and to prevent and detect fraud and other irregularities. Such systems, by their nature, can only provide reasonable and not absolute assurance against material misstatement, loss or fraud.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Versatile Creative Berhad ("VCB" or "the Company") ("Board") is pleased to present an overview of the corporate governance practices of VCB and its subsidiary companies ("Group"), summarising the Group's application of the principles and recommendations of the Malaysian Code on Corporate Governance ("MCCG") throughout the financial year ended 31 March 2026 ("FYE2026").

This Corporate Governance Overview Statement ("this Statement") is prepared in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") and should be read together with the Corporate Governance Report 2026 of the Company ("CG Report"), available at www.vc-b.com. The CG Report provides detailed disclosure on the Group's application of, and departures from, the principles and recommendations of the MCCG, including alternative practices adopted.

Overall, the Group has complied with all material aspects of the MCCG principles throughout FYE2026 in order to achieve the intended outcomes.

APPLICATION OF THE PRINCIPLES AS SET OUT IN THE MCCG

PRINCIPAL A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

1.1 The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

The Group is led by an effective Board that assumes overall responsibility for the conduct of the Group's business, with priority placed on strategic management, risk management, internal control, succession planning and monitoring Management's performance. The Board also undertakes full responsibility for matters relating to the Group's financials, strategies, compliances, governance and other operational matters while safeguarding the interests of stakeholders.

Whilst decision-making for the day-to-day business operations of the Group is delegated to the Executive Directors within the established limits of authority, the Independent Non-Executive Directors provide independent advice and perspectives to ensure effective checks and balances in the Board's decision-making process. Accordingly, the Board confers certain authority and responsibilities on the Executive Directors to drive the achievement of the Group's goals and to execute the strategies and business plans approved by the Board.

The Board has established three (3) Board Committees, namely, the Audit Committee ("AC"), Nomination Committee ("NC"), and Remuneration Committee ("RC"), to which specific responsibilities have been delegated. Each Committee operates within clearly defined written terms of reference, which are reviewed periodically by the Board to ensure continued relevance. The Board Committees deliberate issues in a broad and in-depth manner before submitting recommendations to the Board for decision, with ultimate responsibility for decision-making resting with the Board.

1.2 A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

The Chairman plays a pivotal role in ensuring the effectiveness of the Board by providing leadership in the discharge of its functions, managing the interface between the Board and Management, and promoting the highest standards of corporate governance across the Company. The Chairman also acts as facilitator in chairing all Board and general meetings, ensuring that proceedings are conducted in an orderly manner to encourage constructive communication and enable Directors and shareholders to express their views or opinions openly.

1.3 The positions of Chairman and Chief Executive Officer are held by different individuals.

The Chairman of the Company is an Independent Director. The Company does not intend to appoint a Chief Executive Officer at this juncture, and operations of the Group are currently managed by three (3) Executive Directors.

There is a clear distinction and separation of roles between the Chairman and the Executive Directors, with defined divisions of responsibilities to ensure an appropriate balance of power. The Chairman leads the Board in its collective oversight of Management, driving business direction, ensuring effective implementation of strategies and policies, and providing the Board with clarification and updates on matters pertaining to the Group.

1.4 The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee.

The Chairman of the Board currently serves as a member of the Audit Committee. The Company considers this appointment appropriate in view of his strong background and extensive experience.

The Board will deliberate on this matter and evaluate the possibility of appointing another Independent Director to the Audit Committee to further strengthen its composition.

1.5 The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

The Board is supported by an experienced and qualified Company Secretary, who is a qualified member of one of the prescribed professional bodies under the Companies Act 2016. The Company Secretary is responsible for advising the Board on regulatory and governance matters, as well as on directives issued from time to time. The Company Secretary attends all meetings to ensure proper convening, accurate recording of proceedings, and that resolutions passed are duly recorded and maintained in the Company's statutory registers of the Company.

1.6 Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

The schedule of all Board meetings and Board Committee meetings is determined in advance at the beginning of each calendar year. Meeting agendas, relevant reports and Board papers are circulated to Directors and Board Committee members well ahead of the meetings to allow sufficient time for review, effective discussion, and informed decision-making, and, where necessary, to obtain supplementary information prior to the meetings.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

Board members have full and unrestricted access to information within the Group at all times, as well as to the advice and services of the Company Secretary and senior management, in the discharge of their duties. In furtherance of their responsibilities, the Board, whether collectively or individually, may also seek independent professional advice at the Company's expense.

The Company is entrusted with recording the minutes of the Board and Board Committees' deliberations to ensure that discussions are adequately documented. The minutes are circulated to the Board and Board Committee members in a timely manner for follow up action.

Where a Director has a conflict of interest in a matter considered or determined by the Board to be material, the matter will be addressed at a Board meeting rather than by written resolution. Directors facing such conflicts will recuse themselves from discussions and decisions on the relevant issues and shall abstain from voting on the matter.

2.1 The board has a Board Charter which is periodically reviewed and published on the company's website. The board Charter clearly identifies the respective roles and responsibilities of the board, board committees, individual directors and management and issues and decisions reserved for the board.

The Board has established a Board Charter to provide clear guidance on the roles and responsibilities of the Directors and Management, thereby facilitating the effective discharge of its duties.

The Board Charter serves as a key reference point for the Board's activities, enabling Directors to exercise their stewardship role and discharge fiduciary duties to the Company. It also incorporates a formal schedule of matters reserved for the Board's deliberation and decision, ensuring that the control and direction of the Company remain firmly within the Board's purview. The Board Charter is publicly available on the Company's website at www.vc-b.com.

To maintain its relevance and effectiveness, the Board Charter is reviewed by the Board as and when necessary, taking into account developments in corporate laws, regulations, and governance practices. Any amendment to the Board Charter shall only take effect upon approval by the Board.

3.1 The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Board has adopted a Code of Ethics for Directors ("Code") to uphold the standards of corporate governance and professional conduct. The Code is intended to guide the Board and each Director in identifying and managing areas of ethical risk, recognising and addressing ethical issues, and ensuring appropriate mechanisms are in place for reporting unethical behaviour. It further seeks to foster a culture of integrity, honesty and accountability across the Company. Compliance with the Code is mandatory for all Directors and applies to every aspects of the Company's business and decision-making processes.

3.2 The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

The Group has formulated and formalised a Whistleblowing Policy to provide a structured mechanism for addressing concerns relating to potential misconduct or unlawful conduct involving employees and management personnel.

The Whistleblowing Policy sets out clear procedures for the lodging and handling of complaints by whistleblowers, ensuring that all reports of alleged unethical behaviour are treated with the highest level of confidentiality and without risk of reprisal from Management. All complaints will be duly investigated, and appropriate actions will be taken to safeguard the interests of the Group and its stakeholders. Robust procedures have been established to ensure the effective implementation of this policy.

4.1 The board together with management takes responsibility for the governance of sustainability in the Company including setting the Company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.
Strategic management of material sustainability matters should be driven by senior management.

The Board recognises the importance of sustainability as an integral component of organisational success and has, in recent years, placed greater emphasis on embedding sustainability into its oversight role within the Group.

The Company is committed to achieving optimal economic, environmental, social and governance outcomes for all stakeholders impacted by its activities, including the communities in which it operates, employees, business partners, investors and, as far as practicably possible, organisations within its supply chain.

While the Company does not maintain a dedicated Sustainability Committee at the Board level due to the small size of the Board, the Board together with the Audit Committee assumes the responsibilities typically undertaken by such a committee. Sustainability matters are reported directly to the Board by the Executive Directors, who are supported by the Sustainability Working Group and departmental heads, thereby ensuring that sustainability considerations remain embedded in the Group's governance and decision-making processes.

4.2 The board ensures that the Company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

The Board acknowledges its responsibility to communicate effectively with both the internal and external stakeholders on the Group's sustainability priorities, targets and performance against these targets. In line with this commitment, the Group's stakeholder list, engagement methods, and the sustainability issues relevant to each stakeholder group are disclosed in the Sustainability Statement contained in this Annual Report.

4.3 The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the Company and its business, including climate-related risks and opportunities.

The Board remains vigilant in keeping abreast of and understanding sustainability agendas relevant to the Company and its business. Directors are periodically updated through circulars and guidance issued by Bursa Malaysia Securities Berhad and the Securities Commission Malaysia, as well as through participation in training programmes and continuous professional development.

These initiatives ensure that the Board is well-informed of evolving sustainability requirements and practices, thereby enabling effective oversight and integration of sustainability considerations into the Group's governance and strategic direction.

4.4 Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the Company's material sustainability risks and opportunities.

In FYE2026, the Nomination Committee continued to undertake the annual assessment and evaluation of the Board and its Committees, focusing on effectiveness in areas such as responsibilities, composition, decision-making and boardroom activities. The assessment also encompassed a review of the Board's performance in addressing the Company's material sustainability risks and opportunities, as well as its understanding and oversight of the Group's environmental, social and governance strategy.

II. BOARD COMPOSITION

5.1 The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

The NC conducts an annual assessment of the Board's composition to ensure that it comprises the appropriate mix of expertise and experience, and collectively possesses the necessary core competencies for effective functioning and informed decision making.

In accordance with the Company's Constitution and the best practices recommended under the MCCG, the NC also reviewed the Directors subject to retirement by rotation at the forthcoming 23rd Annual General Meeting ("AGM"). Following its assessment, the NC recommended, and the Board endorsed, the re-election of the retiring Directors, which will be tabled for shareholders' approval at the 23rd AGM.

In line with Paragraph 15.01A of the MMLR, the Board adopted a Directors' Fit & Proper Policy in May 2022 to serve as a guide for the appointment and re-election of Directors. This Policy assists the NC in discharging its duties and functions in the nomination and re-election process, thereby ensuring that only individuals who meet the requisite standards of integrity, competence and professionalism are considered for Board positions. The Directors' Fit & Proper Policy is available on the Company's website at www.vc-b.com

5.2 *At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.*

The Board currently comprises seven (7) members out of which, three (3) are Independent Non-Executive Directors, one (1) Non-Independent Non-Executive Director and three (3) Executive Directors. In acknowledging the practices recommended under the MCCG, the Board is of the view that its present size, scope and business dynamics are appropriate and do not necessitate an overly large Board. Decisions of the Board are made collectively, with due consideration given to all views and perspectives, and particularly weight accorded to the opinions expressed by the Independent Directors.

The composition of the Board complies with the requirements of the MMLR, which stipulated that at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, must be Independent Directors. In the event of any vacancy resulting in non-compliance with this requirement, the Company is committed to filling the vacancy within three (3) months to ensure continued adherence to regulatory standards.

The Independent Non-Executive Directors do not participate in the day-to-day management or operational activities of the Group, serving instead in an oversight capacity. By remaining independent of management functions, they avoid potential conflicts of interest and are able to fulfil their responsibility of providing effective checks and balance, thereby reinforcing the Company's commitment to sound corporate governance. They contribute independent and objective views, advice and judgment, taking into account the interests of the Group, shareholders, investors and other stakeholders.

The Board is of the view that, with the current composition of Directors and their diverse backgrounds and specialisations, the Company benefits from a broad spectrum of experience and expertise in areas including legal framework, finance, accounting and audit, taxation, corporate affairs, marketing, property management and banking. The profile of each member of the Board is set out in this Annual Report.

5.3 *The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director. If the board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders' approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders' approval through a two-tier voting process.*

The Board acknowledged that the tenure of an independent director shall not exceed nine (9) years. In the event the Board intends to retain an Independent Director beyond this tenure, shareholders' approval is required subject to assessment by the NC and supported with valid justification. Should the Board wishes to retain an Independent Director after the 12th year, the Board must provide justification and seek annual shareholders' approval through a two-tier voting process. An Independent Director may, however, continue to serve on the Board if re-designated as Non-Independent Director.

As at the date of this Annual Report, none of the Independent Directors have served more than nine (9) years.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

5.4 The board has a policy which limits the tenure of its independent directors to nine years without further extension.

The Board acknowledges the regulatory guidance that the tenure of an Independent Director should not exceed nine (9) years. In line with best governance practices, the Board will consider implementing a formal policy to limit the tenure of its Independent Directors to nine (9) years without further extension.

This reflects the Board's commitment to strengthening independence, objectivity, and accountability in its oversight function, while ensuring alignment with evolving corporate governance standards.

5.5 Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender. Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the Company should be avoided.

To safeguard the best interest of the Company, diversity is embraced at Board level, within senior management, and across all levels of the organisation. In line with this commitment, appointments to the Board and senior management are made on the basis of merit, with due consideration given to a balanced mix of skills, competencies, experience, professionalism and other relevant qualities, including age and cultural background, to strengthen governance within the Group. A brief description of the background of each Director is presented in the Profile of Directors in this Annual Report.

The NC has further observed an excellent level of time commitment by the Directors, as reflected in their attendance record presented in this Statement.

5.6 In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing directors, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates. If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

The Company has established clear procedures and criteria for identifying candidates for appointment as directors.

The NC, entrusted by the Board, is responsible for considering, reviewing and proposing new nominees for the Board and its Committees. In evaluating potential candidates, the NC assesses their suitability based on knowledge, skills, character, integrity, experience, time commitment, professionalism and other relevant criteria, before recommending them to the Board for approval. Candidates may be identified through recommendations from shareholders, the Board, Management or external sources such as independent recruitment firms. The Company Secretary ensures that all appointments are properly executed and in full compliance with applicable regulatory requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

5.7 *The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.*

Prior to appointment, every proposed Director is required to disclose any existing business interests that may give rise to a conflict of interest in relation to the Company, and thereafter to report any future business interests that may develop post-appointment, which could result in such a conflict. The strict avoidance of conflicts of interest is fundamental to safeguarding both personal integrity and the Group's reputation.

Details of the Directors standing for re-election are provided in the Profile of Directors in this Annual Report.

5.8 *The Nomination Committee is chaired by an Independent Director or the Senior Independent Director.*

Dato' Sri Wira Ayub Bin Yaakob, an Independent Director, chairs the NC.

5.9 *The board comprises at least 30% women directors.*

The Company is committed to promoting diversity across the Board, senior management, and all levels of the organisation, with gender diversity forming an integral part of this commitment. In line with this, the Board will consider formulating a formal Gender Diversity Policy that encapsulates the objectives, principles and measures supporting the Group's diverse culture. The Board remains supportive of upholding gender diversity at both Board and Management levels, with appointments made on merit while taking in account skills, experience, attitude and suitability of potential candidates. As part of succession planning, gender diversity objectives will continue to be observed as a key consideration, even in the absence of specific targets.

As at the date of this Annual Report, the Board has two (2) female directors, representing 28.57% of the Board.

5.10 *The board discloses in its annual report the Company's policies on gender diversity for the board and senior management.*

The Company does not currently maintain a formal gender diversity policy; however, the Board remains supportive of upholding gender diversity within the boardroom and the Management. Appointments are made with due consideration of merit-based factors such as skills, experience, attitude and suitability of potential candidates. As part of succession planning, gender diversity objectives are consistently observed as a key consideration, even in the absence of specific targets, thereby reinforcing the Group's commitment to fostering inclusivity and balanced representation.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

6.1 The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out and its outcome, action taken and how it has or will influence board composition. For Large Companies, the board engages independent experts periodically to facilitate objective and candid board evaluations.

The Board undertakes an annual assessment of the performance of the Board as a whole, its Committees and each individual Director, with reference to the Corporate Governance Guide issued by Bursa Securities.

The NC has developed the specific criteria to evaluate the effectiveness of the Board and each individual Director.

The evaluation process involves each Director completing a set of questionnaires covering the following key areas:

- Board mix and composition
- Quality of information and decision making
- Board activities
- Board's relationship with the management
- Roles and responsibilities of the Board Chairman
- Compliance

As part of the annual evaluation process, each Director undertakes a self-performance assessment using a structured questionnaire based on key performance indicators tailored to measure effectiveness of their duties and to identify areas for further improvement. These assessments and comments are collated from all Directors, with any adverse findings deliberated at the NC meeting. In addition, the NC conducts an annual assessment of the independence of the Independent Directors to ensure that they continue to exercise objective judgement and maintain independence at all times in discharging their responsibilities.

Upon reviewing the results of the assessments for the financial year under review, there were no major concerns and the NC is satisfied with the existing Board composition as well as the mix of experience, expertise and qualification of its Board members.

For FYE2026, the NC concluded that all Directors had demonstrated strong commitment, responsibility and effectiveness in discharging their duties, as evidenced by their time dedication and active participation. Based on this outcome, the NC recommended to the Board the re-election of the retiring Directors, which will be tabled for shareholders' approval at the upcoming 23rd AGM.

The NC convened one (1) meeting during FYE2026 and its activities are as follows:

(a) Reviewed the Board's required mix of skills and experience and assessed the effectiveness of the Board as a whole, the Board Committees and contribution of each individual Director;
(b) Reviewed the term of office and performance of the AC and each of its members;
(c) Evaluated the independence of the Independent Directors to ensure there is no potential conflict of interest that the Independent Directors could have with the Company and they have not entered into any contract or transaction with the Company and/or its subsidiaries within the scope and meaning as set forth under Paragraph 5 of Practice Note 13 of the MMLR;
(d) Recommended the re-election of retiring Directors at the AGM.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

The Board is satisfied with the overall effectiveness of the Board and its Committees, as well as the contribution and performance of each Director. The current size, composition and mix of skill sets are considered appropriate to support effective governance and informed decision-making. The Board further affirms the independence of its Independent Directors, who continue to exercise objective judgment in the discharge of their responsibilities. The Terms of Reference of the NC are available on the Company's website at www.vc-b.com.

Time Commitment

The Board is satisfied with the level of time commitment demonstrated by the Directors in fulfilling their roles and responsibilities, as evidenced by their attendance record of Board meetings.

As of the date of this Statement, none of the Directors hold directorships in more than five (5) public listed companies. The Board is further satisfied that the external directorships undertaken by the Directors have not impaired their ability to devote sufficient time to the Company, nor hindered their effectiveness in discharging their responsibilities. The Directors continue to regularly update and enhance their skills and knowledge to support the Board's effectiveness.

Board Meetings

The Board has committed to convene at least five (5) meetings in each financial year to deliberate on matters concerning the Group. Additional meetings are held as and when necessary to address urgent or significant issues requiring the Board's attention between scheduled meetings. During FYE2026, five (5) Board meetings were held and the attendance record of the Directors are tabulated as follows:

Name of Directors	Designation	No. of meeting attended
Tan Sri Dato' Seri Mohd Shariff Bin Omar	Chairman, Independent, Non-Executive Director	5/5
Dato' Sri Wira Ayub Bin Yaakob	Independent, Non-Executive Director	3/5
Maggie Then	Independent, Non-Executive Director	5/5
Chen Chuen Sum	Non-Independent, Non-Executive Director	5/5
Khat Chee How	Executive Director	5/5
Loh Teck Wah	Executive Director	5/5
Lim Siew Yeng	Executive Director	5/5

Directors' Training

All Directors have attended and successfully completed the Mandatory Accreditation Programme as required by Bursa Securities.

Recognising the rapidly changing and complex business environment, the Directors are mindful of the importance of continuous education and lifelong learning to effectively discharge their responsibilities and enhance their contributions to Board deliberations. Accordingly, the Directors participate in briefings, conferences, forums, trade fairs (both locally and internationally), seminars and training to remain abreast of the latest industry developments and to further strengthen their skills and knowledge.

The Board, through NC, continuously assesses and determines the training needs of its members to ensure that they receive relevant updates and development opportunities. This structured approach reinforces the Board's commitment to maintaining high standards of governance and competency.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

During FYE2026, the Directors have attended the following trainings:

Name Of Directors	Training Programme Attended
Khat Chee How	ISO 9001:2015 Risk-Based Thinking Internal Auditor Training
	FSSC 22000 (Food Packaging) Version 6 Awareness Training
	FSSC 22000 (Food Packaging) Version 6 Internal Auditor Training
	Safe Chemical Handling and Spill Control
	First Aid in Workplace & CPR (AED)
	SSM National Conference 2025 - Leading governance for Sustainable growth
Maggie Then	2026 Budget Seminar
	Strategic Tax Insights for C-Suite Executives: e-Invoicing, Stamp Duty, SST, and Transfer Pricing
	e-Invoice Accounting and its Implementation Mechanism
	Ways to Handle Cash Flow Intelligently

III. REMUNERATION

7.1 The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the Company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the Company's website.

The Board is of the view that establishing a fair and competitive remuneration framework is essential to attract, motivate and retain high calibre Directors and senior management in steering the Group towards its long-term objectives.

For Executive Directors and senior management, remuneration is structured to align rewards with both corporate and individual performance, thereby reinforcing accountability and value creation. For Non-Executive Directors, remuneration is determined to reflect the experience, responsibilities and contributions of each Director, including their roles on the Board and Committees, attendance, and any special skills or expertise brought to the Board.

The Board has formalised a Directors' Remuneration Policy under which Executive Directors and senior management are remunerated based on the Group's performance, prevailing market conditions and the scope of their responsibilities, while the remuneration of Non-Executive Directors is set in accordance with their experience, responsibilities undertaken, participation in Board Committees and meetings, and the professional expertise they contribute.

7.2 The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management. The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the Company's website.

The Remuneration Committee ("RC") comprises three (3) members out of which, two (2) are Independent Directors and one (1) Non-Independent Non-Executive Director.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

The RC is mandated by the Board to determine the levels of remuneration sufficient to attract and retain Directors of the calibre required to effectively manage the business of the Group. In accordance with its Terms of Reference, the RC assists the Board, inter alia, by recommending the remuneration of the Executive Directors.

During FYE2026, the RC convened one (1) meeting, attended by all members, to evaluate and deliberate on the remuneration packages of the Executive Directors, who also serve as key management. The RC subsequently recommended the packages to the Board for approval, having taken into consideration the individual performances, and contributions of the Executive Directors as well as the overall financial performance of the Group.

The Board as a whole approves the remuneration of the Executive Directors, with the Executive Directors concerned abstaining from deliberations and decisions on their own remuneration.

The RC operates under a written Terms of Reference which clearly sets out its authority and duties. The Terms of Reference of the RC are published on the Company's website at www.vc-b.com.

8.1 There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

The RC reviewed the remuneration packages of all Directors, including Non-Executive Directors, for recommendation to the Board and, where applicable, for shareholders' approval. The fees and benefits payable to Non-Executive Directors are tabled at the AGM for shareholders' consideration and approval.

In line with good governance practice, Directors abstain from participating in discussions and decisions concerning their own remuneration and play no role in determining the same.

Details of the remuneration received from the Company and on Group basis by each Director during FYE2026 are as follows:

COMPANY

Directors' Remuneration	Salaries (RM)	Fees (RM)	Allowance (RM)	Bonus (RM)	Other emoluments (RM)	Benefit in-Kind (RM)	Total (RM)
Tan Sri Dato' Seri Mohd Shariff Bin Omar	-	48,000	-	-	-	-	48,000
Dato' Sri Wira Ayub Bin Yaakob	-	42,000	-	-	-	-	42,000
Maggie Then	-	48,000	-	-	-	-	48,000
Chen Chuen Sum	-	42,000	-	-	-	-	42,000
Khat Chee How	240,000	42,000	-	40,000	52,900	-	374,900
Loh Teck Wah	240,000	42,000	-	40,000	52,040	-	374,040
Lim Siew Yeng	192,000	42,000	-	32,000	30,192	-	296,192

GROUP

Directors' Remuneration	Salaries (RM)	Fees (RM)	Allowance (RM)	Bonus (RM)	Other emoluments (RM)	Benefit in-Kind (RM)	Total (RM)
Tan Sri Dato' Seri Mohd Shariff Bin Omar	-	48,000	-	-	-	-	48,000
Dato' Sri Wira Ayub Bin Yaakob	-	42,000	-	-	-	-	42,000
Maggie Then	-	48,000	-	-	-	-	48,000
Chen Chuen Sum	-	42,000	-	-	-	-	42,000
Khat Chee How	240,000	42,000	-	40,000	52,900	-	374,900
Loh Teck Wah	240,000	42,000	-	40,000	52,040	-	374,040
Lim Siew Yeng	192,000	42,000	-	32,000	30,192	-	296,192

8.2 The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

At present, all members of the senior management also serve concurrently as members of the Board.

PRINCIPAL B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

9.1 The Chairman of the Audit Committee is not the Chairman of the board.

The Chairman of the AC is Maggie Then, an Independent Director and a member of the Malaysian Institute of Accountants. She does not serve as the Chairman of the Board, thereby ensuring the independence and objectivity of the AC in discharging its oversight responsibilities.

9.2 The Audit Committee has a policy that requires a former key audit partner to observe a cooling off period of at least three (3) years before being appointed as a member of the Audit Committee.

Presently, none of the members of the AC has served as a former key audit partner of the Company's external auditors. The Board has taken note of the recommendation under the MCCG and will update its policy to expressly stipulate that no former key audit partner shall be appointed to the AC unless he or she has observed a minimum cooling-off period of at least three (3) years prior to such appointment.

9.3 The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statement.

The AC is responsible for the annual assessment of the competency and independence of the external auditors and ensures that any provision of non-audit services does not compromise their role as auditors.

Upon completion of its assessment, the AC recommends the re-appointment of the external auditors to the Board, which in turn seeks shareholders' approval at the AGM.

During FYE2026, the AC evaluated the performance, independence, technical capabilities and resource adequacy and overall competency of the external auditors. Based on this assessment, the AC was satisfied with their independence and performance, and recommended to the Board that a proposal for their re-appointment be tabled at the forthcoming AGM.

The external auditors reported the details of the non-audit services rendered, which included the review of the Statement on Risk Management and Internal Control, and confirmed to the AC that they remained independent throughout the audit engagement in compliance with all relevant professional and regulatory requirements.

The AC meets with the external auditors at least twice a year to discuss on audit plans, audit findings and the Company's financial statements, and convenes additional meetings as necessary. The external auditors also attend every AGM at which the Company's financial statements are presented, to respond to shareholders' queries on the audit of the financial statements to the best of their knowledge and ability.

9.4 The Audit Committee should comprise solely of Independent Directors.

The AC currently comprises solely of Independent Directors.

9.5 Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate and are able to understand matters under the purview of the Audit Committee including the financial reporting process. All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

All members of the AC collectively possess the requisite skills and experience to discharge their responsibilities effectively. A majority of the AC members have expertise and experience in financial, commercial, and capital markets matters, enabling them to meet their obligations and provide a robust level of challenge to Management.

On an ongoing basis, AC members participate in training and development programmes to remain abreast of the latest development in accounting and auditing standards, guidelines and practices, thereby ensuring continued competency and effectiveness in fulfilling their oversight role.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

10.1 The board should establish an effective risk management and internal control framework.

To effectively discharge its responsibilities, the Board is assisted by the AC, which functions as an oversight body to review the Group's controls environment and to conduct ongoing assessments of the adequacy and effectiveness of risk management and internal control practices within the organisation.

In addition, the Board is supported by Management in developing, implementing and monitoring practices for identifying and managing risks. Management also provides assurance that the necessary control measures are adhered to and carried out in accordance with the stipulated policies and framework.

Details of the Group's risk management and internal control framework are elaborated in the Statement on Risk Management and Internal Control ("SORMIC") contained in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

10.2 The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

An assurance was provided by the Executive Directors and the Group Accountant to the Board that the Group's risk management and internal control systems operated adequately and effectively, in all material aspects, throughout FYE 2026 and up to the date of this Statement. Taking this assurance into account in its assessment, the Board is of the view that the current system of internal control and risk management is adequate to support the Group's business operations. The key elements and overall state of the Group's risk management and internal control framework are disclosed in the SORMIC within this Annual Report.

11.1 The Audit Committee should ensure that the internal audit function is effective and able to function independently.

The internal audit function is outsourced to an external professional firm/service provider, namely, Sterling Business Alignment Consulting Sdn. Bhd. ("Sterling"), which reports directly to the AC. Sterling provides independent and objective reports on the state of internal controls across the Group's operations and on the extent of compliance with established policies and procedures.

The AC has assessed the performance of the outsourced internal audit function and reported its finding to the Board. Details of the internal audit function and its activities in support of the AC's responsibilities are disclosed in the SORMIC and the Audit Committee Report in this Annual Report. The AC is satisfied with the level of independence, professionalism and effectiveness demonstrated by Sterling in carrying out its functions.

11.2 The board should disclose whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence; the number of resources in the internal audit department; name and qualification of the person responsible for internal audit; and whether the internal audit function is carried out in accordance with a recognised framework.

Sterling serves as the Group's independent professional internal audit service provider. Sterling is entirely independent of the Group's operations and activities, and its engagement teams are free from any relationships or conflicts of interest that could impair their objectivity and independence. The internal auditors report directly to the AC, thereby ensuring impartiality and transparency in their oversight of the Group's internal control environment.

Sterling is a corporate member of the Institute of Internal Auditors Malaysia (IIAM). For each internal audit review, Sterling typically deploys between 2 and 3 audit staff, depending on the scope and areas under review. Different lead internal auditors are assigned for each engagement to ensure objectivity and coverage across the Group's operations. The internal audit staff are professionally guided and trained to develop and maintain the competencies necessary to perform their duties effectively during the course of each internal audit review.

