SCIENTEX®

healthy, friendly & happy ...

INTEGRATED ANNUAL REPORT 2026

SCIENTEX BERHAD

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About This Report

Scientex Berhad ("Scientex" and/or the "Group") proudly presents our latest Integrated Annual Report (the "Report"), describing our efforts to create short, medium and long-term value for our business and our stakeholders during the financial year ended 31 July 2026.

This Report, together with our Sustainability Report 2026, forms part of our comprehensive reporting suite prepared in line with relevant regulatory guidelines.

OUR REPORTING SUITE



Our **Integrated Annual Report** highlights how we utilise our resources to create value over the short, medium and long term, reflecting our commitment to our vision of 'Fly Higher Grow Stronger'.

It is prepared in compliance with the Value Reporting Foundation's International Integrated Reporting Framework (January 2021 version) ("<IR> Framework") and adheres to the Malaysian Financial Reporting Standards, Malaysian Code on Corporate Governance 2021 and Malaysian Companies Act 2016.



Our **Sustainability Report** provides comprehensive disclosures on Environmental, Social and Governance ("ESG") matters that are material to the Group and our stakeholders.

It is prepared with reference to the GRI Universal Standards 2021 and Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Sustainability Reporting Guide (3rd edition). The Report is also prepared in accordance with International Financial Reporting Standard ("IFRS") S2 Climate-related Disclosures issued by the International Sustainability Standards Board ("ISSB"), as well as Bursa Malaysia's Main Market Listing Requirements. The topics covered are aligned with the United Nations Sustainable Development Goals ("UN SDGs").

SCOPE AND BOUNDARY

This Report offers detailed insights into our financial and non-financial performance. It includes descriptions of potential risks and opportunities in our operating environment, the critical factors influencing value creation across our core Packaging and Property Divisions, and the outcomes we strive to deliver for our key stakeholders.

Disclosures in this Report span the period from 1 August 2025 to 31 July 2026 ("FY2026") and expand on the information shared in our prior reports, unless stated otherwise.

FORWARD-LOOKING STATEMENTS

This Report includes certain forward-looking statements regarding our future directions, strategies, potential risks or opportunities, and performance. In preparing these statements, we exercise sound judgement and reasonable assumptions based on information available during FY2026. As these statements and forecasts relate to future events and circumstances, they are inherently uncertain and may not be definitive. Actual results may differ due to various risk factors and market uncertainties.

The inclusion of forward-looking statements should not be interpreted as a guarantee that our plans and objectives will be achieved. Readers are advised not to place undue reliance on such statements, and we do not undertake any obligation to update or revise them publicly.

STAKEHOLDER RELATIONSHIPS AND MATERIALITY

In line with the <IR> Framework, we adhere to the principle of stakeholder relationships and apply the concept of materiality. This involves ongoing engagement with our key stakeholder groups and leveraging the insights gained to inform our materiality assessment process. In this way, we identify and prioritise the matters most critical to our ability to generate shared value.

In FY2026, we identified six key stakeholder groups (see Key Stakeholder Engagement on p. 37) and seven material matters (see Our Material Matters on p. 44).

VALUE CREATION

We employ a systematic approach to value creation, which is described in detail within the Value Creation Story (p. 31) and Value Creation Business Model (p. 34) sections of this Report.

In line with our holistic perspective on value creation, this Report adopts the "Six Capitals" model of the <IR> Framework, as detailed below.



FINANCIAL CAPITAL

Our financial assets, including cash generated from our operations and investments, and other sources of funding



MANUFACTURED CAPITAL

Our physical assets, including plants, machinery and their embedded technology, and our land banks



INTELLECTUAL CAPITAL

Our established and systematic processes, collective know-how and expertise, brand values and reputation in our markets and industries of operation



HUMAN CAPITAL

Our dynamic leadership, skilled workforce, and their experience, competencies and contributions to innovation and growth



SOCIAL & RELATIONSHIP CAPITAL

Our long-standing, trust-based relationships with our stakeholders



NATURAL CAPITAL

The natural resources we utilise in our processes and the energy we consume

RISK CATEGORIES

The analysis contained within this Report addresses key risks faced by the Group across the following six categories:



STRATEGIC

Changes in economic conditions and evolving business trends that have the potential to affect the execution of our business strategies



OPERATIONAL

Events that have the potential to disrupt our day-to-day operations and business processes



FINANCIAL

Risks that have the potential to impact our financial performance



COMPLIANCE

Potential legal, reputational and financial implications arising from any instance of non-compliance with laws and regulations



SUSTAINABILITY

Risks relating to ESG matters that may affect the Group's business operations and stakeholders



INFORMATION TECHNOLOGY

Risks arising from IT system disruptions, cyber threats, data breaches and failures in technology infrastructure

INTEGRATED REPORTING ACKNOWLEDGEMENT STATEMENT

Our Board of Directors (the "Board") assumes full responsibility for ensuring the integrity of this Report. In the Board's view, this Report comprehensively addresses all material matters affecting our ability to create value and provides a fair assessment of our financial and non-financial performance during the financial year under review. The Board has actively contributed its collective efforts towards formulating and presenting this Report, with reference to the <IR> Framework.

This Report was approved by the Board on 14 October 2026.

About Scientex Berhad

OUR BUSINESSES

PACKAGING

PROPERTY

We are a leading global manufacturer of stretch films, an integrated producer of flexible plastic packaging ("FPP"), and a prominent developer of affordable homes in Malaysia. Established in 1968, our growth and value creation journey reached a major milestone with our listing on the Main Market of Bursa Malaysia in 1990.

Over the years, we have steadily expanded our footprint across the packaging value chain, offering a comprehensive portfolio of stretch films, base films, printed films, bags and multi-layered solutions. We continue to strengthen our capabilities to serve both industrial and consumer segments while driving synergistic product offerings and broadening our market reach.

Through our Property Division, we remain committed to addressing the growing demand for affordable housing within local communities. Backed by our reputation as a trusted developer of quality affordable homes, we continue to expand our presence across seven states in Peninsular Malaysia.

OUR NEW VISION

Fly Higher Grow Stronger

Introduced in FY2026, our renewed vision reflects our ambition to become a RM10 billion company and establishes the mindset that will guide our long-term growth and development.

"Fly Higher" represents our courage to step outside our comfort zones, explore new possibilities, venture beyond established boundaries, and pursue new opportunities.

"Grow Stronger" reflects our belief that rather than predicting the future, we embrace volatility by strengthening our ability to navigate changing conditions. We strengthen our foundations by building buffers and options, eliminating complexity and negativity, and continuously learning and improving through all challenges. This enables us to adapt to changing conditions and capture opportunities as they arise.

PURPOSE

OUR PACKAGING DIVISION STRIVES TO PROVIDE FLEXIBLE PLASTIC PACKAGING SOLUTIONS FOR

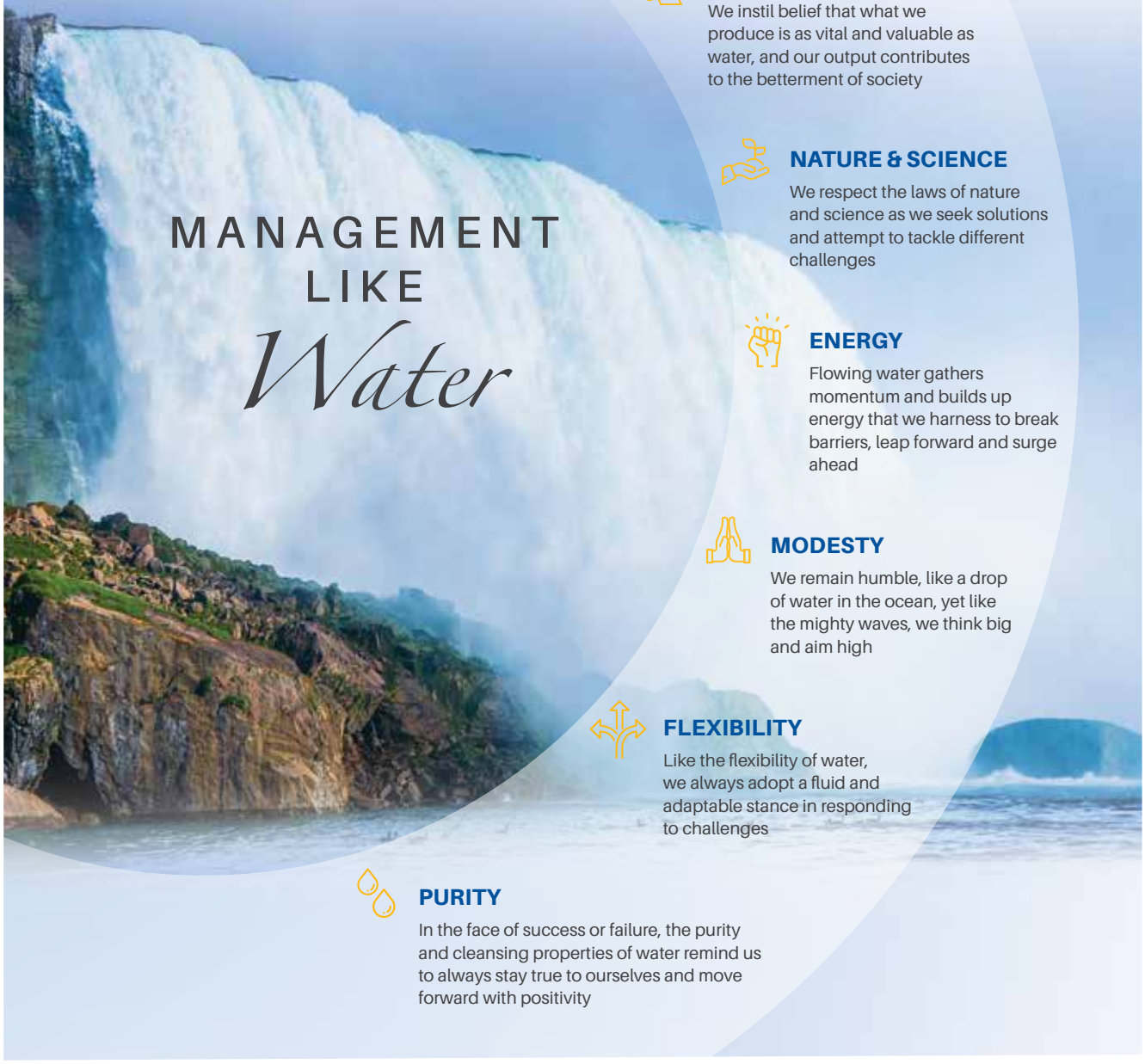
Protection | **Convenience** | **Hygiene and Safety** | **Food Waste Reduction**

OUR PROPERTY DIVISION ENDEAVOURS TO SUPPORT LOCAL COMMUNITIES IN OUR LOCATIONS OF OPERATION THROUGH THE PROVISION OF **AFFORDABLE YET QUALITY HOMES**

Our Corporate Philosophy

Our corporate philosophy of **'Management Like Water'** has been the driving force behind our achievements. While our strategies may evolve, this philosophy remains the foundation of our operations. It encompasses six distinct yet interconnected facets, as outlined below:

SCIENTEX®
healthy, friendly & happy ...



BELIEF

We instil belief that what we produce is as vital and valuable as water, and our output contributes to the betterment of society

NATURE & SCIENCE

We respect the laws of nature and science as we seek solutions and attempt to tackle different challenges

ENERGY

Flowing water gathers momentum and builds up energy that we harness to break barriers, leap forward and surge ahead

MODESTY

We remain humble, like a drop of water in the ocean, yet like the mighty waves, we think big and aim high

FLEXIBILITY

Like the flexibility of water, we always adopt a fluid and adaptable stance in responding to challenges

PURITY

In the face of success or failure, the purity and cleansing properties of water remind us to always stay true to ourselves and move forward with positivity

Our Corporate Tagline

SCIENTEX®
healthy, friendly & happy ...



healthy ...

We strongly believe that a healthy culture is important, as this ensures our employees can reap the benefits of a balanced living, and are focused and committed to their work. The positive flow of energy results in a healthy company with strong ethics to guide compliance and encourage transparency in all business dealings.



friendly ...

Being friendly speaks of the way we develop user-friendly products and solutions, and at the same time, extend courtesy, attentiveness and care to suppliers, customers, authorities and society as well as to the global environment.



happy ...

Being happy is an emotional state of mind where people find pleasure, real meaning and fulfilment in family, work and life in an environment where they can realise their full potential and embrace a keen sense of belonging in the Group.

Corporate Information

BOARD OF DIRECTORS

- **Lim Peng Cheong**
  Chairman & Non-Independent Non-Executive Director
- **Lim Peng Jin**
  Managing Director/Chief Executive Officer
- **Chang Siew Sian**
  Executive Director
- **Wong Chin Mun**
  Senior Independent Non-Executive Director
- **Chin Lam Choong**
  Independent Non-Executive Director
- **Sabarina Binti Harun**
  Independent Non-Executive Director
- **Koh Huey Min**
  Independent Non-Executive Director

COMPANY SECRETARIES

Chua Siew Chuan
(MAICSA 0777689)
(SSM Practising Certificate No. 201908002648)

Tung Wei Yen
(MAICSA 7062671)
(SSM Practising Certificate No. 201908003813)

Ong Ling Hui
(MAICSA 7065599)
(SSM Practising Certificate No. 202008000555)

AUDIT AND RISK MANAGEMENT COMMITTEE

Wong Chin Mun
Chairperson

Chin Lam Choong
Member

Sabarina Binti Harun
Member

NOMINATION AND REMUNERATION COMMITTEE

Chin Lam Choong
Chairperson

Wong Chin Mun
Member

Sabarina Binti Harun
Member

AUDITORS

Deloitte Malaysia PLT
Level 16, Menara LGB
1, Jalan Wan Kadir
Taman Tun Dr. Ismail
60000 Kuala Lumpur

SOLICITORS

Koh Kim Leng & Co.
Shearn Delamore & Co.

PRINCIPAL BANKERS

Hong Leong Bank Berhad
HSBC Bank Malaysia Berhad
Malayan Banking Berhad
Mizuho Bank (Malaysia) Berhad
OCBC Bank (Malaysia) Berhad
RHB Bank Berhad
Sumitomo Mitsui Banking Corporation Malaysia Berhad
United Overseas Bank (Malaysia) Bhd

REGISTERED OFFICE & PRINCIPAL PLACE OF BUSINESS

No. 9, Persiaran Selangor
Seksyen 15, 40200 Shah Alam
Selangor Darul Ehsan
Tel : 03-5524 8888/03-5519 1325
Fax : 03-5519 1884
Email : info@scientex.com.my
Website : www.scientex.com.my

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
Stock code: 4731

SHARE REGISTRAR

Boardroom Share Registrars Sdn Bhd
199601006647 (378993-D)
11th Floor, Menara Symphony
No. 5, Jalan Professor Khoo Kay Kim
(Jalan Semangat), Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan
Tel : 03-7890 4700
Fax : 03-7890 4670
Email : BSR.Helpdesk@boardroomlimited.com
Website : www.boardroomlimited.com

A Snapshot of FY2026

FY2026 was characterised by disciplined execution and steady progress across both our Packaging and Property Divisions. By strengthening operational efficiencies, implementing our strategies with discipline, and responding proactively to market opportunities, we continued to deliver sustainable growth while creating long-term value for our stakeholders.

A STEADFAST PERFORMANCE ACROSS THE BOARD

Revenue	Profit Before Tax	Net Profit
RM 4.8 Billion	RM 864.8 Million	RM 620.2 Million
+6.5%	+17.6%	+16.8%

Earnings Per Share	Shareholders' Equity	Net Gearing Ratio
39.9 Sen	RM 4.5 Billion	0.38 Times
+16.7%	+9.4%	

REVIEW OF OUR OPERATIONS

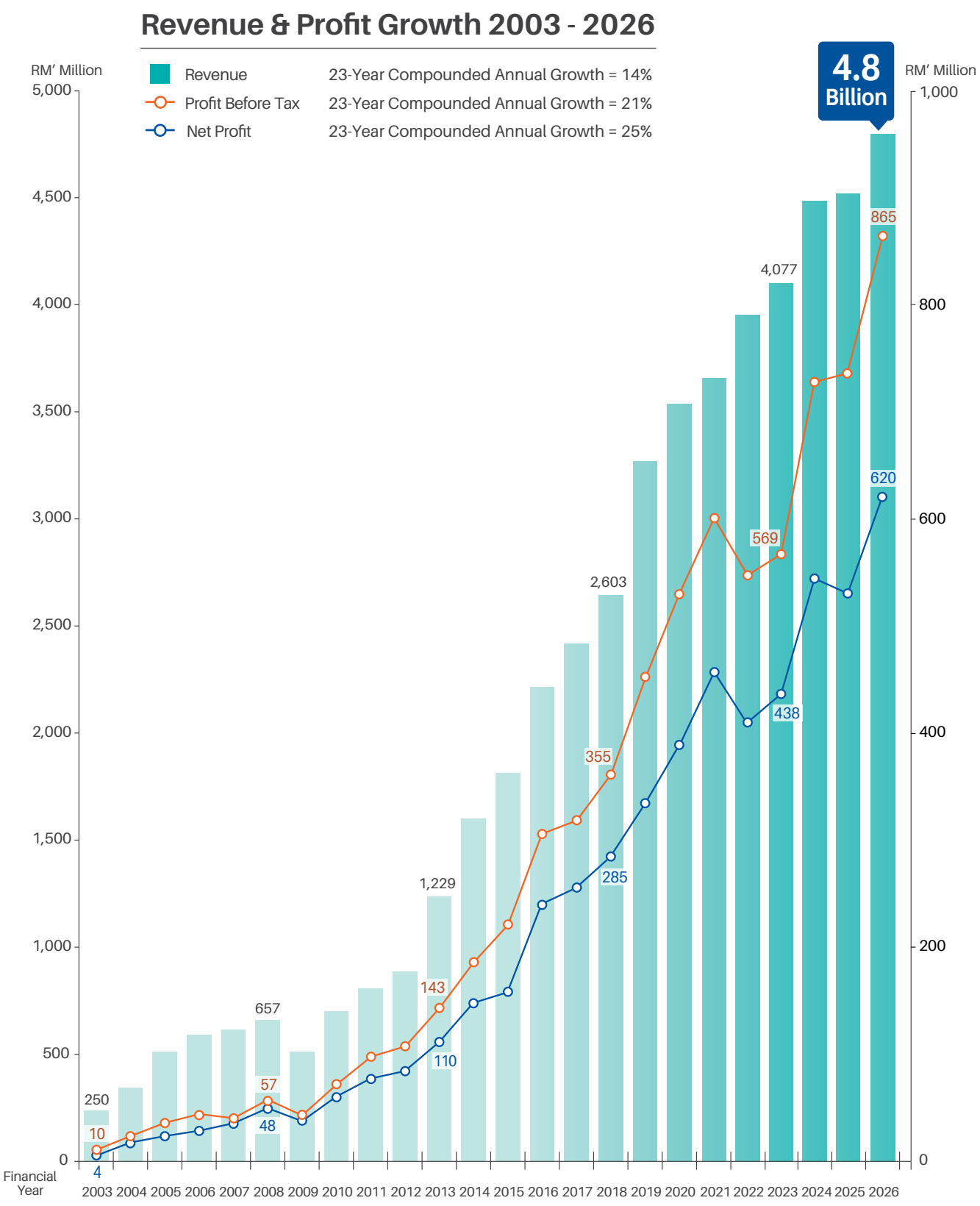
PACKAGING DIVISION

- **272,250** metric tonnes ("MT") of Total Weight of Products sold
- **16** New Machines Commissioned
- **42** New Innovations Successfully Commercialised

PROPERTY DIVISION

- **11,049** acres of Total Land Bank
- **5,582** units of Affordable Homes Completed
- **47,846** units of Total Affordable Homes Completed to Date

Fly Higher Grow Stronger



Packaging Division Overview



A view of our Stretch Film Plant in Phoenix, Arizona, USA

EXPANDING OUR GLOBAL REACH IN PACKAGING

Since 1997, we have charted a remarkable trajectory of growth, firmly establishing the Scientex brand as one of the key players in the global packaging arena, particularly within the FPP value chain. Throughout this journey, we have built a well-regarded reputation for quality and innovation, underpinned by a deep commitment to sustainability.

Stretch film marked a significant milestone in our packaging journey and remains one of our core offerings. The establishment of a major stretch film manufacturing site on Pulau Indah, Selangor, Malaysia – one of the largest globally – provided us with the foundation to scale efficiently and extend our international footprint. Over time, we have broadened our capabilities beyond stretch film, embracing a diversification strategy that enables us to manufacture a comprehensive range of packaging products for both industrial and consumer markets.

These strategic actions have strengthened our global presence while equipping us with the capabilities and expertise to respond to evolving market trends and customer needs.