The internal auditors adopt the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control – Integrated Framework as the basis for evaluating the effectiveness of the Group's internal control system.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

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

I. COMMUNICATION WITH STAKEHOLDERS

12.1 The board ensures there is effective, transparent and regular communication with its stakeholders.

The Board believes that effective communication fosters a better understanding of the Group's objectives and financial performance. To promote transparency and engagement, information and financial results are disseminated through timely announcements and disclosures via Bursa Securities' website, the Company's webpage, press releases and annual reports.

In addition, the Company places emphasis on providing a principal platform for dialogue and interactions with its shareholders and stakeholders through its AGMs. The AGM serves as the primary forum for engagement with individual shareholders, offering them the opportunity to raise questions on proposed resolutions or on the Company's operations in general.

12.2 Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

This recommended practice is not applicable to the Company as it is not classified as a "Large Company".

II. CONDUCT OF GENERAL MEETINGS

13.1 Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

In line with good corporate governance practices, a twenty-eight (28) days' notice was given to shareholders for the convening of the Twenty Second (22nd) AGM, allowing sufficient time to review the Annual Report and make the necessary arrangements for attendance and voting. In addition to despatch of notices, the Company also published the AGM notice on its corporate website, where the information remains accessible.

The outcome of the AGM and any other general meetings is announced to Bursa Securities on the same day the meeting is held.

Shareholders are encouraged to attend AGMs and any other general meetings, which serves as a platform for dialogue and engagement. These meetings provide shareholders with the opportunity to raise questions or concerns regarding the Group and also enable direct access to the Board.

13.2 All directors attend General Meetings. The Chair of the Audit, Nomination, Risk Management and other committees provide meaningful response to questions addressed to them.

All Directors and external auditors are expected to attend shareholders' meetings and to respond to any questions or concerns raised by shareholders.

At the 22nd AGM of the Company held on 25 September 2025, all Directors were in attendance. Shareholders present were invited to raise questions on the proposed resolutions prior to the conduct of voting by poll.

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(Cont'd)

Resolutions at the AGM are determined via poll voting. An independent scrutineer, who is not an officer of the Company or its related company, is appointed to validate the votes cast at the AGM, thereby ensuring transparency and integrity of the voting process.

13.3 Listed companies should leverage technology to facilitate, including voting in absentia; and remote shareholders' participation at General Meetings. Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

The Company's 22nd AGM was conducted physically at Bukit Jalil Golf & Country Resort. The Board is of the view that a physical general meeting promotes direct and effective interaction between the Board and shareholders, as compared to a virtual meeting. Shareholders who were unable to attend in person were allowed to appoint proxy(ies) or corporate representative to participate and vote on their behalf. The Board also noted that conducting physical meetings is more cost-effective and that the chosen venue is easily accessible by various modes of transportation.

13.4 The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the Company's financial and non-financial performance as well as the Company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

The Chairman of the Board ensures that shareholders are provided with sufficient opportunities to raise questions relating to the affairs of the Company, by allocating ample time for the Question-and-Answer sessions during the AGM. The Directors actively responded to relevant questions addressed to them during the AGM.

Representatives from the external auditors were also present at the AGM to respond to queries raised by shareholders, thereby reinforcing transparency and accountability in respect of the audit of the Company's financial statements.

13.5 The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

Not applicable, as only physical general meetings were conducted in the financial year.

13.6 Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

Minutes of AGMs were published at the Company's website no later than 30 business days after the AGM.

This Statement is issued in accordance with a resolution of the Board dated 22 July 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors of Versatile Creative Berhad (“Versatile” or “the Company”) (“the Board”) recognises the importance of good practice of corporate governance and is committed to establish a sound risk management framework and system of internal control to safeguard shareholders’ investments and the assets of the Company and its subsidiaries (“the Group”).

The Board is pleased to present this Statement on Risk Management and Internal Control (“this Statement”) which outlines the nature and scope of risk management and the internal control systems of the Group for the financial year ended 31 March 2026 (“FYE2026”), which has been prepared pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Malaysian Code on Corporate Governance and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.

BOARD RESPONSIBILITIES

The Board acknowledges its overall responsibility for maintaining the Group’s systems of internal controls and risk management to safeguard shareholders’ investment, the interest of customers, regulators, employees, and the Group’s assets. The Board further recognises its responsibility in reviewing the adequacy and integrity of these systems.

The Board regularly receives and reviews reports on internal control, and is of the view that the system of internal control is adequate to safeguard shareholders’ interest and the Group’s assets. The role of Management is to implement the Board’s policies and guidelines on risks and controls, to identify and evaluate the risks faced, and to operate suitable system of internal controls to manage these risks.

However, due to the limitations that are inherent in any system of internal control, the systems of internal controls can only provide reasonable and not absolute assurance against material misstatement or loss as it is designed to manage rather than eliminate the risk of failure to achieve the Group’s business objectives.

MANAGEMENT RESPONSIBILITY

The Management is responsible for implementing the Group’s policies and procedures on risk and internal control to identify, evaluate, measure, monitor and report risks as well as effectiveness, any deficiencies and non-compliance with internal controls and for taking appropriate and timely remedial actions as required. Its roles include:

(i) Identifying and evaluating the risks faced by the Group in line with the business objectives, strategies and the Group’s overall risk appetite.

(ii) Formulating, implementing, and monitoring relevant controls, policies and procedures to manage key risks.

(iii) Continuous monitoring of changes to the risk environment, including key emerging risk, taking appropriate mitigation actions and promptly bringing these changes to the Board’s attention.

(iv) Monitoring the implementation of related governance frameworks to achieve intended objectives.

(v) Enforcing compliance.

(vi) Promptly addressing any shortcomings or incidents of non-compliance with procedures.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
(Cont'd)

RISK MANAGEMENT

The Board acknowledges that there is an on-going process of identifying, evaluating, monitoring, assessing, reporting and managing significant risks by the Management to achieve the objectives of the Group for the financial year under review. The process is in place for the financial year under review and up to the date of issuance of this Statement.

The risk identification process involves reviewing and identifying the possible risk exposure arising from both internal and external environment changes and operation conditions. The risk measurement guidelines consist of financial and non-financial qualitative measure of risk consequences based on risk likelihood rating and risk impact rating.

As part of the risk management processes, a Registry of Risk and a Risk Management Handbook had been prepared. The Registry of Risk is maintained to identify principal business risks and updated when there are changes in the risk profile. The Risk Management Handbook summarises risk management methodology, approach and processes, roles and responsibilities, and various risk management concepts. The respective risk owners are accountable to identify risks and to ensure that adequate control systems are implemented to mitigate risks faced by the Group. The process of identifying, evaluating, monitoring and managing risks is embedded in various work processes and procedures of the respective operational functions and management team.

KEY ELEMENTS OF INTERNAL CONTROL

The following sets out the key elements of the Group's internal control, which have been in place throughout FYE2026 and up to the date of this Statement: -

1. Organisation structure with defined lines of delegation of responsibility, level of authorisation and accountability;
2. Limits of authority clearly established within the Group to provide functional framework of authority in approving sales order, purchases, expenses and capital expenditure;
3. Policies and procedures for key business processes are formalised and documented for implementation and continuous improvements;
4. Quarterly Board meetings and monthly management meetings are held where information is provided to the Board and management covering financial performances and operations;
5. Training and development are provided as and when required by employees with the objective of enhancing their knowledge and competency; and
6. Management accounts and reports are prepared regularly for monitoring of actual performance.

INTERNAL AUDIT FUNCTIONS

In accordance with the Malaysian Code on Corporate Governance, the Group, in its efforts to provide adequate and effective internal control system, has engaged Sterling Business Alignment Consulting Sdn. Bhd. ("Sterling"), an independent consulting firm, to review the adequacy and integrity of its system of internal control. The independent consulting firm acts as the internal auditors and report directly to the Audit Committee.

The internal audit reviews and addresses critical business processes, identified risks and internal control gaps, assessed the effectiveness and adequacy of the existing state of internal control of the Group and recommended possible improvements to the internal control process. This is to provide reasonable assurance that such systems continue to operate satisfactorily and effectively within the Group. The scope of internal audit focused on five (5) broad control components, namely, control environment, risk activities, control activities, information and communications and monitoring. The management is required to explain any purported lack of compliance pursuant to the internal audit reports issued.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL
(Cont'd)

The internal audit reports and status reports on follow-up actions arising from prior internal audit reviews are tabled to the Audit Committee and Board periodically during the financial year.

Total costs incurred for the outsourced internal audit function during FYE2026 was RM42,000/-.

ASSURANCE FROM MANAGEMENT

The Board has received assurance from the Executive Directors and the Group Accountant that the Group's risk management and internal control system were operating adequately and effectively in all material aspects, based on the risk management and internal control system of the Group, in FYE2026 and up to the date of this Statement.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the Annual Report of the Company for FYE2026.

The external auditors reported to the Board that nothing has come to their attention that cause them to believe that this Statement intended to be included in the Annual Report of the Company, is not prepared, in all material respects, in accordance with the disclosures required by paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers to be set out, nor is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board and management thereon. The external auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the Annual Report will, in fact, remedy the problems.

CONCLUSION

The Board is of the opinion that the Group's system of risk management and internal control is operating adequately and effectively throughout the financial year under review and up to date of this Statement.

The Board continues to take appropriate action plans to strengthen the risk management and internal control systems to meet the Group's objectives in light of the continuous changes in the business environment.

This statement is made in accordance with the resolution of the Board dated 22 July 2026.

AUDIT COMMITTEE REPORT

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee comprises three (3) Independent Non-Executive Directors as follows:

Name	Designation
Maggie Then	Chairperson
Tan Sri Dato' Seri Mohd Shariff Bin Omar	Member
Dato' Sri Wira Ayub Bin Yaakob	Member

AUTHORITY, DUTIES AND RESPONSIBILITIES OF THE AUDIT COMMITTEE

The Audit Committee is governed by its Terms of Reference, which is available on the Company's website at www.vc-b.com.

MEETINGS

The Audit Committee convened five (5) meetings during the financial year ended 31 March 2026 ("FYE2026"), and the attendance of each Committee member is as follows:

Members	No. of meetings attended
Maggie Then	5/5
Tan Sri Dato' Seri Mohd Shariff Bin Omar	5/5
Dato' Sri Wira Ayub Bin Yaakob	3/5

The Executive Directors and the Group Accountant are invited to attend all Audit Committee meetings. The external and internal auditors are also invited to attend the Audit Committee meetings to present their audit plan, audit findings and year-end financial statements.

The Chairperson of the Audit Committee reports the proceedings of the Audit Committee to the Board of Directors ("Board") after every Audit Committee meeting. Minutes of the Audit Committee meetings are circulated to all members of the Board and significant issues were brought up and discussed at Board meetings.

The Chairperson also engages on a continuous basis with top management, the external and internal auditors to keep abreast of matters affecting the Group. Where significant issues are highlighted, the Chairman of the Audit Committee communicates and confers with the other members, either through emails or in meetings.

AUDIT COMMITTEE REPORT
(Cont'd)

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

The Audit Committee carried out the following activities, amongst others, during FYE2026 in discharging their duties and responsibilities:

(a) Financial Reporting

- Reviewed four (4) quarterly financial results and the annual audited financial statements of the Company including the announcements pertaining thereto. Discussions were focused primarily on the changes in the accounting policies and practices, significant adjustments arising from the audit and compliance with accounting standards and other legal requirements before recommending to the Board for approval and release of the announcements to Bursa Malaysia Securities Berhad.

- Reviewed and recommended all the reports and statements for inclusion in the Company's 2025 Annual Report to the Board for approval.

(b) Matters relating to External Auditors

- Reviewed with the external auditors, the audit plan and scope of the statutory audit of the Company's financial statements for FYE2026 before the audit commences to ensure that the scope of the external audit is comprehensive.

- Evaluated the external auditors' suitability, objectivity and independence, taking into consideration their technical competencies, audit quality and manpower resource sufficiency to perform the audit of the Group. Also reviewed the reasonableness of the audit fees charged against the size and complexity of the Group, and made recommendations to the Board on their reappointment and remuneration.

- Reviewed the audit services and non-audit services provided by the external auditors and their corresponding fees incurred. The Audit Committee concluded that the external auditors had remained independent during the year.

- Met with the external auditors without the presence of Management so as to provide the external auditors with an avenue to express any concerns they may have.

(c) Matters relating to Internal Audit

- Reviewed with the internal auditors, the internal audit plan, work done and reports for the internal audit function and considered the findings of internal audit reviews and management responses thereon, and ensured that appropriate actions are taken on the recommendations raised by the internal auditors and to obtain assurances that all key risks and control concerns have been fully addressed.

- Monitored the outcome of follow-up audits to ascertain the extent to which agreed action plans have been implemented by Management.

- Evaluated the performance of the internal audit functions during FYE2026 as well as their capability and competency to serve the Group in terms of technical competencies and manpower resource sufficiency.

AUDIT COMMITTEE REPORT
(Cont'd)

(d) Matters relating to related party transactions

- Took note of all the recurrent related party transactions ("RRPTs") reported on a quarterly basis.
- Reviewed and deliberated on all proposed RRPTs to be entered into by the Group to ensure that the proposed transactions to be entered into are in the best interest of the Group, fair, reasonable and on normal commercial terms, and not detrimental to the interests of the minority shareholders of the Company.
- Reviewed the circular to shareholders in relation to the proposed renewal shareholders' mandate for RRPTs prior to its approval by the Board.
- Assessed the performance of the internal audit function of the Company.
- Reviewed and was satisfied that there was no conflict-of-interest situation that arose or may arise within the Group in all RRPTs conducted.

(e) Sustainability Matters

- Reviewed and approved the sustainability Matrix.
- Reviewed and approved sustainability related matters

(f) Other Matters

- Carried out an evaluation on the term of office, competency and performance of the Audit Committee.

AUDIT COMMITTEE REPORT
(Cont'd)

INTERNAL AUDIT FUNCTION

The internal audit function is independent of the activities or operations of other operating units. The principal role of this function is to undertake independent, regular and systematic reviews of the risk management, internal control and governance systems so as to provide reasonable assurance that such systems continue to operate satisfactorily and effectively. It is the responsibility of the internal audit function to provide the Audit Committee with independent and objective reports on the state of internal controls and governance of the various operating units within the Group and the extent of compliance of the units with the Group's established policies and procedures as well as the relevant statutory requirements.

The Group outsourced its internal audit function to Sterling Business Alignment Consulting Sdn. Bhd. ("Sterling"), an independent consulting firm, to review the adequacy and integrity of its system of internal control. Sterling acts as the internal auditor and reports directly to the Audit Committee. Total cost incurred in maintaining the internal audit function for FYE2026 was RM42,000/- (FYE2025: RM39,000/-).

During FYE2026, the Audit Committee carried out its annual evaluation of the work performed by Sterling and was satisfied with their overall performance.

A summary of work carried out by the internal audit function for FYE2026 are as follows: -

Financial Reporting Quarter	Reporting Month	Name of Entity Audited	Audited Areas
1st Quarter ended 30 June 2025	August 2025	VCB and its subsidiaries	• Cybersecurity and Data Privacy
2nd Quarter ended 30 September 2025	November 2025	Versatile Paper Boxes Sdn Bhd	• Procurement and Supplies Quality Assurance • Inventory Management
4th Quarter ended 31 March 2026	May 2026	NSK Grocer (KL) Sdn Bhd	• Outlet Operations

TRAINING

Details of training programmes and seminars attended by each Audit Committee member during FYE2026 are set out in this Annual Report.

This report is made in accordance with a resolution of the Board dated 22 July 2026.

OTHER COMPLIANCE INFORMATION

MATERIAL CONTRACTS

There were no material contracts of the Company and its subsidiaries involving Directors and/or major shareholders entered into since the end of the previous financial year.

AUDIT AND NON-AUDIT FEES PAID/PAYABLE

During the financial year ended 31 March 2026 ("FYE2026"), the amount of audit and non-audit fees paid/payable by the Group and the Company to the external auditors and a firm affiliated to the external auditor's firm for services rendered to the Company and its subsidiaries were as follows:

	Group (RM)	Company (RM)
Audit Fee	194,000	40,000
Non-Audit Fee	47,000	7,500

RECURRENT RELATED PARTY TRANSACTIONS ("RRPTS")

At the last Annual General Meeting held on 25 September 2025, the Company had obtained a general mandate from its shareholders for the Company and its subsidiary companies to enter into RRPTs of a revenue or trading nature ("RRPT Mandate").

The aggregate value of the RRPTs transacted pursuant to the RRPT Mandate for FYE2026 did not exceed 10% of the percentage ratios as prescribed under Section 3.3(a) of the Practice Note 12 of Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Details of the RRPTs conducted during FYE2026 pursuant to the RRPT Mandate are disclosed under Note 23 to the financial statements in this Annual Report.

SUSTAINABILITY STATEMENT

Versatile Creative Berhad ("VCB" or "the Company") and its subsidiary companies ("the Group" or "VCB Group") are committed to continuously develop and improve the business operations of the Group in a responsible and sustainable manner. The Board of Directors of VCB ("the Board") believes that the performance of a company shall not solely be judged by its financial performance but by adopting good sustainable principles, which would also benefit the Group in the long-term basis.

SCOPE AND EXCLUSION

This Sustainability Statement ("this Statement") covers the 12-month reporting period from 1 April 2025 to 31 March 2026 ("FYE2026"). The scope of this Statement covers VCB's business divisions as follows:

Name of Divisions	Name of Subsidiaries	Location
Paper Product Division	Versatile Paper Boxes Sdn. Bhd.	Kuala Lumpur
Plastic Product Division	Versatile Creative Plastic Sdn. Bhd.	Mantin, Negeri Sembilan
Colour Separation and Printing Division	Imagescan Creative Sdn. Bhd.	Kuala Lumpur
Grocery Division	VN Trading Sdn. Bhd. NSK Grocer (KL) Sdn. Bhd. Oriental Mart Sdn. Bhd. Winetopia Sdn. Bhd. Cheers Hub Sdn. Bhd.	Various locations within Klang Valley

Versatile Smart Properties Sdn. Bhd. and Versatile Smart Resources Sdn. Bhd. are dormant subsidiaries with no active business operations, employees or material sustainability-related activities during the reporting period. Accordingly, their exclusion does not have a material impact on the completeness or accuracy of the sustainability disclosures in this Statement.

REPORTING STANDARDS

The Bursa Malaysia Sustainability Reporting Guide (3rd Edition) was used as the primary guideline in determining the overall sustainability reporting approach and disclosure structure. The GRI Standards 2021 and the United Nations Sustainable Development Goals ("SDGs") were referenced for alignment purposes, where relevant to the Group's material sustainability matters.

The Group recognises the growing importance of internationally aligned sustainability reporting. Moving forward, the Group will consider the progressive adoption of the International Financial Reporting Standards ("IFRS") Sustainability Disclosure Standards in preparation for the anticipated alignment of Bursa Securities' reporting requirements with the National Sustainability Reporting Framework ("NSRF"). The Group views this as a natural evolution of its reporting journey and will take deliberate steps to build the internal capabilities and data infrastructure necessary to meet these emerging standards.

ASSURANCE

All data contained in this Statement has been sourced internally, verified by the respective heads of departments or key data owners, and subjected to an independent review by our outsourced internal auditors, Sterling Business Alignment Consulting Sdn. Bhd.

OVERVIEW OF THE GROUP'S BUSINESS

GROCERY DIVISION

Retail and trading of various grocery products.

PAPER PRODUCT DIVISION

Manufacturing of paper packaging products.

PLASTIC PRODUCT DIVISION

Manufacturing of plastic packaging products.

COLOUR SEPARATION AND PRINTING DIVISION

Provision of colour separation and printing services.

The Group is principally engaged in grocery retail operations and the manufacturing of paper and plastic packaging products. In addition, the Group provides colour separation and printing services that support both internal production requirements and external customers. Through its diversified business portfolio, the Group serves a broad customer base across the retail and manufacturing sectors while maintaining a commitment to product quality, operational efficiency, and customer satisfaction. The Group's operations are categorised into four business divisions, namely the Grocery Division, Paper Product Division, Plastic Product Division, and Colour Separation and Printing Division.

The Grocery Division is engaged in the retail and trading of a wide range of grocery products, including fresh produce, frozen and chilled food, dry groceries, beverages, household necessities, personal care products, and other consumer goods. Operating under the NSK Grocer brand, the Division focuses on providing quality products at competitive prices while delivering a convenient and enjoyable shopping experience for customers. The Division continuously enhances its product offerings, store operations, and customer service standards to meet evolving consumer preferences and strengthen its position within the retail market.

The Paper Product Division is engaged in the manufacturing and trading of paper and paperboard packaging products, specialising in offset-printed boxes and offset laminated cartons. The Division serves customers from various industries by providing customised packaging solutions that meet diverse product specifications and quality requirements. Supported by experienced technical personnel and modern manufacturing capabilities, the Division places emphasis on product quality, operational efficiency, and continuous process improvement to deliver reliable and innovative packaging solutions.

The Plastic Product Division is engaged in the manufacturing and sale of plastic packaging products for various industries. The Division is committed to delivering quality packaging solutions through efficient manufacturing processes, consistent product standards, and continuous operational improvement.

The Colour Separation and Printing Division provides colour separation, lithography, and printing-related services. The Division supports both the Group's manufacturing operations and external customers by delivering accurate colour reproduction, pre-press services, and printing solutions that meet stringent quality expectations.

MEMBERSHIP IN ASSOCIATION AND CERTIFICATIONS

VCB places strong emphasis on quality, product safety, responsible manufacturing practices, and continuous improvement across its manufacturing operations. Through its wholly-owned subsidiary, Versatile Creative Plastic Sdn. Bhd. ("VCP"), the Group is a member of the Malaysian Plastics Manufacturers Association ("MPMA"), supporting its engagement with industry developments, regulatory requirements, and best practices relevant to the plastics manufacturing sector. VCP is also certified to ISO 9001:2015, FSSC 22000 Version 6, and Hazard Analysis and Critical Control Points ("HACCP"). These certifications reflect the Group's efforts to maintain effective quality management systems, support food safety requirements, and promote operational consistency across its manufacturing processes.

Similarly, Versatile Paper Boxes Sdn. Bhd. ("VPB") is certified to ISO 9001:2015, ISO 14001:2015, FSSC 22000 Version 6, and Forest Stewardship Council Chain of Custody ("FSC CoC"). In addition, VPB is a member of SEDEX and has undergone a SMETA 4-Pillar audit, demonstrating the Group's commitment to quality management, environmental responsibility, responsible sourcing, supply chain transparency, ethical labour practices, and business integrity.

Collectively, these certifications and industry affiliations reflect the Group's efforts to maintain recognised quality, environmental, food safety, and responsible sourcing standards across its manufacturing operations. They also support the Group's ability to meet customer requirements, comply with applicable regulatory expectations, and strengthen operational consistency and continuous improvement initiatives.

STRATEGY AND SUSTAINABILITY RELATED GOALS

OUR SUSTAINABILITY-RELATED GOALS

Zero Corruption Cases

Maintain a zero-tolerance approach towards bribery and corruption.

Safe Workplace

Target zero work-related fatalities and lost time incidents.

No Breach of Customer Privacy

Safeguard customer data and protect confidential information.

Energy Consumption

Monitor and manage energy consumption intensity to improve resource efficiency.

Water Consumption

Monitor and manage water consumption intensity to promote responsible water use.

SUSTAINABILITY STATEMENT
(Cont'd)

The Group's strategy is focused on strengthening its core businesses, enhancing operational efficiency, maintaining product and service quality, and supporting responsible growth. In the Grocery Division, the Group continues to focus on offering comfortable shopping experience and wide range of quality products at affordable price while expanding its market presence. For the Paper Product Division and Plastic Product Division, the Group's strategic focus includes improving production efficiency, managing resource consumption and maintaining product quality. Across all divisions, the Group seeks to balance business growth with responsible environmental, social and governance practices.

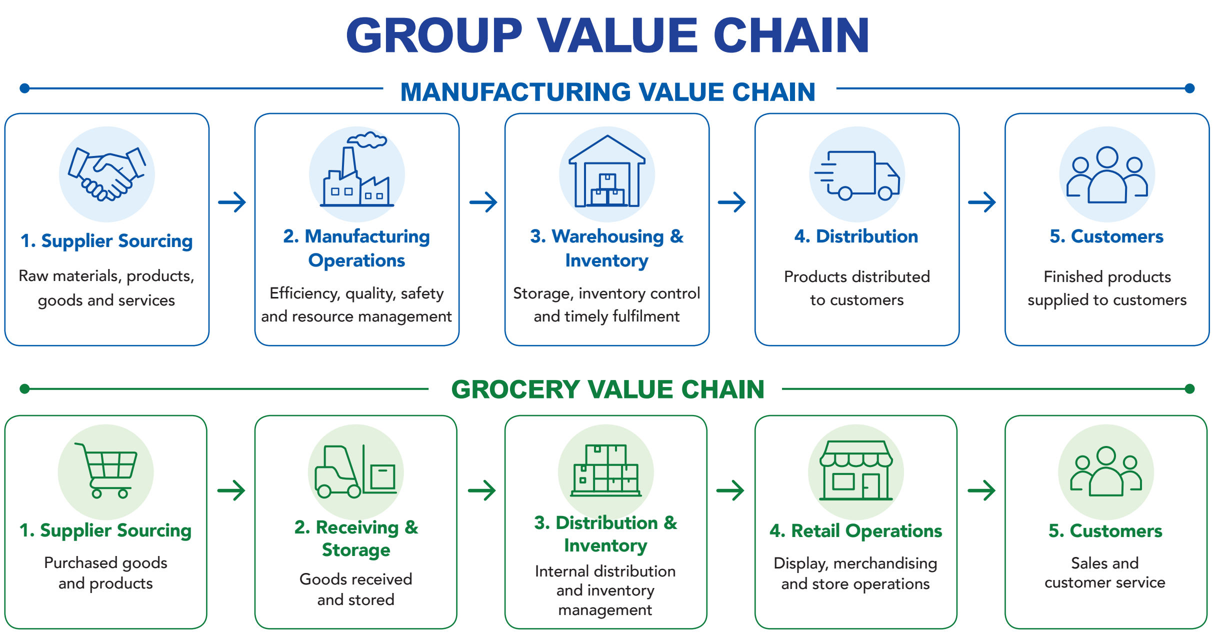
From a sustainability perspective, the Group's key focus areas include ethical business conduct, occupational health and safety, energy and water management. While certain sustainability-related matters may be more relevant to specific divisions, the Group adopts an overall approach of progressively strengthening sustainability practices and reporting processes across its operations.

The Group's sustainability-related goals are focused on strengthening governance, enhancing transparency, managing operational risks, and supporting long-term business resilience. This includes maintaining a zero-tolerance approach towards unethical and illegal conduct, while promoting a culture of integrity, accountability, and responsible business practices across the Group.

The Group is also committed to providing a safe and healthy working environment for its employees. In support of this commitment, the Group aims to achieve zero work-related fatalities and zero lost time incidents across its operations through the implementation of effective occupational safety and health practices, employee training, and continuous monitoring of workplace risks.

In addition, the Group has established energy and water consumption intensity targets for its key operating divisions and monitors performance against these targets on an ongoing basis.

VALUE CHAIN



For the Manufacturing Divisions, the value chain begins with the procurement of raw materials and other production inputs from approved suppliers. These materials are utilised in the manufacturing processes to produce paper and plastic packaging products. Finished products are subsequently stored, managed, and distributed to customers through appropriate warehousing and logistics arrangements, supported by inventory management practices.

For the Grocery Division, the value chain comprises the procurement of grocery products from suppliers, followed by receiving, distribution, and retail sales through the Group's supermarket operations. Supporting activities include merchandising, customer service and logistics.

GOVERNANCE STRUCTURE

BOARD	Oversees the strategies, policies, initiatives, targets and performance of the Group to ensure that the Group's business is conducted in a sustainable manner.
AUDIT COMMITTEE	Review and approve sustainability related matters including but not limited to performance and materiality assessment.
EXECUTIVE DIRECTOR	Coordinate, align and develop sustainability practices across business operation.
SUSTAINABILITY WORKING GROUP	Prepares the Sustainability Statement and/or Summary Report for disclosure purposes in the Annual Report and conduct materiality assessment and report.
HEAD OF DEPARTMENT	Provide support to the SWG.

The Board retains overall responsibility for overseeing the Group's sustainability agenda, including the sustainability strategy, policies, initiatives, targets, performance, and related disclosures. The Board ensures that sustainability considerations are integrated into the Group's business strategy and decision-making processes to support the creation of long-term value.

Given the Group's current governance structure, a dedicated Board Sustainability Committee has not been established. Instead, sustainability-related matters are overseen by the Board, with the support of the Audit Committee ("the AC"). The AC reviews sustainability-related matters, including the Group's sustainability performance, material sustainability matters, and the Sustainability Statement, before making recommendations to the Board where appropriate.

The Executive Directors are responsible for implementing the Group's sustainability strategy and integrating sustainability considerations into the Group's business operations. They coordinate and drive sustainability initiatives across the Group and ensure that sustainability objectives are aligned with the Group's overall business strategy.