DRIVING SUSTAINABLE GROWTH THROUGH STRATEGIC ACQUISITIONS AND INNOVATION

Our long-term growth is supported by a multifaceted strategy encompassing strategic acquisitions, effective business integration and continuous innovation. These efforts enable us to expand our capabilities, strengthen our competitive position and capture new growth opportunities.

Central to this strategy is the selective acquisition of businesses that strengthen our capabilities across the packaging value chain. These acquisitions have steadily transformed us into an integrated FPP player, unlocking economies of scale and operational synergies that enhance our competitiveness.

Beyond driving revenue and market expansion, strategic acquisitions also fuel product innovation by providing access to advanced facilities, specialised expertise and technologies that create synergies with our existing operations. These advantages accelerate research and development ("R&D") and streamline product innovation processes, enabling us to meet evolving market demands promptly while supporting the development of solutions that prioritise recyclability and resource efficiency.

The acquisition of Scientex Packaging (Kajang) Sdn Bhd, alongside the move to increase our stake in Hiro Food Packages Manufacturing Sdn Bhd from 30% to 70% in FY2025, has enhanced our offerings across liquid, paste and medical packaging while reinforcing our rigid packaging capabilities.

Together with continued investments in advanced technologies and equipment, these initiatives continue to drive sustained growth within our diverse product portfolios across the packaging value chain, strengthening our competitiveness and cementing Scientex as a trusted provider of innovative packaging solutions.

Packaging Division Overview



Our range of products extends across both industrial and consumer markets

SERVING DIVERSE MARKET NEEDS WITH SPECIALISED PACKAGING SOLUTIONS

Our packaging solutions are tailored to meet the diverse requirements of various industrial and consumer markets, including but not limited to:

INDUSTRIAL PACKAGING PRODUCTS

- Stretch films
- Polypropylene ("PP") strapping bands
- Stretch and shrink hoods
- Shrink films
- Heavy duty sacks
- Flexible intermediate bulk container ("FIBC") bags
- Raffia high-density polyethylene ("HDPE") and PP tapes
- Agricultural films
- Polyethylene ("PE") flexitanks tubing

CONSUMER PACKAGING PRODUCTS

- PE lamination films
- Biaxially oriented polypropylene ("BOPP") films
- Cast polypropylene ("CPP") films
- Metallised films
- General films
- Printed films (roll forms)
- Barrier films
- Wicket bags
- Polyurethane ("PU") adhesives
- Multi-layered FPP solutions
- Rigid packaging for the food industry

For detailed information on our packaging solutions, please visit our corporate website.

ADVANCING SUSTAINABLE PACKAGING THROUGH INNOVATION

Rising global demand for sustainable FPP – fuelled by population growth, urbanisation and increasing environmental awareness – continues to reshape industry expectations. In response, we are actively advancing our capabilities to remain at the forefront of this transition.

Our innovation efforts are led by a skilled technical team and supported by dedicated innovation centres equipped with advanced machinery and in-house testing facilities. These resources enable us to trial new technologies, explore alternative materials and refine production processes that align with evolving customer expectations and regulatory standards.

A strong culture of innovation across the Group drives continuous enhancements to our film extrusion, printing and converting capabilities. Notably, we were among the first in this region to convert traditionally non-recyclable laminated FPP into recyclable mono-material laminated FPP, reinforcing our leadership in sustainable FPP.

We also continue to incorporate post-consumer recycled ("PCR") or post-industrial recycled ("PIR") resin into our product offerings, helping customers, including multinational corporations, meet their sustainability commitments while contributing to a more circular plastics economy.

Packaging Division Business Process

To support the growth of our Packaging Division, we adhere to a structured and proven business process that drives quality, innovation and value creation across our operations. This integrated approach enables us to enhance efficiency, strengthen competitiveness and build a stronger business for long-term growth.

OUR STEADFAST APPROACH TO SUSTAINABLE GROWTH

1 DEVELOP

Description

Conceiving groundbreaking products through innovative, market-driven technologies

Principal Activities

- Product innovation
- Investing in state-of-the-art machinery
- Enhancing capacity and capability-building across our plants

2 PROCURE

Description

Purchasing raw materials efficiently and in a well-planned manner

Principal Activities

- Centralised purchasing of main raw materials
- Developing a sustainable supplier pool
- Ensuring a consistent supply of raw materials
- Optimising storage time through inventory monitoring systems

3 PRODUCE

Description

Enabling production that is efficient, cutting-edge, innovative and scalable

Principal Activities

- Enhancing production efficiency through automation and factory specialisation
- Optimising factory layouts and upgrading facilities to drive productivity improvements
- Carrying out scheduled production planning to increase production efficiency

4 SELL

Description

Constantly expanding our customer base and market reach

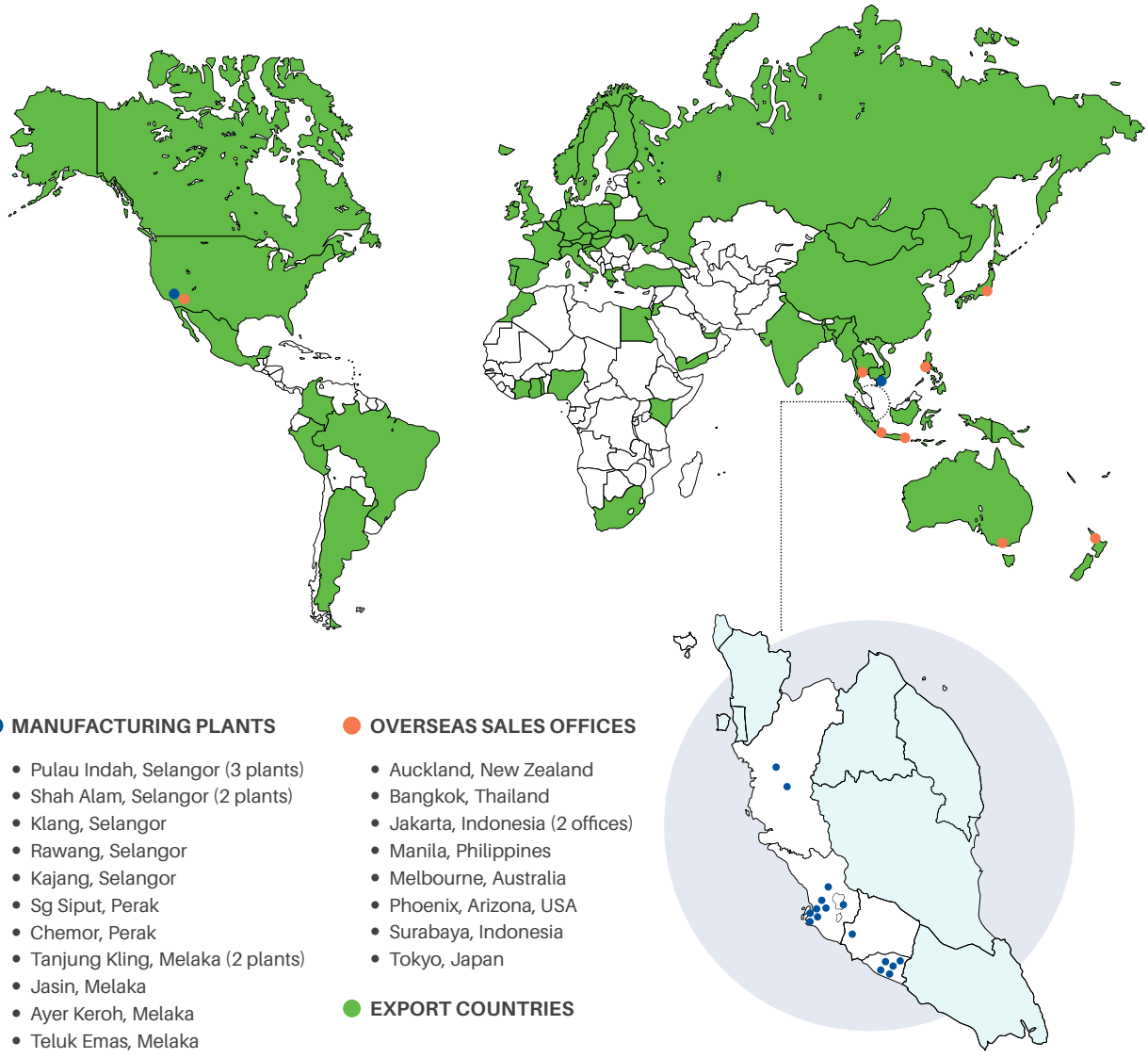
Principal Activities

- Identifying growth potential in existing sectors
- Strategically expanding into growing market sectors
- Meeting customer needs with value-added products
- Enhancing customer engagement through digitalisation initiatives

Our Reach and Market Presence

Leveraging our established market presence and extensive global footprint, we remain well-positioned to capture diverse growth opportunities, strengthen our competitive position and drive long-term value creation.

OUR PACKAGING PRESENCE



MANUFACTURING PLANTS

- Pulau Indah, Selangor (3 plants)
- Shah Alam, Selangor (2 plants)
- Klang, Selangor
- Rawang, Selangor
- Kajang, Selangor
- Sg Siput, Perak
- Chemor, Perak
- Tanjung Kling, Melaka (2 plants)
- Jasin, Melaka
- Ayer Keroh, Melaka
- Teluk Emas, Melaka
- Seremban, Negeri Sembilan
- Ho Chi Minh City, Vietnam
- Phoenix, Arizona, USA

OVERSEAS SALES OFFICES

- Auckland, New Zealand
- Bangkok, Thailand
- Jakarta, Indonesia (2 offices)
- Manila, Philippines
- Melbourne, Australia
- Phoenix, Arizona, USA
- Surabaya, Indonesia
- Tokyo, Japan

EXPORT COUNTRIES

Exporting to more than **60** countries

Overseas sales offices in **7** countries

18 manufacturing plants worldwide

Property Division Overview



An artistic rendering of the Scientex Jawi project

A PIONEER IN DELIVERING QUALITY AFFORDABLE HOMES

Our Property Division has a steadfast dedication to addressing the growing demand for affordable homes among Malaysia's middle-to-lower-income groups. Since the division's establishment in 1995, we have progressively advanced our mission and built a solid reputation as one of the nation's leading providers of affordable housing solutions. Guided by our Cross-Border Development Strategy, we have expanded our footprint from the southern to the northern states of Peninsular Malaysia.

UPLIFTING MALAYSIAN FAMILIES WITH AFFORDABLE HOMES

Since our first affordable housing project in Pasir Gudang, Johor, we have steadily expanded across Peninsular Malaysia, growing our presence from the southern states of Johor, Melaka and Negeri Sembilan to the central and northern markets of Selangor, Perak, Penang and Kedah.

This growth creates shared value for both our business and society. By providing quality affordable housing to middle-to-lower-income Malaysians, we help improve their quality of life, strengthen the foundation for future advancement, and promote greater social mobility. Our commitment to meeting the growing demand for affordable housing also aligns with our business strategies and government initiatives aimed at improving access to housing and home financing (see Market Review, Outlook and Trends – Property on p. 42 for more details). This positions us favourably to realise sustained, long-term economic benefits from our property development activities.

With strategically managed land banks, expertise in optimising development layouts and a proven track record in cost- and time-efficient construction, we are well-positioned to expand our market presence and extend homeownership opportunities to more Malaysians, while maintaining a strong foundation for sustainable growth.

In parallel, our sales teams continue to enhance the efficiency of project launches and strengthen customer engagement through social media, strategic marketing and outreach campaigns. These efforts broaden our brand reach and reinforce our value proposition across the regions we serve.

THE SCIENTEX TRIFECTA OF BENEFITS

SPEED

We swiftly progress from acquisition to development, earning a reputation for on-time delivery

COST

We carefully design and construct homes that deliver the best value for our customers

QUALITY

We uphold high standards of safety and quality within the affordable housing segment

PROGRESSING TOWARDS 50,000 AFFORDABLE HOMES

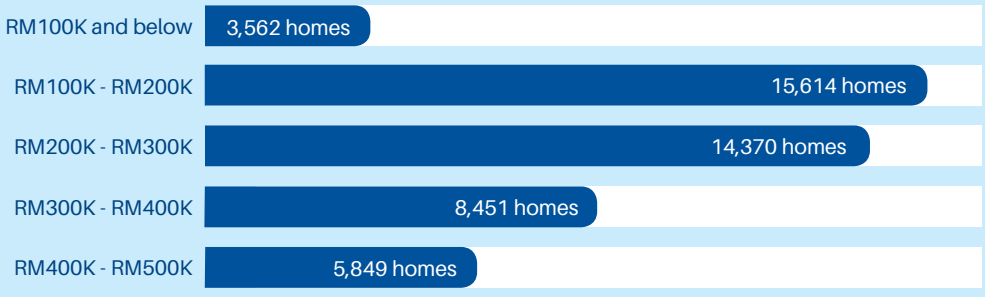
Committed to supporting Malaysian federal and state government initiatives to enhance homeownership opportunities, we have continued advancing towards our goal of completing 50,000 affordable homes by 2028. As of 31 July 2026, we have completed 47,846 affordable homes nationwide, of which 70% were priced below RM300,000.

As we continue progressing towards our Vision 2028 target, we aim to achieve the goal of constructing 10,000 affordable homes annually in the near future.

This mission underscores our dedication to growing our Property Division responsibly while expanding access to quality affordable housing, fostering economic prosperity and supporting the well-being of local communities. In doing so, we continue to strengthen our market position and progress our long-term ambitions.

Total Affordable Homes Completed as at 31 July 2026

47,846 Homes



EXPLORING OVERSEAS MARKET PROSPECTS

Our presence in Osaka, Japan continued to grow in FY2026, where we offer affordable, budget-friendly accommodation in strategic locations with convenient access to public transport and key amenities. Designed to meet the needs of the growing number of inbound travellers to Japan, our expansion into this growing industry reflects our commitment to delivering accessible living solutions beyond our domestic market and responding to evolving market needs.

Property Division Business Process

To support the growth of our Property Division, we adhere to a structured and proven business process that drives efficiency, speed and value across our developments. This integrated approach enables us to optimise project delivery, strengthen execution and advance our goal of completing 50,000 affordable homes by 2028.

EFFICIENTLY PROGRESSING FROM ACQUISITION TO CONSTRUCTION

1 ACQUIRE

Description

Acquiring land banks in strategic locations

Principal Activities

- Identifying suitable land banks for affordable residential projects
- Purchasing land banks that meet the right specifications and costs

2 PLAN

Description

Optimising land planning and development layouts

Principal Activities

- Maximising land bank utilisation while ensuring a desirable living environment
- Implementing optimised and standardised designs
- Employing an experienced team that stays up-to-date with regulatory approval procedures and requirements

3 LAUNCH

Description

Selling and promoting through conventional and digital media channels

Principal Activities

- Standardising our operating procedures for project launches
- Leveraging digital and social media platforms
- Building a responsible and desirable brand identity

4 BUILD

Description

Building using efficient construction methods

Principal Activities

- Optimising material procurement using centralised bulk purchasing
- Adopting efficient construction processes
- Consistently improving quality and safety by using the Industrialised Building System ("IBS") construction technique

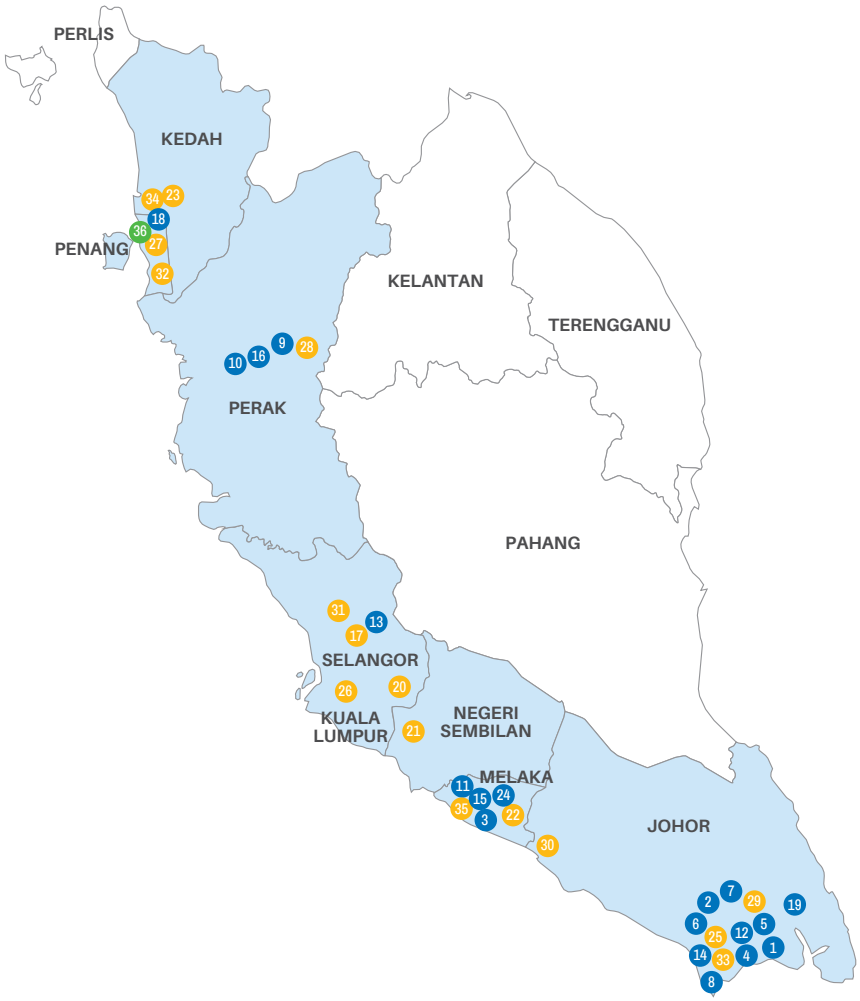
Property Division Market Presence

OUR PROPERTY PRESENCE

MALAYSIA

1. Scientex Pasir Gudang
2. Scientex Kulai
3. Scientex Heights
4. Scientex Skudai
5. Scientex Senai
6. Scientex Kulai 2
7. Scientex E'Roca Hills
8. Scientex Pulai
9. Scientex Klebang
10. Scientex Meru
11. Scientex Durian Tunggal
12. Scientex Senai 2
13. Scientex Rawang
14. Scientex Amber Land
15. Scientex Durian Tunggal 2
16. Scientex Meru 2 & 3
17. Scientex Kundang Jaya
18. Scientex Tasek Gelugor
19. Scientex Kota Tinggi
20. Scientex Cheras
21. Scientex Seremban
22. Scientex Bandar Jasin
23. Scientex Sungai Petani
24. Scientex Jasin
25. Scientex Pulai 3
26. Scientex Jenjarom
27. Scientex Sungai Dua
28. Scientex Ipoh
29. Scientex Bandar Kulai
30. Scientex Muar
31. Scientex Bestari Jaya
32. Scientex Jawi
33. Scientex Pulai 4
34. Scientex SP Astana
35. Scientex Melaka
36. Scientex Bertam

36
townships and developments across Malaysia



19	Matured Developments
16	Ongoing Developments
1	New Development

CHAIRMAN'S STATEMENT

The Group delivered a strong financial and operational performance in FY2026, supported by disciplined execution, continued strengthening of our businesses and our ability to respond swiftly to changing market conditions. As we look ahead, we remain focused on pursuing opportunities for growth and creating long-term value for all our stakeholders.

Dear Fellow Shareholders,

On behalf of the Board of Directors (the "Board"), I am honoured to present the Integrated Annual Report of Scientex Berhad (interchangeably referred to as "Scientex" and/or the "Group") for the financial year ended 31 July 2026 ("FY2026").

OUR RENEWED VISION: 'FLY HIGHER GROW STRONGER'

In FY2026, we introduced our renewed vision, 'Fly Higher Grow Stronger', reflecting our ambition to pursue growth while continuously building stronger businesses and capabilities across our Packaging and Property Divisions.

With our dual divisions operating across different markets and responding to different market dynamics, our approach is centred on maintaining the flexibility to respond to different possibilities rather than seeking to predict the future. We believe that strong foundations, appropriate buffers and options, and clear accountability enable us to navigate changing circumstances while remaining positioned to pursue opportunities.

This also means embracing volatility, learning from all challenges and continuously improving how we operate. We seek to strengthen our systems, capabilities and businesses by building on our strengths, addressing areas for improvement, eliminating complexity and negativity, and adapting as circumstances evolve.

This mindset will guide our decisions and actions as we work towards our ambition of becoming a RM10 billion company.

A RECORD FINANCIAL PERFORMANCE

Against a dynamic operating environment, the Group delivered a record financial performance in FY2026, achieving its highest revenue, profit before tax ("PBT") and net profit to date.

Revenue increased by 6.5% from RM4.52 billion in FY2025 to RM4.81 billion in FY2026, while PBT rose by 17.6% from RM735.3 million to RM864.8 million. Net profit also reached a record RM620.2 million, representing a 16.8% increase from RM530.8 million in the previous financial year.

The stronger performance was supported by higher sales volumes across both divisions. The Packaging Division benefited from higher sales volumes and improved margins, underpinned by prevailing market conditions, optimised product mix and operational efficiency, while the Property Division benefited from record unit sales, steady construction progress and strong take-up rates.

Earnings per share increased by 16.7% from 34.1 sen to 39.9 sen, while net gearing improved from 0.48 times to 0.38 times, reflecting the Group's stronger financial position and prudent capital management. This improved financial position provides us with the flexibility to continue investing selectively in attractive opportunities while maintaining financial discipline.

For more on our financial performance, please refer to the Financial Performance Review on p. 56 of this Report.

PROVIDING CONSISTENT RETURNS TO SHAREHOLDERS

In FY2026, the Group declared a single-tier interim dividend of 6 sen per ordinary share, which was paid on 17 July 2026. An additional single-tier final dividend of 6 sen per ordinary share has been recommended for approval at the forthcoming Annual General Meeting.

In total, the proposed dividends of 12 sen per ordinary share for FY2026 amount to approximately RM186.8 million, equivalent to 30.1% of the Group's net profit. This remains in line with our policy of paying out at least 30% of annual net profit as dividends.

NAVIGATING A DYNAMIC MARKET

The global packaging market remained challenging and volatile in FY2026, influenced by competition, economic and geopolitical pressures. Nevertheless, the market continues to present growth opportunities, supported by expanding supply chains, e-commerce and demand for high-performance FPP solutions. With our established global footprint and operational capabilities, we remain well-positioned to respond to changing market conditions.

In Property, market conditions remained positive, supported by steady demand for affordable housing and a stable financing environment. Johor remains one of the key growth market, supported by the Johor Bahru–Singapore Rapid Transit System ("RTS") Link and the Johor–Singapore Special Economic Zone ("JS-SEZ"), which are expected to enhance connectivity and support longer-term economic and housing demand.

For a more detailed analysis, please refer to the Market Review, Outlook and Trends section from p. 40 of this Report.

STRENGTHENING OUR GROWTH PLATFORM

Our growth approach remains focused on optimising our portfolio and strengthening our core businesses. Where appropriate, we divest non-core exposure and reallocate capital to high-growth areas, enabling us to focus our resources and capabilities where they can create greater long-term value.

In our Packaging Division, we continued to invest in advanced manufacturing capabilities, product innovation and operational improvements. During FY2026, our second Nano 67-layer cast line at Pulau Indah was commissioned, further enhancing our ability to produce high-performance packaging solutions and meet evolving customer requirements. Our innovation efforts also continued to deliver results, with 42 product innovations successfully commercialised during the financial year.

In our Property Division, we continued to expand our quality affordable housing portfolio, completing 5,582 affordable homes during FY2026 and bringing our cumulative deliveries to 47,846. Our development pipeline remains well supported by our strategically managed land bank, keeping us well on track towards our Vision 2028 target of 50,000 affordable homes.

Looking forward, we aim to progressively increase annual deliveries to 10,000 affordable homes, further strengthening our position as a trusted provider of quality affordable housing in Malaysia.

For further details, please refer to the Operational Review section on p. 61 of this Report.

ADVANCING SUSTAINABILITY

Sustainability remains an important part of how we operate our businesses and create long-term value for all stakeholders. We continued to integrate sustainability considerations into our business decisions, while identifying opportunities to improve resource efficiency, support our people and communities, and strengthen responsible business practices.

We continued to strengthen our environmental practices through renewable energy, resource efficiency and circularity initiatives. Our 23.9 MWp of solar capacity generated 29,335 MWh of renewable energy in FY2026. We also continued to advance plastic circularity through recyclable packaging and increased use of recycled resin where technically and commercially feasible, while

Chairman's Statement

incorporating environmental considerations into our property development and construction practices.

Our people remain at the heart of our continued growth. We continued to foster a workplace where our people feel supported, valued and empowered to contribute and grow, with a continued focus on occupational safety and health, employee development, career progression and engagement. We also remained committed to supporting the communities in which we operate through quality affordable housing, integrated township development and FPP solutions that contribute to more sustainable consumption.

FY2026 also marked our first year of reporting in accordance with the IFRS S2 Climate-related Disclosures, further strengthening the transparency of our climate-related disclosures.

We are proud to continue to be a constituent of the FTSE4Good Bursa Malaysia ("F4GBM") Index and receive recognition from leading international ESG rating agencies for our sustainability efforts.

For in-depth insights into our sustainability strategies and performance, please refer to our Sustainability Report 2026.

ACKNOWLEDGEMENTS

On behalf of the Board, I extend my heartfelt appreciation to the Management team led by Mr. Lim Peng Jin, Managing Director/Chief Executive Officer, together with the Scientex Executive Committee ("EXCO") and our dedicated workforce across the Group.

Their commitment, teamwork and pursuit of excellence have been instrumental in delivering another year of strong performance. As we move forward, we will continue to encourage our people to embrace change, challenge conventional thinking and pursue better ways of working.

We also warmly welcome Madam Koh Huey Min to the Board as an Independent Non-Executive Director and look forward to her valuable contributions to the Group as we continue to move forward.

We are equally grateful to our loyal shareholders, valued business partners and customers for their continued trust and support. Your confidence in Scientex motivates us to continuously improve our businesses, pursue opportunities and create long-term value.

Guided by our new vision, 'Fly Higher Grow Stronger', we look forward to the opportunities ahead. We remain committed to pursuing growth with ambition, strengthening our foundations, and navigating challenges as we chart our path towards becoming a RM10 billion company.

Together, we will continue to Fly Higher Grow Stronger.

LIM PENG CHEONG
Chairman & Non-Independent Non-Executive Director

PERNYATAAN PENGERUSI

Kumpulan telah mencatatkan prestasi kewangan dan operasi yang kukuh pada TK2026, disokong oleh pelaksanaan yang berdisiplin, pengukuhan perniagaan yang berterusan dan keupayaan kami untuk bertindak balas dengan pantas terhadap perubahan keadaan pasaran. Dengan memandang ke hadapan, kami terus memberikan tumpuan terhadap usaha untuk merebut peluang pertumbuhan dan mewujudkan nilai jangka panjang bagi semua pihak berkepentingan.

Para Pemegang Saham yang dihormati,

Bagi pihak Lembaga Pengarah ("Lembaga"), saya berbesar hati untuk membentangkan Laporan Tahunan Bersepadu Scientex Berhad (secara tukar ganti dirujuk sebagai "Scientex" dan/atau "Kumpulan") bagi tahun kewangan berakhir 31 Julai 2026 ("TK2026").

VISI BAHARU KAMI: 'FLY HIGHER GROW STRONGER'

Pada TK2026, kami telah memperkenalkan visi baharu iaitu 'Fly Higher Grow Stronger', yang mencerminkan cita-cita kami untuk mencapai pertumbuhan sambil terus membina perniagaan dan keupayaan yang lebih mantap menerusi Bahagian Pembungkusan dan Hartanah kami.

Memandangkan kedua-dua bahagian kami beroperasi dalam pasaran yang berbeza dan bertindak balas terhadap dinamik pasaran yang berlainan, pendekatan kami tertumpu pada mengekalkan fleksibiliti untuk menangani pelbagai kemungkinan, dan bukannya cuba meramalkan masa depan. Kami percaya bahawa asas yang kukuh, penampan dan pilihan yang bersesuaian dan kebertanggungjawaban yang jelas membolehkan kami mengharungi perubahan keadaan dan pada masa yang sama sentiasa bersedia untuk merebut peluang.

Hal ini juga bermaksud menerima ketidaktentuan, belajar daripada setiap cabaran dan terus menambah baik cara kami beroperasi. Kami berusaha untuk mengukuhkan sistem, keupayaan dan perniagaan kami dengan memanfaatkan kekuatan, menangani aspek yang perlu ditambah baik, menghapuskan kerumitan dan negatif, dan membuat penyesuaian mengikut perubahan keadaan.

Pemikiran ini akan membimbing keputusan dan tindakan kami dalam usaha mencapai cita-cita untuk menjadi sebuah syarikat RM10 bilion.

PRESTASI KEWANGAN TERBAIK DALAM SEJARAH

Di sebalik persekitaran operasi yang dinamik, Kumpulan telah mencatatkan prestasi kewangan terbaik dalam sejarah pada TK2026, mencapai hasil, untung sebelum cukai ("PBT") dan untung bersih tertinggi setakat ini.

Hasil meningkat sebanyak 6.5% daripada RM4.52 bilion pada TK2025 kepada RM4.81 bilion pada TK2026, manakala PBT meningkat sebanyak 17.6% daripada RM735.3 juta kepada RM864.8 juta. Untung bersih turut mencatatkan nilai tertinggi dalam sejarah sebanyak RM620.2 juta, iaitu peningkatan sebanyak 16.8% daripada RM530.8 juta pada tahun kewangan sebelumnya.

Prestasi yang lebih kukuh ini disokong oleh jumlah jualan yang lebih tinggi menerusi kedua-dua bahagian perniagaan. Bahagian Pembungkusan mendapat manfaat daripada jumlah jualan yang lebih tinggi dan margin yang lebih baik, didorong oleh keadaan pasaran semasa, campuran produk yang dioptimumkan dan kecekapan operasi; manakala Bahagian Hartanah pula mendapat manfaat daripada jualan unit yang tertinggi dalam sejarah, kemajuan pembinaan yang stabil dan kadar pengambilan yang kukuh.

Pernyataan Pengerusi

Pendapatan sesaham meningkat sebanyak 16.7% daripada 34.1 sen kepada 39.9 sen, manakala nisbah penggearan bersih bertambah baik daripada 0.48 kali kepada 0.38 kali, mencerminkan kedudukan kewangan yang lebih kukuh dan pengurusan modal yang berhemat bagi Kumpulan. Kedudukan kewangan yang lebih baik ini memberikan kami fleksibiliti untuk terus membuat pelaburan terpilih dalam peluang yang menarik sambil mengekalkan disiplin kewangan.

Untuk mendapatkan maklumat lanjut tentang prestasi kewangan kami, sila rujuk bahagian Ulasan Prestasi Kewangan pada halaman 56 Laporan ini.

MEMBERIKAN PULANGAN YANG KONSISTEN KEPADA PEMEGANG SAHAM

Pada TK2026, Kumpulan telah mengisytiharkan dividen interim seperingkat sebanyak 6 sen sesaham biasa yang telah dibayar pada 17 Julai 2026. Dividen akhir seperingkat tambahan sebanyak 6 sen sesaham biasa telah dicadangkan untuk kelulusan pada Mesyuarat Agung Tahunan yang akan datang.

Secara keseluruhan, cadangan dividen sebanyak 12 sen sesaham biasa bagi TK2026 berjumlah kira-kira RM186.8 juta, bersamaan dengan 30.1% daripada untung bersih Kumpulan. Hal ini kekal selaras dengan dasar kami untuk membayar sekurang-kurangnya 30% daripada untung bersih tahunan sebagai dividen.

MENGENDALIKAN PASARAN YANG DINAMIK

Pasaran pembungkusan global kekal mencabar dan tidak menentu pada TK2026, dipengaruhi oleh persaingan serta tekanan ekonomi dan geopolitik. Walau bagaimanapun, pasaran terus menawarkan peluang pertumbuhan, disokong oleh rantaian bekalan yang semakin berkembang, e-dagang dan permintaan terhadap penyelesaian FPP berprestasi tinggi. Dengan kehadiran global dan keupayaan operasi kami yang kukuh, kami kekal berada pada kedudukan yang baik untuk bertindak balas terhadap perubahan keadaan pasaran.

Dalam bahagian Hartanah, keadaan pasaran kekal positif, disokong oleh permintaan yang stabil terhadap perumahan mampu milik dan persekitaran pembiayaan yang stabil. Johor kekal sebagai salah satu pasaran pertumbuhan utama, disokong oleh Rangkaian Sistem Transit Rapid ("RTS") Johor Bahru-Singapura dan Zon Ekonomi Khas Johor-Singapura ("JS-SEZ"), yang dijangka dapat meningkatkan ketersambungan serta menyokong permintaan ekonomi dan perumahan bagi jangka masa panjang.

Untuk analisis yang lebih terperinci, sila rujuk bahagian Ulasan, Prospek dan Trend Pasaran pada halaman 40 Laporan ini.

MEMPERKUKUH PLATFORM PERTUMBUHAN

Pendekatan pertumbuhan kami kekal tertumpu pada tindakan mengoptimumkan portfolio dan mengukuhkan perniagaan teras kami. Apabila perlu, kami melupuskan pendedahan bukan teras dan menguntukkan semula modal kepada bidang pertumbuhan tinggi, lantas membolehkan kami menumpukan sumber dan keupayaan pada aspek yang mampu mewujudkan nilai jangka panjang yang lebih besar.

Dalam Bahagian Pembungkusan, kami terus melabur dalam keupayaan pembuatan termaju, inovasi produk dan penambahbaikan operasi. Pada TK2026, barisan pengeluaran filem tuang (cast line) Nano 67 lapisan kami yang kedua di Pulau Indah telah mula beroperasi dan terus meningkatkan lagi keupayaan kami untuk menghasilkan penyelesaian pembungkusan berprestasi tinggi dan memenuhi keperluan pelanggan yang sentiasa berubah. Usaha inovasi kami juga terus membuahkan hasil, dengan 42 inovasi produk berjaya dikomersialkan sepanjang tahun kewangan.

Dalam Bahagian Hartanah, kami terus memperluaskan portfolio perumahan mampu milik yang berkualiti dengan menyiapkan 5,582 unit rumah mampu milik sepanjang TK2026, menjadikan jumlah kumulatif penyerahan sebanyak 47,846 unit. Saluran pembangunan kami terus disokong oleh pemegang tanah yang diurus secara strategik, memastikan kami kekal berada di landasan yang tepat ke arah mencapai sasaran Visi 2028 untuk membina 50,000 unit rumah mampu milik.

Memandang ke hadapan, kami menyasarkan untuk meningkatkan penyerahan tahunan secara berperingkat kepada 10,000 unit rumah mampu milik, yang akan mengukuhkan lagi kedudukan kami sebagai penyedia perumahan mampu milik yang berkualiti dan dipercayai di Malaysia.

Untuk butiran lanjut, sila rujuk bahagian Ulasan Operasi pada halaman 61 Laporan ini.

MEMACU KEMAMPANAN

Kemampanan kekal menjadi bahagian penting dalam cara kami mengendalikan perniagaan dan mewujudkan nilai jangka panjang untuk semua pihak berkepentingan. Kami terus menyepadukan pertimbangan kemampanan dalam keputusan perniagaan, sambil mengenal pasti peluang untuk meningkatkan kecekapan sumber, menyokong kakitangan dan komuniti, serta memperkukuh amalan perniagaan yang bertanggungjawab.

Kami terus memperkukuh amalan alam sekitar melalui inisiatif tenaga boleh baharu, kecekapan sumber dan kitaran. Kapasiti solar kami sebanyak 23.9 MWp telah menjana 29,335 MWh tenaga boleh baharu pada TK2026. Kami juga terus memajukan kitaran plastik melalui pembungkusan yang boleh dikitar semula dan meningkatkan penggunaan resin kitar semula apabila dapat dilaksanakan secara teknikal dan komersial, sambil menerapkan pertimbangan alam sekitar dalam amalan pembangunan hartanah dan pembinaan kami.

Kakitangan kami kekal sebagai teras bagi pertumbuhan berterusan. Kami terus memupuk persekitaran tempat kerja yang membolehkan kakitangan berasa disokong, dihargai dan diberi kuasa untuk menyumbang dan berkembang, dengan tumpuan berterusan terhadap keselamatan dan kesihatan pekerjaan, pembangunan pekerja, kemajuan dan penglibatan kerjaya. Kami juga kekal komited untuk menyokong komuniti di tempat kami beroperasi melalui penyediaan perumahan mampu milik yang berkualiti, pembangunan perbandaran bersepadu dan penyelesaian FPP yang menyumbang kepada corak penggunaan yang lebih mampan.

TK2026 juga menandakan tahun pertama kami membuat pelaporan menurut piawaian IFRS S2 Pendedahan Berkaitan Iklim, lantas mengukuhkan lagi ketelusan pendedahan kami berkaitan iklim.

Kami berbangga kerana kekal sebagai konstituen Indeks FTSE4Good Bursa Malaysia ("F4GBM") dan menerima pengiktirafan daripada agensi penarafan ESG antarabangsa yang terkemuka atas usaha kemampanan kami.

Untuk maklumat lanjut tentang strategi dan prestasi kemampanan kami, sila rujuk Laporan Kelestarian 2026 kami.

PENGHARGAAN

Bagi pihak Lembaga Pengarah, saya merakamkan setinggi-tinggi penghargaan kepada pasukan Pengurusan yang diketuai oleh Encik Lim Peng Jin, Pengarah Urusan/Ketua Pegawai Eksekutif, bersama-sama dengan Jawatankuasa Eksekutif ("EXCO") Scientex dan tenaga kerja kami yang berdedikasi di seluruh Kumpulan.

Komitmen, semangat kerja berpasukan dan usaha mereka untuk mencapai kecemerlangan adalah amat penting hingga membolehkan kami mencatatkan satu lagi tahun dengan prestasi cemerlang. Sambil melangkah ke hadapan, kami akan terus menggalakkan kakitangan kami untuk menerima perubahan, mencabar pemikiran konvensional dan mengamalkan cara kerja yang lebih baik.

Kami juga mengalu-alukan kehadiran Puan Koh Huey Min untuk menyertai Lembaga Pengarah sebagai Pengarah Bukan Eksekutif Bebas dan menantikan sumbangan berharga beliau kepada Kumpulan sambil kami terus bergerak ke hadapan.

Kami juga berterima kasih kepada pemegang saham yang setia, rakan kongsi perniagaan dan pelanggan yang dihargai atas kepercayaan dan sokongan berterusan mereka. Keyakinan anda terhadap Scientex mendorong kami untuk terus menambah baik perniagaan, mengejar peluang dan mewujudkan nilai jangka panjang.

Berpandukan visi baharu kami, 'Fly Higher Grow Stronger', kami sentiasa menanti-nantikan peluang yang ada di hadapan. Kami kekal komited untuk memacu pertumbuhan dengan aspirasi yang tinggi, memperkukuh asas perniagaan serta mengharungi cabaran dalam usaha mencapai aspirasi untuk menjadi syarikat RM10 bilion.

Bersama-sama, kita akan terus berusaha ke arah merealisasikan visi kita.