The Executive Directors are supported by the Sustainability Working Group ("the SWG"), comprising representatives from relevant business functions. The SWG coordinates the implementation of sustainability initiatives, conducts the Group's materiality assessment, collects and monitors sustainability-related data, and prepares the Sustainability Statement for inclusion in the Annual Report.

The heads of departments support the SWG by identifying, managing, and monitoring sustainability-related matters within their respective functions. They are responsible for providing relevant operational information and performance data, facilitating the implementation of sustainability initiatives.

GOVERNANCE EXCELLENCE POLICIES AND GUIDELINES

We are committed to maintain the highest standards of corporate governance throughout the Group. Sustainability governance at VCB is reinforced by the following policies and guidelines designed to address our responsibilities in economic, environmental and social domains:

01 Anti-Bribery & Anti-Corruption Policy

We uphold a zero-tolerance approach towards bribery and corruption in all its forms.

02 Code of Ethics

We are committed to the highest standards of integrity, fairness and professional conduct.

03 Fit & Proper Policy

We ensure that all Directors and key personnel meet the fit and proper criteria in discharging their duties.

04 Whistleblowing Policy

We encourage the reporting of any improper conduct and ensure protection and confidentiality for whistleblowers.

01. Anti-Bribery & Anti-Corruption Policy

The Group adopts a zero-tolerance approach towards all forms of bribery, corruption, and unethical conduct. The Anti-Bribery and Anti-Corruption ("the ABAC") Policy outlines the responsibilities of Directors, employees, and persons acting on behalf of the Group in preventing, identifying, and reporting corruption-related matters. The policy supports compliance with applicable laws and regulations, including the Malaysian Anti-Corruption Commission Act 2009, and reinforces the Group's commitment to conducting business with integrity, accountability, and transparency.

02. Code of Conduct

The Group's Code of Conduct establishes the standards of ethical and professional behaviour expected of all employees. It provides guidance on matters such as integrity, conflicts of interest, gifts and entertainment, confidentiality, and compliance with applicable laws and regulations. Through the Code, the Group promotes a culture of accountability, fairness, respect, and ethical business conduct across its operations.

SUSTAINABILITY STATEMENT
(Cont'd)

03. Fit and Proper Policy
The Directors' Fit and Proper Policy sets out the criteria for the appointment and re-appointment of directors to ensure that members of the Board possess the appropriate integrity, competence, experience, qualifications, and commitment required to effectively discharge their responsibilities. The policy supports sound corporate governance practices and assists the Nomination and Remuneration Committee in evaluating candidates and retiring directors.

04. Whistleblowing Policy
The Whistleblowing Policy provides a formal and confidential mechanism for employees, business partners, and members of the public to report actual or suspected misconduct, unethical behaviour, or violations of laws and regulations. The policy promotes a speak-up culture by encouraging disclosures made in good faith while providing appropriate protection against retaliation. All reports are assessed and investigated in accordance with established procedures, with significant matters escalated to the Audit Committee for review and appropriate action.

STAKEHOLDER ENGAGEMENT

We define stakeholders as parties who are impacted by our business decisions and activities, and as groups whose actions and decisions will influence our business. We maintain regular engagement with our stakeholders, enabling us to identify and align their sustainability concerns with organisational business practices and strategies. Our key stakeholders are outlined in the table below, along with the forms of engagement and sustainability issues that we seek to address.

STAKEHOLDER	ENGAGEMENT METHODS	SUSTAINABILITY ISSUES
CUSTOMERS	Customer feedback Factory visits Meetings and discussions	Customer satisfaction Continual improvement
EMPLOYEES	Training Annual performance evaluations	Learning and development Staff welfare Compensation and benefits
SHAREHOLDERS	Annual report Annual General Meeting Public announcements Corporate website	Financial performance Business strategy Company development
SUPPLIERS	Meetings and discussions	Safety and quality compliance
REGULATORS	Facility visits Audit and inspections Training	Regulatory compliance Corporate governance

SUSTAINABILITY STATEMENT
(Cont'd)

Customers

Customers are critical to the Group's long-term success and business sustainability. The Group engages with customers through customer feedback, factory visits, meetings and discussions. Key areas of interest include customer satisfaction and continuous improvement initiatives.

VCB is committed to delivering products and services that meet customer requirements, applicable regulatory standards, and operational quality expectations. The Group's manufacturing operations are certified to ISO 9001:2015 Quality Management System standards and serve customers across various industries, including consumer products, manufacturing, and industrial sectors. Through its Grocery Division, the Group strives to enhance customer experience through quality products, competitive pricing, customer service support, and promotional initiatives designed to create value for customers.

Employees

VCB recognises that employee engagement plays an important role in fostering a positive workplace culture, strengthening teamwork, and supporting employee well-being. The Group engages with employees through training programmes, annual performance evaluations and employee engagement activities. Key areas of interest include learning and development opportunities, employee welfare, compensation and benefits, and workplace health and safety.

In addition to learning and development initiatives, the Group continues to encourage employee interaction and engagement through various internal activities and gatherings. During FYE2026, the Group organised Chinese New Year and Hari Raya Aidilfitri dinner celebrations as part of its employee engagement initiatives. These events attended by employees from different divisions and operational levels with opportunities to strengthen relationships, promote team spirit, and celebrate cultural diversity within the workplace. Such activities contribute towards enhancing employee morale, encouraging collaboration, and fostering a more inclusive and connected working environment.

The Group also supports employee well-being through various welfare programmes and benefits. These include outpatient medical benefits and group hospitalisation insurance coverage, which provide employees with access to healthcare support and financial protection against medical expenses. In addition, the Group recognises significant personal milestones in employees' lives through the provision of tokens of appreciation for employees who get married or welcome a newborn child. These initiatives reflect the Group's commitment to fostering a caring and supportive workplace environment.

SUSTAINABILITY STATEMENT
(Cont'd)

Shareholders

The Group maintains regular engagement with shareholders through annual reports, Annual General Meetings ("AGMs"), public announcements, and the corporate website. These communication channels provide shareholders with timely and transparent information on the Group's financial performance, business strategy, corporate developments, governance practices, and sustainability initiatives.Through these engagement channels, shareholders are able to remain informed of the Group's performance and strategic direction, while providing feedback, raising concerns, and participating in discussions on matters relevant to the Group's long-term success.

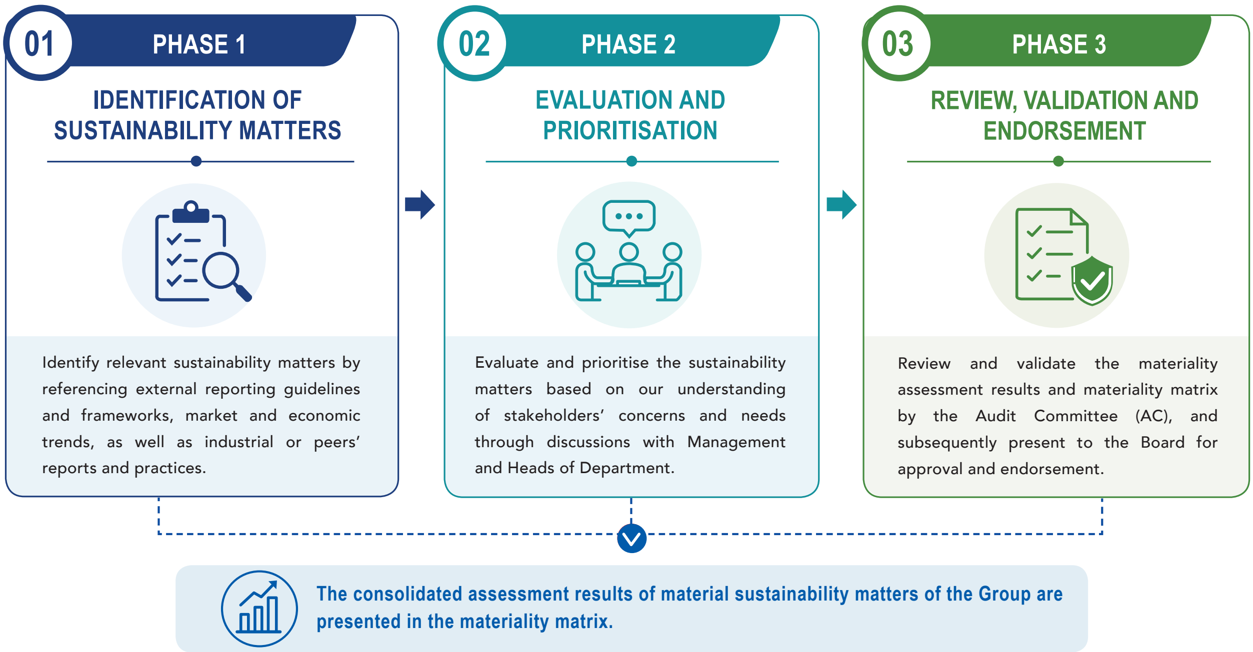
Suppliers

The Group works closely with suppliers to ensure a reliable and responsible supply chain. Engagement is conducted through meetings and discussions to communicate expectations and address operational matters. Key areas of interest include product quality, safety standards, regulatory compliance, and supply chain performance. Through ongoing engagement, the Group seeks to foster mutually beneficial relationships and promote responsible business practices throughout its supply chain.

Regulators

The Group engages with regulators through facility visits, audits, inspections, training programmes, and regulatory submissions. Key areas of interest include regulatory compliance, corporate governance, workplace safety, and environmental requirements. Continuous engagement with regulatory authorities helps the Group remain informed of evolving regulatory expectations and supports compliance with applicable laws and regulations.

MATERIAL SUSTAINABILITY MATTERS



Materiality Assessment Methodology

The Group adopts a structured materiality assessment process to identify, evaluate, prioritise, and validate sustainability matters that are most relevant to its business operations and stakeholders. The assessment is conducted periodically to ensure that the Group's sustainability priorities remain aligned with evolving stakeholder expectations, regulatory developments, industry trends, and business objectives.

The materiality assessment comprises three key stages:

Stage 1: Identification of Sustainability Matters

The first stage of the materiality assessment process involves identifying sustainability matters and sustainability-related risks and opportunities. This process is undertaken through a review of internal and external sources to ensure that emerging sustainability risks, and opportunities are appropriately considered. As part of this process, the Group conducts desktop reviews of sustainability reports and disclosures published by selected peer companies within the manufacturing and retail sectors to identify common sustainability priorities, emerging ESG trends, and sector-specific risks and opportunities.

The identification process also considers sustainability-related risks and opportunities that may reasonably be expected to affect the Group's operations, financial performance and reputation. The outcome of this process is a preliminary list of eleven sustainability matters, namely Anti-Corruption, Data Privacy and Security, Health and Safety, Training and Development, Diversity, Community/Society, Supply Chain Management, Water Management, Energy Management, Waste Management, and Emissions Management. These matters, together with the related sustainability risks and opportunities, are subsequently evaluated and prioritised during the next phase of the materiality assessment.

Stage 2: Evaluation and Prioritisation

The identified sustainability matters are evaluated and prioritised through discussions with Management and Heads of Departments, who possess direct knowledge of the Group's operations. The assessment considers the significance of each matter to the Group's business operations, financial performance and regulatory compliance obligations.

The assessment results are subsequently plotted on a materiality matrix to facilitate the prioritisation process. Matters that score highly in both dimensions are classified as high-priority material matters and receive greater management attention, monitoring, and disclosure. The evaluation process ensures that the Group's sustainability focus remains aligned with stakeholder expectations, business priorities, and emerging sustainability-related risks and opportunities.

Stage 3: Review and Validation

The final stage of the materiality assessment process involves the review and validation of the assessment results and the proposed materiality matrix by the AC. Following the AC review and validation, the materiality assessment results and materiality matrix are presented to the Board for consideration, approval, and endorsement. The Board provides oversight to ensure that the identified material sustainability matters remain relevant to the Group. The Board's endorsement reflects its commitment to integrating sustainability considerations into business decision-making and corporate governance practices.

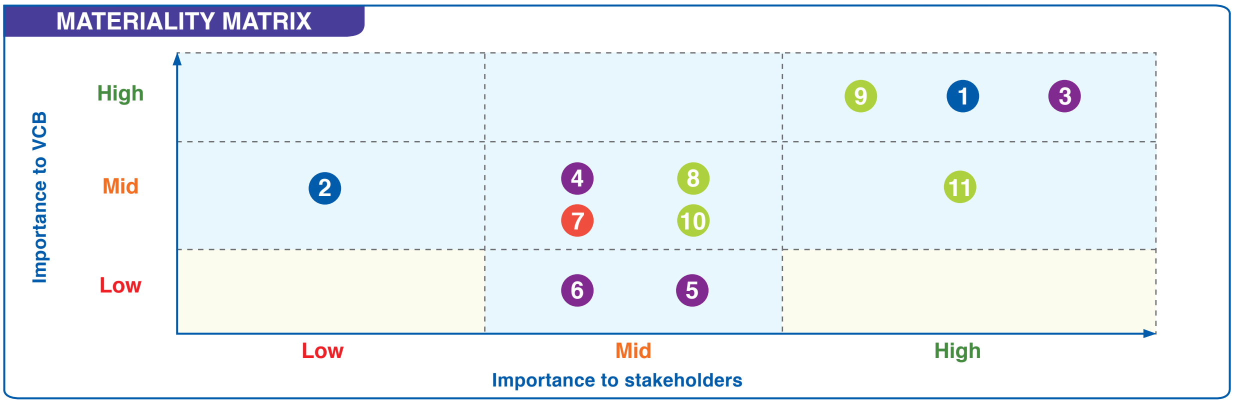
The approved materiality matrix serves as the foundation for the Group's sustainability reporting, sustainability-related target setting and strategic sustainability initiatives. It also guides the allocation of resources and management efforts towards sustainability matters that are considered most significant to both stakeholders and the Group.

SUSTAINABILITY STATEMENT
(Cont'd)

Materiality Assessment Criteria

Materiality Level	Criteria
High	Sustainability matters that are of significant importance to stakeholders and have a substantial impact on the Group. These matters require ongoing management attention, monitoring, and disclosure.
Medium	Sustainability matters that are important to stakeholders and may have a moderate impact on the Group. These matters are monitored and managed as part of the Group's sustainability efforts and may become increasingly significant over time.
Low	Sustainability matters that currently have limited impact on the Group and are of lower concern to stakeholders. While these matters are monitored, they are not considered priority areas for immediate management focus.

The results of the assessment are plotted on a materiality matrix, which reflects the relative importance of each sustainability matter from both stakeholders and business perspectives.



MATERIAL SUSTAINABILITY MATTERS AND ASSESSMENT RESULTS

No.	Material Matter	Category
1	Anti-Corruption	Governance
2	Data Privacy & Security	Governance
3	Health & Safety	Social
4	Training and Development	Social
5	Diversity	Social
6	Community/Society	Social
7	Supply Chain Management	Economic
8	Water Management	Environment
9	Energy Management	Environment
10	Waste Management	Environment
11	Emissions Management	Environment

SUSTAINABILITY STATEMENT
(Cont'd)

Topic	Rationale	Risk	Opportunities
Safety & Health	The matter remains the Group's highest priority due to increasing stakeholder expectations, occupational safety requirements, and the potential impact of workplace incidents on operational continuity.	Unsafe working conditions may result in employee injuries, operational disruptions, regulatory penalties, increased compliance costs, and reputational damage.	Strengthening health and safety practices creates a safer workplace, reduces incidents, enhances employee wellbeing and productivity, and supports regulatory compliance.
Energy Management	Energy Management remains a priority after health and safety due to rising energy costs. Energy costs and efficiency directly affect operating costs and environmental performance.	Rising electricity tariffs and inefficient energy consumption may increase operating costs and adversely affect profitability.	Improving energy efficiency can reduce operating costs, enhance productivity, and lower the Group's environmental footprint.
Anti-Corruption	Remains a key governance priority due to the significant legal, financial, and reputational consequences of corruption, making strong governance essential for stakeholder trust.	Non-compliance with anti-corruption laws may result in legal penalties, financial losses, reputational damage, and loss of stakeholder confidence.	Strong anti-corruption practices enhance stakeholder trust, support regulatory compliance, strengthen the Group's reputation, and promote a culture of integrity.
Emissions Management	Identified as increasingly important due to growing climate-related disclosure expectations.	Failure to effectively monitor and manage greenhouse gas (GHG) emissions may limit the Group's ability to respond to evolving sustainability requirements and stakeholder expectations.	Strengthening emissions monitoring and management enables the Group to reduce carbon footprint.
Data Privacy & Security	The Group is not highly dependent on sensitive personal data. Data security is important for regulatory compliance and operational resilience but is currently less critical than the Group's core operational matters.	Data breaches, cyber threats, unauthorised access, or loss of confidential information may result in operational disruptions, regulatory penalties, reputational damage, and loss of stakeholder trust.	Strengthening information security and data protection practices enhances business resilience, supports regulatory compliance, and reduces cyber-related risks.
Training & Development	Employee competency and skills development support operational effectiveness and workforce capability.	Insufficient training and skills development may result in reduced productivity and increased operational errors. A lack of development opportunities may also affect employee engagement and retention.	Investing in employee training and development enhances workforce competency, productivity, and operational effectiveness. It also supports talent retention.
Diversity	The Group currently considers diversity to have a relatively limited direct impact on operational performance, regulatory compliance, and business continuity.	A lack of diversity and inclusion may limit workforce perspectives, innovation, employee engagement, and the ability to attract and retain talent.	A diverse workforce can strengthen organisational culture and support talent attraction and retention.
Community / Society	The Group has limited operational dependence on local communities, resulting in relatively low business impact and materiality compared to higher-priority matters.	Failure to address community concerns may also lead to reduced stakeholder trust and support.	Active community engagement strengthens stakeholder relationships, enhances corporate reputation, and contributes positively to social development.
Supply Chain Management	Supplier reliability is important for product availability and business continuity, but the Group currently maintains stable supplier relationships that reduce overall risk exposure.	Disruptions in supplier operations, product shortages, logistics issues or price fluctuations may affect product availability, operational efficiency, customer satisfaction, and business continuity.	Strengthening supplier relationships and diversifying sourcing channels can support cost optimisation and strengthen customer satisfaction.
Water Management	Water availability is not currently a significant operational constraint, although responsible water use supports efficiency and environmental stewardship.	Water supply disruptions, changes in water tariffs, or increasing regulatory requirements may affect operational activities and increase operating costs.	Continued monitoring of water consumption helps identify opportunities for efficiency improvements and supports sustainable resource management.
Waste Management	While the Group does not generate significant hazardous waste, responsible waste management remains important to minimise waste generation, improve resource efficiency, and meet stakeholder expectations.	Ineffective waste management practices may result in increased disposal costs, regulatory non-compliance, environmental pollution, and reputational risks.	Strengthening waste management practices can improve operational efficiency, reduce disposal costs, increase recycling and resource recovery opportunities, and support environmental compliance.

Anti-Corruption

The Group is committed to conducting its business in a lawful, ethical and responsible manner, and recognises that strong governance and integrity are fundamental to long-term sustainability and stakeholder trust. The Group adopts a zero-tolerance approach towards all forms of unethical conduct, including bribery and corruption, and is guided by its Code of Conduct and ABAC Policy.

These policies establish the standards of ethical behaviour expected of Directors, employees and business partners, and are implemented across the Group to promote compliance with applicable laws and regulations, ethical decision-making and responsible business practices. Employees, suppliers, customers and other stakeholders are encouraged to report any suspected or actual misconduct, unethical behaviour, illegal activities or non-compliance with the Group's Code of Conduct and ABAC Policy. To reinforce ethical standards throughout the value chain, the integrity pledge under the Group's ABAC Policy is communicated and distributed to all employees, suppliers and customers.

In line with the Malaysian Code on Corporate Governance ("MCCG"), the Group has established a Whistleblowing Policy and put in place appropriate reporting mechanisms to enable the reporting of concerns relating to misconduct, wrongdoing, corruption, fraud, waste or abuse involving the Group's operations or resources. The whistleblowing mechanism is accessible to employees, suppliers and third parties, and provides a confidential channel for raising concerns without fear of reprisal.

The Group is committed to ensuring that all whistleblowing reports are handled in a secure and confidential manner, and investigated independently, fairly and objectively. Whistleblowers who report in good faith are protected against any form of retaliation, discrimination or adverse action, in accordance with the Whistleblowing Policy.

Through the implementation of these governance practices, the Group seeks to foster a culture of integrity, accountability and transparency across its operations, while supporting responsible business conduct, effective risk management and sustainable long-term value creation for stakeholders.

The Group's ABAC Policy, Whistleblowing Policy and Code of Conduct have been implemented across the Group and are publicly available on the Company's website.

During the FYE2026, the Group continued to strengthen its efforts to promote ethical business conduct and reinforce awareness of anti-bribery and anti-corruption principles across its workforce. As part of these efforts, a total of 195 employees completed ABAC training during the year, representing approximately 12% of the Group's total workforce. This reflects an improvement from 161 employees who completed the training in the previous financial year, demonstrating the Group's ongoing commitment to enhancing employee awareness and understanding of ethical business practices and regulatory requirements.

The ABAC training programme is designed to equip employees with the knowledge and skills required to identify, prevent, and respond appropriately to bribery, corruption, conflicts of interest, and other forms of unethical conduct. The training also reinforces the principles outlined in the Group's Anti-Bribery and Anti-Corruption Policy, Code of Conduct, and Whistleblowing Policy, while promoting individual accountability and compliance with applicable laws and regulations.

During FYE2026, the Group did not conduct a formal assessment of its operations for corruption-related risks. Accordingly, the percentage of operations assessed for corruption-related risks was 0% for the reporting period. There were no reported cases of corruption and no substantiated complaints relating to human rights violations during the financial year. This reflects the Group's continued commitment to ethical business conduct.

Our commitment to integrity, ethics and respect for human rights

INDICATOR	TARGET	FYE2026	FYE2025	FYE2024
No. of confirmed corruption incidents Incidents that are investigated and confirmed.	0	0	0	0
No. of substantiated complaints concerning human rights violations Complaints that are investigated and substantiated.	0	0	0	0
Percentage of employees on ABAC training Employees who have completed Anti-Bribery and Anti-Corruption (ABAC) training.	100%	12%	12%	0%

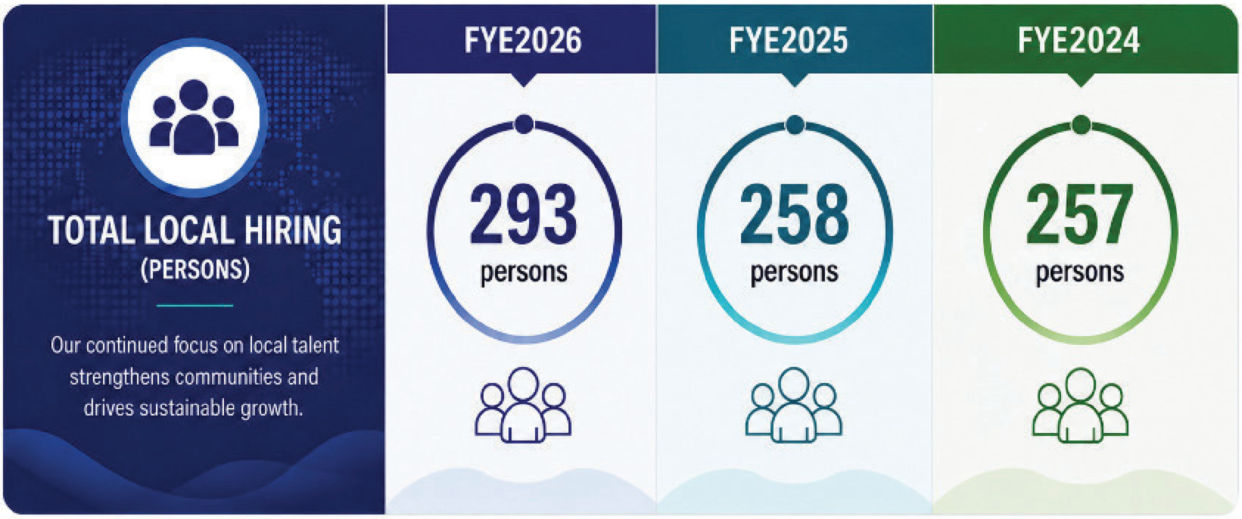
Community And Society

As a responsible corporate citizen, the Group recognises that its responsibilities to society extend beyond delivering sustainable long-term value to shareholders and other stakeholders. The Group remains committed to supporting and uplifting the communities surrounding its operations, recognising that strong and resilient communities are essential to the sustainability of its business over the long term.

One of the key ways in which the Group contributes to local communities is through the creation of employment opportunities. In line with this commitment, the Group continues to prioritise the hiring of local job seekers across its business Divisions, thereby supporting local economic development, enhancing household income stability, and contributing to overall community well-being. While the Group has not set a formal quantitative target for local hiring at this stage, preference is given to local applicants wherever practicable, subject to operational requirements, skills availability, and workforce planning considerations. This approach allows the Group to maintain flexibility in meeting its manpower needs while promoting inclusive employment practices and local participation in its operations.

The Group's local hiring represents the number of local employees recruited during the respective financial year. The total local hiring has remained consistently high over the past three financial years, reflecting the Group's commitment to supporting local employment and contributing to the development of the domestic workforce.

SUSTAINABILITY STATEMENT
(Cont'd)



During FYE2026, the Group's community initiatives benefited approximately 1,000 individuals through programmes aimed at supporting local communities and fostering social well-being.

Community Investment Indicator	FYE2026	FYE2025	FYE2024
Total amount invested in the community (RM)	419	12,538	0
Total number of beneficiaries	1,000	0	0

The Group will continue to explore opportunities to contribute to local communities through initiatives that align with its values and create positive social impact for stakeholders.

Diversity

The Group's workforce diversity profile is monitored across key dimensions, including gender and age group, to support fair and inclusive employment practices. The charts illustrate the gender and age composition of employees across the Paper Product Division, Plastic Product Division, Grocery Division, and Colour Separation and Printing Division over the past three financial years.

PAPER PRODUCT DIVISION

Workforce Composition by Age and Gender

BY AGE (%)	2026	2025	2024
30 and Below	20%	23%	26%
31–40	26%	25%	25%
41–50	31%	29%	28%
51–60	19%	15%	15%
Above 60	4%	8%	6%

BY GENDER (%)	2026	2025	2024
Male	69%	69%	72%
Female	31%	31%	28%

PLASTIC PRODUCT DIVISION

Workforce Composition by Age and Gender

BY AGE (%)	2026	2025	2024
30 and Below	43%	48%	51%
31–40	26%	23%	23%
41–50	11%	15%	17%
51–60	20%	12%	8%
Above 60	0%	2%	1%

BY GENDER (%)	2026	2025	2024
Male	93%	85%	80%
Female	7%	15%	20%

GROCER DIVISION

Workforce Composition by Age and Gender

BY AGE (%)	2026	2025	2024
30 and Below	64%	57%	64%
31–40	25%	29%	26%
41–50	9%	10%	7%
51–60	2%	3%	3%
Above 60	0%	1%	0%

BY GENDER (%)	2026	2025	2024
Male	79%	79%	85%
Female	21%	21%	15%

COLOUR SEPARATION AND PRINTING DIVISION

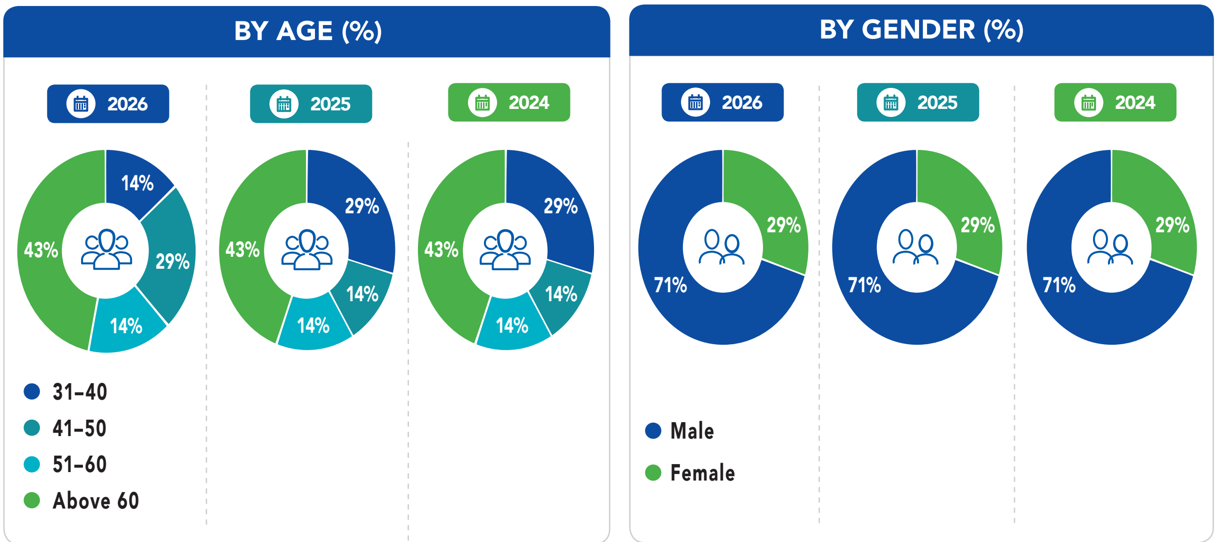
Workforce Composition by Age and Gender

BY AGE (%)	2026	2025	2024
30 and Below	0%	0%	0%
31–40	0%	0%	0%
41–50	0%	20%	60%
51–60	100%	80%	40%
Above 60	0%	0%	0%

BY GENDER (%)	2026	2025	2024
Male	40%	40%	40%
Female	60%	60%	60%

DIRECTOR

Workforce Composition by Age and Gender



The workforce composition reflects the operational requirements of each business division. The Paper Products and Plastic Products divisions remain predominantly male, consistent with the operational and technical demands of manufacturing roles. Similarly, the Grocery Division records a higher proportion of male employees, largely reflecting the operational requirements at store and logistics levels.