LIM PENG CHEONG
Pengerusi & Pengarah Bukan Bebas Bukan Eksekutif

主席报告书

森德于2026财政年展现出优异的财务与运营表现，这得益于我们严谨的执行力、持续巩固业务实力，以及对瞬息万变的市场状况作出的敏捷应对能力。展望未来，我们继续专注于把握增长机遇，并为所有利益相关者创造长远价值。

各位股东，

我谨此非常荣幸地代表董事部，为大家汇报森德公司（简称“森德”或“集团”）截至2026年7月31日财政年（“2026财政年”）的综合年度报告。

重塑愿景："FLY HIGHER GROW STRONGER"

森德于2026财政年推出全新愿景——“Fly Higher Grow Stronger”，体现我们在追求业务增长的同时，持续强化包装与产业两大业务及其核心能力的雄心壮志。

鉴于集团的双核心业务在不同市场中营运，并面对各自独特的市场动态，我们的策略着重于保持灵活性，以应对各种可能性，而非试图预判未来。我们深信，坚实的根基、充裕的缓冲空间与应对选择，以及明确的权责机制，能让我们在掌舵变局的同时，依然具备优势以捕捉市场机遇。

这也意味着我们需要接纳波动、从挑战中汲取经验，并不断完善营运模式。我们致力于巩固优势、改进不足之处 、消除复杂性与负面因素 ，并随着营运环境变化灵活应变，从而强化集团的系统、能力与业务。

这一思维方式将引领我们的决策与行动，助力集团在发展征程上稳步前行，朝着成为百亿令吉企业的愿景迈进。

业绩创新高，财务表现优异

在不断变化的营运环境中，集团于2026财政年缔造了创纪录的财务表现，营业额、税前盈利及净盈利均创下历史新高。

集团的营业额增长6.5%，从2025财政年的45亿2000万令吉，增长至2026财政年的48亿1000万令吉；税前盈利同步上扬17.6%，从7亿3530万令吉，增长至8亿6480万令吉。净盈利亦创下6亿2020万令吉的新高，较上一财政年的5亿3080万令吉，增长16.8%。

两大业务销售量的增长，推动了优异的业绩表现。包装业务受益于当前市场状况、产品组合优化及营运效率提升，推高销量增长及改善利润；产业业务则得益于房屋销售量创历史新高、建筑进度稳定以及强劲的销售率。

每股盈利从34.1仙，增长16.7%，至39.9仙。净负债比率则从0.48倍改善至0.38倍，反映出集团更趋稳健的财务状况与审慎的资本管理。此财务优势赋予了我们灵活性，能在维持财务纪律的同时，继续择优投资于具吸引力的发展机遇。

请翻阅本报告书第56页的《财务审核评估》，以了解更多财务表现详情。

以稳健的股息回馈股东

集团宣布于2026财政年派发每股6仙的中期单层股息，并已于2026年7月17日派发给股东。另外，董事部建议再派发每股6仙的终期单层股息。有关派发有待即将来临的常年股东大会通过。

总的来说，2026财政年建议每股12仙的股息派发总额达到约1亿8680万令吉，相等于集团净盈利的30.1%。此派息水平延续了我们一贯的派息政策，即每年将至少30%的净盈利回馈股东。

聚焦前瞻，掌舵变局

在竞争、经济与地缘政治压力的影响下，全球包装市场于2026财政年依然充满挑战与波动。尽管如此，随着供应链扩展、电子商务增长以及市场对高性能弹性塑料包装解决方案的需求强稳，市场依然蕴含增长机遇。凭藉我们已建立的全球业务版图与营运能力，我们依然占据有利优势，以应对不断变化的市场状况。

产业业务方面，市场状况保持正面，主要得益于市场对可负担房屋的稳定需求，以及稳健的融资环境。其中，柔佛州仍是集团的核心增长市场之一，其发展势头受到柔佛新山–新加坡捷运系统（RTS）及柔佛–新加坡经济特区（JS–SEZ）等项目的带动，这些重大举措有望提升区域联动性，并巩固长期的经济与房屋需求。

欲进一步了解相关分析，请参阅本报告第40页的《市场评估，前景和趋势》。

强化增长平台

我们的增长策略继续聚焦于优化产品组合与巩固核心业务。在适当情况下，我们剥离非核心业务并将资本重新配置至高增长领域，使我们能够将资源与能力集中于创造更高的长期价值。

在包装业务方面，我们继续投资于先进制造能力、产品创新和营运提升。于2026财政年，集团位于英达岛厂房的第二条纳米级67层流延薄膜生产线已投入运作，进一步提升我们生产高性能包装解决方案的能力，以满足不断变化的客户需求。我们的创新举措亦持续显效，集团于本财政年内，成功将42项产品创新成果推向商业化。

在产业业务方面，我们持续扩大可负担品质房屋组合，于2026财政年共完成了5,582间可负担房屋的建设，使累计交付量达到47,846间。我们稳健的项目发展计划持续获得策略性管理土地储备的有力支撑，使我们稳步迈向“2028愿景”——于2028年建竣50,000间可负担房屋的目标。

展望未来，我们计划逐步将年度交付量提升至10,000间，以进一步巩固我们作为马来西亚值得信赖的可负担品质房屋开发商的地位。

请翻阅本报告第61页的《营运评估》，以了解更多相关细节。

推进永续发展

可持续发展始终是我们运营业务及为所有利益相关者创造长期价值的重要组成部分。我们将可持续发展考量融入业务决策中，同时积极寻找机遇提升资源效率、关怀员工与社区，并强化负责任的商业实践。

我们通过可再生能源、资源高效化及循环利用举措，持续深化环境保护实践。集团23.9兆瓦峰值（MWp）的太阳能装机容量，于2026财政年共产生了29,335兆瓦时（MWh）的可再生能源。此外，在技术和商业可行的情况下，我们通过提供可回收包装以及增加再生树脂的使用，持续推动塑料循环利用，同时将环境考量融入产业开发与建筑实践中。

我们的员工始终是我们持续成长的核心。我们致力于营造一个让员工感到备受支持、重视与赋能，以发挥所长并不断成长的工作环境，持续关注职业安全与健康、员工发展、职业晋升及员工参与度。此外，我们亦恪守对社区的承诺，通过提供可负担品质房屋、建设综合城镇，以及推动可持续消费的弹性塑包装解决方案，继续造福我们营运所在的社区。

2026财政年也是我们首次按照《国际财务报告可持续披露准则第2号——气候相关披露》（IFRS S2）进行汇报的一年，这进一步提升了我们气候相关信息披露的透明度。

森德能够持续成为富时大马交易所社会责任指数（FTSE4Good Bursa Malaysia，“F4GBM”）成份股，让我们倍感自豪。与此同时，集团在可持续发展方面的努力，亦继续获得国际主要环境、社会及公司治理（ESG）评级机构的肯定。

欲深入了解我们的可持续发展战略与绩效表现，敬请翻阅《2026年永续发展报告》。

感谢篇

我谨代表董事部，向由董事经理兼首席执行员林炳仁先生领导的管理团队、森德执行委员会成员以及我们全集团敬业乐业的员工表达最衷心的感谢。

他们的奉献精神、团队协作与追求卓越的热忱，是集团再次缔造优异业绩的关键所在。展望未来，我们将继续鼓励员工拥抱变革、突破传统思维，并探索更佳的作业方式。

我们也热烈欢迎许慧敏女士加入董事部，出任独立非执行董事，并期待她在森德持续向前迈进的过程中，为集团贡献宝贵的经验与见解。

我们同时也向忠实的股东、尊贵的商业伙伴与客户表达衷心的感谢，感激大家一直以来的信任与支持。您们对森德的信心，激励着我们不断完善业务、把握机遇并创造长期价值。

在全新愿景“Fly Higher Grow Stronger”的引领下，我们满怀信心迎接未来的机遇。我们将继续致力于带着远大抱负追求业务增长，巩固发展根基，并从容应对前行路上的种种挑战，朝着成为百亿令吉企业的目标稳步迈进。

让我们携手同行，共赴愿景。

林炳宗
主席兼非独立非执行董事

Board of Directors

LIM PENG CHEONG

Chairman and Non-Independent Non-Executive Director

MALAYSIAN | AGE 64 | MALE

Lim Peng Cheong is the Chairman and a Non-Independent Non-Executive Director of the Company. He was appointed to the Board as an Executive Director on 9 September 1988, and has held this position until 10 November 2003, when he was re-designated as Non-Executive Director. On 12 March 2025, he was re-designated as Non-Independent Non-Executive Chairman of the Company.

He graduated with a Bachelor of Science (Honours) in Business Studies from City University, UK in June 1984. He was the Managing Director of Malacca Securities Sdn Bhd and was re-designated as Executive Chairman on 1 August 2021. He is the brother of Lim Peng Jin, who is also a Director and major shareholder of Scientex Berhad.

LIM PENG JIN

Managing Director/Chief Executive Officer

MALAYSIAN | AGE 59 | MALE

Lim Peng Jin is currently the Managing Director/ Chief Executive Officer ("CEO") of the Company. He was appointed to the Board on 20 January 1995 as the Group Executive Director and subsequently as Managing Director on 6 November 2001.

He graduated with a Bachelor of Science (Honours) in Chemical Engineering from the University of Tokyo, Japan in 1990. He began his career in the chemical industry in Japan before joining the Company in 1991 as Management Consultant. He had also completed a course in Programme for Management Development at Harvard University, USA in 1998. He has local and international working experiences in the fields of polymer and chemicals during the early years of his career and has been very hands-on in the businesses of Scientex Berhad Group involving packaging, property, polymer and chemicals industries for the past 30 years. The success of the Group owes much to his extensive involvement in its operations and management. He is the brother of Lim Peng Cheong, who is also a Director and major shareholder of Scientex Berhad.

JESSELYN CHANG SIEW SIAN

Executive Director

MALAYSIAN | AGE 54 | FEMALE

Jesselyn Chang Siew Sian is an Executive Director of the Company. She was appointed to the Board on 12 March 2025.

She graduated from University of Malaya with a Bachelor's degree in Accounting and completed the Advanced Management Program in Harvard Business School in 2015. She is a member of the Malaysian Institute of Accountants and Malaysian Institute of Certified Public Accountants. She is an accountant by profession. She has more than two decades of local and international experience in the field of auditing and accounting. She joined Scientex Berhad in 2002 as Corporate Finance Manager and was subsequently promoted to Group Financial Controller on 15 May 2003. She was appointed as the Executive Director overseeing corporate planning of the Group since 2014.

WONG CHIN MUN

Senior Independent Non-Executive Director

MALAYSIAN | AGE 82 | MALE

Wong Chin Mun is a Senior Independent Non-Executive Director of the Company. He was appointed to the Board as a Non-Executive Director on 6 October 2017. He is also the Chairperson of the Board's Audit and Risk Management Committee and a member of the Nomination and Remuneration Committee.

He received the Teacher's Certificate from the Ministry of Education of Malaysia in 1966 and graduated with a Bachelor of Business (Accounting) and Bachelor of Business (Secretarial Administration) from Curtin University, Australia in 1972 and 1974 respectively. He is a Fellow of the Australian Society of Certified Practising Accountants as well as an associate member of the Malaysian Institute of Accountants.

He worked as the Financial Controller/ Company Secretary in Yeo Hiap Seng Bhd from 1974 to 1975. He then joined Nylex (Malaysia) Berhad ("Nylex") as the Financial Controller/ Company Secretary in 1976 and became the first local General Manager/ Director of Nylex in 1980. He was promoted to the position of Managing Director in 1985 and left Nylex at the end of June 1994 to found TEC Asia Centre (now known as Vistage Malaysia Sdn Bhd), an international organisation which aims to help chief executive officers and entrepreneurs to manage change and grow their businesses. He had served on the National Export Council under the Ministry of International Trade and Industry ("MITI") from 1989 to 1992 and was appointed to the National Branding Taskforce of MITI from 2006 to 2009. He also served on the Board of Trustees of the Malaysian Rubber Export Promotion Council from 2000 to 2002 and as the Senior Independent Non-Executive Director of Sunway Berhad from 2011 to 2020.

CHIN LAM CHOONG

Independent Non-Executive Director

MALAYSIAN | AGE 60 | MALE

Chin Lam Choong is an Independent Non-Executive Director of the Company. He was appointed to the Board on 15 March 2023. He is also the Chairperson of the Board's Nomination and Remuneration Committee and a member of the Audit and Risk Management Committee.

He graduated with a Higher Diploma in Electrical & Electronic Engineering from City & Guilds FTSE (UK). He is also a member of Society of Engineers (UK) AMSE and a trained Master in Six Sigma Blackbelt from ASQ USA. He has accumulated over 30 years of experience in industrial and high-tech manufacturing in the electronics industry of multinational companies.

He was a former Managing Director of Jabil Malaysia and had served the company for 23 years. Jabil Malaysia is a fully owned subsidiary of Jabil Inc, listed in NYSE. Jabil Inc is a global MNC and has over 100 factories in 20 major cities in the world. In Jabil Malaysia, he held various management positions and was promoted to Managing Director in 2008. He was responsible for all the manufacturing plants and a shared services segment in Penang with a stronghold of 15,000 employees serving diversified global top brand name customers in healthcare, enterprise and industry, consumer, telecommunication and IoT.

Board of Directors

SABARINA BINTI HARUN

Independent Non-Executive Director

MALAYSIAN | AGE 49 | FEMALE

Puan Sabarina Binti Harun is an Independent Non-Executive Director of the Company. She was appointed to the Board on 17 September 2025. She is also a member of the Nomination and Remuneration Committee and Audit and Risk Management Committee.

Puan Sabarina graduated with a degree in Commerce from La Trobe University, Australia in 1998. She is a Fellow of CPA Australia, a Chartered Accountant of the Malaysian Institute of Accountants, and an ASEAN Chartered Professional Accountant. She is also a Project Management Professional certified by the Project Management Institute. She has been honored with the appointment as an Adjunct Professor in Finance and Accounting at Universiti Geomatika Malaysia in May 2025 and appointed as the Industry Advisor for the Faculty of Economics & Management of Universiti Kebangsaan Malaysia in July 2026.

Puan Sabarina has more than 25 years of experience in strategy development, financial management, digital transformation and operations. She has solid change management experience in her various positions, proven track record in managing cross-functional teams, implementing successful, robust and efficient operational processes for organisational change.

Puan Sabarina was formerly a Group Financial Controller to Inai Kiara Group of Companies, which is the fifth largest dredging company in the world. She started her career with Inai Kiara as the Financial Controller for the holding company, orchestrating a prominent impact in 3 different portfolios namely finance, quality management and project management.

She then joined SIRIM Berhad as the Group Chief Finance Officer to spearhead the overall financial operations, growth and strategies, asset management and procurement activities of SIRIM Berhad and its subsidiaries ("SIRIM Group"). Subsequently, she was promoted to Group Chief Operating Officer to lead the Project Monitoring Office and Digital Services for SIRIM Group, overseen the asset management and operations of 10 State Offices nationwide and led 2 Strategic Business Units of SIRIM Group under the developmental and commercial mandates until August 2026. She also covered the position of Group Chief Sales and Marketing Officer of SIRIM Berhad from December 2025 to July 2026.

She was a former Independent Non-Executive Director of DSR Taiko Berhad. Presently, she sits on the Board of Directors of Redtone Digital Berhad as an Independent Non-Executive Director. She is also a member of the Audit Committee, Nomination Committee and Remuneration Committee of Redtone Digital Berhad.

KOH HUEY MIN

Independent Non-Executive Director

MALAYSIAN | AGE 61 | FEMALE

Koh Huey Min is an Independent Non-Executive Director of the Company. She was appointed to the Board on 10 June 2026.

She is a Fellow Member of the Chartered Institute of Management Accountants and a member of the Malaysian Institute of Accountants.

She joined Berjaya Times Square Sdn Bhd ("BTS"), a wholly-owned subsidiary of Berjaya Assets Berhad ("BAssets"), in 1994 as the Head of Finance and Administration. She was appointed as an Executive Director of BTS (from 2013 to 2021) and BAssets (from 2017 to 2021). She anchored the overall property development and investment division and managed the overall operations of BTS Group. She also held directorships in various subsidiaries of BAssets. She has extensive experience in finance, accounting, tax, treasury fields, marketing, business development, property investment and development, and shopping complex operations. Prior to that, she was attached to PricewaterhouseCoopers and worked as an Accountant in the Hong Leong Group of Companies. She was formerly an Independent Non-Executive Director of Scientex Packaging (Ayer Keroh) Berhad and Tropicana Corporation Berhad. Currently, she sits on the Board of Directors of Frontken Corporation Berhad and Paragon Union Berhad.

Save as disclosed above, the above Directors have no family relationship with any Director and/or major shareholder of Scientex Berhad, have no conflict of interest or potential conflict of interest, including any interest in any competing business with the Company or its subsidiaries, have not been convicted for any offences within the past 5 years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year 2026.

Key Management

Our key management personnel includes Mr. Lim Peng Jin, Managing Director/CEO and Ms. Jesselyn Chang Siew Sian, Executive Director of Scientex Berhad, and the following persons:

CHOO SENG HONG

Chief Operating Officer - Packaging

MALAYSIAN | AGE 58 | MALE

Choo Seng Hong graduated with a Bachelor of Accountancy from Universiti Putra Malaysia in 1993 and is also a member of the Malaysian Institute of Accountants. He joined Scientex in 1997 as a Finance and Administration Manager. Prior to that, he was attached to KPMG from 1993 to 1997 and has experience in the fields of banking, oil and gas, and manufacturing. Currently, he is the Executive Director and Chief Operating Officer of Scientex's Packaging Division.

DATUK ALEX KHAW GIET THYE

Chief Operating Officer - Property

MALAYSIAN | AGE 58 | MALE

Datuk Alex Khaw Giet Thye joined Scientex's Property Division in 1996. Starting off as a Project Manager in Scientex's subsidiary, Scientex Quatari Sdn Bhd, he was promoted to General Manager on 1 February 2004 and subsequently, to Executive Director of Scientex's Property Division on 1 August 2013. Presently, he is the Chief Operating Officer of the Property Division. He graduated from Universiti Sains Malaysia with a Degree in Housing, Building & Planning and has over 30 years of experience in construction and property development.

KOAY TEIK CHUAN

Executive Director - Property

MALAYSIAN | AGE 66 | MALE

Koay Teik Chuan joined Scientex in 1997. During the early stages, he was involved in the construction and development of Scientex's flagship development in Johor. Prior to joining Scientex, he was handling various construction projects in different parts of the country. He was appointed as the Executive Director of Scientex's Property Division on 1 November 2009. He received his higher education from the Institut Teknologi Butterworth in 1978 and has more than 40 years of experience in various aspects of construction and property development, including township projects.

GOH TIAN CHIN

Executive Director - Packaging

MALAYSIAN | AGE 61 | MALE

Goh Tian Chin joined Scientex Polymer Sdn Bhd in September 1995 as Assistant Production Manager. He was promoted to General Manager in February 2001 and, since 1 July 2010, he has assumed the responsibilities of Senior General Manager for the stretch film business. He is a graduate of Universiti Sains Malaysia with a Bachelor's Degree in Technology and has more than 30 years of experience in the polymer industry. Presently, he is the Executive Director of the Packaging Division.

Key Management

JACKY PHANG YUEN KHANG

Sales and Marketing Director - Property

MALAYSIAN | AGE 45 | MALE

Jacky Phang Yuen Khang joined Scientex's Property Division in 2010 as Sales and Marketing Manager. He was promoted to Sales and Marketing General Manager in August 2017 and subsequently to Sales and Marketing Director of Scientex's Property Division in February 2020. He graduated from La Trobe University, Australia with a Bachelor of Business in Marketing and has about two decades of experience in marketing and property development.

SCOTT LIM JIAN YOU

Executive Director – Packaging

MALAYSIAN | AGE 33 | MALE

Scott Lim Jian You graduated from Imperial College London with a Master of Engineering in Electrical and Electronic Engineering with Management. He joined Scientex's Packaging Division in 2016. Starting off as a Production Engineer in Scientex's subsidiary, Scientex Great Wall (Ipoh) Sdn Bhd, he was promoted to Product Manager and subsequently to General Manager in August 2018. He was assigned to oversee the Industrial Packaging Division since August 2022. Presently, he is the Executive Director of the Scientex Packaging Division. He is the son of Lim Peng Cheong, who is a Director and major shareholder of Scientex Berhad.

TAN HONG KOON

General Manager – Corporate Planning

MALAYSIAN | AGE 48 | FEMALE

Tan Hong Koon is an accountant by profession. She has more than two decades of local and international experience in the field of auditing and accounting. She graduated from University of Melbourne with a Bachelor of Commerce Degree specialising in accountancy. She is a member of the Chartered Accountants of Australia and New Zealand. She joined Scientex Berhad in 2003 and was appointed as Senior Financial Manager in January 2009. She was promoted to Group Financial Controller of Scientex Berhad in October 2014 and held this position until November 2017. Presently, she is the General Manager of Corporate Planning since January 2019.

Save as disclosed above, the above key management have no family relationship with any Director and/or major shareholder of Scientex Berhad, have no conflict of interest or potential conflict of interest, including any interest in any competing business with the Company or its subsidiaries, have not been convicted for any offences within the past 5 years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year 2026.

Our Value Creation Story



To maximise the value our business generates, we take a holistic and integrated approach to value creation, considering both internal and external factors. By aligning and harmonising stakeholder needs, market trends and potential risks and opportunities with the business processes of our two divisions, we ensure that our strategies, operations and workforce remain agile, focused and prepared for the future.

We begin by monitoring macroeconomic and industry trends, combining these insights with continuous stakeholder input to build a clear understanding of our operating environment. This helps us pinpoint the matters that are most material to our business performance and sustainability, as well as the risks and opportunities presented by the current economic climate and industry landscape.

> We pursue new opportunities with courage while strengthening our foundations as we advance towards our business ambitions.

Building on this analysis, we develop business strategies that maximise the deployment of our 'Six Capitals' – Financial, Manufactured, Intellectual, Human, Social & Relationship and Natural. By shaping our strategies to make the most of these capitals, we aim to enhance performance across our three Drivers of Growth – Capacity, Efficiency and Product Value – ensuring sustainable and value-driven business development that ultimately reinforces our competitive advantage.

Execution of these strategies is embedded within the structured business processes of our Packaging and Property Divisions, guided by our vision of 'Fly Higher Grow Stronger'.

Sustainability remains central to every stage of our value creation process. ESG factors are considered across all aspects of our strategies, initiatives and actions, with our efforts aimed at contributing to UN SDGs relevant to our business and industry. For deeper insights into how sustainability is embedded within our value creation approach, we invite you to explore our Sustainability Report 2026.

Our Value Creation Story

SCIENTEX VISION

Fly Higher Grow Stronger

ANALYSE

1 Market Review, Outlook and Trends

2 Stakeholder Relationships

3 Material Matters

4 Risks and Opportunities

FORMULATE

5 Drivers of Growth

6 Capital Inputs

UN SDGs

1 Market Review, Outlook and Trends p. 40

We monitor global, local and industry trends to identify external factors that may impact our business operations, strategies and overall ability to create value over the short, medium and long term.

2 Stakeholder Relationships p. 37

We engage meaningfully and consistently with our six key stakeholder groups to understand their priorities and expectations.



3 Material Matters p. 44

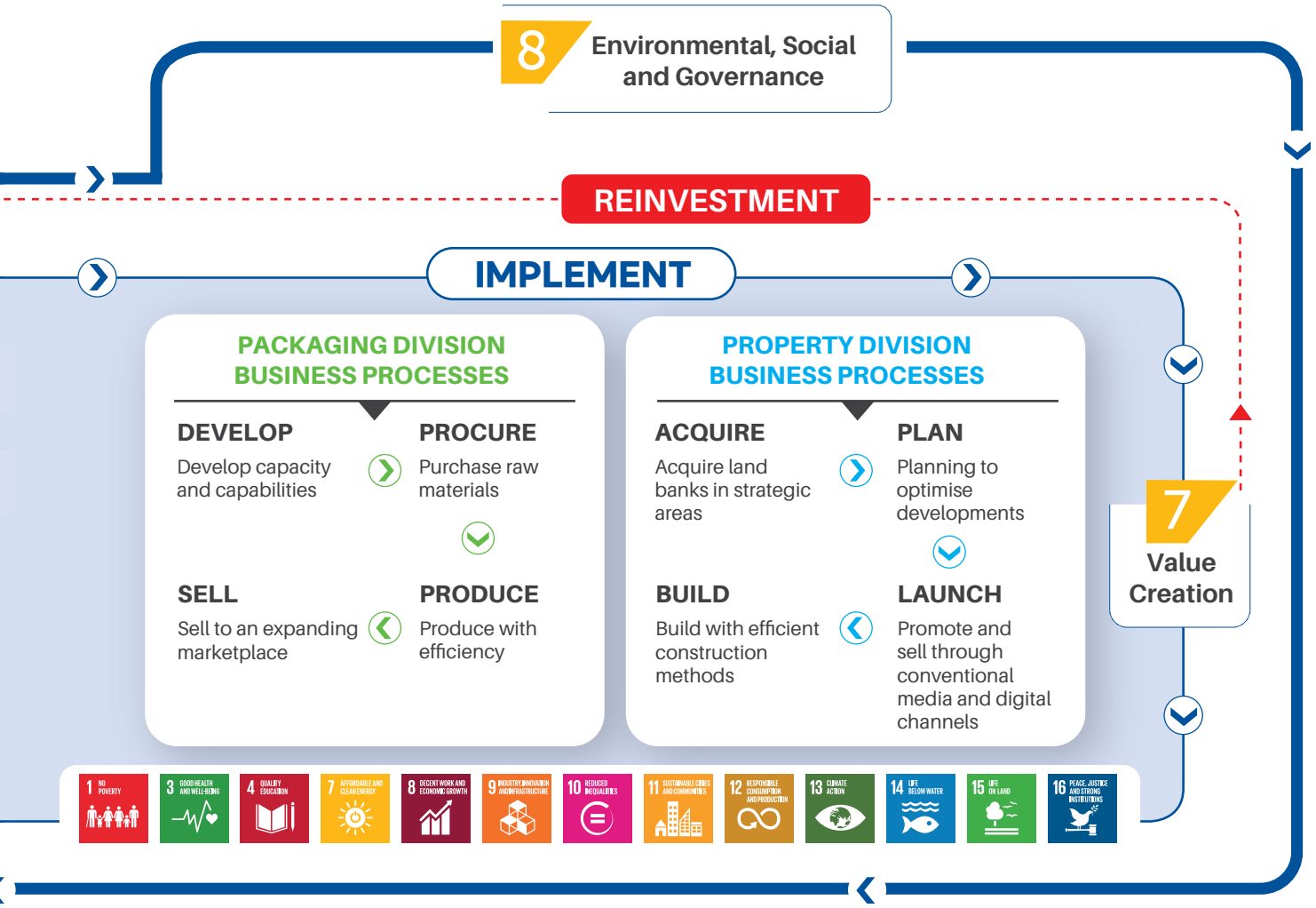
Our seven material matters are carefully considered for their potential to influence our competitiveness and reputation, with strategies developed to maximise value creation in each area.



4 Risks and Opportunities p. 49

We remain vigilant to the evolving business and industry landscape, including strategic, operational, financial, compliance, sustainability and information technology-related

Our Value Creation Story



risks and opportunities to protect our operational processes, reputation and revenue-generating capabilities.

5 Drivers of Growth p. 36

Our Drivers of Growth represent the three key factors that most influence our ability to grow and create sustainable value. They guide our collective focus towards continuously driving product development, improving operational efficiency, and increasing our capacity in everything we do.

Capacity | Efficiency | Product Value

6 Capital Inputs p. 34

We strategically allocate our capital resources – encompassing financial assets, machinery, established processes, expertise, stakeholder relationships and more – to effectively implement our strategies.

Financial Capital | Manufactured Capital | Intellectual Capital | Human Capital | Social and Relationship Capital | Natural Capital

7 Value Creation p. 34

The value we generate extends beyond financial results to include shareholder dividends, contributions to national economies, job creation, and investments in social and environmental initiatives. The economic value generated is also reinvested in our business to support continuous improvement across all our capitals.

8 Environmental, Social and Governance

read our Sustainability Report 2026 to learn more

Sustainability permeates every aspect of our value creation and business operations, fostering shared value for our stakeholders, communities and the environment.

Our Value Creation Business Model

INPUTS

Financial Capital
- Consistently strong net operating cash flow
- Net gearing ratio of 0.38 times
- Total shareholders' equity of RM4.51 billion
- Ready access to debt and capital markets

Manufactured Capital
- 11,049 acres of cost-effective land banks
- 36 property developments across Malaysia
- 18 manufacturing plants globally with state-of-the-art machinery

Intellectual Capital
- Track record of over 50 years with established product brand value, reputation and market experience
- Structured, well-embedded processes and procedures

Human Capital
- 3,854 employees worldwide
- Experienced Board with broad industry and corporate knowledge
- Leadership by industry experts, led by our EXCO

Social & Relationship Capital
- Strong and effective relationships with key stakeholders
- Group-wide policies governing sustainable practices across our supply chain

Natural Capital
- Raw materials supporting our packaging and property development activities
- Direct energy consumption, including from renewable sources

VISION

Fly Higher Grow Stronger

DRIVERS OF GROWTH

CAPACITY
Increasing production capacity and sales volumes

EFFICIENCY
Improving production and construction efficiencies

PRODUCT VALUE
Enhancing the value of our products to our customers

BUSINESS PROCESSES

PACKAGING

DEVELOP — Develop capacity and capabilities
PROCURE — Purchase raw materials
PRODUCE — Produce with efficiency
SELL — Sell to an expanding marketplace

PROPERTY

ACQUIRE — Acquire land banks in strategic areas
PLAN — Planning to optimise developments
LAUNCH — Promote and sell through conventional media and digital channels
BUILD — Build with efficient construction methods

MATERIAL MATTERS

- PRODUCT INNOVATION
- PRODUCT RELIABILITY
- TALENT ATTRACTION & RETENTION
- EXPANSION
- COMMUNITY IMPACT & DEVELOPMENT
- EMPLOYEE SAFETY & HEALTH
- GOVERNANCE & COMPLIANCE

RISKS

- ENVIRONMENT
- CHANGE OF MARKET CONDITIONS
- AVAILABILITY OF HUMAN WORKFORCE & AUTOMATION
- CYBERSECURITY
- COST & SUPPLY OF RAW MATERIALS
- EMPLOYEE & CONTRACTOR SAFETY & HEALTH
- FOREIGN CURRENCY EXCHANGE RATE FLUCTUATION
- REGULATORY & COMPLIANCE

Our Value Creation Business Model

OUTPUTS

Financial Capital

- Revenue of RM4.81 billion
- Net profit of RM620.2 million
- Net operating cash flow of RM843.9 million
- Earnings per share of 39.9 sen
- Dividend payout of 12 sen per share (including proposed dividend pending shareholders' approval)

Manufactured Capital

- 272,250 MT of packaging products sold
- 16 new machines commissioned
- 5,582 units of affordable housing completed

Intellectual Capital

- 42 packaging innovations commercialised
- 2 plants certified with the ISO 45001 standard for occupational safety and health
- Continued listing as a constituent company of the FTSE4Good Bursa Malaysia Index

Human Capital

- 75% of our workforce hired from local communities
- 28,360 hours of employee training conducted
- Zero work-related fatalities reported
- RM365.9 million in Board and employee remuneration and benefits distributed

Social & Relationship Capital

- Continuous increase in stakeholder awareness of environmentally sustainable practices
- Sustainable collaborations with customers and suppliers to co-create products and solutions
- RM206.6 million in income taxes paid

Natural Capital

- 8.1% recycled resin used in our manufacturing operations
- ISCC PLUS certifications obtained by 9 of our manufacturing plants
- 195,735 MT CO_2e of Group-wide GHG emissions
- 6.6% reduction in hazardous waste

OUTCOMES

Customers

- Strong, collaborative partnerships with customers to meet their packaging requirements and sustainability objectives
- Greater access to quality affordable housing for middle-to-lower-income home buyers

Suppliers

- Consistent growth in our supplier base, with a focus on supporting local businesses
- Ongoing supplier collaboration to drive investment in new innovations
- Promotion of ESG responsibilities within our supply chain

Investors & Shareholders

- Consistently healthy financial position
- Continuous value creation via sustained capital growth and dividend payouts

Employees

- Attraction and retention of a skilled, capable workforce through:
  - Effective rewards systems, career progression plans and employee training programmes
  - High standards in safety and health
  - An inclusive and friendly working environment

Governments & Regulators

- Ongoing contributions to Malaysian economic development through export activities and tax payments
- Continued support of government initiatives in affordable housing and the circular plastics economy
- Maintenance of a strong corporate governance framework

Local Communities

- Sustainable employment opportunities created for our local communities
- Business practices that minimise our environmental impact across our operations
- Effective environmental and socioeconomic risk mitigation at our property development sites through impact assessments
- Increased environmental awareness through joint programmes with the Malaysian Plastics Manufacturers Association ("MPMA") and our internal programmes
- Improved quality of life through the provision of quality affordable homes
- Enhanced infrastructure, transport connectivity and job creation through integrated, self-sufficient townships

UN SDGs



Our Drivers of Growth

Our growth and value creation are propelled by the three core drivers – Capacity, Efficiency and Product Value – each playing a vital role in strengthening our long-term competitiveness and ability to create value. By directing our investments, innovation and continuous improvement efforts towards these areas, we strengthen the foundations for sustainable growth while advancing our corporate vision.

OUR VISION

Fly Higher Grow Stronger

CAPACITY

Increasing production capacity and sales volume

- Exploring potential mergers and acquisitions to tap into new markets and benefit from synergies with other organisations
- Sourcing suitable land banks to support our growth in the affordable housing market and achieve our goal of completing 50,000 affordable homes by 2028
- Investing in new machinery with enhanced technology and higher production capacities
- Implementing innovative production and construction methods to respond more effectively to market demands
- Divesting non-performing assets and reinvesting the financial capital gained into high-growth areas to ensure dynamic resource allocation aligned with our long-term goals

EFFICIENCY

Improving production and construction efficiencies

- Embracing advanced production technologies and methods, such as automation in our Packaging Division and IBS in our Property Division
- Implementing process innovations to improve time and cost efficiency in production
- Standardising our processes to enhance efficiency
- Centrally procuring raw materials to drive economies of scale, while adopting a 'just-in-time' purchasing strategy to mitigate raw material cost volatility
- Adopting efficient factory layouts and effective production planning techniques
- Utilising sustainable production and construction methods that minimise waste and material usage, enhance energy efficiency, and improve occupational safety and health standards
- Implementing customised Enterprise Resource Planning ("ERP") systems
- Strengthening our digital technologies to enhance operational oversight and improve efficiency

PRODUCT VALUE

Enhancing the value of our products to our customers

- Continually monitoring consumer preferences and market trends to drive product innovation
- Leveraging our integrated structure in the Packaging Division to develop tailor-made solutions that cater to our customers' unique requirements
- Developing packaging solutions that support our customers' sustainability agendas
- Utilising our state-of-the-art innovation centres to carry out rigorous product testing and rapid prototyping
- Incorporating PCR or PIR resin content into our products
- Embracing digital marketing strategies in our Property Division to drive sales, enhance customer outreach, and efficiently generate and convert leads
- Delivering on our trifecta of benefits - Speed, Cost and Quality - in the Property Division

Key Stakeholder Engagement

Through ongoing engagement with our key stakeholder groups, we gain valuable insights into the matters that are significant to them and explore ways to address their evolving needs and expectations. This continuous dialogue helps inform our materiality determination process and guides the implementation of strategies that support sustainable and shared value creation.

Stakeholders	Why We Engage	How We Engage	How We Address Their Expectations
Customers	A strong emphasis on understanding the evolving needs of our customers and the latest market trends enables us to make strategic investments in product innovation that lead to increased product value. This, in turn, enhances our overall sustainability as a business.	Packaging Division • The Scientex corporate website • Customer feedback channels • Regular meetings and plant visits • Collaborations in product development • Product brochures Property Division • Customer feedback channels • Social media platforms • The Scientex corporate website • Marketing campaigns and promotions • Customer service offices	Packaging Division • Working closely with customers to create products that meet their specific needs, with a focus on sustainability, recyclability, extended shelf life and enhanced physical performance in terms of protection, hygiene, safety and convenience • Utilising our integrated structure to offer fully customised solutions, from film development to converting processes • Addressing customers' sustainability requirements through a wide range of sustainable packaging solutions • Ensuring continuous and open communication between customers, technical staff and sales teams • Managing ESG risks and opportunities through established frameworks and policies, while maintaining globally recognised certifications ***Read more*** *Operational Review – Packaging Division > p. 61* *Product Innovation > p. 38 of our Sustainability Report 2026* *Environmental Compliance > p. 61 of our Sustainability Report 2026* Property Division • Leveraging centralised procurement and systematic processes to optimise construction costs and end-sale prices • Expanding our affordable housing reach to serve a wider range of communities, particularly middle-to-lower-income groups • Promoting our latest launches, events and promotional activities through traditional and digital marketing channels to expand customer reach ***Read more*** *Operational Review – Property Division > p. 67* *Providing Affordable Housing > p. 35 of our Sustainability Report 2026*

Key Stakeholder Engagement

Stakeholders	Why We Engage	How We Engage	How We Address Their Expectations
 **Suppliers**	Ongoing engagement with our suppliers is essential as they play a critical role in maintaining product quality, meeting production timelines and helping us proactively identify and address operational risks. These interactions also provide an important platform to encourage sustainable and ethical business practices aligned with industry standards.	• Regular supplier meetings and progress updates • Ongoing evaluations • Site visits • Exhibitions and trade fairs • Technical seminars • Our Code of Conduct for Suppliers	<u>Raw material and machinery suppliers</u> • Building and maintaining transparent, long-term procurement relationships to improve demand visibility and support mutual business growth • Engaging in regular discussions to enhance inventory planning, elevate product quality, strengthen supply chain agility and stay abreast of new industry technologies • Conducting regular reviews and providing timely feedback to help suppliers improve service standards and stay aligned with evolving business requirements <u>Sub-contractors and construction material suppliers</u> • Holding regular meetings to harmonise construction schedules and share material demand forecasts, supporting smoother and more coordinated project execution • Conducting periodic reviews and providing constructive feedback to support continuous improvements in the quality of goods and services
 **Investors & Shareholders**	Upholding transparency in disclosing our financial and non-financial performance enables us to maintain the confidence of our investors and shareholders. This trust allows us to safeguard and grow our capital base, providing the resources needed to pursue business growth and expansion opportunities.	• Annual General Meetings ("AGM") • Investor relations engagements • Scientex Integrated Annual Reports and Sustainability Reports • The Scientex corporate website • Announcements on Bursa Malaysia	• Embracing integrated reporting to communicate the interconnected nature of our strategies and the value they generate • Maintaining internal and external investor relations teams to ensure effective shareholder communication • Delivering consistent capital appreciation and robust dividend payouts • Reinvesting earnings into the business to drive continuous improvement, enhance our capitals and accelerate long-term shareholder value creation • Strengthening our environmental and community-focused initiatives and regularly sharing progress updates
 **Employees**	Consistent engagement with our employees provides meaningful insights into their personal and professional goals. This knowledge enables us to develop programmes and initiatives that build skills, inspire innovation, enhance employee retention and ultimately reinforce the strength of our human capital.	• Quarterly Rolling Budget ("QRB") dialogues • Employee appraisals • Employee engagement events • Internal bulletins • Progress update meetings • Monthly management meetings	• Communicating our goals, updates and initiatives across multiple platforms while fostering open communication between employees and department heads • Aligning our employee rewards system with our objectives and implementing performance-based incentives to recognise and motivate exceptional contributions • Supporting ongoing professional growth through customised training modules and development programmes • Upholding a safe and healthy work environment in alignment with occupational safety and health standards • Enhancing employee health through various medical benefits and health talks

Stakeholders	Why We Engage	How We Engage	How We Address Their Expectations
			Read more *Occupational Safety and Health > p. 68 of our Sustainability Report 2026* *Empowering Our People > p. 74 of our Sustainability Report 2026*
Governments & Regulators	We maintain active engagement with governmental and regulatory authorities to stay informed about evolving regulatory requirements. These engagements also strengthen our ability to support public policy objectives, particularly in broadening access to affordable housing for wider segments of the population.	• Regular meetings and consultations • Seminars, training sessions, dialogues and forums organised by regulatory bodies • On-site inspections and audits	• Developing affordable housing solutions tailored to local community needs, supporting government efforts to improve housing accessibility for middle-to-lower-income groups • Driving innovation in products that contribute to government sustainability agendas • Investing in community development initiatives to promote socioeconomic progress • Maintaining a dedicated internal team and collaborating with external advisors to ensure compliance and stay informed of legal and regulatory developments • Contributing to Malaysia's economic growth through foreign currency receipts from exports and the fulfilment of our tax obligations *Read more* *Responsible Business Conduct and Governance > p. 32 of our Sustainability Report 2026* *Economic Value Contributed > p. 45 of our Sustainability Report 2026*
Local Communities	Through active engagement with our local communities, who represent both our consumers and a significant proportion of our workforce across the Packaging and Property Divisions, we gain valuable insights into their needs and preferences. This understanding informs the continuous improvement of our product development, employment practices and sustainability initiatives.	• Social media platforms • The Scientex corporate website • Customer service offices (Property Division) • Community events • Dialogue sessions	• Offering stable employment and opportunities for career advancement to members of local communities • Expanding our affordable housing projects across Peninsular Malaysia to serve a broader segment of middle-to-lower-income populations • Developing integrated townships featuring diverse services, commercial zones for job creation and enhanced connectivity to major urban centres • Implementing environmental and social impact assessments to mitigate risks associated with our property development activities • Supporting communities through financial contributions and community engagement initiatives that promote social well-being and socioeconomic development *Read more* *Providing Affordable Housing > p. 35 of our Sustainability Report 2026* *Empowering Our People > p. 74 of our Sustainability Report 2026* *Contributing to Local Communities > p. 80 of our Sustainability Report 2026*

Market Review, Outlook and Trends - Packaging

Our Packaging Division continues to navigate a challenging and volatile global market with a strong focus on operational efficiency, innovation and close customer engagement. As market conditions continue to evolve, we remain focused on strengthening our competitiveness while staying vigilant and agile in responding to market developments and driving sustainable growth.

Strengthening Our Competitive Edge Amid Market Volatility

The global packaging market remained challenging throughout FY2026, shaped by a combination of competitive, economic and geopolitical pressures. During the first half of the financial year, intense industry competition, inflationary pressures, foreign currency volatility, geopolitical uncertainties and subdued market sentiment continued to weigh on the operating environment.

Conditions remained volatile in the second half, as ongoing conflicts in the Middle East and broader geopolitical tensions contributed to energy price volatility and placed further pressure on global supply chains and logistics.

However, an overall improvement in market sentiment during the second half of the financial year provided some support to market conditions. Against this backdrop, our Packaging Division delivered a strong performance, supported by enhanced operational efficiency and a more optimised product mix. We remained focused on maintaining operational stability and reliable supply, while engaging closely with customers to manage fluctuating demand and changing market conditions.

Looking ahead, we will closely monitor market developments and remain vigilant and agile in navigating market uncertainties, while continuing to strengthen cost management, operational efficiency, adaptability and our competitiveness.

Capturing Growth in the Global Stretch Film Market

As global supply chains expanded with more automated warehousing and e-commerce driving increased goods movement, the demand for highly efficient logistics packaging has continued to grow across the globe. Stretch packaging serves pallet unitisation, bundling, protective wrapping, and load stabilisation across distribution centres worldwide. Additionally, the specialised protective packaging and package integrity provided by stretch films are supporting their uptake across end-use industries, particularly in the electronics and food and beverage ("F&B") sectors. Hence, the global stretch film market is projected to grow at a compounded annual growth rate ("CAGR") of 3.4%, with an estimated value of US$6.68 billion by 2028.[1]

Scientex is uniquely positioned as a leading force in the global packaging market. The Group operates one of the world's largest stretch film facilities in a single location at Port Klang, Selangor, alongside our automated robotic plant in Shah Alam, Selangor, Malaysia, and a dedicated US facility in Phoenix, Arizona. These strategically located facilities and advanced robotic automation capabilities offer logistics advantages and shorter lead times, while our Phoenix production facility deeply embeds us directly into the North American supply chain.