From an age perspective, the Group's workforce is primarily concentrated within the economically active age groups, with the majority of employees falling within the 50 and below. Representation of employees aged above 50 remains present across divisions, contributing experience and institutional knowledge. This distribution supports operational continuity while enabling knowledge transfer and workforce stability.

The Group does not currently set specific targets for gender or age composition. Employment decisions are based on operational needs, role requirements, and individual merit, including qualifications, experience, and competency. The observed workforce profile reflects these considerations rather than prescriptive diversity thresholds.

The Group also supports inclusive employment practices and provides equal employment opportunities to persons with disabilities based on individual merit, qualifications, and job suitability. Where practicable, reasonable workplace accommodations are considered, taking into account operational requirements, workplace safety, and the nature of the work involved.

SUSTAINABILITY STATEMENT
(Cont'd)

Energy management

The Group recognises that energy consumption from day-to-day operations contributes to its environmental footprint. As part of its commitment to sustainable development, the Group seeks to minimise environmental impact by improving operational efficiency and reducing unnecessary energy usage across its business divisions.

To promote energy efficiency, the Group has implemented energy conservation measures at the factories of its Paper Product Division and Plastic Product Division to minimise unnecessary energy consumption and support responsible resource management. These measures include encouraging employees to switch off lighting, air-conditioning units, office equipment, and machinery when not in use, particularly during breaks and after operating hours. Such initiatives support responsible energy use while maintaining operational productivity.

In FYE2026, total energy consumption remained broadly aligned with operational activity levels. The Grocery Division recorded the highest energy consumption, attributable to its larger scale of operations while the manufacturing division reported comparatively lower usage. Notably, the Plastic Products Division demonstrated improved energy intensity, with lower energy consumption intensity per RM1,000 of revenue compared to the previous financial year, reflecting ongoing operational optimisation efforts and more efficient utilization of energy resources.

The Paper Product Division recorded a higher energy intensity compared to FYE2025, primarily due to lower revenue generated during the financial year, which resulted in a higher energy consumption intensity ratio despite relatively lower energy use.

Meanwhile, the Grocery Division maintained a stable energy intensity performance compared to the previous financial year and recorded an improvement compared to FYE2024, reflecting effective energy management despite continued business expansion. Overall, energy intensity performance across the divisions remained within internal targets.

The Group continues to monitor energy consumption patterns to support efficiency improvements and responsible energy use while maintaining operational effectiveness.

Total Energy Consumption

INDICATOR	PAPER PRODUCT DIVISION			PLASTIC PRODUCT DIVISION			GROCERY DIVISION		
	2026	2025	2024	2026	2025	2024	2026	2025	2024
Total Energy Consumed (KWH)	1,291,205	1,316,357	1,296,961	1,314,818	2,151,310	3,020,843	11,833,857	9,353,785	6,818,618
Revenue (RM'000)	26,897	30,474	29,502	6,213	8,503	11,182	419,879	335,875	229,648
Actual Consumption per RM1,000 revenue	48	43	44	212	253	270	28	28	30
Target Consumption per RM1,000 revenue	Below 50 per RM1,000 revenue			Below 300 per RM1,000 revenue			Below 35 per RM1,000 revenue		

The Group does not separately track energy consumption for the Colour Separation and Printing Division, as the division operate on a relatively small scale and share facilities with the Paper Product Division.

Water management

Water intensity is measured by comparing total water consumption against revenue for the year. The Group's water supply is primarily sourced from Pengurusan Air Selangor Sdn. Bhd. and Air Negeri Sembilan; accordingly, reported water usage reflects actual water consumption across the Group's operations.

The Group recognises the importance of responsible water management as part of its broader sustainability commitments. While water usage across the manufacturing division (Paper Product and Plastic Product) as well as the Grocery Division is not considered water-intensive due to the nature of their operations, ongoing monitoring of water consumption enables the Group to track efficiency, manage operational risks, and identify opportunities for continuous improvement.

In FYE2026, the Grocery Division recorded water consumption intensity within the internal target threshold. However, the Paper Product and Plastic Product divisions recorded water consumption intensity above their respective target thresholds. The higher water consumption intensity in the Plastic Product Division was primarily attributable to additional usage during the relocation process, which resulted in temporary increases in water consumption. Meanwhile, the Paper Product Division's performance was influenced by operational usage patterns and revenue levels during the financial year.

The Group will continue to monitor water consumption trends and prompt rectification of leaks. These initiatives support the Group's ongoing efforts to enhance resource efficiency while maintaining operational effectiveness.

WATER CONSUMPTION & REVENUE	PAPER PRODUCT DIVISION			PLASTIC PRODUCT DIVISION			GROCERY DIVISION		
	2026	2025	2024	2026	2025	2024	2026	2025	2024
Total Water Consumed (m^3)	10,486	9,593	7,305	4,265	3,226	6,190	67,559	58,333	52,451
Revenue (RM/000)	26,897	30,474	29,502	6,213	8,503	11,182	419,879	335,875	229,648

WATER CONSUMPTION INTENSITY	PAPER PRODUCT DIVISION			PLASTIC PRODUCT DIVISION			GROCERY DIVISION		
	2026	2025	2024	2026	2025	2024	2026	2025	2024
Actual Consumption per RM1,000 revenue	0.39	0.31	0.25	0.69	0.38	0.55	0.16	0.17	0.23
Target Consumption per RM1,000 revenue	Below 0.30			Below 0.60			Below 0.30		

The Group does not separately track water consumption for the Colour Separation and Printing Division, as the division operate on a relatively small scale and share facilities with the Paper Product Division.

SUSTAINABILITY STATEMENT
(Cont'd)

Health and Safety

The Group is committed maintaining a safe, healthy, and conducive working environment for all employees across its operations. Occupational safety and health form an integral part of the Group's operational practices and sustainability efforts. During the FYE2026, the Group continued to comply with applicable occupational safety and health legislation, regulations, and relevant workplace safety requirements.

For the FYE2026, the Group recorded zero workplace fatalities and no lost time incidents, reflecting the continued effectiveness of its occupational safety and health management practices and ongoing efforts to maintain a safe working environment. The absence of reportable incidents during the year indicates improved safety performance across operations, supported by preventive measures, employee awareness, and operational controls.

Notwithstanding this outcome, the Group remains mindful that occupational safety risks require continuous management. Accordingly, the Group will continue to strengthen safety initiatives, enhance training and preparedness programmes, and reinforce operational controls as part of its broader approach to managing people-related risks. These efforts are aligned with the Group's sustainability objectives and support workforce well-being, operational resilience, and responsible business conduct.

Target and Commitments	Target	FYE2026	FYE2025	FYE2024
Number of work fatalities	Nil	Nil	Nil	Nil
Lost Time Incident Rate	Nil	Nil	23	Nil

To promote workplace safety awareness and competency, the Group provides health and safety-related training to employees whose roles involve operational, supervisory, and emergency response responsibilities. These training programmes are intended to enhance employees' understanding of workplace hazards, safe work practices, emergency preparedness, and compliance with applicable occupational safety and health requirements.

The Group provides health and safety training on an ongoing basis to support employees in carrying out their responsibilities safely and in accordance with applicable workplace safety requirements. During FYE2026, a total of 51 employees received training on health and safety standards, compared with 16 employees in FYE2025 and 44 employees in FYE2024.

SUSTAINABILITY STATEMENT
(Cont'd)

In addition to preventive measures, the Group places strong emphasis on emergency preparedness. A dedicated Emergency Response Team ("ERT") has been established for Paper Product Division and Plastic Product Division, comprising trained first aiders, chargemen, fire-fighting personnel, and rescue team members. The ERT plays a critical role in ensuring prompt and effective response in the event of emergencies, minimising potential harm to people, assets, and operations.

ERT members undergo periodic and role-specific training to strengthen their technical competencies, situational awareness, and coordination capabilities. During FYE2026, both Paper Product Division and Plastic Product Division conducted fire drill exercises as part of its emergency preparedness programme. These exercises provided practical exposure to simulated emergency scenarios, enabled the testing of established response procedures, and reinforced coordination among internal response teams.

To minimise workplace hazards and prevent occupational injuries and illness, the Group provides appropriate Personal Protective Equipment ("PPE") to employees based on the nature of their job responsibilities and workplace risks. The mandatory use of PPE is enforced in designated work areas and activities across the Group's operations, supported by clearly displayed safety signages and standard operating procedures. Compliance with PPE requirements is monitored on an ongoing basis through daily supervision and internal checks.

SUSTAINABILITY STATEMENT
(Cont'd)

Training and Development

In FYE2026, VCB continued its commitment to nurturing talent and fostering continuous learning and development across the Group. The Group recognises that investing in employee capability is essential to supporting operational effectiveness, managing people-related risks, and sustaining long-term organisational performance. Accordingly, VCB promotes a culture of life-long learning by providing structured opportunities for employees to enhance their skills, knowledge, and professional competencies.

To ensure training initiatives remain relevant and aligned with business and regulatory requirements, the Group conducts an annual assessment of training needs. This process includes a training needs analysis at departmental level, supported by the Annual Performance Appraisal for individual employees. Through this structured approach, the Group identifies skill gaps, supports employee development objectives, and aligns learning initiatives with operational priorities and evolving industry and regulatory expectations.

During FYE2026, training programmes covered a broad range of areas, including technical and operational competencies, workplace health and safety, environmental, social and governance ("ESG") practices, as well as governance, compliance, and internal control matters. These programmes are designed to ensure employees are equipped with the necessary capabilities to perform their roles effectively, adapt to changing business conditions, and support the Group's sustainability agenda.

TRAINING AND DEVELOPMENT PROGRAMMES CONDUCTED IN FYE2026

Building capabilities. Ensuring compliance. Driving excellence.

While the Group has not established a fixed target for annual training hours, its approach to learning and development is guided by business needs, regulatory updates, and identified risk areas. This flexible and needs-based approach enables the Group to prioritise training initiatives that deliver the greatest relevance and impact, while ensuring compliance with applicable requirements.

SUSTAINABILITY STATEMENT
(Cont'd)

EMPLOYEE CATEGORY	FYE2026	FYE2025	FYE2024
Direct	552	192	496
Indirect	616	312	728
Sales & Marketing	72	8	104
Admin	884	584	576
TOTAL HOURS	2,124	1,096	1,904

Training hours include both technical and soft skills programmes designed to support employee growth and organisational capability building.

Total hours of training increased by 93.8% compared to FYE2025.

During FYE2026, the Group recorded a total of 2,124 training hours, representing a significant increase of 93.8% compared to 1,096 training hours in FYE2025. The increase reflects the Group's continued investment in employee capability development and its commitment to strengthening workforce competencies across operational, administrative, and support functions.

Training was provided across all employee categories and covered a broad range of topics, including occupational safety and health, food safety and quality management, governance and compliance, sustainability reporting, human resource management, finance and taxation, and technical skills development.

The increase in training activities during the financial year contributed to enhancing employees' technical knowledge, regulatory awareness, workplace safety practices, and operational effectiveness. These initiatives support the Group's efforts to maintain compliance with applicable requirements, improve productivity and quality standards, strengthen internal capabilities, and foster a culture of continuous learning and professional development.

Workforce Composition and Employee Turnover

The Group's workforce comprises a combination of permanent employees and a limited number of contract or temporary staff engaged to support operational and business requirements. The use of contract and temporary personnel provides flexibility in managing workforce needs while ensuring operational continuity during periods of fluctuating demand.

During FYE2026, contract and temporary staff are as below:

Workforce Indicator	FYE2026	FYE2025	FYE2024
Percentage of employees that are contract or temporary staff	2.6%	0.7%	2.7%

SUSTAINABILITY STATEMENT
(Cont'd)

The Group also monitors employee turnover as part of its workforce planning and talent management efforts. Employee turnover may arise from various factors, including career progression, retirement, personal circumstances, business requirements and workforce restructuring initiatives. Monitoring turnover trends enables the Group to identify areas for improvement in employee engagement, retention and workforce development.

The majority of turnover occurred within operational roles, which generally experience higher workforce mobility due to the nature of the work and labour market conditions.

Employee Turnover by Category	FYE2026	FYE2025	FYE2024
Direct	365	299	266
Indirect	57	93	57
Sales & Marketing	20	4	0
Administration	26	45	25
Total	468	441	348

The Group remains committed to attracting, developing and retaining talent through fair employment practices, employee engagement initiatives, training and development opportunities, and a supportive working environment.

SUSTAINABILITY STATEMENT
(Cont'd)

Supply chain management

In FYE2026, the Group continued to emphasise responsible sourcing practices, guided by operational requirements and the objective of maintaining a secure, reliable, and cost-effective supply chain. Procurement decisions are primarily based on quality, delivery reliability, service levels, and supplier performance, in support of operational continuity and customer requirements.

While no formal quantitative target has been established for local procurement spend, the Group gives preference to sourcing locally where feasible and commercially viable. This approach supports supply chain responsiveness and helps reduce lead times. Where applicable, local sourcing may also result in lower logistics requirements.

The Group maintains a diversified supplier base to manage supply continuity and operational risks. Supplier performance is monitored on an ongoing basis, with a focus on consistency in quality and delivery.

Proportion of spending on local suppliers vs imports:	FYE2026		FYE2025		FYE2024	
	Local	Foreign	Local	Foreign	Local	Foreign
Paper Product Division	67%	33%	79%	21%	68%	32%
Plastic Product Division	100%	0%	100%	0%	100%	0%
Colour Separation and Printing Division	100%	0%	100%	0%	100%	0%
Grocery Division	99%	1%	100%	0%	100%	0%

Data Privacy

FYE2026 HIGHLIGHT

0

NO SUBSTANTIATED COMPLAINTS

relating to breaches of data privacy or loss of confidential information during FYE2026.

NO SUBSTANTIATED COMPLAINTS RECEIVED in FYE2026.

NO REPORTED INCIDENTS of data breaches or loss of confidential information.

KEY SECURITY MEASURES IN PLACE

ACCESS CONTROLS
System access is restricted based on user roles and authorisations.

FIREWALLS
Network firewalls are in place to prevent unauthorised access and threats.

ANTI-VIRUS & ANTI-MALWARE
Solutions are deployed to detect, prevent and remove malicious threats.

EMPLOYEE AWARENESS
Employees are guided by the VCB Code of Conduct and are expected to practice responsible data handling.

The Group recognises the importance of data privacy and information security in supporting regulatory compliance, business continuity, and stakeholder confidence in an increasingly digital operating environment. The management of data protection and cybersecurity risks forms part of the Group's broader approach to operational risk management.

During FYE2026, the Group maintained appropriate technical and organisational measures to safeguard its information technology systems and data assets. These measures include the use of system access controls, firewalls, antivirus and anti-malware solutions, as well as other security controls designed to reduce the risk of unauthorised access, data loss, or system disruption.

For FYE2026, there were no substantiated complaints or reported incidents relating to breaches of data privacy or loss of confidential information. Notwithstanding this outcome, the Group acknowledges that data privacy and cybersecurity risks continue to evolve.

Waste Management

Waste management remains an important operational and environmental consideration for VCB, particularly in the context of resource efficiency, regulatory compliance, and responsible business practices. The Group recognises that effective waste management requires accurate data collection, appropriate segregation practices, and continuous improvement over time.

In FYE2025, the Group commenced reporting on total waste generation across its operations, including waste diverted from disposal and waste directed to disposal. Waste diverted from disposal refers to materials that are recovered, reused, or recycled, while waste directed to disposal includes waste sent for incineration or landfill. FYE2025 therefore represents the Group's baseline year for waste data collection and disclosure.

During FYE2026, the Group continued to strengthen its waste tracking processes and improve the consistency of waste data collection across divisions. Total waste generated increased from 2,334 tonnes in FYE2025 to 3,413 tonnes in FYE2026. The increase was primarily attributable to higher waste volumes generated by the Grocery Division, reflecting the expansion in the number of operating outlets as well as improvements in waste segregation, tracking and reporting during the financial year.

At the same time, total waste diverted from disposal increased from 1,185 tonnes to 2,042 tonnes, reflecting ongoing efforts to improve waste segregation and recovery practices. The Grocery Division and Plastic Product Division also recorded waste diversion during FYE2026 following improvements in waste management practices.

Looking ahead, VCB will continue to progressively enhance its waste management process as part of its broader sustainability and operational efficiency efforts. This includes further refining data collection processes, improving segregation at source where practicable, and exploring opportunities to increase waste diversion.

These efforts are intended to support improved transparency, informed decision-making, and gradual performance improvement, while recognising that waste management remains an evolving area within the Group's sustainability journey.

Indicator (Metric tonnes)	Paper Product Division		Plastic Product Division		Grocery Division		Total	
	FYE2026	FYE2025	FYE2026	FYE2025	FYE2026	FYE2025	FYE2026	FYE2025
Total waste diverted from disposal	1,160	1,185	71	-	811	-	2,042	1,185
Total waste directed to disposal	11	12	-	115	1,360	1,022	1,371	1,149
Total waste	1,171	1,197	71	115	2,171	1,022	3,413	2,334

Emission

As part of its ongoing commitment to environmental stewardship and transparent sustainability reporting, VCB continued to disclose its greenhouse gas ("GHG") emissions in FYE2026, building on the Group's first emissions disclosure in FYE2025.

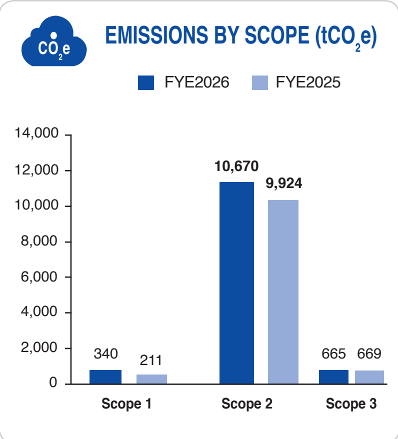
The Group recognises that climate change and emissions management are increasingly important to long-term business resilience, regulatory compliance and stakeholder expectations. Accordingly, the disclosure provides greater visibility over the Group's emissions profile and supports the gradual strengthening of internal data management, governance and reporting processes.

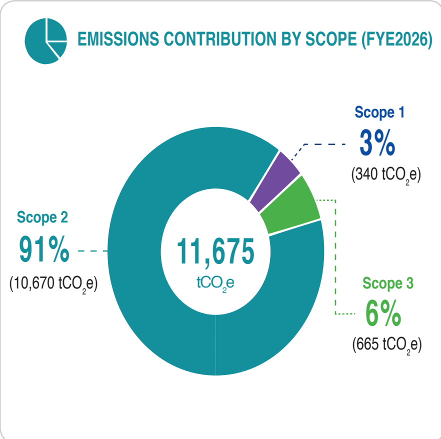
FYE2025 serves as the Group's baseline year for GHG emissions reporting. FYE2026 emissions data are therefore presented against this baseline, recognising that methodologies and data quality may continue to evolve as the Group's reporting practices mature. At this stage, the Group has not established formal GHG emissions reduction targets, as its current focus remains on improving data completeness, defining appropriate reporting boundaries and enhancing internal monitoring processes.

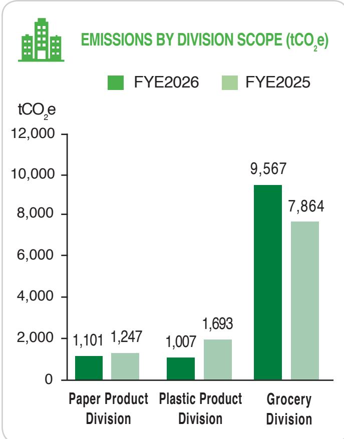
During FYE2026, the Group continued to refine its emissions data collection approach, taking into account the nature of its operations, data availability and applicable guidance.

Looking ahead, VCB will continue to enhance its GHG emissions reporting and internal capabilities in line with business needs, regulatory developments and evolving sustainability reporting standards. These efforts form part of the Group's broader approach to climate-related risk awareness, sustainability governance and responsible business conduct, supporting informed decision-making and long-term operational resilience.

SUSTAINABILITY STATEMENT
(Cont'd)







Divisions	Scope 1 (tCO_2e)		Scope 2 (tCO_2e)		Scope 3 (tCO_2e)		Total (tCO_2e)	
	FYE2026	FYE2025	FYE2026	FYE2025	FYE2026	FYE2025	FYE2026	FYE2025
Paper Product Division	58	111	955	1,019	88	117	**1,101**	1,247
Plastic Product Division	-	-	973	1,665	34	28	**1,007**	1,693
Grocery Division	282	100	8,742	7,240	543	524	**9,567**	7,864
Total	**340**	**211**	**10,670**	**9,924**	**665**	**669**	**11,675**	**10,804**

Notes:

1. Emission factors used to calculate Scope 1 emissions are based on the UK Government's GHG Reporting Conversion Factors for Company Reporting Year 2025. The emission factor for diesel fuel is 2.66155 kg CO_2e/litre, and petrol is 2.33984 kg CO_2e/litre.
2. Emission factors used to calculate Scope 2 are based on a factor of 0.74 kg CO_2e/kWh, in accordance with Malaysia's Grid Emission Factor (GEF).
3. Emission factors used to calculate Scope 3 are based on distance-driven data: 0.16272 kg CO_2e/km for an average car, as published by the UK Government's GHG Reporting Conversion Factors for Company Reporting Year 2025.
4. Scope 1 covers non-stationary emissions from petrol and diesel consumption, while Scope 2 accounts solely for emissions from electricity usage.
5. Scope 3 includes emissions from Categories 6 (Business Travel) and 7 (Employee Commuting) only.
6. Emissions data for the Colour Separation and Printing Division are not separately disclosed as it operates on a relatively small scale and share facilities with the Paper Product Division. Accordingly, Scope 3 emissions, including employee commuting emissions, are included within the Paper Product Division's reported emissions data.

CLIMATE-RELATED RISK MANAGEMENT AND TCFD ALIGNMENT

In line with the enhanced sustainability disclosure requirements of Bursa Malaysia and the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"), the Group has initiated efforts to progressively integrate climate-related considerations into its governance, strategy, risk management, and performance monitoring frameworks.

Governance

The Board of Directors, with the support of the Audit Committee ("AC"), retains overall responsibility for overseeing sustainability-related matters, including climate-related risks and opportunities. The Executive Directors, supported by the Sustainability Working Group ("SWG"), are responsible for identifying, assessing and monitoring climate-related risks and opportunities, implementing appropriate mitigation measures, and reporting significant climate-related matters to the Board, where appropriate.

During FYE2026, as part of Management's responsibilities for overseeing climate-related matters, the Group undertook preliminary assessments to identify potential climate-related risks and opportunities that may affect its operations. As part of this process, a Climate Change Risk Register was developed to document identified climate-related risks, potential impacts and corresponding mitigation measures. The register serves as a reference tool to support Management's oversight of climate-related matters and facilitate future risk management initiatives.

Strategy

The Group recognises that climate change may affect its operations through both physical and transition-related risks. As part of its sustainability reporting journey, the Group conducted a preliminary assessment during FYE2026 to better understand how climate-related matters may influence its business operations and long-term resilience.

During FYE2026, the preliminary assessment focused primarily on physical climate-related risks relevant to the Group's operations. Climate-related risks were identified through management discussions, reviews of operational activities and reference to publicly available climate-related information. The identified risks were documented in the Climate Change Risk Register and assessed based on their likelihood of occurrence and potential operational impact to support the prioritisation of mitigation measures.

The assessment considered physical climate-related risks, including extreme weather events, rising temperatures, increased pest activity and water scarcity. While the current assessment focuses on physical climate-related risks, the Group intends to progressively consider transition-related risks as its climate risk management and reporting practices mature.

Risk Management

The preliminary assessment identified several physical climate-related risks relevant to the Group's operations together with corresponding mitigation measures. These risks have been assessed based on their likelihood of occurrence and potential operational impact, resulting in risk ratings ranging from medium to high to support the prioritisation of mitigation measures.

CLIMATE-RELATED RISK	POTENTIAL IMPACT	KEY MITIGATION MEASURES
Extreme weather disrupting supply chain Severe weather events (e.g. flooding, storms) may disrupt the supply of raw materials.	Delays in the supply of materials may result in production disruptions and operational delays.	Diversify supplier base and maintain appropriate buffer stock levels to enhance supply chain resilience.
Rising ambient temperatures affecting product quality Higher temperatures may affect the quality of product during storage and transportation.	Deformation or warping of product may lead to quality issues and potential product returns.	Implement temperature-controlled storage and monitor warehouse conditions to maintain product quality.
Increased pest activity due to warmer climate Warmer conditions may increase pest activity in storage and warehouse areas.	Greater risk of contamination within storage and warehouse facilities.	Strengthen pest management programmes and conduct more frequent inspections and monitoring.

The Group has identified mitigation measures to address the key climate-related risks, including strengthening supply chain resilience through the identification of alternative suppliers and maintaining appropriate buffer stock levels, implementing operational controls such as warehouse and storage temperature monitoring and enhanced pest management programmes.

The Climate Change Risk Register will be reviewed periodically to ensure that identified risks, mitigation measures and emerging climate-related issues remain relevant to the Group's operations and business environment. As the Group's climate risk management practices continue to mature, the Group will progressively enhance its climate risk assessment processes and integrate climate-related considerations into its broader enterprise risk management and sustainability processes.

Metrics and Targets

FYE2025 represents the Group's baseline year for greenhouse gas ("GHG") emissions reporting. The Group has disclosed its Scope 1 and Scope 2 emissions, together with selected Scope 3 emissions relating to employee commuting and business travel, and has commenced tracking key environmental performance indicators, including:

- Energy consumption and energy intensity;
- Water usage and water intensity; and
- Waste generation.

These metrics support the monitoring of climate-related risks identified in the risk register, particularly those relating to energy use, temperature sensitivity, and water dependency. The Group intends to progressively enhance its Scope 3 emissions assessment and reporting capabilities in line with evolving reporting requirements, data availability, and its climate reporting maturity.

The Group continues to monitor developments relating to the NSRF and IFRS Sustainability Disclosure Standards, including IFRS S1 and IFRS S2. As part of its readiness efforts, the Group will progressively enhance its climate-related governance, risk assessment processes, emissions data management systems, and disclosures to support future reporting requirements.While the Group has not established formal climate-related targets at this stage, it remains committed to strengthening its data collection processes and climate-related performance monitoring capabilities. The Group will continue to evaluate the feasibility of establishing appropriate climate-related targets as its climate risk management and reporting practices mature.

SUSTAINABILITY STATEMENT
(Cont'd)

GRI CONTENT INDEX

The following table provides references to the GRI Standards disclosed in this report:

GRI Standard	Disclosure Title	Section Reference
GRI 204-1	Proportion of spending on local suppliers	Supply Chain Management
GRI 205-2	Communication and training about anti-corruption policies and procedures	Anti-Corruption
GRI 205-3	Confirmed incidents of corruption and actions taken	Anti-Corruption
GRI 302-1	Energy consumption within the organisation	Energy Management
GRI 302-3	Energy intensity	Energy Management
GRI 303-5	Water consumption	Water Management
GRI 305-1	Direct (Scope 1) GHG emissions	Emissions Management
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Emissions Management
GRI 305-3	Other indirect (Scope 3) GHG emissions	Emissions Management
GRI 306-3	Waste generated	Waste Management
GRI 306-4	Waste diverted from disposal	Waste Management
GRI 306-5	Waste directed to disposal	Waste Management
GRI 403-5	Worker training on occupational health and safety	Health and Safety
GRI 403-7	Prevention and mitigation of occupational health and safety impacts	Health and Safety
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	Training and Development
GRI 405-1	Diversity of governance bodies and employees	Diversity and Inclusion
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Privacy

UN SDGs MAPPING

VCB supports the UN SDGs and has aligned our sustainability practices with selected goals most relevant to our operations. The table below highlights the mapping between our material topics and the corresponding SDGs.

Material Topic	Relevant UN SDGs
Anti-Corruption	SDG 16: Peace, Justice and Strong Institutions
Community and Local Hiring	SDG 8: Decent Work and Economic Growth
Diversity and Inclusion	SDG 10: Reduced Inequalities
Health and Safety	SDG 3: Good Health and Well-being
Training and Development	SDG 4: Quality Education
Supply Chain Management	SDG 12: Responsible Consumption and Production
Energy Management	SDG 7: Affordable and Clean Energy
Water Management	SDG 6: Clean Water and Sanitation
Waste Management	SDG 12: Responsible Consumption and Production
Emissions Management (GHG Emissions)	SDG 13: Climate Action
Data Privacy	SDG 16: Peace, Justice and Strong Institutions

Feedback

We welcome and encourage our stakeholders to provide feedback pertaining to this report at sustainability@vc-b.com.my.

VERSATILE CREATIVE BHD

BMLR Transition Period

Date & Time: 2026-07-29_10:45:39

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Anti-corruption	C1 (a) Percentage of employees who have received training on anti corruption by employee category	-	-	-	-	External (Limited)
Anti-corruption	Direct	Percentage	8	8	100	External (Limited)
Anti-corruption	Indirect	Percentage	11	17	100	External (Limited)
Anti-corruption	Sales & Marketing	Percentage-	42	17	100	External (Limited)
Anti-corruption	Admin	Percentage	40	32	100	External (Limited)
Anti-corruption	C1 (b) Percentage of operations assessed for corruption-related risks	Percentage	-	-	-	External (Limited)
Anti-corruption	C1 (c) Confirmed incidents of corruption and action taken	Number	-	-	Zero confirmed incidents	External (Limited)
Community/Society	C2 (a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	12,538	419	-	External (Limited)
Community/Society	C2 (b)Total number of beneficiaries of the investment in communities	Number	-	1000	-	External (Limited)
Diversity	C3 (a) Percentage of employees by gender and age group, for each employee category	-	-	-	-	External (Limited)
Diversity	Direct - 30 and Below	Percentage	56	62	-	External (Limited)
Diversity	Direct - 31-40	Percentage	28	25	-	External (Limited)
Diversity	Direct - 41-50	Percentage	11	9	-	External (Limited)
Diversity	Direct - 51-60	Percentage	4	3	-	External (Limited)

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-29_10:45:39

VERSATILE CREATIVE BHD

BMLR Transition Period

Date & Time: 2026-07-29_10:45:39

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Direct - Above 60	Percentage	1	1	-	External (Limited)
Diversity	Indirect - 30 and Below	Percentage	46	63	-	External (Limited)
Diversity	Indirect - 31-40	Percentage	29	20	-	External (Limited)
Diversity	Indirect - 41-50	Percentage	15	9	-	External (Limited)
Diversity	Indirect- 51-60	Percentage	9	8	-	External (Limited)
Diversity	Indirect - Above 60	Percentage	1	0	-	External (Limited)
Diversity	Sales and Marketing - 30 and Below	Percentage	17	29	-	External (Limited)
Diversity	Sales and Marketing - 31-40	Percentage	17	26	-	External (Limited)
Diversity	Sales and Marketing - 41-50	Percentage	41	31	-	External (Limited)
Diversity	Sales and Marketing - 51-60	Percentage	17	10	-	External (Limited)
Diversity	Sales and Marketing - Above 60	Percentage	8	4	-	External (Limited)
Diversity	Admin - 30 and Below	Percentage	39	51	-	External (Limited)
Diversity	Admin - 31-40	Percentage	31	22	-	External (Limited)
Diversity	Admin - 41-50	Percentage	18	17	-	External (Limited)
Diversity	Admin - 51-60	Percentage	7	8	-	External (Limited)
Diversity	Admin - Above 60	Percentage	5	2	-	External (Limited)
Diversity	Direct - Male	Percentage	84	83	-	External (Limited)
Diversity	Direct - Female	Percentage	16	17	-	External (Limited)
Diversity	Indirect - Male	Percentage	80	83	-	External (Limited)

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-29_10:45:39

VERSATILE CREATIVE BHD

BMLR Transition Period

Date & Time: 2026-07-29_10:45:39

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity	Indirect - Female	Percentage	20	17	-	External (Limited)
Diversity	Sales and Marketing - Male	Percentage	58	50	-	External (Limited)
Diversity	Sales and Marketing - Female	Percentage	42	50	-	External (Limited)
Diversity	Admin - Male	Percentage	39	40	-	External (Limited)
Diversity	Admin - Female	Percentage	61	60	-	External (Limited)
Diversity	C3 (b) Percentage of directors by gender and age group	-	-	-	-	External (Limited)
Diversity	31-40	Percentage	29	14	-	External (Limited)
Diversity	41-50	Percentage	14	29	-	External (Limited)
Diversity	51-60	Percentage	14	14	-	External (Limited)
Diversity	Above 60	Percentage	43	43	-	External (Limited)
Diversity	Male	Percentage	71	71	-	External (Limited)
Diversity	Female	Percentage	29	29	-	External (Limited)
Energy Management	C4 (a) Total energy consumption	Megawatts	12821	14440	Paper Product Division - Below 50 kwh per RM1,000 revenue. Plastic Product Division - Below 300 kwh per RM1,000 revenue. Grocery Division - Below 35 kwh per RM1,000 revenue.	External (Limited)
Health and Safety	C5 (a) Number of work-related fatalities	Number	-	—	Zero work-related fatalities	External (Limited)
Health and Safety	C5 (b) Lost time incident rate	Rate	23	-	Zero lost time incident rate	External (Limited)

VERSATILE CREATIVE BHD

BMLR Transition Period

Date & Time: 2026-07-29_10:45:39

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Health and Safety	C5 (c) Number of employees trained on health and safety standards	Number	16	51	-	External (Limited)
Labour Practices and Standards	C6 (a) Total hours of training by employee category	-	-	-	-	External (Limited)
Labour Practices and Standards	Direct	Hours	192	552	-	External (Limited)
Labour Practices and Standards	Indirect	Hours	312	616	-	External (Limited)
Labour Practices and Standards	Sales and Marketing	Hours	8	72	-	External (Limited)
Labour Practices and Standards	Admin	Hours	584	884	-	External (Limited)
Labour Practices and Standards	C6 (b) Percentage of employees that are contract or temporary staff	Percentage	0.7	2.6	-	External (Limited)
Labour Practices and Standards	C6 (c) Total number of employee turnover by employee category	-	-	-	-	External (Limited)
Labour Practices and Standards	Direct	Number	299	365	-	External (Limited)
Labour Practices and Standards	Indirect	Number	93	57	-	External (Limited)
Labour Practices and Standards	Sales and Marketing	Number	4	20	-	External (Limited)
Labour Practices and Standards	Admin	Number	45	26	-	External (Limited)

This report was generated on the Bursa Malaysia CSI Platform on 2026-07-29_10:45:39

VERSATILE CREATIVE BHD

BMLR Transition Period

Date & Time: 2026-07-29_10:45:39

Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Labour Practices and Standards	C6 (d) Number of substantiated complaints concerning human rights violations	Number	-	-	Zero substantiated complaints	External (Limited)
Supply chain management	C7 (a) Proportion of spending on local suppliers	Percentage	99	98	-	External (Limited)
Data Privacy and security	C8 (a)Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	-	-	Zero substantiated complaints	External (Limited)
Water	C9 (a)Total volume of water used	Megalitres	71.15	82.31	Paper Product Division - Below 0.3 m3 per RM1,000 revenue. Plastic Product Division - Below 0.6 m3 per RM1,000 revenue. Grocery Division - Below 0.3 m3 per RM1,000 revenue.	External (Limited)
Waste management	C10 (a)Total waste generated	Metric tonnes	2334	3413	-	External (Limited)
Waste management	C10 (a) (i) total waste diverted from disposal	Metric tonnes	1185	2042	-	External (Limited)
Waste management	C10 (b) (ii) total waste directed to disposal	Metric tonnes	1149	1371	-	External (Limited)
Emission Management	C11 (a) Scope 1 emissions in tonnes of CO2e	Metric tonnes of carbon dioxide equivalents (tCO2e)	211	340	-	External (Limited)
Emission Management	C11 (b) Scope 2 emissions in tonnes of CO2e	Metric tonnes of carbon dioxide equivalents (tCO2e)	9924	10670	-	External (Limited)
Emission Management	C11 (c) Scope 3 emissions in tonnes of CO2e	Metric tonnes of carbon dioxide equivalents (tCO2e)	669	665	-	External (Limited)

FINANCIAL
Jan
Feb
Mar

FINANCIAL **STATEMENTS**

DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements.

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

FINANCIAL RESULTS

	Group RM	Company RM
Profit/(Loss) for the financial year	15,600,858	(441,022)
Attributable to:-		
Owners of the Company	7,832,279	
Non-controlling interests	7,768,579	
	15,600,858	

DIVIDENDS

There were no dividends proposed, declared or paid by the Company since the end of the previous financial year.

The Directors do not recommend any final dividend payment in respect of the current financial year.

RESERVES AND PROVISIONS

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

DIRECTORS

The names of the Directors of the Company and its subsidiaries in office during the financial year and during the period commencing from the end of the financial year to the date of this report are:-

Company:-

Tan Sri Dato' Seri Mohd Shariff bin Omar
Khat Chee How
Lim Siew Yeng
Loh Teck Wah
Dato' Sri Wira Ayub bin Yaakob
Maggie Then
Chen Chuen Sum

DIRECTORS' REPORT
(Cont'd)

DIRECTORS (CONT'D)

The name of the Directors of the Company and its subsidiaries in office during the financial year and during the period commencing from the end of the financial year to the date of this report are (cont'd):-

Subsidiaries:-

Name of Subsidiaries	Name of Directors	
Versatile Paper Boxes Sdn. Bhd.	Khat Chee How	Lim Siew Yeng
Versatile Smart Resources Sdn. Bhd.	Khat Chee How	Lim Siew Yeng
Versatile Creative Plastic Sdn. Bhd.	Khat Chee How	Lim Siew Yeng
Imagescan Creative Sdn. Bhd.	Khat Chee How	Lim Siew Yeng
Versatile Smart Properties Sdn. Bhd.	Khat Chee How	Lim Siew Yeng
VN Trading Sdn. Bhd.	Khat Chee How Lim Siew Yeng Loh Teck Wah	Lim Chou Bu Chen Chuen Sum
NSK Grocer (KL) Sdn. Bhd.	Khat Chee How Lim Siew Yeng Loh Teck Wah	Lim Chou Bu Chen Chuen Sum
Oriental Mart Sdn. Bhd.	Khat Chee How Lim Siew Yeng Loh Teck Wah	Lim Chou Bu Chen Chuen Sum
Winetopia Sdn. Bhd.	Chen Chuen Sum Chin Kar Kin	Lim Siew Yeng Loh Teck Wah
Cheers Hub Sdn. Bhd.	Chen Chuen Sum Foo Jin Lin Khat Chee How	Lim Chou Bu Lim Siew Yeng Loh Teck Wah

DIRECTORS' INTERESTS

According to the register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the interests and deemed interests in the ordinary shares of the Company and its related corporations of those who were Directors as at the financial year end are as follows:-

	Number of ordinary shares			
	At 1.4.2025	**Bought**	**Sold**	**At 31.3.2026**
The Company **Direct interest**				
Loh Teck Wah	718,900	105,000	-	823,900

	Number of warrants			
	At 1.4.2025	**Bought**	**Sold**	**At 31.3.2026**
The Company **Direct interest**				
Loh Teck Wah	14,087,100	-	-	14,087,100

The other Directors in office did not have any interest in shares in the Company or its related corporation during the financial year.

DIRECTORS' REPORT
(Cont'd)

DIRECTORS' REMUNERATION

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

	RM
Directors' fees	306,000
Directors' remuneration and other emoluments	810,923
Other benefits	108,209
	1,225,132

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

Since the end of the previous financial year, no Director has received or become entitled to receive any benefit (other than as disclosed in Note 22 to the financial statements) 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 of which the Director has a substantial financial interest.

ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company during the financial year.

There was no issuance of debentures during the financial year.

ISSUE OF WARRANTS

The Warrants are constituted by the Deed Poll dated 23 December 2022 ("Deed Poll").

On 18 January 2023, 140,049,359 Warrants ("Warrants") were issued by the Company pursuant to the bonus issue on the basis of one (1) Warrant for every two (2) existing shares held.

The salient features of the Warrants are as follows:-

Terms	Details
Form	The Warrants were issued in registered form and constituted by the Deed Poll.
Board lot	For the purposes of trading on Bursa Securities, one (1) board lot of Warrants shall comprise one hundred (100) units of Warrants carrying the rights to subscribe for 100 new shares at any time during the exercise period, unless otherwise revised by the relevant authorities.
Listing	Approval has been obtained from Bursa Securities on 5 December 2022 for the admission of the Warrants to the Official List of Bursa Securities, and for the listing of and quotation for new shares arising from the exercise of the Warrants.
Expiry date	Five (5) years from the date of issuance of the Warrants.
Exercise period	The Warrants may be exercised at any time within the period commencing from the date of issue of the Warrants and will be expiring on 17 January 2028. Any Warrants not exercised during the Exercise Period will thereafter lapse and cease to be valid.

DIRECTORS' REPORT
(Cont'd)

ISSUE OF WARRANTS (CONT'D)

The salient features of the Warrants are as follows (cont'd):-

Terms	Details
Exercise price	RM0.585 payable in full upon exercise of each Warrant.
Exercise rights	Each Warrant carries the entitlement, at any time during the Exercise Period, to subscribe for one (1) new ordinary share in the Company at the Exercise Price.
Ranking of new Company's shares	The new Company's shares to be issued arising from the exercise of the Warrants shall, upon allotment and issuance, rank equally in all aspects with the existing Company's shares, except that the new Company's shares will not be entitled to any dividends, rights, allotments and/or other form of distributions, that may be declared, made or paid for which the entitlement date precedes the date of allotment and issuance of such new Company's shares.
Participating rights	The Warrant holders are not entitled to vote in any general meetings of the Company or participate in any form of distribution and/or offer of securities in the Company unless such Warrant holders exercise their Warrants into new shares.
Governing law	Law and regulations of Malaysia.

The movement in the Warrants are as follows:-

	Entitlement for Ordinary Shares		
	At 1.4.2025	**Exercised**	**At 31.3.2026**
Number of unexercised Warrants	140,049,321	-	140,049,321

DIRECTORS' REPORT
(Cont'd)

INDEMNITY AND INSURANCE FOR OFFICERS AND DIRECTORS

The amount of indemnity coverage and insurance premium paid for Officers and Directors of the Company during the financial year are amounted to RM5,000,000 and RM15,500 respectively.

OTHER STATUTORY INFORMATION

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

(a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.

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

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

(b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or

(d) not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

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

(a) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:-

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

(b) the results of operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

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

DIRECTORS' REPORT
(Cont'd)

AUDITORS

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

The amount of audit and other fees paid or payable to the Auditors and its affiliate firm by the Group and the Company for the financial year ended 31 March 2026 amounted to RM241,000 and RM47,500 respectively. Further details are disclosed in Note 19 to the financial statements.

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

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

………………………………………….
KHAT CHEE HOW
Director

………………………………………….
LIM SIEW YENG
Director

Kuala Lumpur
22 July 2026

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 103 to 162 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 at 31 March 2026 and of their financial performance and their cash flows for the financial year then ended.

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

....

KHAT CHEE HOW

....

LIM SIEW YENG

Kuala Lumpur
22 July 2026

STATUTORY DECLARATION

I, Astriah Binti Mohammad Asis, being the Officer primarily responsible for the financial management of Versatile Creative Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 103 to 162 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1960.

....

ASTRIAH BINTI MOHAMMAD ASIS
MIA No. 49162

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory this day of
22 July 2026

Before me:

....

MOHD OMAR NATHAN BIN ABDULLAH
No. W924
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

VERSATILE CREATIVE BERHAD (Incorporated in Malaysia)
Registration No: 200301001350 (603770-D)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Versatile Creative Berhad, which comprise the statements of financial position as at 31 March 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 103 to 162.

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 March 2026, 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"), 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 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

VERSATILE CREATIVE BERHAD (Incorporated in Malaysia)
Registration No: 200301001350 (603770-D)
(Cont'd)

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

Key Audit Matters (cont'd)

Group

Risk of fraud in revenue recognition

The risk

International Standard on Auditing 315 presumed that we consider the risk of fraud arising in revenue recognition. Whilst revenue recognition and measurement is not complex for the Group and the Company, revenue targets form part of the Group's key performance measures which could create an incentive to record revenue incorrectly. We focused on this area given the magnitude of revenue transactions that occur.

Our response

We evaluated and tested the internal controls over the completeness, accuracy and timing of revenue recognised in the financial statements. We also verified based on a sampling basis, the completeness of revenue captured by vouching to the customer's purchase orders, sales invoices, acknowledged delivery orders and bank and/or cash receipts. We understood and reviewed the appropriateness of revenue recognition policies.

Provision of expected credit losses on trade receivables

The risk

MFRS 9 introduces an expected credit loss ("ECL") impairment model which requires the use of significant assumptions about future economic conditions and credit risk of the customers in the calculation of loss allowance. The Group has assessed the lifetime expected credit loss of trade receivables by using simplified approach. As disclosed in Note 7 to the financial statements, the Group has significant trade receivables as at 31 March 2026 and these are subject to credit risk exposure. We focused on this area because management's assessment of ECL requires significant judgement over the expected loss rates, forward looking information and probability-weighted estimates. The details have been disclosed in Note 26(a)(i) to the financial statements.

Our response

Our audit procedure in relation to the allowance for ECL was obtained an understanding on how the Group identifies and assesses ECL for trade receivables. We have reviewed the key data sources and assumptions for data used in the determination of default rate and the current and forward-looking adjustment factors. We have considered the age of debts as well as the trend of collections to identify the collection risks. We have obtained debtors' confirmations and review collectability by way of obtaining evidence of receipts from the debtors subsequent to year end.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

VERSATILE CREATIVE BERHAD (Incorporated in Malaysia)
Registration No: 200301001350 (603770-D)
(Cont'd)

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

Key Audit Matters (cont'd)

Group (cont'd)

Inventories valuation

The risk

The Group holds significant amount of inventories amounting to RM49,625,159 as disclosed in Note 6 to the financial statements which are subject to a risk that the inventories might become slow-moving or obsolete and rendering them not saleable or can only be sold for selling prices that are less than the carrying value. Judgement is required to assess the appropriate level of provision for items which may be ultimately sold below cost.

Our response

Our audit procedure in relation to the valuation of inventories included compared the unit cost to the last purchase invoices for a sample of inventories items. We have obtained an understanding and reviewed the management's assessment of net realisable value ("NRV") of the inventories and on a sample basis, tested the subsequent selling price of inventories. We have examined the condition of selected inventories by attending physical inventories count at financial year end.

We have tested the methodology for calculating the allowance for inventories written down, challenged the appropriateness and consistency of the management's judgements and assumptions, considered the nature and suitability of historical data used in estimating the underlying allowance. We have compared the allowance with actual historical results by the ageing profile of the inventories. We also have considered the adequacy of the Group's disclosures in respect of inventories valuation.

Company

There is no key audit matter to be communicated in respect of the audit of the financial statements of the Company.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

VERSATILE CREATIVE BERHAD (Incorporated in Malaysia)
Registration No: 200301001350 (603770-D)
(Cont'd)

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

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

VERSATILE CREATIVE BERHAD (Incorporated in Malaysia)
Registration No: 200301001350 (603770-D)
(Cont'd)

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

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

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

- 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 purposes of the group audit. We remain solely responsible for our audit opinion.

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

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 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 Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

KOH SOOK LI
(NO: 03804/11/2027 J)
CHARTERED ACCOUNTANT

Kuala Lumpur
22 July 2026

STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	3	52,092,885	48,866,370	2	2
Right-of-use assets	4	76,388,637	39,758,779	-	-
Investment in subsidiaries	5	-	-	33,147,442	33,147,442
Deferred tax assets	14	246	-	-	-
Total non-current assets		**128,481,768**	**88,625,149**	**33,147,444**	**33,147,444**
CURRENT ASSETS					
Inventories	6	49,625,159	40,173,254	-	-
Trade and other receivables	7	25,999,832	20,849,807	28,888,849	29,451,248
Prepayments		2,053,667	978,518	60,190	33,490
Other investment	8	11	11	-	-
Tax recoverable		118,570	130,458	-	82,767
Cash and cash equivalents	9	49,246,931	37,137,487	488,458	284,793
Total current assets		**127,044,170**	**99,269,535**	**29,437,497**	**29,852,298**
TOTAL ASSETS		**255,525,938**	**187,894,684**	**62,584,941**	**62,999,742**

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026
(Cont'd)

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	10	105,886,152	105,886,152	105,886,152	105,886,152
Reserves	11	21,374,705	21,550,610	-	-
Accumulated losses		(31,203,370)	(39,532,293)	(43,598,320)	(43,157,298)
		96,057,487	87,904,469	62,287,832	62,728,854
Non-controlling interests	5	28,162,833	20,086,093	-	-
Total equity		**124,220,320**	**107,990,562**	**62,287,832**	**62,728,854**
LIABILITIES					
NON-CURRENT LIABILITIES					
Lease liabilities	4	12,482,701	5,760,947	-	-
Provisions	12	3,505,527	2,539,082	-	-
Borrowings	13	21,641,820	2,249,978	-	-
Deferred tax liabilities	14	8,260,220	8,697,404	-	-
Trade and other payables	15	6,305,556	-	-	-
Total non-current liabilities		**52,195,824**	**19,247,411**	**-**	**-**
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	15	57,266,366	43,452,327	297,109	270,888
Borrowings	13	9,450,408	6,697,008	-	-
Lease liabilities	4	10,481,995	8,535,170	-	-
Tax payable		1,911,025	1,972,206	-	-
Total current liabilities		**79,109,794**	**60,656,711**	**297,109**	**270,888**
TOTAL LIABILITIES		**131,305,618**	**79,904,122**	**297,109**	**270,888**
TOTAL EQUITY AND LIABILITIES		**255,525,938**	**187,894,684**	**62,584,941**	**62,999,742**

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Revenue	16	453,554,915	375,477,257	1,548,268	1,430,598
Cost of sales		(351,394,036)	(294,844,564)	-	-
Gross profit		**102,160,879**	**80,632,693**	**1,548,268**	**1,430,598**
Other income	17	2,962,968	1,893,351	7,010	-
Selling and distribution expenses		(2,814,296)	(2,497,385)	-	-
Administration expenses		(80,136,570)	(60,277,653)	(1,917,205)	(1,815,894)
Net impairment gain/(loss) on receivables		305,999	7,393	(79,095)	(77,431)
Operating profit/(loss)		**22,478,980**	**19,758,399**	**(441,022)**	**(462,727)**
Finance income	18	1,185,614	950,406	-	-
Finance cost	18	(1,298,217)	(980,608)	-	-
Profit/(Loss) before tax	19	**22,366,377**	**19,728,197**	**(441,022)**	**(462,727)**
Tax (expense)/income	20	(6,765,519)	(6,130,944)	-	26,711
Profit/(Loss) for the financial year		**15,600,858**	**13,597,253**	**(441,022)**	**(436,016)**
Other comprehensive income:-					
Item that will not be reclassified subsequently to profit or loss:-					
Revaluation of leasehold land and building, net of tax		628,900	2,184,136	-	-
Other comprehensive income for the financial year		628,900	2,184,136	-	-
Total comprehensive income/(loss) for the financial year		**16,229,758**	**15,781,389**	**(441,022)**	**(436,016)**
Profit/(Loss) for the financial year attributable to:-					
Owners of the Company		7,832,279	7,578,856	(441,022)	(436,016)
Non-controlling interests	5	7,768,579	6,018,397	-	-
		15,600,858	**13,597,253**	**(441,022)**	**(436,016)**
Total comprehensive income/(loss) for the financial year attributable to:-					
Owners of the Company		8,153,018	9,762,992	(441,022)	(436,016)
Non-controlling interests	5	8,076,740	6,018,397	-	-
		16,229,758	**15,781,389**	**(441,022)**	**(436,016)**
Earnings per ordinary share attributable to owners of the Company (sen per share)					
- Basic	21	**2.80**	**2.71**		
- Diluted	21	**2.46**	**2.52**		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Share capital RM	Reserves RM	Accumulated losses RM	Total RM	Non-controlling interest RM	Total equity RM
Group						
Balance at 1 April 2024	105,886,152	19,797,171	(47,541,846)	78,141,477	3,076,996	81,218,473
Net profit for the financial year	-	-	7,578,856	7,578,856	6,018,397	13,597,253
Other comprehensive income for the financial year, net of tax:-						
Revaluation gain on leasehold land and building	-	2,184,136	-	2,184,136	-	2,184,136
Total comprehensive income for the financial year	-	2,184,136	7,578,856	9,762,992	6,018,397	15,781,389
Crystallisation of revaluation reserve	-	(430,697)	430,697	-	-	-
Transaction with owners:-						
Subscription of shares by non-controlling interest of newly incorporated subsidiaries	-	-	-	-	10,990,700	10,990,700
Balance at 31 March 2025	**105,886,152**	**21,550,610**	**(39,532,293)**	**87,904,469**	**20,086,093**	**107,990,562**
Net profit for the financial year	-	-	7,832,279	7,832,279	7,768,579	15,600,858
Other comprehensive income for the financial year, net of tax:-						
Revaluation gain on leasehold land and building	-	320,739	-	320,739	308,161	628,900
Total comprehensive income for the financial year	-	320,739	7,832,279	8,153,018	8,076,740	16,229,758
Crystallisation of revaluation reserve	-	(496,644)	496,644	-	-	-
Balance at 31 March 2026	**105,886,152**	**21,374,705**	**(31,203,370)**	**96,057,487**	**28,162,833**	**124,220,320**

	Share capital RM	Accumulated losses RM	Total RM
Company			
Balance at 1 April 2024	105,886,152	(42,721,282)	63,164,870
Total comprehensive loss for the financial year	-	(436,016)	(436,016)
Balance at 31 March 2025	105,886,152	(43,157,298)	62,728,854
Total comprehensive loss for the financial year	-	(441,022)	(441,022)
Balance at 31 March 2026	105,886,152	(43,598,320)	62,287,832

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax		22,366,377	19,728,197	(441,022)	(462,727)
Adjustments for:-					
Allowance for expected credit losses on trade and other receivables		56,575	258,769	79,095	77,431
Bad debts written off		-	47,604	-	-
Depreciation of property, plant and equipment		6,572,430	5,942,091	-	32
Depreciation of right-of-use assets		10,994,981	8,881,976	-	-
Finance costs		1,298,217	980,608	-	-
Finance income		(1,185,614)	(950,406)	-	-
Gain from derecognition of right-of-use assets and lease liabilities		(653)	(2,584)	-	-
Gain from termination of right-of-use assets and lease liabilities		(524)	-	-	-
Loss from modification of right-of-use assets and lease liabilities		62,402	-	-	-
Inventories written down		6,118	-	-	-
Inventories written off		98,334	-	-	-
Net loss from disposal of property, plant and equipment		1,603,712	308,329	-	-
Property, plant and equipment written off		282,045	494,786	-	-
Reversal of expected credit losses on trade and other receivables		(362,574)	(266,162)	-	-
Reversal of inventories written down		(125,534)	(78,482)	-	-
Unrealised loss on foreign exchange		86,993	44,040	-	-
Operating profit/(loss) before working capital changes		41,753,285	35,388,766	(361,927)	(385,264)
Inventories		(9,430,823)	(3,386,092)	-	-
Receivables		(6,028,875)	(985,374)	456,604	553,271
Payables		20,112,300	(12,968,877)	26,221	2,960
Cash generated from operations		46,405,887	18,048,423	120,898	170,967
Interest received		378,774	272,975	-	-
Tax paid		(7,591,663)	(4,090,645)	-	-
Tax refund		170,823	215,403	82,767	122
Net cash from operating activities		**39,363,821**	**14,446,156**	**203,665**	**171,089**

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
(Cont'd)

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Purchase of property, plant and equipment		(11,904,229)	(7,394,494)	-	-
Purchase of right-of-use assets	**A**	(27,172,500)	-	-	-
Proceeds from disposal of property, plant and equipment		219,527	196,140	-	-
Interest received		806,840	677,431	-	-
Net cash used in investing activities		**(38,050,362)**	**(6,520,923)**	**-**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES					
Interest paid		(1,298,217)	(980,608)	-	-
Drawdown of borrowings		24,145,250	697,000	-	-
Repayment of borrowings		(2,000,008)	(1,000,008)	-	-
Repayment of lease liabilities		(10,051,040)	(7,910,347)	-	-
Advances from a Director		-	343,000	-	-
Net cash from/(used in) financing activities		**10,795,985**	**(8,850,963)**	**-**	**-**
CASH AND CASH EQUIVALENTS					
Net changes		12,109,444	(925,730)	203,665	171,089
At beginning of financial year		37,137,487	38,063,217	284,793	113,704
At end of financial year	**B**	**49,246,931**	**37,137,487**	**488,458**	**284,793**

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026
(Cont'd)

NOTES TO THE STATEMENTS OF CASH FLOWS

A. PURCHASE OF RIGHT-OF-USE ASSETS

Purchase of right-of-use assets included in the statements of cash flows comprise the following:-

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Total purchase	44,362,631	11,883,420	-	-
Less: Addition through lease liabilities arrangement	(16,223,686)	(9,344,338)	-	-
Less: Addition through provision for restoration cost	(966,445)	(2,539,082)	-	-
Cash consideration	27,172,500	-	-	-

B. CASH AND CASH EQUIVALENTS

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

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Cash and bank balances	38,312,072	26,597,175	488,458	284,793
Fixed deposits with licensed banks	10,934,859	10,540,312	-	-
Cash and cash equivalents	49,246,931	37,137,487	488,458	284,793

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

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Unit 2005, 20th Floor, Tower 2, Faber Towers, Jalan Desa Bahagia, Taman Desa, 58100 Kuala Lumpur. The principal place of business of the Company is located at Lot 30745, Jalan Pandan Indah, Pandan Indah, 55100 Kuala Lumpur.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Board of Directors passed on 22 July 2026.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

2.2 Basis of Measurement

The financial statements of the Group and of the Company are prepared under the historical cost convention, except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period as indicated in the summary of material accounting policies.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to by the Group.