Meanwhile, heightened geopolitical tensions have increased uncertainty across global trade and supply chains, contributing to logistical disruptions and continued volatility in the operating environment. Our existing investments in automation and advanced machinery have strengthened operational efficiency and production capabilities, while enhancing our ability to respond to evolving market conditions.

Together, our established packaging footprint and operational capabilities enable us to respond to changing market dynamics with greater speed, flexibility and reliability of supply, positioning us to capture opportunities across global markets.

Capitalising on Growing Flexible Packaging Demand

The global flexible packaging market continues to demonstrate positive growth prospects, with the market expected to expand at a compound annual growth rate ("CAGR") of approximately 4.8% from 2025 to 2031.[2] Demand remains supported by a diverse range of applications, including F&B, healthcare and pharmaceutical, consumer goods sectors, and industrial applications, alongside trends such as e-commerce growth, increasing urbanisation and preferences for convenient, lightweight and resource-efficient packaging.

Asia-Pacific remains the largest regional market and is expected to continue leading growth, supported by rapid industrialisation, population growth and expanding manufacturing activities. Flexible packaging is well-positioned to meet these evolving needs through its lightweight design, high-barrier performance, efficient material use and ability to extend product shelf life.

Against this backdrop, Scientex continues to strengthen its position through innovative, market-driven packaging solutions that respond to evolving customer requirements, balancing functionality, performance, and speed-to-market.

Supported by our manufacturing facilities across Peninsular Malaysia, we deliver a broad range of flexible packaging solutions for consumer and industrial applications, designed to enhance convenience, hygiene and safety while extending product shelf life and helping to reduce food waste.

Through these capabilities, we remain well-positioned to capture opportunities arising from growing demand for high-performance flexible packaging solutions.

Prospects in Sustainable Packaging

The transition towards more sustainable packaging continues to influence the global FPP industry, driven by evolving regulatory requirements and customer expectations. At the same time, market participants remain focused on balancing sustainability with functionality and commercial viability.

Within Malaysia, this direction is supported by the Thirteenth Malaysia Plan ("RMK-13") and the Malaysia Plastics Sustainability Roadmap ("MPSR") 2021–2030, which emphasise plastic sustainability and circular economy initiatives.

In response, we continue to integrate sustainability into our product development strategy while investing in advanced manufacturing capabilities, technology and product innovation to remain competitive. These efforts are exemplified by our latest investment in a second Nano 67-layer cast line, which expands our capacity to produce advanced, resource-efficient stretch films.

Working closely with customers, we co-develop packaging solutions with a continued focus on advancing recyclable FPP solutions that meet evolving market requirements. Where appropriate, we also incorporate PIR or PCR resin to support customers' sustainability objectives. Our ISCC PLUS-certified facilities further strengthen these capabilities by supporting the use and traceability of certified sustainable materials.

Collectively, these efforts position us to capture emerging opportunities, respond to evolving market requirements and strengthen long-term competitiveness.

Sources:

1. *Global Stretch Film Packaging Market Research Report 2022-2028 | Market Research Report | May 2022*
2. *Global Flexible Packaging Market Research Report 2026-2031 | Market Research Report | June 2026*

Market Review, Outlook and Trends - Property

Our Property Division operates in a favourable market landscape, supported by steady demand for affordable housing with supportive government initiatives. With our established track record and strategic land bank, we remain well-positioned to pursue growth opportunities and expand our presence across key regions.

Strengthening Our Position in a Favourable Property Market

The Malaysian property market continued to demonstrate positive market conditions in FY2026, supported by steady demand for affordable housing, a stable financing environment and ongoing government initiatives to improve housing accessibility. Buyer preferences also remain centred on quality homes that offer value, connectivity and integrated township living, supporting continued demand for affordable residential developments.

To capitalise on these opportunities, we continue to strengthen operational efficiency through the adoption of IBS techniques, standardised house designs, optimised land utilisation and strategic procurement of construction materials. These initiatives enable us to deliver projects that balance cost efficiency, speed and quality, the three principles central to our Property Division.

Building on the strategic land acquisitions completed in recent years, we continue to optimise our existing land bank through phased township developments that support our long-term growth.

Construction across our ongoing developments progressed steadily during the year, while our newly launched township developments, including Scientex Pulai 4, Scientex Muar, Scientex Melaka, Scientex Bestari Jaya, Scientex Jawi, and Scientex SP Astana, further strengthen our development pipeline and broadens our geographical presence.

Johor remains one of our key growth markets, supported by initiatives such as the Johor Bahru–Singapore Rapid Transit System ("RTS") Link and the Johor–Singapore Special Economic Zone ("JS-SEZ"). These initiatives are expected to enhance regional connectivity, attract investment and support longer-term housing demand.

Supported by our proven track record and strategically managed land bank, we remain well-positioned to capture opportunities in the affordable housing segment while creating sustainable long-term value for our stakeholders.

For more details, please refer to Operational Review – Property on p. 67.

A Stable Economic and Financing Environment

The Malaysian property sector operated in an encouraging economic environment in FY2026, supported by broad-based sectoral growth, steady domestic demand and stable labour market conditions despite external uncertainties arising from geopolitical developments and global trade dynamics. Inflation also remained relatively contained, providing a stable backdrop for domestic economic activity.

Bank Negara Malaysia's decision to maintain the Overnight Policy Rate ("OPR") at 2.75% throughout FY2026 further supported housing affordability and stable financing conditions.[1]

Together, these factors provided a conducive environment for the residential property market. In particular, demand for quality affordable housing remained healthy, further supported by continued government initiatives to improve housing accessibility.

These conditions support our continued rollout of new phases of affordable housing developments across key growth regions, underpinned by healthy demand and our expanded land bank. As we progressively develop our pipeline, we remain well-positioned to address homeownership needs while capturing opportunities arising from continued demand for affordable housing.

Affordable Housing Continues to Anchor Residential Demand

Malaysia's residential property market remained relatively stable in 2025. According to NAPIC, transaction volume moderated slightly to 256,512 transactions from 260,516 in 2024, while transaction value increased to RM108.27 billion from RM106.92 billion, reflecting continued stability in market activity.

Property Market Report 2025 – Number of Residential Property Transactions by Sub-Sector and Price		
Time Period & Price Range	**Units**	
Jan - Dec	**2024**	**2025**
100,000 & Below	40,711	44,301
100,001 - 200,000	48,542	44,380
200,001 - 300,000	47,553	45,374
300,001 - 400,000	36,235	37,051
400,001 - 500,000	27,670	26,738
500,001 - 600,000	16,575	14,660
600,001 - 700,000	11,322	10,702
700,001 - 800,000	7,981	7,835
800,001 - 900,000	5,976	6,409
900,001 - 1,000,000	3,644	3,821
1,000,001 & Above	14,307	15,241
Total	**260,516**	**256,512**

Selangor remained the largest contributor to national residential transactions, accounting for 20.7% (52,998 transactions) in volume and RM30.53 billion in transaction value. Johor ranked second by transaction volume, accounting for 16.6% (42,566 transactions) in volume and RM20.94 billion in transaction value. Together with WP Kuala Lumpur and Pulau Pinang, these four major markets accounted for more than half of Malaysia's residential transaction volume.

Importantly, demand continued to be concentrated within the affordable and mid-market segments. Homes priced at RM300,000 and below accounted for 52.3% of residential transactions, while those priced between RM300,001 and RM500,000 represented a further 24.9%. Terraced houses remained the most sought-after property type, comprising 41.3% of total residential transactions.

These trends remain closely aligned with our business objective of delivering quality affordable homes. Our strategic land bank across seven states in Peninsular Malaysia provides a strong platform to capture demand across multiple regions, while our established presence in Johor and Selangor positions us within two of the country's most active residential property markets.

Government Measures Strengthen Homeownership Accessibility

Government support for affordable homeownership continues to provide a favourable backdrop for Malaysia's residential property market. Under the Thirteenth Malaysia Plan ("RMK-13"), one million affordable homes are targeted for development between 2026 and 2035 through collaboration between the federal and state governments and private developers.

This commitment is complemented by measures aimed at reducing the financial barriers to homeownership. Full stamp duty exemptions on instruments of transfer and loan agreements for first-time purchases of homes priced up to RM500,000 have been extended until 31 December 2027. Eligible first-time homebuyers can also claim housing loan interest tax relief for three consecutive years of assessment for sale and purchase agreements completed between 1 January 2025 and 31 December 2027. Relief of up to RM7,000 is available for properties priced up to RM500,000, while properties priced between RM500,000 and RM750,000 qualify for relief of up to RM5,000.

Access to financing has also been strengthened under Budget 2026 through the expansion of the Housing Credit Guarantee Scheme ("HCGS") from RM10 billion to RM20 billion. The enhanced scheme is expected to enable an additional 80,000 first-time homebuyers to obtain government-guaranteed housing loans of up to RM500,000, while broadening financing accessibility for self-employed individuals, gig workers and micro-entrepreneurs.[3]

Collectively, these initiatives aim to improve housing accessibility and support homeownership across the affordable and medium-cost segments. This policy environment complements our ongoing township developments and reinforces our objective of completing 50,000 affordable homes by 2028.

Sources:

1. *Monetary Policy Statement | BNM | July 2026*
2. *Property Market Report 2025 | NAPIC*
3. *Budget 2026 Speech | Ministry of Finance | 10 October 2025*

Our Material Matters

Drawing on insights from stakeholder engagement and our internal analysis, we identify key matters that influence our ability to create value over the short, medium and long term for our business and the communities we serve. These material matters guide our approach to managing potential risks, identifying emerging opportunities and shaping our strategic priorities.

Through our established materiality assessment process, we have identified seven key material matters relevant to our business and stakeholders. The following outlines our materiality determination process and the matters identified, which continue to inform our perspectives, priorities and actions.

THE MATERIALITY DETERMINATION PROCESS

IDENTIFICATION

We integrate stakeholder feedback with insights from our internal analysis to identify matters that may affect the Group's ability to create value over short, medium and long term. These are considered within the context of the Six Capitals of the <IR> Framework.

EVALUATION AND PRIORITISATION

We assess the significance of identified matters by considering their known or potential impacts on value creation for our business and stakeholders, enabling us to determine the matters that warrant greater priority.

DISCLOSURE

We conduct a comprehensive review to determine the relevant information to disclose within the scope and boundaries of each material matter, which subsequently informs the completeness and focus of our reporting.

OUR 7 KEY MATERIAL MATTERS

Product Innovation

Promoting collaboration and harnessing new technologies, ideas and methods allows us to enhance our product offerings continually

Product Reliability

Embedding quality, safety and delivery standards across our operations helps us exceed expectations and foster brand loyalty amongst customers

Talent Attraction & Retention

Attracting, developing and retaining capable talent ensures we have the skills and expertise needed to drive productivity, innovation and long-term business growth

Expansion

Investing in ongoing capacity and capability development as part of our core strategy strengthens our ability to scale and deliver improved performance

Community Impact & Development

Supporting the well-being and development of our communities enables us to create meaningful social value alongside business growth

Employee Safety & Health

Maintaining a safe and healthy workplace protects our people, supports operational continuity and enables us to sustain a productive and engaged workforce

Governance & Compliance

Upholding robust governance systems and adhering to applicable laws and regulations ensures effective oversight, safeguards business integrity and protects our reputation.

Material Matters	Capitals, Stakeholders and Drivers of Growth Impacted	Description
Product Innovation	Capitals Impacted:  Stakeholders Involved:  Drivers of Growth Impacted: 	• Innovation supports our three Drivers of Growth by enhancing production capacity and efficiency while enabling the creation of high-value, customer-focused products and solutions • As an integrated FPP producer, we collaborate closely with our customers to develop innovative packaging solutions tailored to their specific needs • Supported by continuous innovation, our consumer packaging products provide longer shelf life, improved safety and hygiene standards, and greater convenience, while our industrial packaging offers superior physical performance with lower resource consumption • As part of our pivot towards sustainability and the circular plastics economy, we implement processes that minimise raw material use, improve energy efficiency and reduce waste • To support these innovation efforts, we invest in state-of-the-art innovation centres equipped for rapid prototyping and testing of new products and solutions, and utilise comprehensive market and industry data to inform strategic decisions • In our Property Division, we employ IBS construction methods to enhance efficiency, build quality and employee safety while significantly reducing construction waste *Read more* *Operational Review – Packaging Division > p. 61* *Product Innovation > p. 38 of our Sustainability Report 2026*
Product Reliability	Capitals Impacted:  Stakeholders Involved:  Drivers of Growth Impacted: 	• Our customer-centric approach is built on consistency, reliability and a strong focus on quality • We adhere to international best practices, particularly in critical areas of our two core businesses, with our manufacturing plants certified to globally recognised ISO standards • Our systematic processes and procedures are designed to ensure we consistently achieve and maintain quality at scale, delivering reliable and superior products to customers • Our Packaging Division's commitment to quality is demonstrated by our track record of having no major product recalls for more than a decade • In our Property Division, we optimise land use and maximise product quality through well-established land space planning and home designs, while ensuring timely project delivery • With a focus on continuous improvement, we regularly align our processes with evolving customer needs by actively seeking feedback and maintaining open communication *Read more* *Packaging Division – Overview > p. 10* *Property Division – Overview > p. 14* *Operational Review – Packaging Division > p. 61*

Our Material Matters

Material Matters	Capitals, Stakeholders and Drivers of Growth Impacted	Description
Talent Attraction & Retention	Capitals Impacted:  Stakeholders Involved:  Drivers of Growth Impacted: 	• Attracting, developing and retaining a skilled workforce is fundamental to driving our human capital and innovation strategies, supporting our Drivers of Growth • As a responsible employer, we uphold applicable employment laws and regulations across all jurisdictions in which we operate • We provide competitive remuneration packages and meaningful talent development opportunities to attract and retain high-calibre professionals • We offer performance-based bonuses to incentivise employees to achieve clearly defined Key Performance Indicators ("KPIs"), fostering excellence in their roles • We cultivate an open and transparent culture by encouraging two-way communication and maintaining an open-door policy that keeps us attuned to employee needs and concerns • Engagement with our workforce is strengthened through diverse communication channels, including QRB Dialogues, regular meetings, roundtable discussions and performance reviews • We prioritise the hiring of local talent to build a strong and sustainable workforce that supports our growth while contributing to community development and mitigating human capital risks ***Read more*** *Key Stakeholder Engagement – Employees > p. 38* *Key Risks and Mitigation – Availability of Human Workforce and Automation > p. 51* *Occupational Safety and Health > p. 68 of our Sustainability Report 2026* *Empowering Our People > p. 74 of our Sustainability Report 2026*
Expansion	Capitals Impacted:  Stakeholders Involved:  Drivers of Growth Impacted: 	• Our ongoing expansion efforts are centred on increasing our production capacity, property land bank and customer base, supporting our long-term growth ambitions and renewed vision, 'Fly Higher Grow Stronger' • Guided by our Property Division's 'Cross Border Development Strategy', our team actively identifies and sources suitable land banks within Peninsular Malaysia to support the development of affordable housing across a broader cross-section of local communities • To date, we have secured a total land bank of more than 11,000 acres through strategic land acquisitions, supporting our long-term growth ambitions in the affordable housing segment • Continuous investments in advanced machinery and technology enable our Packaging Division to enhance its production capacity and capabilities • We work closely with our customers to co-create innovative products and solutions, particularly recyclable FPP structures, that enable us to strategically expand our customer base • We prudently reinvest our financial resources into high-growth areas to maximise our growth potential, including through strategic acquisitions, land bank expansion and organic growth ***Read more*** *Operational Review – Packaging Division > p. 61* *Operational Review – Property Division > p. 67* *Product Innovation > p. 38 of our Sustainability Report 2026*

Our Material Matters

Material Matters	Capitals, Stakeholders and Drivers of Growth Impacted	Description
Community Impact & Development	Capitals Impacted:  Stakeholders Involved:  Drivers of Growth Impacted: 	• Guided by our commitment to creating sustainable value, we seek to harmonise our business objectives with the well-being of our people, communities and planet • Innovations in our Packaging Division deliver tangible benefits such as improved product protection, convenience, hygiene and safety, while also helping to reduce food waste • Our sustainable packaging solutions support plastic circularity, fostering a more sustainable future for generations to come • Our Property Division focuses on providing quality affordable housing to enable equitable homeownership for diverse local communities • Our target to complete 50,000 affordable homes by 2028 reflects our commitment to creating meaningful and lasting impact for more Malaysian families • Our planned developments are designed to provide holistic benefits, including integrated essential services, job opportunities and improved connectivity through purposeful transportation infrastructure • Beyond direct business impacts, we engage with the wider community through partnerships with NGOs and various social initiatives, including blood donation drives • Our Green Truck programme raises recycling awareness among schoolchildren, educating them on the importance of Reduce, Reuse and Recycle ("3R") practices • We prioritise hiring local talent and engaging local suppliers wherever possible, enabling the economic benefits of our operations to extend into surrounding communities ***Read more*** *Key Stakeholder Engagement – Local Communities > p. 39* *Providing Affordable Housing > p. 35 of our Sustainability Report 2026* *Product Innovation > p. 38 of our Sustainability Report 2026* *Empowering Our People > p. 74 of our Sustainability Report 2026* *Contributing to Local Communities > p. 80 of our Sustainability Report 2026*
Employee Safety & Health	Capitals Impacted:  Stakeholders Involved:  Drivers of Growth Impacted: 	• Safeguarding the safety and health of our employees remains a core priority throughout our operations, reinforcing our reputation as a responsible employer • We adhere to safety and health regulations at all worksites and manufacturing facilities, ensuring full compliance with international, local, and industry-specific laws, regulations and best practices • Our Group-wide Safety and Health Policy establishes clear standards and purpose-driven practices for injury prevention, emergency preparedness, response protocols and ongoing safety education to maintain consistency across all sites • Regular site assessments are conducted to timely identify potential hazards and implement effective mitigation measures • We foster a culture of shared responsibility for safety through employee involvement in initiatives and encourage proactive incident reporting • We provide regular occupational safety and health training programmes to keep our workforce informed of the latest best practices

Our Material Matters

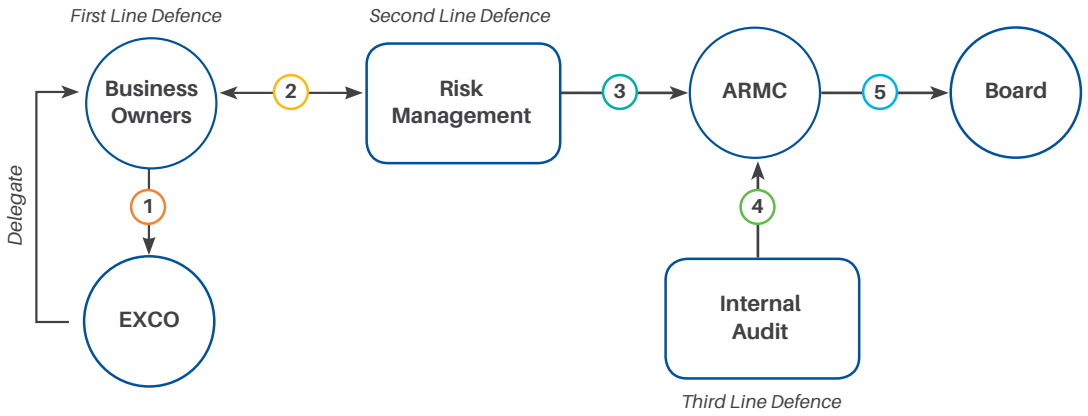
Material Matters	Capitals, Stakeholders and Drivers of Growth Impacted	Description
		• Our employees benefit from regular physical and mental health initiatives, complemented by free health screenings to support early detection and treatment of certain diseases *Read more* *Occupational Safety and Health > p. 68 of our Sustainability Report 2026* *Read our full suite of Group-wide policies on our corporate website*
Governance & Compliance	Capitals Impacted:  Stakeholders Involved:  Drivers of Growth Impacted: 	• Strong oversight of our processes ensures that our corporate values are consistently upheld across all Group entities as we expand into new regions • To achieve excellence in corporate governance, we have implemented an integrated governance structure that fosters collaboration and consolidates input from various business divisions and subsidiaries, facilitating informed decision-making across the organisation • This integrated governance framework is led by our EXCO, which oversees strategic planning, resource allocation, governance practices, stakeholder engagement and community initiatives, among other key areas • Our EXCO members also play essential roles within division-level governance structures, ensuring effective execution of strategies and alignment of actions with our overall objectives • We adhere to all applicable international, local, industry-specific and occupation-specific laws and regulations, while remaining vigilant to regulatory changes to maintain full compliance • Our comprehensive Group-wide policies, including our Code of Ethics and Code of Conduct for Suppliers, outline our commitment and approach to ethical and responsible business practices, ensuring we uphold high standards across our business and supply chain *Read more* *Our Corporate Governance – Our Integrated Governance Structure > p. 90* *Key Risks and Mitigation – Regulatory & Compliance > p. 53* *Responsible Business Conduct and Governance > p. 32 of our Sustainability Report 2026* *Read our full suite of Group-wide policies on our corporate website*

Key Risks and Mitigation

Guided by the principles of ISO 31000:2018 Risk Management – Guidelines, our Enterprise Risk Management ("ERM") Framework adopts a forward-looking approach to identify and manage significant and emerging risks that could impact our business objectives and stakeholders' interests. Our framework fosters a risk-aware culture through the integration of risk management process into the day-to-day operational activities across our diverse businesses.