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

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

2. BASIS OF PREPARATION (CONT'D)

2.2 Basis of Measurement (cont'd)

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

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

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

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

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

The Group has established control framework in respect to the measurement of fair values of financial instruments. The Executive Directors have overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the Board of Directors. The Executive Directors regularly review significant unobservable inputs and valuation adjustments.

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

2.3 Functional and Presentation Currency

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

2.4 Basis of Consolidation

The Group's financial statements consolidate those of the Company and all of its subsidiaries at 31 March 2026. All subsidiaries have a reporting date of 31 March.

2. BASIS OF PREPARATION (CONT'D)

2.5 Adoption of New Standards/Amendments/Improvements to MFRSs

At the beginning of the current financial year, the Group and the Company adopted new amendments to MFRSs which are mandatory for the financial periods beginning on or after 1 April 2025.

The details of the amendments are disclosed below:-

Effective for financial period beginning on or after 1 January 2025

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

Initial application of the new amendments to the standards did not have material impact to the financial statements.

2.6 Standards Issued but Not Yet Effective

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

Effective for financial period beginning on or after 1 January 2026

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

Effective for financial period beginning on or after 1 January 2027

- MFRS 18 Presentation and Disclosure in Financial Statements
- MFRS 19 Subsidiaries without Public Accountability: Disclosures
- Amendments to MFRS 19 Subsidiaries without Public Accountability: Disclosures
- Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates Translation to a Hyperinflationary Presentation Currency

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

2. BASIS OF PREPARATION (CONT'D)

2.6 Standards Issued but Not Yet Effective (cont'd)

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

Deferred to a date to be determined by the MASB

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

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

MFRS 18 Presentation and Disclosure in Financial Statements

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

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

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

The Group is currently working to identify all impacts the amendments will have on the financial statements and notes to the financial statements.

2.7 Significant Accounting Estimates and Judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made.

Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

2. BASIS OF PREPARATION (CONT'D)

2.7 Significant Accounting Estimates and Judgements (cont'd)

2.7.1 Estimation Uncertainties

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

Revaluation of property, plant and equipment and right-of-use assets

The Group measures its land and buildings at revalued amount with changes in fair value being recognised in other comprehensive income. The Group engaged an independent valuation specialists to determine fair values as at the date of revaluation.

The carrying amount of the land and buildings at the end of the reporting period, and the relevant revaluation bases, are disclosed in Notes 3 and 4 to the financial statements.

Useful lives of depreciable assets

Management estimates the useful lives of the property, plant and equipment to be within 5 to 38 years and right-of-use assets to be within 2 to 75 years and reviews the useful lives of depreciable assets at the end each of the reporting period.

At 31 March 2026, management assesses that the useful lives represent the expected utility of the assets to the Group and the Company. Actual results, however, may vary due to change in the expected level of usage and technological developments, which resulting the adjustment to the Group's and the Company's assets.

The carrying amount of the Group's and the Company's property, plant and equipment and right-of-use assets at the end of the reporting period are disclosed in Notes 3 and 4 to the financial statements.

Inventories

Inventories are measured at the lower of cost and net realisable value. In estimating net realisable values, management takes into account the most reliable evidence available at the times the estimates are made. The Group's core business is subject to economical and technology changes which may cause selling prices to change rapidly, and the Group's profit to change.

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

Provision for expected credit losses ("ECLs") of trade receivables

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

2. BASIS OF PREPARATION (CONT'D)

2.7 Significant Accounting Estimates and Judgements (cont'd)

2.7.1 Estimation Uncertainties (cont'd)

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

<u>Provision for expected credit losses ("ECLs") of trade receivables (cont'd)</u>

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Note 26(a)(i) to the financial statements.

<u>Income taxes and deferred tax liabilities</u>

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

<u>Leases – Estimating the incremental borrowing rate</u>

The Group cannot readily determines the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit rating).

2. BASIS OF PREPARATION (CONT'D)

2.7 Significant Accounting Estimates and Judgements (cont'd)

2.7.2 Significant Management Judgement

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

<u>Determining the lease term of contracts with renewal and termination options</u>

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

The renewal periods for leases of retail premises and hostel with non-cancellable periods are not included as part of the lease term as these are not reasonably certain to be exercised.

Refer to Note 4 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

3. PROPERTY, PLANT AND EQUIPMENT

	At valuation	At cost					
Group	**Building RM**	**Motor vehicles RM**	**Plants and machinery RM**	**Office equipment, furniture and fittings RM**	**Renovation RM**	**Capital work-in-progress RM**	**Total RM**
Cost or valuation							
At 1 April 2024	14,184,571	1,599,876	55,935,166	24,381,900	16,636,141	92,967	112,830,621
Additions	-	530,031	118,791	2,620,061	4,020,075	105,536	7,394,494
Fair value gain from revaluation	834,136	-	-	-	-	-	834,136
Disposals	-	(174,470)	(9,379,295)	(92,260)	-	-	(9,646,025)
Written off	-	-	(2,500)	(3,720)	(836,253)	-	(842,473)
Transfer from right-of-use assets	-	120,192	-	-	-	-	120,192
Reclassification	-	-	-	-	198,503	(198,503)	-
At 31 March 2025	15,018,707	2,075,629	46,672,162	26,905,981	20,018,466	-	110,690,945
Additions	-	585,047	327,605	8,627,115	2,328,872	35,590	11,904,229
Disposals	-	-	(7,496,407)	(47,830)	(1,745,415)	-	(9,289,652)
Written off	-	-	(1,789,020)	(89,350)	-	-	(1,878,370)
Reclassification	-	-	-	568,815	(568,815)	-	-
At 31 March 2026	15,018,707	2,660,676	37,714,340	35,964,731	20,033,108	35,590	111,427,152

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

	At valuation	At cost					
Group (cont'd)	Building RM	Motor vehicles RM	Plants and machinery RM	Office equipment, furniture and fittings RM	Renovation RM	Capital work-in-progress RM	Total RM
Accumulated depreciation							
At 1 April 2024	6,156,161	881,580	48,221,448	6,516,892	3,475,456	-	65,251,537
Charge for the financial year	204,545	133,932	1,527,397	2,209,724	1,866,493	-	5,942,091
Disposals	-	(72,884)	(8,976,434)	(92,238)	-	-	(9,141,556)
Written off	-	-	(2,499)	(3,718)	(341,470)	-	(347,687)
Transfer from right-of-use assets	-	120,190	-	-	-	-	120,190
At 31 March 2025	6,360,706	1,062,818	40,769,912	8,630,660	5,000,479	-	61,824,575
Charge for the financial year	226,353	183,127	1,171,447	2,959,363	2,032,140	-	6,572,430
Disposals	-	-	(6,822,833)	(30,099)	(613,481)	-	(7,466,413)
Written off	-	-	(1,507,762)	(88,563)	-	-	(1,596,325)
Reclassification	-	(23,090)	-	149,363	(126,273)	-	-
At 31 March 2026	6,587,059	1,222,855	33,610,764	11,620,724	6,292,865	-	59,334,267
Net carrying amount							
At 31 March 2026	8,431,648	1,437,821	4,103,576	24,344,007	13,740,243	35,590	52,092,885
At 31 March 2025	8,658,001	1,012,811	5,902,250	18,275,321	15,017,987	-	48,866,370

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

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

Company	**Office equipment RM**
Cost	
At 1 April 2024 / 31 March 2025 / 31 March 2026	12,885
Accumulated depreciation	
At 1 April 2024	12,851
Charge for the financial year	32
At 31 March 2025/At 31 March 2026	12,883
Net carrying amount	
At 31 March 2026	2
At 31 March 2025	2

(i) If building was measured using the cost model, the carrying amount would be RM2,966,644 (2025: RM3,129,198).

(ii) The building is situated on a leasehold land of a subsidiary that has a lease period of 60 years commencing from 27 June 2003.

(iii) The building was revalued in the financial year 2025 by registered valuer. The comparison method was adopted in arriving at the market value of the leasehold land and buildings.

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

Fair value measurement of the building was categorised under Level 2. There were no transfers between levels during the financial year.

Level 2 Fair Value

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

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

(Cont'd)

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

Material accounting policy information

(a) Recognition and measurement

Property, plant and equipment are initially stated at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

All property, plant and equipment, except for building, are subsequently stated at cost less accumulated depreciation and less any impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group and the Company recognise such costs as individual assets with specific useful lives and depreciation, respectively. All other repair and maintenance costs are recognised in profit or loss as incurred.

Building is shown at fair values, based on valuations by external independent valuers, less subsequent accumulated depreciation on buildings and any accumulated impairment losses. Valuations are performed with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value of the land and buildings at the end of the reporting period.

As at the date of revaluation, accumulated depreciation, if any, is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

Any revaluation surplus arising upon appraisal of building is recognised in other comprehensive income and credited to the revaluation reserve in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations of land are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

(b) Depreciation

Depreciation is recognised on the straight-line method in order to write off the cost or valuation of each asset over its estimated useful life.

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

Building	38 years
Motor vehicles	5 - 10 years
Plants and machinery	5 - 10 years
Office equipment, furniture and fittings	5 - 10 years
Renovation	5 - 10 years

Capital work-in-progress consists of retail equipment under installation for intended use. The amount is stated at cost and includes capitalisation related to property, plant and equipment under installation until the property, plant and equipment are ready for their intended use. Assets under installation are not depreciated until it is completed and ready for their intended use.

4. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:-

	At valuation		At cost				
Group	**Leasehold land and building RM**	**Leasehold land RM**	**Leased buildings RM**	**Motor vehicles RM**	**Plants and machinery RM**	**Restoration cost RM**	**Total RM**
Cost							
At 1 April 2024	-	28,545,064	20,749,456	456,026	1,601,787	-	51,352,333
Additions	-	-	9,177,077	-	167,261	2,539,082	11,883,420
Fair value gain from revaluation	-	2,039,727	-	-	-	-	2,039,727
Transfer to property, plant and equipment	-	-	-	(120,192)	-	-	(120,192)
Lease modification	-	-	(34,861)	-	-	-	(34,861)
Derecognition	-	-	(7,168,649)	-	-	-	(7,168,649)
At 31 March 2025	-	30,584,791	22,723,023	335,834	1,769,048	2,539,082	57,951,778
Additions	27,172,500	-	15,530,299	-	693,387	966,445	44,362,631
Fair value gain from revaluation	827,500	-	-	-	-	-	827,500
Lease modification	-	-	1,583,176	-	-	-	1,583,176
Termination	-	-	(101,184)	-	-	-	(101,184)
Derecognition	-	-	(8,140,076)	-	(409,506)	-	(8,549,582)
At 31 March 2026	28,000,000	30,584,791	31,595,238	335,834	2,052,929	3,505,527	96,074,319
Accumulated depreciation							
At 1 April 2024	-	5,351,882	10,425,492	128,586	531,610	-	16,437,570
Charge for the financial year	-	590,910	7,427,839	33,583	411,139	418,505	8,881,976
Transfer to property, plant and equipment	-	-	-	(120,190)	-	-	(120,190)
Lease modification	-	-	(9,805)	-	-	-	(9,805)
Derecognition	-	-	(6,996,552)	-	-	-	(6,996,552)
At 31 March 2025	-	5,942,792	10,846,974	41,979	942,749	418,505	18,192,999
Charge for the financial year	62,084	644,232	9,520,990	33,583	474,671	259,421	10,994,981
Lease modification	-	-	(943,360)	-	-	-	(943,360)
Termination	-	-	(94,847)	-	-	-	(94,847)
Derecognition	-	-	(8,054,585)	-	(409,506)	-	(8,464,091)
At 31 March 2026	62,084	6,587,024	11,275,172	75,562	1,007,914	677,926	19,685,682
Net carrying amount							
At 31 March 2026	27,937,916	23,997,767	20,320,066	260,272	1,045,015	2,827,601	76,388,637
At 31 March 2025	-	24,641,999	11,876,049	293,855	826,299	2,120,577	39,758,779

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

(Cont'd)

4. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

(i) If leasehold land and building, and leasehold land were measured using the cost model, the carrying amounts would be as follows:-

Group	2026 RM	2025 RM
Leasehold land and building	27,112,250	-
Leasehold land	720,073	739,424
Total	27,832,323	739,424

(ii) The leasehold land and building, and leasehold land have a lease period of 75 years and 60 years, commencing from 29 May 2025 and 27 June 2003 respectively.

(iii) The leasehold land and building and leasehold land were revalued in the financial year 2026 and 2025 by registered valuers. The comparison method was adopted in arriving at the market value of the leasehold land and buildings.

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

Fair value measurement of the leasehold land and buildings were categorised under Level 2. There were no transfers between Level 1 and Level 2 during the financial year.

<u>Level 2 Fair Value</u>

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

(iv) Right-of-use assets of the Group with the carrying amount of RM260,272 (2025: RM293,855) are acquired under finance lease arrangements.

(v) The leasehold land and building of the Group with net carrying value of RM27,937,916 (2025: RM Nil) is pledged to licensed bank for banking facilities granted as disclosed in Note 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

4. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

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

Group	2026 RM	2025 RM
As at 1 April	14,296,117	13,061,863
Additions	16,223,686	9,344,338
Accretion of interest	648,635	621,146
Derecognition	(86,144)	(174,681)
Lease modification	2,588,938	(25,056)
Termination	(6,861)	-
Payments	(10,699,675)	(8,531,493)
As at 31 March	22,964,696	14,296,117
Represented by:-		
Non-current	12,482,701	5,760,947
Current	10,481,995	8,535,170
	22,964,696	14,296,117

The maturity analysis of lease liabilities is disclosed in Note 26(b) to the financial statements.

These lease liabilities bear interests at rates of 4.15% to 6.70% (2025: 4.19% to 8.39%) per annum. Interest rates are fixed at the inception of the lease liabilities arrangements.

The following are the amounts recognised in profit or loss:-

Group	2026 RM	2025 RM
Depreciation expense of right-of-use assets	10,994,981	8,881,976
Interest expense on lease liabilities	648,635	621,146
Lease expenses on short-term assets	793,937	1,202,130
Lease expenses on low-value assets	27,865	1,830
Gain from derecognition of right-of-use assets and lease liabilities	(653)	(2,584)
Loss from modification of right-of-use assets and lease liabilities	62,402	-
Gain from termination of right-of-use assets and lease liabilities	(524)	-
Total amount recognised in profit or loss	12,526,643	10,704,498

The Group had total cash outflow for leases of RM11,521,477 (2025: RM9,735,453).

The Group also had additions to right-of-use assets and lease liabilities of RM44,362,631 (2025: RM11,883,420) and RM16,223,686 (2025: RM9,344,338) respectively.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

4. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

Extension options

The Group has several lease contracts that include extension and termination options. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio and align with the Group's business needs. Management exercises significant judgement in determining whether these extension and termination options are reasonably certain to be exercised.

	Within 5 years RM	More than 5 years RM	Total RM
Group			
2026			
Extension options expected not to be exercised	51,473,979	108,195,060	159,669,039
2025			
Extension options expected not to be exercised	39,065,511	37,116,056	76,181,567

Material accounting policy information

(a) Recognition and measurement

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

(b) Depreciation

Right-of-use assets are depreciated on a straight-line basis over the lease term and the estimated useful lives of the assets, as follows:-

Leasehold land and building	75 years
Leasehold land	38 years
Leased buildings	2 - 3 years
Motor vehicles	5 - 10 years
Plants and machinery	5 - 10 years

(c) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

4. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONT'D)

Material accounting policy information (cont'd)

(d) Recognition exemption

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

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

5. INVESTMENT IN SUBSIDIARIES

	Company	
	2026 RM	**2025 RM**
Unquoted shares, at cost		
At 1 April	91,527,202	91,527,202
Less: Accumulated impairment loss	(58,379,760)	(58,379,760)
At 31 March	33,147,442	33,147,442

The movement of impairment losses during the financial year is as follows:-

	Company	
	2026 RM	**2025 RM**
At beginning/end of financial year	58,379,760	58,379,760

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the subsidiaries are as follows:-

Companies	Country of incorporation Principal place of business	Effective Interest 2026 %	Effective Interest 2025 %	Principal activities
Direct subsidiaries				
Versatile Paper Boxes Sdn. Bhd.	Malaysia	100	100	Manufacturing and trading of paper, board packaging products, specialising in offset-printed boxes and offset-laminated cartons.
Versatile Smart Resources Sdn. Bhd.	Malaysia	100	100	Dormant.
VN Trading Sdn. Bhd.	Malaysia	51	51	Investment holding and operation of grocery.
Subsidiaries of Versatile Paper Boxes Sdn. Bhd.				
Versatile Creative Plastic Sdn. Bhd.	Malaysia	100	100	Manufacturing and sale of plastic packaging products.
Imagescan Creative Sdn. Bhd.	Malaysia	100	100	Provision of colour separation and lithography services and printed materials.
Versatile Smart Properties Sdn. Bhd.	Malaysia	100	100	Dormant.
Subsidiaries of VN Trading Sdn. Bhd.				
NSK Grocer (KL) Sdn. Bhd.	Malaysia	100	100	Operators of supermarkets and hypermarkets, wholesaler, retailer, online retailers, importers, exporters, buyers, sellers, dealers, distributors and food processing, packaging of all types of consumer products, goods, merchandise, produce, foodstuffs, things and commodities.
Oriental Mart Sdn. Bhd.	Malaysia	100	100	To carry on business as operator of supermarkets and hypermarkets, wholesaler, retailer, online retailer, importer, exporter, buyer, seller, dealer, distributor, food processing and packaging of non halal grocery, liquor and wine businesses and general trading for food and beverage.
Winetopia Sdn. Bhd.	Malaysia	51	51	Sale of wine and liquor.
Cheers Hub Sdn. Bhd.	Malaysia	80	80	Retail sale of alcoholic beverage and liquor, vintry, wine bar, restaurant and cafe.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Subscription of additional shares in a subsidiary

2025

On 31 March 2025, the Company subscribed an additional 11,439,300 new ordinary shares of RM1 each in VN Trading Sdn. Bhd. ("VN") by capitalising the amount owing by subsidiary of RM11,439,300. The Company will maintain its controlling stake of 51% in VN Trading Sdn. Bhd.

Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interest are as follows:-

	VN and its subsidiaries	
	2026	2025
Percentage of ownership interest and voting interest (%)	49%	49%
Carrying amount of non-controlling interests (RM)	28,162,833	20,086,093
Profit allocated to non-controlling interests (RM)	7,768,579	6,018,397
Total comprehensive income to non-controlling interests (RM)	8,076,740	6,018,397

The summary of financial information before intra-group elimination for the Group's subsidiaries that have material non-controlling interests is as below:-

	VN and its subsidiaries	
	2026 RM	2025 RM
Financial position as at 31 March		
Non-current assets	91,928,356	48,370,177
Current assets	88,137,748	82,004,967
Non-current liabilities	(45,615,333)	(12,638,814)
Current liabilities	(76,899,616)	(76,681,820)
Net assets	57,551,155	41,054,510
Summary of financial performance for the financial year ended 31 March		
Profit for the year	15,867,745	15,306,312
Total comprehensive income for the year	16,496,645	15,306,312
Summary of cash flows for the financial year ended 31 March		
Net cash inflow from operating activities	34,626,156	10,999,207
Net cash outflow from investing activities	(38,075,345)	(10,610,128)
Net cash inflow/(outflow) from financing activities	11,334,169	(8,736,409)
Net cash inflow/(outflow)	7,884,980	(8,347,330)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

Material accounting policy information

Acquisition of subsidiary with non-controlling interests

The Group elects to measure the non-controlling interests in the acquiree at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

6. INVENTORIES

	Group	
	2026 RM	**2025 RM**
At cost		
Raw materials	3,817,272	4,533,138
Work-in-progress	604,696	870,471
Finished goods	1,018,891	1,306,181
Trading goods	44,184,300	33,463,464
At carrying amount	49,625,159	40,173,254
Recognised in profit or loss:-		
Inventories written down	6,118	-
Inventories written off	98,334	-
Reversal of inventories written down	(125,534)	(78,482)
Inventories recognised as cost of sales	276,993,503	237,770,136

The written off, written down and reversal are included in cost of sales.

The reversal of allowance for inventories written down is recognised when the related inventories were sold above cost.

Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of trading goods is determined on the first-in, first out basis while raw materials is calculated using the weighted average method. Cost of finished goods and work-in-progress includes raw materials, direct labour and an appropriate proportion of production overhead (based on normal capacity).

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

7. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Trade receivables				
Third parties	8,455,199	10,117,622	-	-
Amount owing by related parties	2,386,173	1,297,710	-	-
Less: Allowance for expected credit losses	(2,650,789)	(4,299,586)	-	-
Trade receivables, net	8,190,583	7,115,746	-	-
Other receivables				
Other receivables	12,396,282	5,241,453	14,654	14,654
Refundable deposits	5,835,345	8,914,986	-	-
Amount owing by subsidiaries	-	-	35,550,208	36,033,512
	18,231,627	14,156,439	35,564,862	36,048,166
Less: Allowance for expected credit losses				
- Other receivables	(422,378)	(422,378)	(14,654)	(14,654)
- Amount owing by subsidiaries	-	-	(6,661,359)	(6,582,264)
Other receivables, net	17,809,249	13,734,061	28,888,849	29,451,248
Total trade and other receivables	25,999,832	20,849,807	28,888,849	29,451,248

Trade receivables

Trade receivables are non-interest bearing and are generally on 30 to 120 days (2025: 30 to 120 days) terms. Other credit terms are assessed and approved on a case-by-case basis. They are recognised at their original certified or invoiced amounts which represent their fair values on initial recognition.

Trade receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance for expected credit losses are as follows:-

	Group	
	2026 RM	2025 RM
At 1 April	4,299,586	4,306,979
Additions	56,575	258,769
Reversal	(362,574)	(266,162)
Written off	(1,342,798)	-
At 31 March	2,650,789	4,299,586

The allowance for expected credit losses on trade receivables was reversed as a result of subsequent receipts of the amount.

The impaired trade receivables were written off because they had been long overdue and there was no reasonable expectation of recovering the outstanding balances as at year end.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

7. TRADE AND OTHER RECEIVABLES (CONT'D)

Other receivables

Other receivables that are impaired

The Group's and the Company's other receivables that are impaired at the reporting date and the movement of the allowance for expected credit losses are as follows:-

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
At beginning/end of financial year	422,378	422,378	14,654	14,654

Amount owing by subsidiaries

Amount owing by subsidiaries is unsecured, non-interest bearing, repayable on demand and is expected to be settled in cash.

Amount owing by subsidiaries that are impaired

The Company's amount owing by subsidiaries that are impaired at the reporting date and the movement of the allowance for expected credit losses are as follows:-

	Company	
	2026 RM	**2025 RM**
At 1 April	6,582,264	6,504,833
Additions	79,095	77,431
At 31 March	6,661,359	6,582,264

Amount owing by related parties

Related parties refer to a person or an entity that is related to the Group.

The amount is unsecured, non-interest bearing and repayable on demand.

8. OTHER INVESTMENT

	Group	
	2026 RM	**2025 RM**
Fair value through profit or loss		
- Equity investments quoted in Malaysia (Designated upon initial recognition)		
At beginning/end of financial year	11	11

Financial assets at fair value through profit or loss include investments in listed equity share. Fair values of these equity shares are determined by reference to published price quotations in an active market.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

9. CASH AND CASH EQUIVALENTS

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Cash and bank balances	38,312,072	26,597,175	488,458	284,793
Fixed deposits with licensed banks	10,934,859	10,540,312	-	-
	49,246,931	37,137,487	488,458	284,793

The fixed deposits bear interest at rates 3.70% to 4.00% (2025: 3.75% to 3.80%) per annum.

The maturity of fixed deposits with licensed banks of the Group as at the end of the financial year is 90 to 92 days (2025: 91 to 92 days).

10. SHARE CAPITAL

	Number of ordinary shares		Amount	
	2026 Unit	**2025 Unit**	**2026 RM**	**2025 RM**
Group and Company				
Issued and fully paid up with no par value:-				
At beginning/end of financial year	280,098,718	280,098,718	105,886,152	105,886,152

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

11. RESERVES

		Group	
	Note	**2026 RM**	**2025 RM**
Revaluation reserve	(i)	18,374,705	18,550,610
Capital redemption reserve	(ii)	3,000,000	3,000,000
		21,374,705	21,550,610

(i) Revaluation reserve

	Group	
	2026 RM	**2025 RM**
At 1 April	18,550,610	16,797,171
Revaluation gain	320,739	2,184,136
Crystallisation of revaluation reserve	(496,644)	(430,697)
At 31 March	18,374,705	18,550,610

The revaluation reserve represents the surplus arising from revaluation of leasehold land and building, net of deferred tax and is not available for distribution as dividends.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

11. RESERVES (CONT'D)

(ii) Capital redemption reserve

Capital redemption reserve relates to the redemption of preference shares of a subsidiary.

12. PROVISIONS

	Group	
	2026 RM	**2025 RM**
At 1 April	2,539,082	-
Provisions made during the financial year	966,445	2,539,082
At 31 March	3,505,527	2,539,082
Analysed as:-		
Non-current	3,505,527	2,539,082

These relate to provisions for restoration costs which represent the estimated cost of restoring leased space used in the principal activities of the Group. Provisions made are capitalised as part of the cost of the Group's right-of-use assets.

The provisions are estimated using the assumption that decommissioning, removal and restoration will only take place upon expiry of the lease terms 2 to 3 years. The provisions are not discounted as the accretion of interest is immaterial.

While the provisions are based on the best estimate of future costs and the economic life of the affected assets, there is uncertainty regarding both the amount and timing of incurring these costs. All the estimates are reviewed on an annual basis or more frequently, when there is an indication of a material change.

13. BORROWINGS

	Group	
	2026 RM	**2025 RM**
Secured:-		
Bankers' acceptance	1,448,000	697,000
Term loans	25,644,228	3,249,986
Revolving credit	4,000,000	5,000,000
	31,092,228	8,946,986
Non-current liability		
Secured		
Term loans	21,641,820	2,249,978
Current liabilities		
Secured		
Revolving credit	4,000,000	5,000,000
Term loans	4,002,408	1,000,008
Bankers' acceptance	1,448,000	697,000
Total borrowings	9,450,408	6,697,008

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

13. BORROWINGS (CONT'D)

The borrowings are repayable as follows:-

	Group	
	2026 RM	2025 RM
Within 1 year	9,450,408	6,697,008
Later than 1 year but not later than 2 years	4,002,408	1,000,008
Later than 2 year but not later than 5 years	17,639,412	1,249,970
Non-current portion	21,641,820	2,249,978
	31,092,228	8,946,986

The term loans are repayable over 51 and 60 monthly installments of ranging from RM83,334 and RM250,200 each commencing after one month from the date of full disbursement.

The borrowings are secured by the following:-

(i) Corporate guarantee from the Company;
(ii) Corporate guarantee from a corporate shareholder of the Company; and
(iii) Legal charge over the leasehold land and building.

The borrowings bear interest rates of 0.75% and 1.5% (2025: 1.5%) above bank's cost of funding per annum.

The short-term borrowings bear interest rates ranging from 4.31% to 5.30% (2025: 4.61% to 6.92%).

14. DEFERRED TAX LIABILITIES/(ASSETS)

Deferred tax liabilities/(assets) relate to the following:-

Group	As at 1 April RM	Recognised in other comprehensive income RM	Recognised in profit or loss RM	As at 31 March RM
2026				
Deferred tax assets				
Property, plant and equipment, right-of-use assets and lease liabilities	-	-	(246)	(246)
Deferred tax liabilities				
Property, plant and equipment, right-of-use assets and lease liabilities	3,993,246	-	1,106,005	5,099,251
Revaluation of leasehold land and building	5,858,090	198,600*	(157,052)	5,899,638
Trade receivables	(521,521)	-	146,175	(375,346)
Inventories	(17,520)	-	8,856	(8,664)
Other payables	(609,000)	-	(232,326)	(841,326)
Unutilised capital allowances	(5,891)	-	5,891	-
Deferred income	-	-	(1,513,333)	(1,513,333)
	8,697,404	198,600	(635,784)	8,260,220
Net total	8,697,404	198,600	(636,030)	8,259,974

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

(Cont'd)

14. DEFERRED TAX LIABILITIES/(ASSETS) (CONT'D)

Deferred tax liabilities/(assets) relate to the following (cont'd):-

Group	As at 1 April RM	Recognised in other comprehensive income RM	Recognised in profit or loss RM	As at 31 March RM
2025				
Deferred tax liabilities				
Property, plant and equipment, right-of-use assets and lease liabilities	3,210,684	-	782,562	3,993,246
Revaluation of leasehold land and building	5,304,373	689,727*	(136,010)	5,858,090
Trade receivables	(532,400)	-	10,879	(521,521)
Inventories	(17,925)	-	405	(17,520)
Other payables	-	-	(609,000)	(609,000)
Unutilised capital allowances	(5,610)	-	(281)	(5,891)
	7,959,122	689,727	48,555	8,697,404

* Arising from revaluation of leasehold land and building.