Our ERM Framework is supported by a governance structure incorporating the "Three Lines of Defence" model and a structured risk management process to support the identification and management of risks across the Group. The following diagrams illustrate our Risk Management Governance Structure and Risk Management Process.

RISK MANAGEMENT GOVERNANCE STRUCTURE



Business Owners (First Line Defence)	1	Identify, assess, evaluate and manage risks, implement mitigation measures, and report to the EXCO
Risk Management (Second Line Defence)	2	Facilitates risk management framework integration and supports Business Owners in discharging their responsibilities
	3	Facilitates the reporting of significant and emerging risks to the ARMC
Internal Audit (Third Line Defence)	4	Provides independent and objective assurance on risk management and internal control, and reports to the ARMC
ARMC	5	Oversees risk management and internal control, reports material risk matters to the Board
Board		Oversees the risk management and internal control system, assisted by the ARMC
EXCO		Supports the Board in overseeing operations and significant risk areas

RISK MANAGEMENT PROCESS



Key Risks and Mitigation

OUR IDENTIFIED RISKS AND MITIGATION PLANS

Through our risk management framework, we have identified eight key risks that are material to our business operations. These risks, along with related opportunities, are grouped into six categories – Strategic, Operational, Financial, Compliance, Sustainability and Information Technology – and are described in detail below.

Risks/Opportunities	Description	Mitigation Plans
Environment Includes: • Climate Change • Biodiversity • Pollution (Air, Water & Land) • Waste Management • Natural Resource Utilisation • Water Security Risk Category: Sustainability Material Matters Impacted:	Risks: In view of growing climate unpredictability, shifting global consumer preferences and rapidly changing market trends, failing to embrace environmental sustainability could expose us to following risks: **Transition Risks** • Higher operational costs due to the potential introduction of an Extended Producer Responsibility ("EPR") scheme under government initiatives like the MPSR 2021–2030 • Additional costs incurred to comply with evolving environmental regulations and requirements • Higher raw material costs and supply constraints arising from sustainability requirements and demand for sustainable materials **Physical Risks** • Project and production delays, stranded assets and potential damage to inventories resulting from increasingly extreme weather events driven by climate change	• Collaborating with our customers and adopting advanced technology to consistently innovate sustainable packaging solutions in our Packaging Division that: - are recyclable; - optimise usage of materials; - prolong shelf life; and - are compostable or biodegradable • Innovating downgauged films and products that use lesser materials during production without compromising performance • Leveraging advanced technologies to improve effectiveness and efficiency of internal processes while reducing energy consumption, material use and waste • Integrating solar PV systems to reduce our carbon emissions • Continuing to develop products incorporating PCR or PIR resin • Partnering with external recycling services to transform non-recyclable waste into Processed Engineered Fuel, supporting waste diversion efforts • Applying the 3R principles to manage construction and production waste at our property sites and manufacturing plants • Expanding the use of IBS techniques across property development projects to significantly reduce raw material consumption • Conducting Environmental Impact Assessments ("EIA") at specific development sites and utilising the results to inform our Environmental Management Plans ("EMP"), minimising our impacts on local biodiversity and ecosystems • Factoring in environmental-related considerations when evaluating potential land acquisitions • Enforcing our Group-wide Environmental Policy and its guidelines to maintain consistent sustainability practices across our operations and supply chain • Nurturing sustainable living practices through community programmes, supporting long-term reductions in the overall environmental footprint of our developments • Planting mangrove trees as part of our long-term nature-based solution to support carbon sequestration and improve ecosystem resilience by protecting coastal areas from storm surges, erosion and flooding, thus reducing associated physical climate risks *Read more* *Product Innovation > p. 38 of our Sustainability Report 2026* *Responsible Waste Management > p. 48 of our Sustainability Report 2026* *Optimising Consumption of Materials > p. 53 of our Sustainability Report 2026* *Reducing Energy Consumption and Emissions > p. 57 of our Sustainability Report 2026* *Environmental Compliance > p. 61 of our Sustainability Report 2026*

Key Risks and Mitigation

Risks/Opportunities	Description	Mitigation Plans
Change of Market Conditions Risk Category: Strategic Material Matters Impacted:	Risks: • Rapid changes in market conditions, driven by geopolitical tensions and evolving global trade policies, may disrupt supply chains and weaken export momentum • Heightened price sensitivity shifting customer behaviours, including purchase only when essential, intensify competition and create uncertainty in market demand Opportunities: Changes in market conditions create opportunities to develop cost-effective solutions, enhance product value and strengthen our market position	• Continually investing in our capabilities and technology to optimise operational efficiency, including automation to reduce manpower reliance for repetitive tasks and strengthening quality control to minimise rework • Proactively monitoring global trade policy enactment to facilitate timely response strategies • Executing a market segmentation pricing strategy to effectively cater to the diverse needs and preferences of various customer groups • Collaborating closely with our customers to gain insights into their product requirements and future needs, enabling us to innovate and deliver tailored solutions that advance their business and sustainability goals • Leveraging our proven success records to navigate competitive markets and deliver quality products and solutions
Availability of Human Workforce & Automation Risk Category: Operational Material Matters Impacted:	Risks: Regulatory changes affecting foreign labour may create workforce shortages, resulting in decreased productivity and increased costs that could disrupt our time-critical operations and delay deliveries Opportunities: Adopting automation technologies enables us to streamline our operations, accelerate production and improve efficiency, thereby reducing the impact of labour shortages	• Attracting and retaining skilled talent to continuously support our long-term goals through: - competitive remuneration packages; - industry-relevant training modules and programmes; and - an employee reward system that incentivises high-performing employees - conducive and safe working environment • Investing in automation within our manufacturing facilities to enhance productivity and mitigate labour shortages • Utilising the IBS construction method across all Property Division projects to boost efficiency and optimise our workforce • Prioritising offering job opportunities to local communities within the vicinity of our manufacturing plants and property development sites • Engaging trusted recruitment partners to fulfil our additional labour requirements, particularly for dependable foreign workers *Read more* *Operational Review – Packaging Division > p. 61* *Providing Affordable Housing > p. 35 of our Sustainability Report 2026* *Product Innovation > p. 38 of our Sustainability Report 2026* *Occupational Safety and Health > p. 68 of our Sustainability Report 2026* *Empowering Our People > p. 74 of our Sustainability Report 2026*

Key Risks and Mitigation

Risks/Opportunities	Description	Mitigation Plans
Cybersecurity Risk Category: Information Technology Material Matters Impacted:	Risks: • Reliance on digital technologies to manage production, distribution and sales exposes us to cyberattacks, which can disrupt our operations via system outages, data breaches and service interruptions • These disruptions may cause delays in production and distribution functions, compromising our commitment to meet critical deadlines and fulfil customer orders	• Promoting employee awareness of IT security responsibilities through a detailed handbook and policy that: - complies with Malaysia's Personal Data Protection Act 2010; - communicates our cybersecurity approach; and - outlines clear response measures for security breaches • Engaging hardware and software professionals through internal recruitment and collaboration with reputable external agencies to stay abreast with cybersecurity advancements • Performing regular system health assessments and security updates, supported by our specialised IT personnel • Conducting annual review of our cybersecurity protocols to proactively address emerging threats and continuously strengthen data and systems protection • Establishing comprehensive data backup, data restoration, and disaster recovery plans to minimise operational disruptions and prevent data loss
Cost & Supply of Raw Materials Risk Category: Operational Material Matters Impacted:	Risks: • Raw material prices may fluctuate due to various factors, such as market demand, supply disruptions and geopolitical events • Unforeseen extensions of delivery lead times for overseas-sourced materials may affect our commitment to timely product delivery to customers Opportunities: • Volatility in raw material markets encourages us to diversify our supplier base and explore strategic sourcing from more cost-effective regions, potentially enhancing our pricing competitiveness • Encourage continuous innovation in raw material use and applications to reduce costs, enhance product sustainability and minimise reliance on conventional raw material sources	• Continuous close monitoring of raw material prices and stock levels to anticipate supply and demand changes, enabling prompt market responses • Optimising production planning and raw material allocation across our manufacturing plants enables us to centralise raw material procurement, thereby maximising economies of scale, reducing costs and managing price fluctuations effectively • Applying a 'just-in-time' purchasing approach to minimise inventory holding costs while ensuring sufficient stock for timely production and delivery • Broadening our supplier base to mitigate risks associated with reliance on specific suppliers or materials without compromising our quality standards • Continuously explore and adopt alternative and recycled raw materials, where feasible, to reduce material costs, enhance product sustainability and minimise reliance on single-source suppliers
Employee and Contractor Safety & Health	Risks: Workplace accidents, incidents or exposure to occupational health hazards may result in injuries to employees and contractors, thereby adversely affecting our employee morale and our Company's reputation	• Maintaining full compliance with all relevant international, local, industry-specific and occupation-specific safety and health laws and regulations • Upholding our Group-wide Safety and Health Policy to ensure consistent safety practices

Key Risks and Mitigation

Risks/Opportunities	Description	Mitigation Plans
Risk Category: Operational Material Matters Impacted:	Opportunities: Building a safety-centric culture and maintaining a secure working environment through a structured management system that promotes adherence to safety and health compliance, leading to improved productivity and operational efficiency	• Deploying Emergency Response Teams at each worksite to promptly handle incidents • Exercising effective safety and health supervision at all worksites and manufacturing plants through dedicated Occupational Safety and Health Administration ("OSHA") Committees and structured management systems • Providing our employees with tailored and up-to-date safety requirement training programmes to effectively address safety and health concerns • Encouraging our employees to raise safety and health concerns through worksite OSHA Committees • Improving employee safety in our Property Division by adopting the IBS construction technique and utilising self-climbing platforms • Leveraging automation, advanced technologies and machinery in our manufacturing facilities to minimise human exposure to potentially hazardous processes ***Read more*** *Our Material Matters – Employee Safety & Health > p. 47* *Occupational Safety and Health > p. 68 of our Sustainability Report 2026* *Empowering Our People > p. 74 of our Sustainability Report 2026*
Foreign Currency Exchange Rate Fluctuation Risk Category: Financial Material Matters Impacted:	Risks: With the majority of our raw materials sourced internationally and priced primarily in foreign currencies like USD, exchange rate fluctuations can cause our input costs to vary unpredictably, potentially increasing our production costs and impacting our ability to meet financial targets	• Reducing the risks of exchange rate fluctuations by adopting a natural hedging approach, which involves denominating export product sales in the relevant foreign currencies
Regulatory & Compliance Risk Category: Compliance Material Matters Impacted:	Risks: Failure to keep up with evolving requirements and laws across our global footprint may result in delivery disruptions, regulatory penalties, reputational damage, financial losses or operational suspensions in certain countries Opportunities: Adopting transparent corporate governance aligned with international best practices can strengthen our reputation among shareholders, attract increased investment and bolster our market standing	• Maintaining full compliance with all relevant international, local, industry-specific and occupation-specific laws and regulations • Deploying a dedicated, specialised team to oversee statutory compliance and monitor updates in regulations and legislation • Partnering with internal and external experts to ensure statutory compliance • Maintaining a strong, integrated governance structure to oversee compliance across all operations • Implementing Group-wide policies on critical matters such as Anti-Bribery and Anti-Corruption ("ABAC"), sustainability and ethical business conduct to promote uniformity and collective responsibility throughout our workforce and supply chain ***Read more*** *Our Material Matters – Governance & Compliance > p. 48* *Responsible Business Conduct and Governance > p. 32 of our Sustainability Report 2026*

Our Strategic Business Approach

PACKAGING DIVISION

Key Business Process	Competitive Advantages	Business Strategies
DEVELOP	• Integrated expertise across the packaging value chain • Ongoing investments in advanced and sustainable machinery and technology • Cutting-edge innovation centres dedicated to R&D • Long-standing collaborative relationships with customers	• Utilise our integrated expertise across the packaging value chain to seize new market opportunities, particularly by being the first to develop specialised films and multi-layered packaging solutions not yet available in the region • Intensify efforts to create downgauged films and recyclable FPP structures, while increasing the use of recycled resin in production • Enhance our testing capabilities and internal quality assurance processes to further improve product quality • Maintain close collaboration with customers in the development of innovative products and solutions
PROCURE	• Centralised purchasing function that enhances economies of scale in procurement • Strong reputation and well-established presence in the market • Long-standing relationships with suppliers	• Strengthen relationships with suppliers and diversify our supplier base to better manage raw material costs and mitigate supply fluctuations • Optimise the 'just-in-time' purchasing function to reduce raw material cost volatility and minimise storage duration through efficient inventory management systems
PRODUCE	• Integrated ERP system embedded across operations • Broad range of machinery offering diverse capabilities • Efficient factory floor layouts • Diverse production capabilities across our manufacturing network	• Optimise machine deployment across our manufacturing network to enhance production efficiency and achieve greater economies of scale • Improve factory layouts, machine run-time planning and ERP systems to boost production efficiency • Continue to explore and adopt process innovations, such as automation, energy-efficient technologies and renewable energy sources, to reduce environmental impact while enhancing production efficiencies • Utilise recycled resin in production to reduce dependence on virgin resins and reinforce our commitment to a circular plastics economy
SELL	• Strong and established global market presence • Over 50 years of proven industry experience • Extensive industry networks • Globally recognised and respected certifications • Highly experienced sales team • Long-standing customer relationships	• Leverage our global presence to expedite customer deliveries • Strengthen price competitiveness through economies of scale • Fast-track product innovation to deliver value-added offerings that align with customer requirements • Identify growth opportunities in current sectors while actively expanding to seize new market potential

Drivers Of Growth

We leverage and continually strengthen our competitive advantages across our key business processes, executing focused strategic initiatives that drive growth. These initiatives support our Drivers of Growth, strengthening our organisational foundation and enhancing our ability to navigate challenges, pursue new opportunities and advance our business ambitions.

PROPERTY DIVISION

CAPACITY
Increasing production capacity and sales volumes

EFFICIENCY
Improving production and construction efficiencies

PRODUCT VALUE
Enhancing the value of our products to our customers

Key Business Process	Competitive Advantages	Business Strategies
ACQUIRE	• Solid financial standing • Dedicated team for land bank acquisitions • Extensive expertise and understanding of Malaysia's affordable housing sector	• Leverage our strong financial position to seize opportunities for expanding our land bank portfolio • Prioritise land banks and residential markets that offer swift returns on investment • Advance our 'Cross Border Development Strategy' by strengthening our presence across Peninsular Malaysia
PLAN	• Experienced and dedicated planning team • Development concepts tailored to market needs • Efficient master planning and layout strategies • Standardised house designs	• Optimise land use and house designs to maximise land bank utilisation while upholding quality standards within the affordable housing sector • Promote best practices through knowledge sharing across departments and projects • Embed community development in the planning stage, including allocating space for community activities, establishing commercial zones to boost job creation, and developing infrastructure to improve connectivity with major population centres
LAUNCH	• Proven brand in Malaysia's affordable housing sector • Effective and reliable launch and marketing strategies • Extensive customer database	• Continue leveraging the use of digital and social media campaigns to connect with diverse segments of society • Formulate strategies to boost brand recognition further • Persist in offering appealing packages and timely promotions that align with consumer trends • Foster relationships with media and government representatives to improve collaboration and brand visibility • Leverage our in-house Knowledge Management System for effective database management and to optimise lead follow-up and conversion
BUILD	• Standardised quality house designs • Proven track record in effective IBS utilisation • Centralised purchasing function • Long-standing relationships with experienced suppliers and contractors	• Continue utilising IBS to boost construction efficiency and optimise product quality, while minimising resource consumption and costs • Regularly assess house designs to increase uniformity and elevate end-product quality • Strengthen partnerships with reliable contractors and suppliers for timely, cost-effective access to key materials and specialised expertise

Financial Performance Review

STEADY RESULTS DESPITE HEADWINDS

GROUP FINANCIAL PERFORMANCE OVERVIEW			
Description	**FY2026 RM'000**	**FY2025 RM'000**	**Change (%)**
Revenue	4,813,019	4,517,709	+ 6.5
Profit Before Tax ("PBT")	864,803	735,254	+ 17.6
Net Profit	620,170	530,750	+ 16.8

The Group delivered a strong financial performance in FY2026, achieving new highs in revenue and profitability as both the Packaging and Property Divisions recorded improved results during the year.

Revenue increased by 6.5% to RM4.81 billion, preserving our track record of consistent annual revenue growth, while PBT rose by 17.6% to a record RM864.8 million. Supported by enhanced operational performance across both business divisions, net profit increased by 16.8% to an all-time high of RM620.2 million.

DIVISION FINANCIAL PERFORMANCE OVERVIEW			
Packaging Division	**FY2026 RM'000**	**FY2025 RM'000**	**Change (%)**
Revenue	2,610,714	2,483,771	+ 5.1
Operating Profit	257,416	149,756	+ 71.9

Property Division	**FY2026 RM'000**	**FY2025 RM'000**	**Change (%)**
Revenue	2,202,305	2,033,938	+ 8.3
Operating Profit	624,095	592,308	+ 5.4

PACKAGING DIVISION

The Packaging Division staged a strong rebound in FY2026, with revenue increasing by 5.1% to RM2.61 billion, from RM2.48 billion in the previous year. Operating profit improved significantly by 71.9% to RM257.4 million, compared with RM149.8 million in FY2025.

The improved performance was driven by higher sales volumes and selling prices across both the industrial and consumer packaging segments. This reflected improved market sentiment compared to the previous financial year, while margins also benefited from prevailing market conditions, optimisation of our product mix and continued improvements in operational efficiency.

Nevertheless, challenges persisted in the operating environment amid geopolitical tensions and broader global uncertainties, which contributed to volatility in energy and raw material prices as well as logistics disruptions. Against this backdrop, we remained focused on maintaining operational stability and ensuring reliable supply to our customers.

Close and continuous customer engagement also enabled us to better manage fluctuations in demand and respond with agility to shifting market conditions and supply chain uncertainties. At the same time, we continued to place emphasis on strengthening cost management and operational efficiency to strengthen our competitiveness.

PROPERTY DIVISION

The Property Division maintained its growth momentum in FY2026, with revenue rising by 8.3% to RM2.20 billion, compared with RM2.03 billion in FY2025. Operating profit increased by 5.4% to RM624.1 million, from RM592.3 million in the previous year.

The improved performance was primarily driven by higher sales, with the division achieving a record number of units sold during FY2026. All ongoing projects recorded steady construction progress during the year, while new launches across the Southern, Northern, Central and Melaka regions continued to record strong take-up rates.

Demand within the affordable housing segment remains healthy, underpinned by a strong development pipeline and stable market outlook. The positive response to our latest township launches reflects the sustained demand for our developments and provides a solid foundation for future sales and development.

Having completed 47,846 affordable homes across Peninsular Malaysia as of FY2026, our focus moving forward remains on rolling out more launches across our latest townships as we progress steadily towards our goal of completing 50,000 affordable homes by 2028.

GROUP FINANCIAL POSITION

The Group's financial position remains stable, with total assets increasing to RM8.25 billion, from RM8.07 billion in FY2025. The increase was primarily attributable to higher current assets in line with business growth across both the Packaging and Property Divisions.

Total equity attributable to owners of the Company increased to RM4.51 billion, from RM4.12 billion in the previous year. The increase was mainly contributed by FY2026 net profit of RM620.2 million, partially offset by dividend payments of RM186.8 million, a foreign exchange translation loss of RM11.8 million and RM26.7 million arising from the share capital reduction ("SCR") exercise undertaken by a subsidiary.

GROUP CASH FLOW

Description	FY2026 RM'000	FY2025 RM'000
Net Operating Cash Generated	843,867	909,081
Net Borrowings	1,693,340	1,994,583
Equity Attributable to Owners of the Company	4,510,189	4,123,902
Net Gearing Ratio (times)	0.38	0.48

The Group continued to generate healthy operating cash flows in FY2026, recording RM843.9 million in net cash generated from operating activities.