Material accounting policy information

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

15. TRADE AND OTHER PAYABLES

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Non-current:-				
Other payable				
Deferred income	6,305,556	-	-	-
Current:-				
Trade payables				
Third parties	40,086,886	28,099,478	50,981	50,981
Amount owing to related parties	8,028,540	7,049,604	-	-
	48,115,426	35,149,082	50,981	50,981

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

15. TRADE AND OTHER PAYABLES (CONT'D)

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Other payables				
Accruals	6,056,548	3,819,886	202,320	168,641
Non-trade payables	1,992,891	3,287,997	43,808	51,266
Deposit received	61,500	65,250	-	-
Sales tax payable	109,773	100,132	-	-
Amount owing to a related party	527,248	627,000	-	-
Amount owing to shareholders	59,980	59,980	-	-
Amount owing to a Director	343,000	343,000	-	-
	9,150,940	8,303,245	246,128	219,907
	57,266,366	43,452,327	297,109	270,888
Total trade and other payables	63,571,922	43,452,327	297,109	270,888

Trade payables

This amount is non-interest bearing. Trade payables normal credit term ranges from 0 to 120 days (2025: 0 to 120 days) terms.

Other payables

This amount is non-interest bearing. Included in non-trade payables consist of amount owing to suppliers amounting to RM223,342 (2025: RM423,328) for the procurement of property, plant and equipment for the outlets.

Amount owing to related parties

Related parties refer to a person or an entity that is related to the corporate shareholder of the Group. This amount is unsecured, non-interest bearing and repayable on demand.

Amount owing to shareholders/a Director

This amount is unsecured, non-interest bearing and repayable on demand.

Deferred income

The Group received funds amounting to RM7,000,000 (2025: RM NIL) which was conditional upon renovating specified retail premises.

The funds are to be refunded if lease is terminated before or not renewed until the agreed period. The fund received will be recognised over the agreed period, ranging from 5 to 10 years.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

16. REVENUE

Type of goods and services

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Sales of goods	452,948,012	374,833,649	-	-
Rendering of services	606,903	643,608	1,548,268	1,430,598
	453,554,915	375,477,257	1,548,268	1,430,598
Timing of revenue recognition:-				
At a point in time	453,554,915	375,477,257	-	-
Services transferred over time	-	-	1,548,268	1,430,598
	453,554,915	375,477,257	1,548,268	1,430,598

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

Sale of goods

Revenue from sale of goods is recognised at a point in time when control of the asset is transferred to the customers generally on delivery of products and customers' acceptance.

Rendering of services

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised services to a customer, excluding amounts collected on behalf of third parties. Revenue is recognised when the Group satisfies a performance obligation by transferring a promised service. A performance obligation may be satisfied at a point in time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

16. REVENUE (CONT'D)

16.1 Disaggregated revenue information

	Paper products RM	Plastic products RM	Colour separation and printing RM	Grocery RM	Others RM	Adjustment and elimination RM	Total RM
Group							
2026							
Primary geographical markets:-							
Malaysia	23,410,312	4,535,362	639,018	419,879,253	11,179,789	(11,253,254)	448,390,480
United States	2,820,351	-	-	-	-	-	2,820,351
Yemen	-	858,985	-	-	-	-	858,985
Mongolia	477,063	-	-	-	-	-	477,063
Thailand	-	495,303	-	-	-	-	495,303
Singapore	189,768	235,501	-	-	-	-	425,269
Bangladesh	-	52,317	-	-	-	-	52,317
Saudi Arabia	-	35,147	-	-	-	-	35,147
	26,897,494	6,212,615	639,018	419,879,253	11,179,789	(11,253,254)	453,554,915
Major goods or services:-							
Paper products	26,897,494	-	-	-	-	(41,350)	26,856,144
Plastic products	-	6,212,615	-	-	-	-	6,212,615
Colour separation services	-	-	639,018	-	-	(32,115)	606,903
Management services	-	-	-	-	11,179,789	(11,179,789)	-
Grocery	-	-	-	419,879,253	-	-	419,879,253
	26,897,494	6,212,615	639,018	419,879,253	11,179,789	(11,253,254)	453,554,915
Timing of revenue recognition:-							
At a point in time	26,897,494	6,212,615	639,018	419,879,253	-	(73,465)	453,554,915
Transferred over time	-	-	-	-	11,179,789	(11,179,789)	-
	26,897,494	6,212,615	639,018	419,879,253	11,179,789	(11,253,254)	453,554,915

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

16. REVENUE (CONT'D)

16.1 Disaggregated revenue information (cont'd)

	Paper products RM	Plastic products RM	Colour separation and printing RM	Grocery RM	Others RM	Adjustment and elimination RM	Total RM
Group							
2025							
Primary geographical markets:-							
Malaysia	27,025,335	6,460,109	668,266	335,875,486	7,966,225	(8,009,243)	369,986,178
United States	2,128,124	-	-	-	-	-	2,128,124
Yemen	-	882,744	-	-	-	-	882,744
Mongolia	1,231,998	-	-	-	-	-	1,231,998
Thailand	-	569,825	-	-	-	-	569,825
Singapore	62,237	474,447	-	-	-	-	536,684
Indonesia	-	11,000	-	-	-	-	11,000
Bangladesh	-	95,903	-	-	-	-	95,903
China	26,217	-	-	-	-	-	26,217
Argentina	-	8,584	-	-	-	-	8,584
	30,473,911	8,502,612	668,266	335,875,486	7,966,225	(8,009,243)	375,477,257
Major goods or services:-							
Paper products	30,473,911	-	-	-	-	(18,360)	30,455,551
Plastic products	-	8,502,612	-	-	-	-	8,502,612
Colour separation services	-	-	668,266	-	-	(24,658)	643,608
Management services	-	-	-	-	7,966,225	(7,966,225)	-
Grocery	-	-	-	335,875,486	-	-	335,875,486
	30,473,911	8,502,612	668,266	335,875,486	7,966,225	(8,009,243)	375,477,257
Timing of revenue recognition:-							
At a point in time	30,473,911	8,502,612	668,266	335,875,486	-	(43,018)	375,477,257
Transferred over time	-	-	-	-	7,966,225	(7,966,225)	-
	30,473,911	8,502,612	668,266	335,875,486	7,966,225	(8,009,243)	375,477,257

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

16. REVENUE (CONT'D)

16.1 Disaggregated revenue information (cont'd)

Company	Management services RM
2026	
Primary geographical markets:-	
Malaysia	1,548,268
Major goods or services:-	
Management services	1,548,268
Timing of revenue recognition:-	
Transferred over time	1,548,268
2025	
Primary geographical markets:-	
Malaysia	1,430,598
Major goods or services:-	
Management services	1,430,598
Timing of revenue recognition:-	
Transferred over time	1,430,598

17. OTHER INCOME

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Advertising income	-	11,545	-	-
Rental income	1,395,778	1,325,125	-	-
Gain on disposal of property, plant and equipment	59,837	6,509	-	-
Gain from derecognition of right-of-use assets and lease liabilities	653	2,584	-	-
Gain from termination of right-of-use assets and lease liabilities	524	-	-	-
Sundry income	1,490,433	547,588	7,010	-
Realised gain on foreign exchange	15,743	-	-	-
	2,962,968	1,893,351	7,010	-

18. FINANCE INCOME AND FINANCE COST

Finance income and finance cost for the financial year consist of the following:-

	Group	
	2026 RM	**2025 RM**
Finance income		
Interest income from fixed deposits	806,840	677,431
Interest income from overdue account	378,774	272,975
	1,185,614	950,406
Finance cost		
Interest expenses on		
- bank guarantee	2,558	2,587
- borrowings	647,024	356,875
- lease liabilities	648,635	621,146
	1,298,217	980,608

19. PROFIT/(LOSS) BEFORE TAX

The following items have been included in arriving at profit/(loss) before tax:-

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Auditors' remuneration related to:-				
Statutory audit				
- Grant Thornton Malaysia PLT	194,000	183,000	40,000	40,000
Assurance related services				
- Grant Thornton Malaysia PLT	5,000	5,000	5,000	5,000
Other services				
- Affiliate of Grant Thornton Malaysia PLT	42,000	18,700	2,500	2,200
Realised loss on foreign exchange	65,686	46,858	-	-
Unrealised loss on foreign exchange	86,993	44,040	-	-
Lease expenses on short-term assets	793,937	1,202,130	-	-
Lease expenses on low-value assets	27,865	1,830	-	-

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

20. TAX EXPENSE/(INCOME)

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Current tax:-				
- current year	7,650,396	5,930,308	-	-
- (over)/under provision in prior years	(248,847)	152,081	-	(26,711)
	7,401,549	6,082,389	-	(26,711)
Deferred tax (Note 14):-				
- current year	(1,282,421)	(275,455)	-	-
- under provision in prior years	646,391	324,010	-	-
	(636,030)	48,555	-	-
Tax expense/(income) recognised in profit or loss	6,765,519	6,130,944	-	(26,711)

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

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

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Profit/(Loss) before tax	22,366,377	19,728,197	(441,022)	(462,727)
At Malaysian statutory tax rate of 24%	5,367,930	4,734,767	(105,845)	(111,054)
Tax effect in respect of:-				
Non-deductible expenses	510,648	535,898	64,469	65,260
Income not subject to tax	(47,657)	(37,362)	-	-
Origination of deferred tax assets not recognised	694,106	557,560	41,376	45,794
Crystallisation of deferred taxation	(157,052)	(136,010)	-	-
(Over)/Under provision of tax in respect of prior years	(248,847)	152,081	-	(26,711)
Under provision of deferred tax in respect of prior years	646,391	324,010	-	-
Tax expense/(income) recognised in profit or loss	6,765,519	6,130,944	-	(26,711)

20. TAX EXPENSE/(INCOME) (CONT'D)

Deferred tax assets have not been recognised in respect of the following items:-

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Unabsorbed business losses	17,894,752	17,203,113	329,286	235,981
Unutilised capital allowances	16,940,651	16,588,622	1,539	1,539
Unutilised reinvestment allowances	11,622,000	11,622,000	-	-
Others	5,844,911	3,996,470	6,661,357	6,582,262
	52,302,314	49,410,205	6,992,182	6,819,782

Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profits of the subsidiaries in the Group and they have arisen in the subsidiaries that have a history of losses.

As of 31 March 2026, the approximate gross amounts of unabsorbed business losses, unutilised capital allowances and unutilised reinvestment allowances of the Group and the Company which can be used to offset future taxable profits:-

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Unabsorbed business losses	17,894,752	17,203,113	329,286	235,981
Unutilised capital allowances	16,940,651	16,588,622	1,539	1,539
Unutilised reinvestment allowances	11,622,000	11,622,000	-	-
	46,457,403	45,413,735	330,825	237,520

The above amounts are subject to the approval of the Inland Revenue Board of Malaysia.

Effective Year of Assessment 2019 as announced in the Annual Budget 2022, the unused tax losses of the Group and the Company as of 31 December 2018 and thereafter will be available for carry forward for a period of 10 consecutive years. Upon expiry of the 10 years, the unabsorbed tax losses will be disregarded.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

20. TAX EXPENSE/(INCOME) (CONT'D)

The expiry of unabsorbed business losses is as follows:-

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Year of assessment 2028	6,450,000	6,450,000	-	-
Year of assessment 2029	4,237,409	4,481,240	-	-
Year of assessment 2030	1,403,000	1,403,000	-	-
Year of assessment 2031	1,706,390	1,706,390	-	-
Year of assessment 2032	1,148,942	1,148,942	-	-
Year of assessment 2033	667,889	667,889	-	-
Year of assessment 2034	296,862	296,862	104,423	104,423
Year of assessment 2035	1,048,790	1,048,790	131,558	131,558
Year of assessment 2036	935,470	-	93,305	-
	17,894,752	17,203,113	329,286	235,981

21. EARNINGS PER SHARE

<u>Basic earnings per ordinary share</u>

Basic earnings per share is calculated by dividing profit for the year attributable to owners of the parent with the weighted average number of ordinary shares in issue during the financial year.

Profit attributable to ordinary share:-

	Group	
	2026 RM	**2025 RM**
Profit attributable to ordinary equity holders of the Company	7,832,279	7,578,856

Weighted average number of ordinary shares in issue:-

	Group	
	2026 Unit	**2025 Unit**
Issued ordinary shares at 1 April/31 March	280,098,718	280,098,718
Basic earnings per ordinary share (sen)	2.80	2.71

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

21. EARNINGS PER SHARE (CONT'D)

Diluted earnings per share (cont'd)

For the purpose of calculating diluted earnings per share, the profit for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the financial year have been adjusted for the dilutive effects of all potential shares.

Profit attributable to ordinary share:-

	Group	
	2026 RM	**2025 RM**
Profit attributable to ordinary equity holders of the Company	7,832,279	7,578,856

Weighted average number of ordinary shares in issue:-

	Group	
	2026 Unit	**2025 Unit**
Weighted average number of ordinary shares at 1 April	280,098,718	280,098,718
Effect of conversion of warrants	37,939,051	20,382,507
Weighted average number of ordinary shares at 31 March	318,037,769	300,481,225
Diluted earnings per ordinary share (sen)	2.46	2.52

22. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Salaries, wages and other emoluments	35,776,981	31,465,134	1,383,702	1,269,882
Contributions to defined contribution plan	1,764,224	1,338,612	130,270	121,442
Social security contributions	1,087,781	846,043	6,249	5,724
Other staff benefits	13,092,945	5,945,231	21,123	47,337
	51,721,931	39,595,020	1,541,344	1,444,385

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

22. EMPLOYEE BENEFITS EXPENSE (CONT'D)

Included in the employee benefit expense is the Directors' remuneration as below:-

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Directors of the Company				
Executive:-				
Salaries and other emoluments	810,923	753,608	810,923	753,608
Fees	126,000	108,000	126,000	108,000
Defined contribution plan	97,312	90,434	97,312	90,434
Social security contributions	3,749	3,434	3,749	3,434
Other staff benefits	7,148	7,052	7,148	7,052
	1,045,132	962,528	1,045,132	962,528
Non-executive:-				
Fees	180,000	156,000	180,000	156,000
	180,000	156,000	180,000	156,000
	1,225,132	1,118,528	1,225,132	1,118,528

23. RELATED PARTY DISCLOSURES

23.1 RELATED PARTY TRANSACTIONS

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

Group	2026 RM	2025 RM
Transaction with related parties		
Sales	9,086,716	6,062,409
Purchase	89,046,571	70,503,454
Lease of factory	-	437,000
Rental income	365,747	379,837

Company	2026 RM	2025 RM
Transactions with subsidiaries		
Management fees income from subsidiaries	1,548,268	1,430,598
Service provided by a subsidiary	19,500	19,500

The outstanding balances arising from the related party transactions as at the reporting date are disclosed in Notes 7 and 15 to financial statements.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

(Cont'd)

23. RELATED PARTY DISCLOSURES (CONT'D)

23.2 COMPENSATION OF KEY MANAGEMENT PERSONNEL

Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group.

The Group and the Company have no other numbers of key management personnel apart from the Board of Directors. The remuneration of the key management personnel is same with the Directors' remuneration as disclosed in Note 22 to the financial statements.

24. OPERATING SEGMENT

Business Segments

For the management purposes, the Group is organised into business units based on their products and services, which comprises the following:-

Segments	Products and services
Paper products	Manufacturing and trading of paper board packaging products, specialising in offset-printed boxes and offset-laminated cartons.
Plastic products	Manufacturing and sale of plastic packaging products.
Colour separation and printing	Provision of colour separation and lithography services and printed materials.
Grocery	Retail sale of any kind of product over the internet, supermarket and wholesale of other foodstuffs.
Others	Investment holding.

The Group has aggregated certain operating segments to form a reportable segment due to the similar nature and operational characteristics of the products.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which, in certain respects as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

24. OPERATING SEGMENT (CONT'D)

Business Segments (cont'd)

	Note	Paper products RM	Plastic products RM	Colour separation and printing RM	Grocery RM	Others RM	Adjustment and elimination RM	Total RM
Group								
2026								
Revenue:-								
External customers		26,856,144	6,212,615	606,903	419,879,253	-	-	453,554,915
Inter-segment	i	41,350	-	32,115	-	11,179,789	(11,253,254)	-
Total revenue		26,897,494	6,212,615	639,018	419,879,253	11,179,789	(11,253,254)	453,554,915
Results:-								
Finance income		773,320	-	-	412,294	-	-	1,185,614
Finance cost		(3,048)	(23,673)	-	(1,271,496)	-	-	(1,298,217)
Depreciation of property, plant and equipment		(970,690)	(855,678)	(8,500)	(4,731,170)	(6,392)	-	(6,572,430)
Depreciation of right-of-use assets		(666,028)	(194,398)	-	(10,134,555)	-	-	(10,994,981)
Tax expense		(1,234,779)	-	(159)	(5,225,529)	(305,052)	-	(6,765,519)
Other non-cash income/(expenses)	ii	87,527	(1,722,324)	2,799	(61,749)	(19,239)	6,092	(1,706,894)
Segment profit/(loss) after tax	iii	2,770,664	(2,750,285)	235,172	15,828,135	320,648	(174,576)	16,229,758
Assets:-								
Addition to non-current assets	iv	183,160	1,497,981	39,300	54,542,739	3,680	-	56,266,860
Segment assets		75,268,670	5,128,127	2,944,043	175,683,830	88,493,873	(91,992,605)	255,525,938
Liabilities:-								
Deferred tax liabilities		7,045,808	-	-	1,211,412	3,000	-	8,260,220
Segment liabilities		41,584,656	23,154,897	1,283,861	121,910,975	1,544,042	(58,172,813)	131,305,618

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

24. OPERATING SEGMENT (CONT'D)

Business Segments (cont'd)

	Note	Paper products RM	Plastic products RM	Colour separation and printing RM	Grocery RM	Others RM	Adjustment and elimination RM	Total RM
Group								
2025								
Revenue:-								
External customers		30,455,551	8,502,612	643,608	335,875,486	-	-	375,477,257
Inter-segment	i	18,360	-	24,658	-	7,966,225	(8,009,243)	-
Total revenue		30,473,911	8,502,612	668,266	335,875,486	7,966,225	(8,009,243)	375,477,257
Results:-								
Finance income		640,213	-	-	310,193	-	-	950,406
Finance cost		(6,741)	(965)	-	(972,902)	-	-	(980,608)
Depreciation of property, plant and equipment		(956,692)	(1,264,592)	(8,500)	(3,706,079)	(6,228)	-	(5,942,091)
Depreciation of right-of-use assets		(659,457)	(17,177)	-	(8,205,342)	-	-	(8,881,976)
Tax expense		(1,367,469)	-	-	(4,644,181)	(119,294)	-	(6,130,944)
Other non-cash income/(expenses)	ii	375,103	(702,365)	-	(64,002)	77,431	(492,467)	(806,300)
Segment profit/(loss) after tax	iii	5,979,719	(2,746,219)	206,044	11,948,078	(9,783)	403,550	15,781,389
Assets:-								
Addition to non-current assets	iv	13,349	-	-	19,262,465	2,100	-	19,277,914
Segment assets		72,241,185	7,948,577	2,604,047	107,365,004	88,076,036	(90,340,165)	187,894,684
Liabilities:-								
Deferred tax liabilities		6,884,974	-	-	1,810,386	2,044	-	8,697,404
Segment liabilities		41,327,835	23,225,062	1,179,037	88,780,564	1,446,853	(76,055,229)	79,904,122

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

24. OPERATING SEGMENT (CONT'D)

Business Segments (cont'd)

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:-

i. Inter-Segment revenues are eliminated on consolidation.

ii. Other non-cash (expenses)/income consist of the following items:-

	2026 RM	2025 RM
Allowance for expected credit losses on trade and other receivables	(56,575)	(258,769)
Bad debts written off	-	(47,604)
Inventories written down	(6,118)	-
Inventories written off	(98,334)	-
Gain from derecognition on right-of-use assets and lease liabilities	653	2,584
Gain from termination on right-of-use assets and lease liabilities	524	-
Loss from modification on right-of-use assets and lease liabilities	(62,402)	-
Net loss on disposal of property, plant and equipment	(1,603,712)	(308,329)
Property, plant and equipment written off	(282,045)	(494,786)
Reversal of expected credit losses on trade and other receivables	362,574	266,162
Reversal of inventories written down	125,534	78,482
Unrealised loss on foreign exchange	(86,993)	(44,040)
	(1,706,894)	(806,300)

iii. The following items are added/(deducted from) to segment profit to arrive at "Net profit for the financial year" presented in the consolidated statements of profit or loss and other comprehensive income:-

	2026 RM	2025 RM
Segment profit	23,107,880	21,942,535
Finance income	1,185,614	950,406
Finance cost	(1,298,217)	(980,608)
Tax expense	(6,765,519)	(6,130,944)
Net profit for the financial year	16,229,758	15,781,389

iv. Addition to non-current assets consist of:-

	2026 RM	2025 RM
Property, plant and equipment	11,904,229	7,394,494
Right-of-use assets	44,362,631	11,883,420
	56,266,860	19,277,914

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

24. OPERATING SEGMENT (CONT'D)

Geographical Information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:-

Group	Revenue		Non-current assets	
	2026 RM	2025 RM	2026 RM	2025 RM
Malaysia	448,390,480	369,986,178	128,481,768	88,625,149
Others	5,164,435	5,491,079	-	-
	453,554,915	375,477,257	128,481,768	88,625,149

Information about a major customer

The Group does not have any revenue from a single external customer which represent 10% or more of the Group's revenue. As such, information on major customers is not presented.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

25. CATEGORIES OF FINANCIAL INSTRUMENTS

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

(i) Amortised cost ("AC"); and
(ii) Fair value through profit and loss ("FVTPL").

Group	Carrying amount RM	AC RM	FVTPL RM
2026			
Financial assets			
Trade and other receivables	25,999,832	25,999,832	-
Other investment	11	-	11
Cash and cash equivalents	49,246,931	49,246,931	-
	75,246,774	75,246,763	11
Financial liabilities			
Trade and other payables	57,156,593	57,156,593	-
Borrowings	31,092,228	31,092,228	-
	88,248,821	88,248,821	-
2025			
Financial assets			
Trade and other receivables	20,849,807	20,849,807	-
Other investment	11	-	11
Cash and cash equivalents	37,137,487	37,137,487	-
	57,987,305	57,987,294	11
Financial liabilities			
Trade and other payables	43,352,195	43,352,195	-
Borrowings	8,946,986	8,946,986	-
	52,299,181	52,299,181	-

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

25. CATEGORIES OF FINANCIAL INSTRUMENTS (CONT'D)

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

(i) Amortised cost ("AC"); and
(ii) Fair value through profit and loss ("FVTPL").

Company	Carrying amount RM	AC RM	FVTPL RM
2026			
Financial assets			
Trade and other receivables	28,888,849	28,888,849	-
Cash and cash equivalents	488,458	488,458	-
	29,377,307	29,377,307	-
Financial liability			
Trade and other payables	297,109	297,109	-
2025			
Financial assets			
Trade and other receivables	29,451,248	29,451,248	-
Cash and cash equivalents	284,793	284,793	-
	29,736,041	29,736,041	-
Financial liability			
Trade and other payables	270,888	270,888	-

26. FINANCIAL INSTRUMENTS

Financial Risks Management

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. Financial risk management policy is established to ensure that adequate resources are available for the development of the Group's and the Company's business whilst managing its credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group and the Company operate within clearly defined policies and procedures that are approved by the Board of Directors to ensure the effectiveness of the risk management process.

The main areas of financial risks faced by the Group and Company and the policy in respect of the major areas of treasury activity are set out as follows:-

(a) Credit Risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. It is the Group's policy to enter into financial instrument with a diversity of creditworthy counterparties. The Group does not expect to incur material credit losses of its financial assets or other financial instruments.

Concentration of credit risk exists when changes in economic, industry and geographical factors similarly affect the company of counterparties whose aggregate credit exposure is significant in relation to the Group's total credit exposure.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. The Group does not offer credit terms without the approval of the head of credit control.

Following are the areas where the Group and the Company are exposed to credit risk:-

(i) <u>Trade receivables</u>

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external rating, if they are available, financial statements, credit agency information, industry information and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the management.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns.

The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

26. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risks Management (cont'd)

The main areas of financial risks faced by the Group and Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(a) Credit Risk (cont'd)

Following are the areas where the Group and the Company are exposed to credit risk (cont'd):-

(i) Trade receivables (cont'd)

Generally, trade receivables are written off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 7 to the financial statement.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix which are grouped together as they are expected to have similar risk nature:-

Group	31 March 2026			31 March 2025		
	Gross-carrying amount RM	Loss-allowance RM	Net balances RM	Gross-carrying amount RM	Loss-allowance RM	Net balances RM
Current (Not past due)	1,234,933	(128)	1,234,805	4,420,528	(167)	4,420,361
1-30 days past due	1,337,259	(145)	1,337,114	1,289,210	(288)	1,288,922
31-60 days past due	648,209	(34)	648,175	914,139	(294)	913,845
61-90 days past due	737,343	(201)	737,142	429,677	(78)	429,599
More than 90 days past due	4,236,299	(2,952)	4,233,347	117,562	(54,543)	63,019
	8,194,043	(3,460)	8,190,583	7,171,116	(55,370)	7,115,746
Credit impaired at the reporting date						
More than 90 days Individually impaired	2,647,329	(2,647,329)	-	4,244,216	(4,244,216)	-
	10,841,372	(2,650,789)	8,190,583	11,415,332	(4,299,586)	7,115,746

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

26. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risks Management (cont'd)

The main areas of financial risks faced by the Group and Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(a) Credit Risk (cont'd)

Following are the areas where the Group and the Company are exposed to credit risk (cont'd):-

(ii) Other receivables

The maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

(iii) Intercompany loans and advances

The maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

The Company provides unsecured advances to subsidiaries and related parties and monitors their results regularly.

As at the end of the reporting date, there was no indication that advances to the subsidiaries and related parties are not recoverable except for amount owing by subsidiary amounted to RM6,661,359 (2025: RM6,582,264).

(iv) Investments and other financial assets

The maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.

In view of the sound credit rating of counterparties, management does not expect any counterparty to fail to meet its obligations.

(v) Corporate guarantee

The maximum exposure to credit risk amounts to RM15,857,036 (2025: RM4,562,963) representing the outstanding banking facilities of a subsidiary as at the end of the reporting period.

The Company provides financial guarantee to supplier in respect of banking facilities granted to a subsidiary. The Company monitors on an ongoing basis the results of the borrowers and its repayment to the banks. As at the end of the reporting year, there was no indication that any of the subsidiary would default on repayment.

(b) Liquidity Risk

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

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

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

26. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risks Management (cont'd)

The main areas of financial risks faced by the Group and Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(b) Liquidity Risk (cont'd)

The Group and the Company aim at maintaining a balance of sufficient cash and deposits and flexibility in funding by keeping diverse sources of committed and uncommitted credit facilities from various banks.

The summary of the maturity profile based on the contractual undiscounted repayment obligation is as follows:-

Liquidity risk analysis

	Carrying amount RM	Contractual cash flow RM	Within 1 year RM	1 to 2 years RM	2 to 5 years RM
Group					
2026					
Financial liabilities:-					
Unsecured					
Trade payables and other payables	57,156,593	57,156,593	57,156,593	-	-
Lease liabilities	22,964,696	24,196,657	10,515,187	9,329,970	4,351,500
Secured					
Borrowings	31,092,228	32,800,860	10,213,114	4,528,699	18,059,047
	111,213,517	114,154,110	77,884,894	13,858,669	22,410,547
2025					
Financial liabilities:-					
Unsecured					
Trade payables and other payables	43,352,195	43,352,195	43,352,195	-	-
Lease liabilities	14,296,117	15,022,631	8,485,753	4,857,806	1,679,072
Secured					
Borrowings	8,946,986	9,237,149	6,846,555	1,095,985	1,294,609
	66,595,298	67,611,975	58,684,503	5,953,791	2,973,681

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

26. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risks Management (cont'd)

The main areas of financial risks faced by the Group and Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(b) Liquidity Risk (cont'd)

The summary of the maturity profile based on the contractual undiscounted repayment obligation is as follows (cont'd):-

Liquidity risk analysis (cont'd)

	Carrying amount RM	Contractual cash flow RM	Within 1 year RM
Company			
2026			
Financial liability:-			
Trade payables and other payables	297,109	297,109	297,109
Financial guarantee to supplier in respect of banking facilities granted to a subsidiary	15,857,036	15,857,036	15,857,036
2025			
Financial liability:-			
Trade payables and other payables	270,888	270,888	270,888
Financial guarantee to supplier in respect of banking facilities granted to a subsidiary	4,562,963	4,562,963	4,562,963

(c) Foreign Currency Risk

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

To mitigate the Group's exposure to foreign currency risk, the Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currency giving rise to this risk is primarily United States Dollar ("USD"), British Pound ("GBP"), Singapore Dollar ("SGD"), Indonesian Rupiah ("IDR"), and Euro ("EUR"). The Group did not enter into any forward currency contracts during the financial year ended 31 March 2026 and 2025.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

26. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risks Management (cont'd)

The main areas of financial risks faced by the Group and Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(c) Foreign Currency Risk (cont'd)

The Group's exposure to foreign currency risk, based on carrying amounts as at the end of reporting period was:-

	2026 RM	2025 RM
Cash and cash equivalents		
USD	210	263
Trade and other receivables		
USD	1,200,417	994,439
GBP	-	170,346
SGD	123,536	69,116
IDR	-	33,965
EUR	2,412	21,602
	1,326,365	1,289,468
Trade and other payables		
USD	354,988	354,987

Sensitivity analysis for foreign currency risk at the end of each reporting period is not presented as changes in exchange rates would not materially affect the profit or loss and equity of the Group.

26. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risks Management (cont'd)

The main areas of financial risks faced by the Group and Company and the policy in respect of the major areas of treasury activity are set out as follows (cont'd):-

(d) Interest Rate Risk

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

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

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

	Group	
	2026 RM	**2025 RM**
Fixed rate instruments:-		
Financial asset - fixed deposits with licensed banks	10,934,859	10,540,312
Financial liability - lease liabilities	(22,964,696)	(14,296,117)
Floating rate instruments:-		
Financial liability - borrowings	(31,092,228)	(8,946,986)

<u>Fair value sensitivity analysis for fixed rate instruments</u>

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

<u>Cash flows sensitivity analysis for variable rate instruments</u>

A change in 50 basis point ("bp") in interest rates at the end of the reporting period would have increase/(decrease) profit for the year and equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Effect on profit/(loss) for the financial year/Equity	
Group	**RM**	**RM**
2026 (+/- 50 bp)	(499,627)	499,627
2025 (+/- 50 bp)	(447,349)	447,349

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

26. FINANCIAL INSTRUMENTS (CONT'D)

Fair Value of Financial Instruments

The carrying amounts of short-term receivables and payables, cash and cash equivalents and short-term borrowings approximate their fair values due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The table below analyses financial instruments carried at fair value and those not carried at fair value for which fair value is disclosed, together with their values and carrying amounts shown in the statements of financial position.

Group	Fair value of financial instruments carried at fair value Level 1 RM	Total fair value RM	Carrying amount RM
2026			
Financial asset			
Other investment	11	11	11
2025			
Financial asset			
Other investment	11	11	11

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

Level 1 Fair Value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

26. FINANCIAL INSTRUMENTS (CONT'D)

Reconciliation of Liabilities Arising from Financing Activities

Group	1 April 2025 RM	Cash flows RM	Others RM	31 March 2026 RM
Lease liabilities	14,296,117	(10,051,040)	18,719,619#	22,964,696
Borrowings	8,946,986	22,145,242*	-	31,092,228
	23,243,103	12,094,202	18,719,619	54,056,924

* These amounts are net of drawdown and repayment of borrowings amounting to RM24,145,250 and RM2,000,008 respectively.

These amounts are net of non-cash additions to lease liabilities and gain or loss from lease derecognition, modification, and termination during the financial year amounted to RM16,223,686 and RM2,495,933 respectively.

Group	1 April 2024 RM	Cash flows RM	Others RM	31 March 2025 RM
Lease liabilities	13,061,863	(7,910,347)	9,144,601#	14,296,117
Borrowings	9,249,994	(303,008)*	-	8,946,986
	22,311,857	(8,213,355)	9,144,601	23,243,103

* These amounts are net of drawdown and repayment of borrowings amounting to RM697,000 and RM1,000,008 respectively.

These amounts are net of non-cash additions to lease liabilities and reversal due to termination during the financial year amounted to RM9,344,338 and RM199,737 respectively.

27. CAPITAL MANAGEMENT

The capital structure of the Group consists of net debt of the Group comprising borrowings as detailed in Note 13 of the financial statements off set with cash and bank balances, and equity of the Group comprising issued capital, reserves, retained earnings and non-controlling interest as detailed in Note 5, 9, 10, 11 of the financial statements.

The Group's and the Company's objectives when managing capital is to maintain a strong capital base and safeguard the Group's and the Company's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business.

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026
(Cont'd)

27. CAPITAL MANAGEMENT (CONT'D)

During 2026, the Group's strategy, which was unchanged from 2025, was to maintain the debt-to-equity ratio at 3.5.

Group	2026 RM	2025 RM
Total loans and borrowings (A)	31,092,228	8,946,986
Total equity, representing total capital (B)	124,220,320	107,990,562
Gearing ratio (A/B)	0.25	0.08

There was no change in the Group's approach to capital management during the financial year.

A subsidiary of the Group is also required to maintain a maximum gearing ratio of 3.5 to comply with a bank covenant, failing which, the bank may call an event of default. The subsidiary has complied with these covenants throughout the reporting period.

28. CAPITAL COMMITMENTS

Group	2026 RM	2025 RM
Authorised and not contracted for:		
Purchase of property, plant and equipment	-	23,265,000

29. COMPARATIVE INFORMATION

Certain comparative figures in the statements of profit or loss and other comprehensive income has been reclassified to conform to the current year presentation.

The effect of reclassification are as follows:-

	As per previously reported RM	Reclassification RM	As reclassified RM
Statements of profit or loss and other comprehensive income			
Cost of goods sold	(305,302,774)	10,458,210	(294,844,564)
Other income	12,351,561	(10,458,210)	1,893,351

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

	Group	
Total Income	**2026 RM**	**2025 RM**
Revenue	453,554,915	375,477,257
Other income	2,962,968	1,893,351
Finance income	1,185,614	950,406
Total	**457,703,497**	**378,321,014**
Total Assets	**255,525,938**	**187,894,684**

(B) Business Activities

	Group	
Shariah Non-Compliant Activities	**2026 RM**	**2025 RM**
Liquor/ alcoholic beverages and related products and activities	2,983,069	1,533,420
Pork, non-halal food and related products and activities	19,763,305	13,484,607
Tobacco, cigarette, electronic cigarettes and their related products and activities	1,202,719	1,166,144
Shariah non-compliant entertainment	-	600
Interest income	1,169,658	950,406
Insurance income	50,752	215,912
Total	**25,169,503**	**17,351,089**

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

(Cont'd)

(C) Component of Financial Position

(i) Cash Component	Group 2026 RM	Group 2025 RM
Islamic Account/Instrument		
Cash in hand	655,787	442,581
Total	**655,787**	**442,581**
Conventional Account/Instruments		
Cash and bank balances	37,656,285	26,154,594
Deposits with licensed bank	10,934,859	10,540,312
Total	**48,591,144**	**36,694,906**

(ii) Debt Component	Group 2026 RM	Group 2025 RM
Conventional Borrowing		
Current		
Revolving credit	4,000,000	5,000,000
Term loans	4,002,408	1,000,008
Bankers' Acceptance	1,448,000	697,000
Hire purchase payables	50,590	48,259
Total	**9,500,998**	**6,745,267**
Non-Current		
Term loans	21,641,820	2,249,978
Hire purchase payables	94,106	144,696
Total	**21,735,926**	**2,394,674**

LIST OF PROPERTIES

Location	Description of Land	Land Area (sq.ft.)	Built-up Area (sq.ft.)	Existing Use	Tenure/ Lease Period	Net Carrying Value (RM'000)	Age of Building (years)	Date of Acquisition
Lot 30745, Jalan Pandan Indah, Pandan Indah, 55100 Kuala Lumpur.	Land with a single storey detached factory with an annexed double storey office building	130,680	94,961	Factory, warehouse and office	Term of 99 years expiring on 26 June 2063	32,429	33	09 December 1993
Plaza Pelangi Astana, Lot Nos. G-01 and 1-01, Block Pelangi Astana, Pelangi Damansara, PJU 6, Persiaran Surian, 47800 Petaling Jaya, Selangor	Two (2)-storey retail mall and basement car park located within a four (4)-storey podium block known as Plaza Pelangi Astana	-	74,357	Retail operation	Term of 99-year leasehold interest expiring on 12 May 2101	27,938	20	29 May 2025

ANALYSIS OF SHAREHOLDINGS
As at 30 June 2026

Ordinary shares

Paid up capital - RM105,886,152 comprising 280,098,718 ordinary shares
Class of shares - Ordinary share
Voting rights - One vote per ordinary share

Distribution of shareholdings

Size of shareholding	No. of shareholders	% of shareholders	Total holdings	% of total holdings
Less than 100	3,263	39.417	157,575	0.056
100 to 1,000	3,957	47.801	979,476	0.349
1,001 to 10,000	618	7.465	2,513,364	0.897
10,001 to 100,000	315	3.805	11,087,605	3.958
100,001 to less than 5% of issued shares	122	1.473	107,308,242	38.310
5% and above of issued shares	3	0.036	158,052,456	56.427
Total	**8,278**	**100.000**	**280,098,718**	**100.000**

Substantial shareholders as per Register of substantial shareholders

Name	Direct		Indirect	
	No. of shares held	%	No. of shares held	%
NSK Trading Sdn. Bhd.	134,476,600	48.010	-	-
Lim Chou Bu	-	-	134,476,600	48.010
Lim Ah Chuan	-	-	134,476,600	48.010
Lim Ah Chai	-	-	134,476,600	48.010

Directors' shareholdings

Name	Direct Interest		Deemed Interest	
	No. of shares held	%	No. of shares held	%
Tan Sri Dato' Seri Mohd Shariff Bin Omar	-	-	-	-
Dato' Sri Wira Ayub Bin Yaakob	-	-	-	-
Chen Chuen Sum	-	-	-	-
Khat Chee How	-	-	-	-
Lim Siew Yeng	-	-	-	-
Loh Teck Wah	823,900	0.294	-	-
Maggie Then	-	-	-	-

ANALYSIS OF SECURITIES ACCOUNT HOLDERS

30 Largest shareholders as at 30 June 2026

(without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name	No. of shares held	% of issued capital
1	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR NSK TRADING SDN BHD	91,965,800	32.833%
2	NSK TRADING SDN BHD	42,510,800	15.177%
3	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR KENANGA INVESTORS BHD	23,575,856	8.416%
4	TOH CHEE THIN	13,570,535	4.844%
5	TANG BEIRUI	7,288,300	2.602%
6	NG CHEK KIAM	6,200,000	2.213%
7	WONG POH KIM @ MARY ANN	5,442,200	1.942%
8	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAI SING FOO (7004157)	4,334,700	1.547%
9	TANG YIN FAN	4,167,826	1.487%
10	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR THAM QUEK NGOK	3,441,300	1.228%
11	KHOR TUANG KEAT	3,243,800	1.158%
12	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO CHAI HOCK	3,164,500	1.129%
13	TENGKU AB MALEK BIN TENGKU MOHAMED	3,029,200	1.081%
14	LAI LEE MIN, LOUISE	2,520,900	0.900%
15	YONG CHONG LIM	2,487,000	0.887%
16	ANG SUAT MEI	2,070,800	0.739%
17	LAI SING FOO	2,000,300	0.714%
18	SKT SUPPLIES SDN BHD	1,791,400	0.639%
19	LEE BOON YEE	1,500,000	0.535%
20	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG LI TAK (7005696)	1,450,000	0.517%
21	TAN YIT MOI	1,400,000	0.499%
22	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YONG CHONG LIM (7006038)	1,266,000	0.451%
23	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YAP CHEE KHENG (MY3821)	1,260,000	0.449%
24	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE ENG SHAN (3030736)	1,222,200	0.436%
25	MOOMOO NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YONG CHONG LIM	1,200,000	0.428%
26	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YAP CHEE KHENG (8055840)	1,151,000	0.410%
27	LEE LEE CHOO	1,120,000	0.399%
28	TAN YEW CHONG	1,000,000	0.357%
29	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOH TECK WAH (8090542)	823,900	0.294%
30	CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR INTERACTIVE BROKERS (U.K.) LIMITED (CLIENT)	800,000	0.285%

ANALYSIS OF WARRANTHOLDINGS

As at 30 June 2026

Warrants 2023/2028 (“Warrants A”)

Total Number of Outstanding Warrants	- 140,049,321
Exercise Price	- RM0.5850
Exercise Period	- 18 January 2023 – 17 January 2028

Distribution of warrantholdings

Size of warrantholding	No. of warrantholders	% of warrantholders	Total holdings	% of total holdings
Less than 100	5,632	69.677	215,815	0.154
100 to 1,000	1,939	23.988	514,956	0.367
1,001 to 10,000	327	4.045	1,243,137	0.887
10,001 to 100,000	121	1.496	3,929,202	2.805
100,001 to less than 5% of issued shares	60	0.742	57,091,411	40.765
5% and above of issued shares	4	0.049	77,054,800	55.019
Total	**8,083**	**100.000**	**140,049,321**	**100.000**

Directors’ warrantholdings

Name	Direct Interest		Deemed Interest	
	No. of warrants held	%	No. of warrants held	%
Tan Sri Dato’ Seri Mohd Shariff Bin Omar	-	-	-	-
Dato’ Sri Wira Ayub Bin Yaakob	-	-	-	-
Chen Chuen Sum	-	-	-	-
Khat Chee How	-	-	-	-
Lim Siew Yeng	-	-	-	-
Loh Teck Wah	14,087,100	10.058	-	-
Maggie Then	-	-	-	-

ANALYSIS OF WARRANTS HOLDERS

30 Largest warrantholders as at 30 June 2026

(without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name	No. of warrants held	% of issued warrants
1	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR NSK TRADING SDN BHD	45,982,900	32.833%
2	HLIB NOMINEES (TEMPATAN) SDN BHD HONG LEONG BANK BHD FOR KUAN KAR CHIN	12,174,200	8.692%
3	AFFIN HWANG NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOH TECK WAH	11,389,100	8.132%
4	NSK TRADING SDN BHD	7,508,600	5.361%
5	TOH CHEE THIN	6,793,467	4.850%
6	KUAN KAR CHIN	6,444,800	4.601%
7	TANG BEIRUI	3,620,500	2.585%
8	NG CHEK KIAM	3,250,000	2.320%
9	LEE WAH LIAN	2,790,400	1.992%
10	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOH TECK WAH (8090542)	2,698,000	1.926%
11	KHOR TUANG KEAT	2,371,900	1.693%
12	TANG YIN FAN	2,298,413	1.641%
13	YONG CHONG LIM	2,078,913	1.484%
14	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR OOI PENG CUAN (PB)	2,000,000	1.428%
15	SIN WI KOCK	1,623,700	1.159%
16	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAW YOKE KUAN (E-KPG)	1,592,700	1.137%
17	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO CHAI HOCK	1,582,250	1.129%
18	TENGKU AB MALEK BIN TENGKU MOHAMED	1,456,600	1.040%
19	TAN CHUN KAI	1,156,500	0.825%
20	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR THAM QUEK NGOK	1,142,150	0.815%
21	ANG SUAT MEI	1,035,400	0.739%
22	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE ENG SHAN (3030736)	899,000	0.641%
23	SKT SUPPLIES SDN BHD	895,700	0.639%
24	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG LI TAK (7005696)	850,000	0.606%
25	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE MENG SOON	800,500	0.571%
26	TAN YIT MOI	720,000	0.514%
27	LAI LEE MIN, LOUISE	680,450	0.485%
28	TEO CHUNG WEE	680,000	0.485%
29	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YONG CHONG LIM (7006038)	624,500	0.445%
30	LEE BOON KOON	615,000	0.439%

NOTICE OF TWENTY-THIRD (23RD) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 23rd Annual General Meeting of the Company will be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Thursday, 24 September 2026 at 10:30 a.m. to transact the following businesses:

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 March 2026 together with the Reports of the Directors and Auditors thereon. (Please refer to Explanatory Note 1)

2. To re-elect the following Directors who retire pursuant to Clause 111(1) of the Constitution of the Company:-
   i. Tan Sri Dato' Seri Mohd Shariff bin Omar [Resolution 1]
   ii. Ms. Lim Siew Yeng [Resolution 2]

3. To approve the payment of Directors' fees of RM306,000/- for the financial year ending 31 March 2027. [Resolution 3]

4. To approve the payment of Directors' benefits of RM35,000/- from 25 September 2026 until the next Annual General Meeting of the Company. [Resolution 4]

5. To re-appoint Grant Thornton Malaysia PLT as auditors of the Company and to authorize the Directors to fix their remuneration. [Resolution 5]

Special Business

To consider and if thought fit, to pass the following resolutions, with or without modifications, as Ordinary Resolutions:-

6. **ORDINARY RESOLUTION 1** [Resolution 6]

   AUTHORITY TO ALLOT AND ISSUE SHARES

   "THAT subject always to the Companies Act 2016 ("the Act"), the Constitution of the Company, approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any relevant governmental/regulatory bodies, the Directors of the Company be and are hereby empowered, pursuant to Sections 75 and 76 of the Act, to issue and allot shares in the capital of the Company from time to time at such price, and upon such terms and conditions, and for such purposes as the Directors may, in their absolute discretion deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of issued shares of the Company for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Securities for the listing and quotation for the additional shares so issued on the Bursa Securities AND FURTHER THAT such authority shall continue in force until the conclusion of the next Annual General Meeting of the Company."

NOTICE OF TWENTY-THIRD (23RD) ANNUAL GENERAL MEETING
(Cont'd)

7. **ORDINARY RESOLUTION 2** [Resolution 7]

PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTION ("RRPT") OF A REVENUE AND/OR TRADING NATURE ("PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE")

"THAT, subject to the provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be and is hereby given for the Company, its subsidiaries or any of them to enter into and to give effect to any of the transactions falling within the types of the recurrent related party transactions, particulars of which are set out in Section 2.3 of the Circular to Shareholders dated 31 July 2026 ("Circular") with the related parties as described in the said Circular, provided that such transactions are of revenue and/or trading nature, which are necessary for the day-to-day operations of the Company and/or its subsidiaries within the ordinary course of business of the Company and/or its subsidiaries, made on an arm's length basis and on normal commercial terms which are those generally available to the public and are not detrimental to the minority shareholders of the Company.

AND THAT such authority shall commence upon the passing of this resolution and shall continue to be in force until:

(i) the conclusion of the next Annual General Meeting of the Company following the general meeting at which such mandate was passed, at which time it will lapse, unless by a resolution passed at the next Annual General Meeting, the authority is renewed;

(ii) the expiration of the period within which the next Annual General Meeting after that date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or

(iii) revoked or varied by resolution passed by the shareholders in a general meeting;

whichever is the earlier;

AND FURTHER THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as they may deem fit, necessary, expedient and/or appropriate in order to implement the Proposed Renewal of Existing Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed Renewal of Existing Shareholders' Mandate in the best interest of the Company."

8. To transact any other business of which due notice has been given.

By Order of the Board

MAK CHOOI PENG
(MAICSA 7017931)
SSM PC No. 201908000889
Company Secretary

Kuala Lumpur
31 July 2026

NOTICE OF TWENTY-THIRD (23RD) ANNUAL GENERAL MEETING
(Cont'd)

NOTES:-

a. *A member entitled to attend and vote at the 23rd AGM may appoint not more than two (2) proxies to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy save that the proxy must be of full age.*

b. *The instrument appointing a proxy shall be in writing (in the common seal or usual form) under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.*

c. *The duly completed Proxy Form must be deposited at the office of the Company's Share Registrar situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time fixed for convening the 23rd AGM or any adjournment thereof Provided That, in the event the member(s) duly executed the Proxy Form but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, Provided Always that the rest of the Proxy Forms, other than the particulars of the proxy have been duly completed by the member(s).*

d. *Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("Depositories Act"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*

e. *Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempted authorised nominee refers to an authorised nominee defined under the Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of the Depositories Act.*

f. *Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.*

g. *If a member has appointed a proxy to attend a meeting and subsequently, he attends such meeting in person, the appointment of such proxy shall be null and void, and his proxy shall not be entitled to attend the said meeting.*

h. *Only members whose names appear in the Record of Depositors as at 17 September 2026 will be entitled to attend, vote and speak at the 23rd AGM or appoint proxy(ies) to attend, vote and speak on their behalf.*

i. *The resolutions as set out in this notice of 23rd AGM is to be voted by poll.*

NOTICE OF TWENTY-THIRD (23RD) ANNUAL GENERAL MEETING

(Cont'd)

Explanatory Notes

1. Item 1 of the Agenda

This item is tabled for discussion only, as pursuant to Section 340(1)(a) of the Companies Act 2016, the Audited Financial Statements do not require formal approval of the shareholders. Accordingly, this Agenda is not put forward for voting.

2. Items 2 of the Agenda – Re-election of Directors

Tan Sri Dato' Seri Mohd Shariff bin Omar and Ms. Lim Siew Yeng ("Retiring Directors"), who retire in accordance with Clause 111(1) of the Company's Constitution and being eligible, have offered themselves for re-election.

The Nomination Committee ("NC") carried out the assessment with the affected NC member abstaining from all deliberations and recommendations.

The NC had assessed the Retiring Directors and considered their performance and contribution based on the Self and Peer assessment, their contribution to the Board of Directors of the Company ("Board") and Board Committees deliberations, time commitment and their ability to act in the best interests of the Company in decision-making. The Board has recommended their re-election based on the following considerations and the recommendation by the NC:-

(i) satisfactory performance and they have met the Board's expectation in discharging their duties and responsibilities;
(ii) met the criteria of character, experience, integrity, competence and time commitment in discharging their roles as directors of the Company;
(iii) level of independence demonstrated by the independent directors; and
(iv) their ability to act in the best interest of the Company in decision-making.

The profiles of the Retiring Directors are stated in the Annual Report 2026 of the Company.

3. Items 3 and 4 of the Agenda

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors shall be approved at a general meeting. The details of the Directors' remuneration are set out in the Corporate Governance Overview Statement of this Annual Report.

The proposed Resolution 3 is to facilitate the payment of Directors' fees on a current financial year basis, calculated based on the current Board size. In the event the Directors' fees proposed are insufficient (due to enlarged Board size), approval will be sought at the next Annual General Meeting for additional fees to meet the shortfall.

The proposed Resolution 4 for the Directors' benefits are benefits payable to the directors and meeting allowances. The meeting allowances are calculated based on the current Board size and the number of scheduled Board and Board Committees meetings from 25 September 2026 to the next Annual General Meeting. In the event the proposed amount is insufficient (e.g. due to more meetings or enlarged Board size), approval will be sought at the next Annual General Meeting for the shortfall.

4. Item 5 of the Agenda – Re-appointment of Auditors

The Audit Committee had undertaken an annual assessment of the external auditors, Grant Thornton Malaysia PLT ("GT") including their independence, scope of audit, audit fee, expertise and experience, performance based on annual audit scope and planning. The Audit Committee and the Board were satisfied with the suitability of GT on the quality of audit, performance, competency and sufficiency of resources the external audit team provided to the Group.

NOTICE OF TWENTY-THIRD (23RD) ANNUAL GENERAL MEETING
(Cont'd)

Special Business

5. Item 6 of the Agenda - Authority to Allot and Issue Shares

   The proposed Ordinary Resolution 1 is for the purpose of granting a renewal of a general mandate ("General Mandate") and empowering the Directors to issue shares in the Company up to an amount not exceeding in total 10% of the total issued shares of the Company for such purposes as the Directors consider would be in the interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next Annual General Meeting.

   The General Mandate will provide flexibility to the Company to issue shares for any possible fundraising activities, including but not limited for further placing of shares, for the purpose of funding future investment(s), acquisition(s) and/or working capital.

   As at the date of this Notice, no new shares in the Company were issued pursuant to the general mandate granted to the Directors at the Twenty-Second Annual General Meeting of the Company held on 25 September 2025, which will lapse at the conclusion of the 23rd AGM of the Company. Hence, no proceeds were raised therefrom.

6. Items 7 of the Agenda – Proposed Renewal of Existing Shareholders' Mandate

   The proposed Ordinary Resolutions 2, if passed, will allow the Group to enter into recurrent related party transactions made on an arm's length basis and on normal commercial terms and which are not detrimental to the interests of the minority shareholders.

   Please refer to the Circular to Shareholders dated 31 July 2026 for further information.

PROXY FORM

VERSATILE CREATIVE BERHAD
[Registration No. 200301001350 (603770-D)]
(Incorporated in Malaysia)

No. of Ordinary Shares held :	
CDS Account No. :	
Proportion of shareholdings to be represented by proxies	First Proxy :
	Second Proxy :
Contact No. :	

I/ We ____NRIC / Passport / Company No. ________________________
(FULL NAME IN CAPITAL LETTERS)

of ____
(FULL ADDRESS)

being a member/members of **Versatile Creative Berhad** hereby appoint ______________________________

____NRIC / Passport No. _____________________
(FULL NAME IN CAPITAL LETTERS)

of ____
(FULL ADDRESS)

*and/or failing him/her, ______________________________________NRIC / Passport No. _____________________
(FULL NAME IN CAPITAL LETTERS)

of ____
(FULL ADDRESS)

or failing him, the Chairman of the Meeting as *my/our proxy to vote for *me/us and on *my/our behalf at the 23rd Annual General Meeting of the Company to be held at Dewan Berjaya, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Thursday, 24 September 2026 at 10.30 a.m. or at any adjournment thereof.

Item	AGENDA	Resolution	For	Against
1.	Receive the Audited Financial Statements for the financial year ended 31 March 2026 together with the Reports of the Directors and Auditors thereon			
2.	Re-election of Tan Sri Dato' Seri Mohd Shariff bin Omar as Director	**1**		
3.	Re-election of Ms. Lim Siew Yeng as Director	**2**		
4.	Approval of Directors' fees of RM306,000/- for the financial year ending 31 March 2027	**3**		
5.	Approval of Directors' benefits of RM35,000/- from 25 September 2026 until the next Annual General Meeting of the Company	**4**		
6.	To re-appoint Grant Thornton Malaysia PLT as auditors of the Company	**5**		
7.	Ordinary Resolution 1 - Authority to Allot and Issue Shares	**6**		
8.	Ordinary Resolution 2 - Proposed Renewal of Existing Shareholders' Mandate	**7**		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fits.

As witness my/our hand(s) this _________day of ____________________2026.

____
Signature or Common Seal of Member(s)

*Strike out whichever is not desired.

NOTES:

a. A member entitled to attend and vote at the 23rd AGM may appoint not more than two (2) proxies to attend, participate, speak and vote in his/her stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy save that the proxy must be of full age.

b. The instrument appointing a proxy shall be in writing (in the common seal or usual form) under the hand of the appointer or his attorney duly authorised in writing or, if the appointer is a corporation, either under seal or under the hand of an officer or attorney duly authorised.

c. The duly completed Proxy Form must be deposited at the office of the Company's Share Registrar situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively, the Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur not less than 48 hours before the time fixed for convening the 23rd AGM or any adjournment thereof Provided That, in the event the member(s) duly executed the Proxy Form but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the meeting as his/their proxy, Provided Always that the rest of the Proxy Forms, other than the particulars of the proxy have been duly completed by the member(s).

d. Where a member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("Depositories Act"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

e. Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempted authorised nominee refers to an authorised nominee defined under the Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of the Depositories Act.

f. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his shareholdings to be represented by each proxy.

g. If a member has appointed a proxy to attend a meeting and subsequently, he attends such meeting in person, the appointment of such proxy shall be null and void, and his proxy shall not be entitled to attend the said meeting.

h. Only members whose names appear in the Record of Depositors as at 17 September 2026 will be entitled to attend, vote and speak at the 23rd AGM or appoint proxy(ies) to attend, vote and speak on their behalf.

i. The resolutions as set out in this notice of 23rd AGM is to be voted by poll.

Fold Here

AFFIX STAMP

VERSATILE CREATIVE BERHAD
Registration No: 200301001350 (603770-D)

THE SHARE REGISTRAR
TRICOR INVESTOR & ISSUING SERVICES SDN. BHD.
Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3,
Bangsar South, No.8 Jalan Kerinchi 59200 Kuala Lumpur

Fold Here

REGISTERED OFFICE
Unit 2005, 20th Floor, Tower 2, Faber Towers,
Jalan Desa Bahagia,Taman Desa,
58100 Kuala Lumpur.
Tel No: +603-8084 3751

CORPORATE BUSINESS OFFICE
Lot 30745, Jalan Pandan Indah, Pandan Indah,
55100 Kuala Lumpur.
Tel No: +603-4292 1288 Fax No: +603-4294 2388

www.vc-b.com