Net cash outflow from investing activities amounted to RM132.1 million, mainly attributable to capital expenditure for property, plant and machinery. Meanwhile, net cash outflows from financing activities primarily comprised dividend payments of RM198.1 million, a RM133.6 million share capital reduction by a subsidiary, net repayment of short-term borrowings of RM389.0 million and finance cost payments of RM75.8 million.

The Group's net gearing ratio improved from 0.48 times to 0.38 times in FY2026, reflecting the Group's continued focus on maintaining a healthy financial position while supporting ongoing business requirements and our long-term growth.

Returns to Shareholders

In line with our commitment to delivering consistent returns, the Group declared a single-tier interim dividend of 6 sen per ordinary share, which was paid on 17 July 2026. The Board has also recommended a single-tier final dividend of 6 sen per ordinary share, subject to shareholders' approval at the forthcoming Annual General Meeting.

Together, this represents a total dividend of 12 sen per ordinary share for FY2026, amounting to approximately RM186.8 million and representing 30.1% of the Group's net profit for the year.

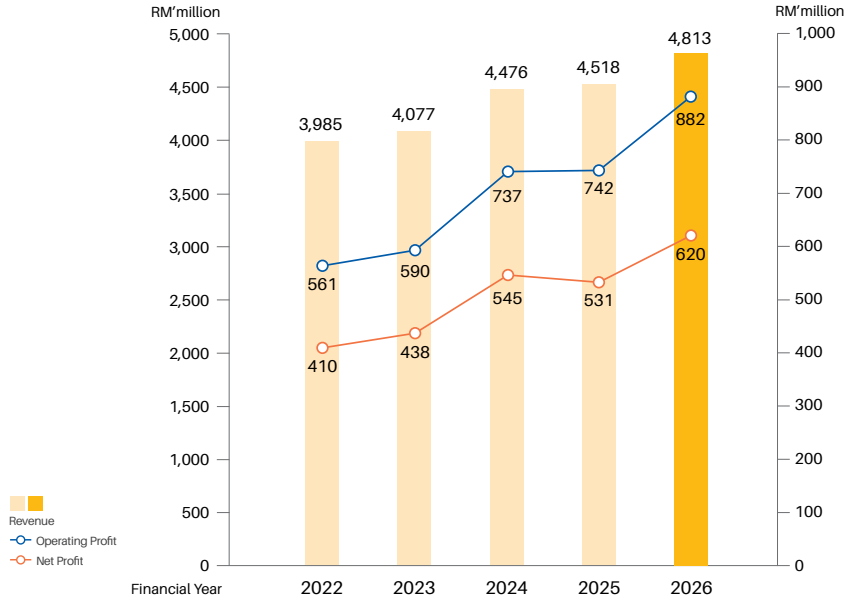
5-Year Financial Highlights

Financial year ended 31 July	2026 RM '000	2025 RM '000	2024 RM '000	2023 RM '000	2022 RM '000
Results					
Revenue	4,813,019	4,517,709	4,475,599	4,076,896	3,985,318
Operating Profit	881,511	742,064	736,534	589,598	561,042
EBITDA	1,033,523	895,625	883,556	726,077	683,207
Profit Before Taxation	864,803	735,254	728,883	568,667	548,307
Profit After Taxation	657,699	565,103	569,185	448,941	432,597
Net Profit	620,170	530,750	545,209	438,141	409,874
Group Assets					
Non-current Assets	5,398,225	5,520,630	3,754,985	3,438,753	3,582,302
Current Assets	2,854,780	2,548,327	2,398,644	2,066,462	1,892,253
Total Assets Employed	8,253,005	8,068,957	6,153,629	5,505,215	5,474,555
Financed by					
Share Capital	727,281	727,244	705,744	705,009	704,799
Reserves	3,782,908	3,396,658	3,070,451	2,687,209	2,404,797
Equity attributable to owners of the Company	4,510,189	4,123,902	3,776,195	3,392,218	3,109,596
Non-controlling Interests	163,796	261,158	235,044	214,127	198,062
Current Liabilities	2,286,048	2,462,942	1,916,924	1,680,775	1,782,023
Non-current Liabilities	1,292,972	1,220,955	225,466	218,095	384,874
Total Funds Employed	8,253,005	8,068,957	6,153,629	5,505,215	5,474,555
Performance Indicators					
Earnings Per Share (Sen)	39.85	34.13	35.15	28.25	26.43
Net Dividend Per Share (Sen)	12.00#	12.00	12.00	10.00	9.00
Net Assets Per Share (RM)	2.90	2.65	2.43	2.19	2.00
Net Gearing Ratio (Times)	0.38	0.48	0.18	0.20	0.32
Return on Equity (%)	13.75	12.87	14.44	12.92	13.18
Net Operating Cash Flow (RM'000)	843,867	909,081	859,130	804,792	738,288

Includes a single-tier final dividend of 6 sen per ordinary share proposed for shareholders' approval.

5-Year Financial Highlights

REVENUE FY2026 RM4.8 billion

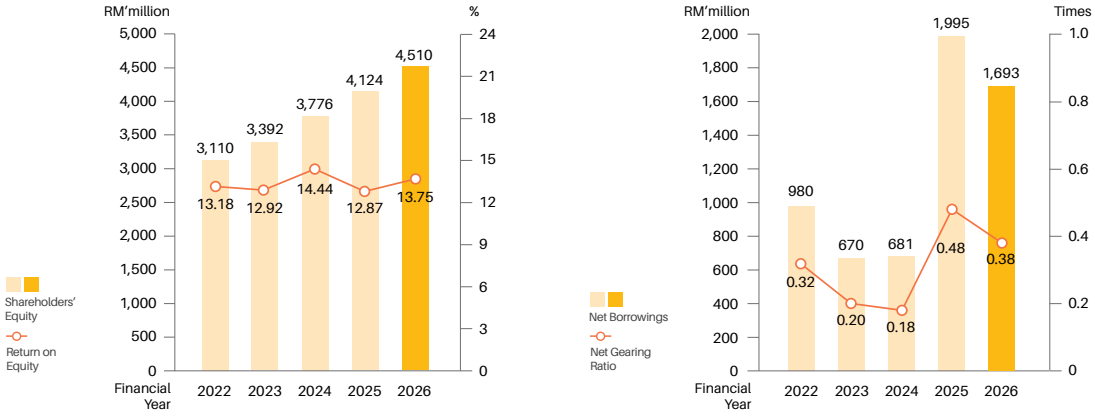


RETURN ON EQUITY FY2026 13.75%

SHAREHOLDERS' EQUITY FY2026 RM4.5 billion

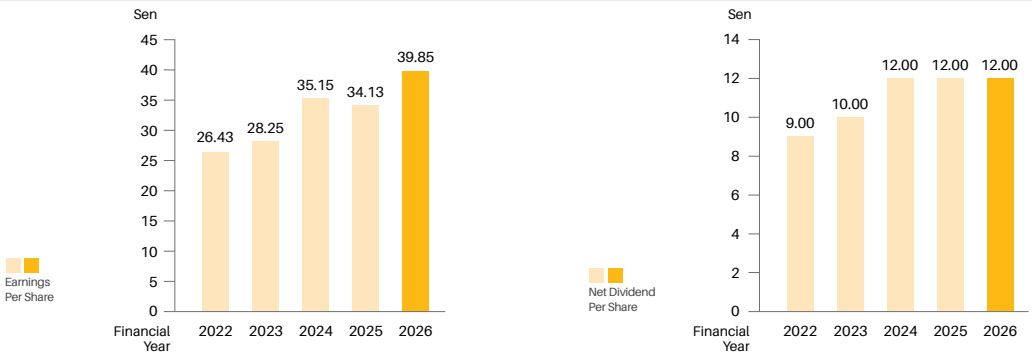
NET GEARING RATIO FY2026 0.38 times

NET BORROWINGS FY2026 1.7 billion

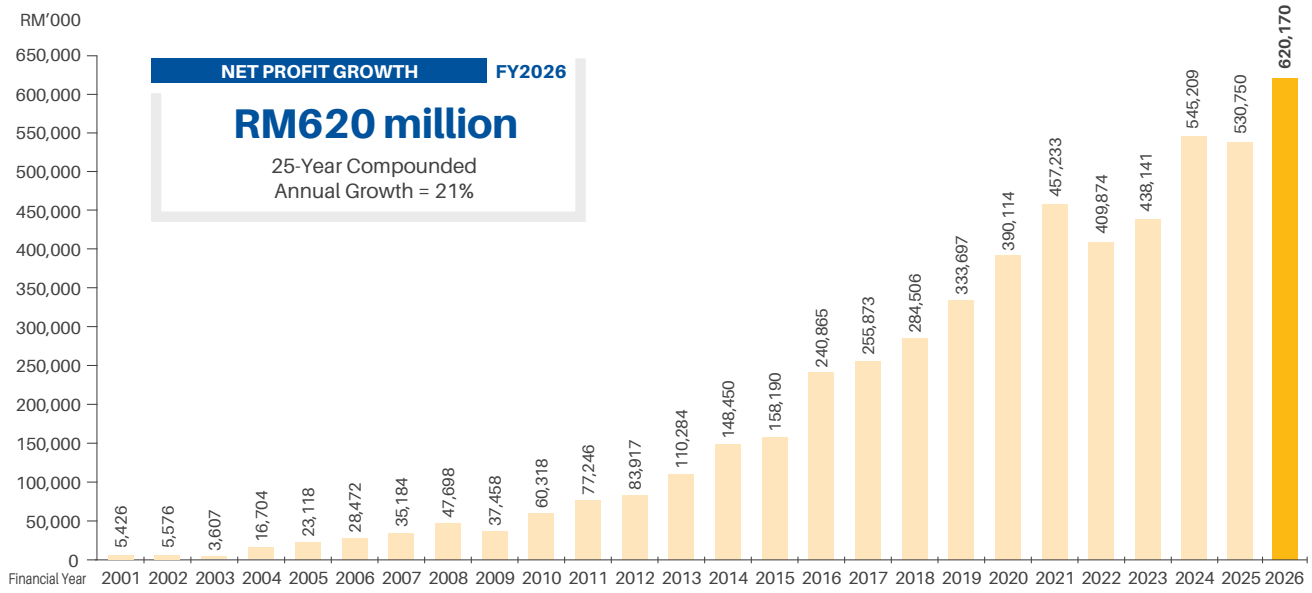


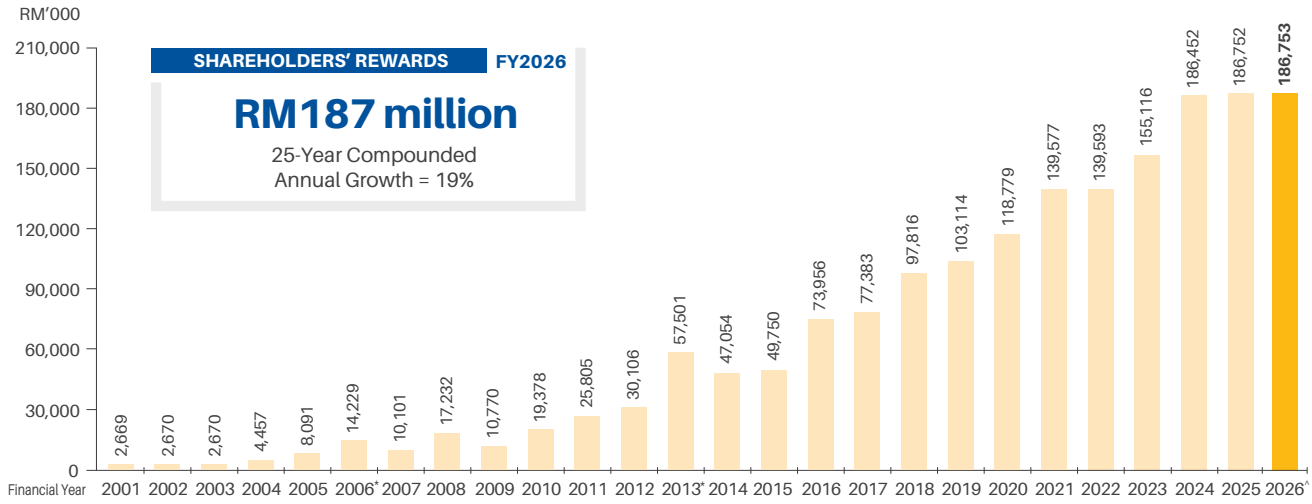
EARNINGS PER SHARE FY2026 39.85 sen

NET DIVIDEND PER SHARE FY2026 12.00 sen

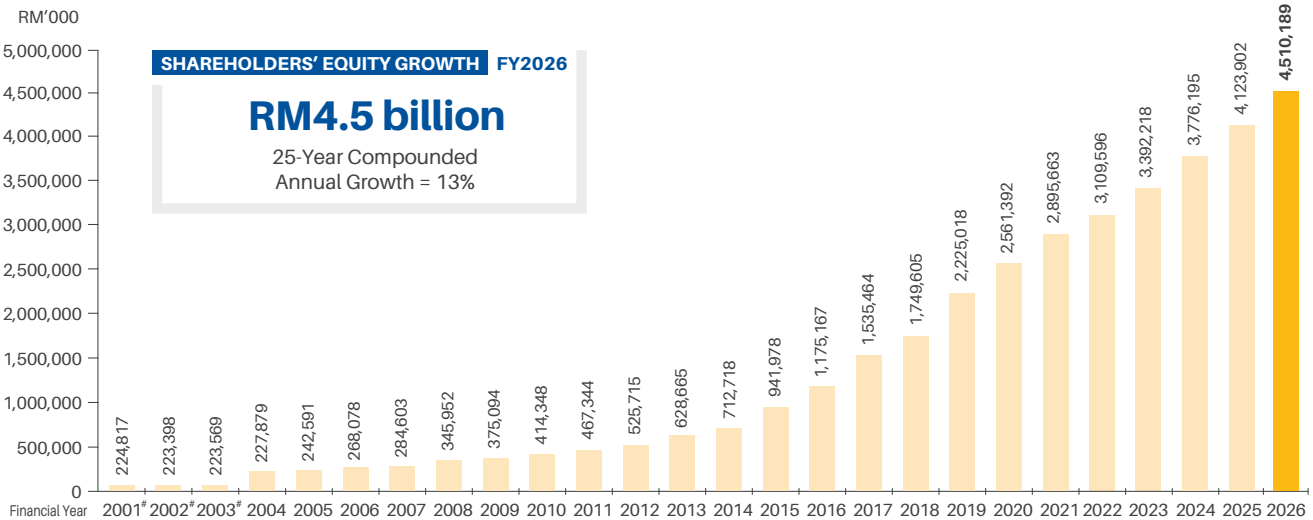


Scientex Performance Record





* *Includes a special dividend of RM4.8m in FY2006 and RM22.1m in FY2013.*
^ *Includes a single-tier final dividend of 6 sen per ordinary share proposed for shareholders' approval.*

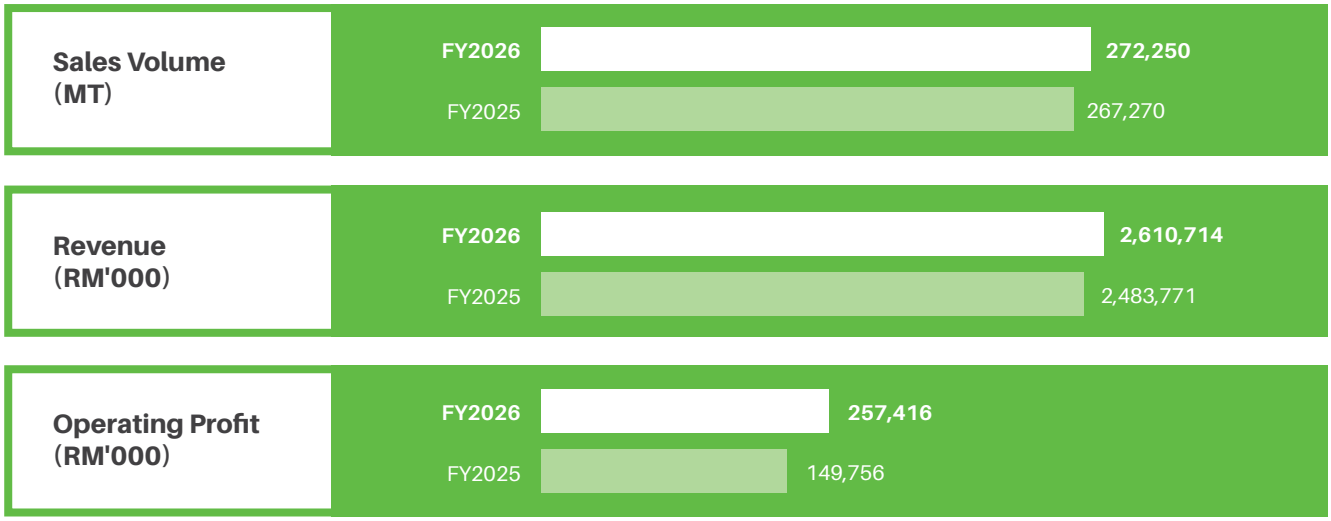


\# *The figures have been restated for consistency.*

Operational Review > Packaging Division

NAVIGATING HEADWINDS TO DELIVER A STRONGER PERFORMANCE

FY2026 was a mixed year for our Packaging Division, with persistent competition, economic and geopolitical pressures continuing to shape a challenging operating environment. Nevertheless, improving market sentiment and stronger sales delivery, together with our continued focus on operational efficiency and product mix optimisation, enabled us to deliver a strong financial performance.



Global packaging markets remained challenging throughout FY2026, shaped by intense industry competition, inflationary pressures, foreign currency volatility and broader global uncertainties. Ongoing geopolitical tensions and conflicts in the Middle East added further uncertainty in the second half of the financial year, contributing to volatility in energy and raw material prices as well as continued pressures on global supply chains and logistics.

Despite these challenges, improved market sentiment and demand supported a stronger performance during the year. Higher sales volumes and selling prices across both our industrial and consumer packaging segments contributed to higher revenue. Operating profit also improved, supported by stronger margins, a more optimised product mix and continued improvements in operational efficiency.

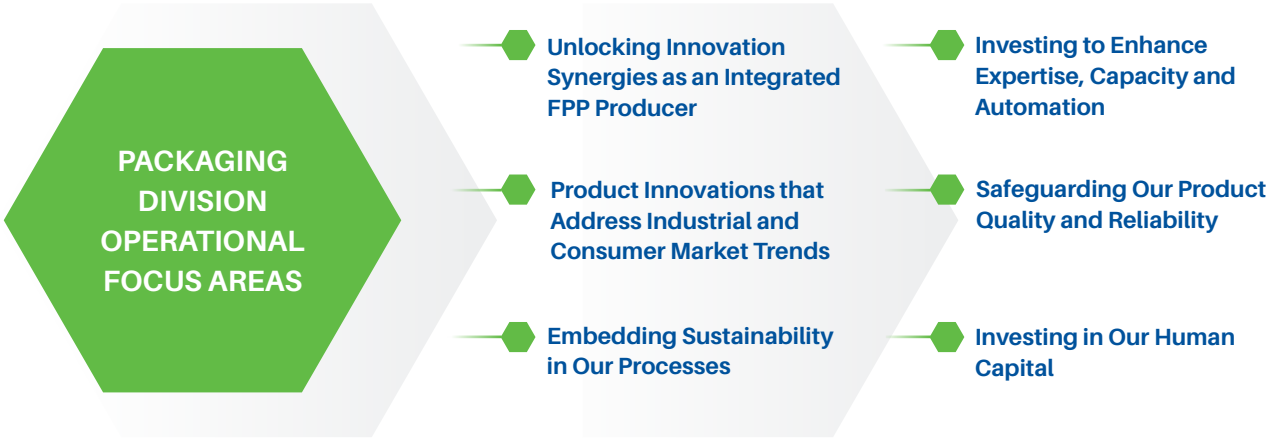
While uncertainties in the market environment persist, future prospects for the plastic packaging sector remain positive. Leveraging our synergies as an integrated packaging producer and advanced innovation capabilities, we remain well-positioned to capitalise on growth opportunities while navigating future challenges.

Advancing Our Operational Focus Areas

To support the continued growth of our Packaging Division, we remain guided by six key operational focus areas that underpin our Drivers of Growth (see p. 36 for details). Through these focus areas, we seek to unlock synergies across our operations, drive innovation, enhance efficiency and capacity, thereby strengthening the fundamentals needed to remain competitive in an evolving global packaging market.

Operational Review > Packaging Division

This operational review outlines our FY2026 progress and initiatives across these six focus areas.



FOCUS AREA #1: Unlocking Innovation Synergies as an Integrated FPP Producer

As an integrated packaging producer with capabilities spanning both industrial and consumer packaging, we continue to leverage synergies across our operations to strengthen our competitive advantage. Our in-house expertise enables us to develop FPP structures from base films through to complete customised solutions, while working closely with brand owners to develop packaging that meets their functionality, quality and sustainability requirements.

Our 'Choose and Focus' strategy remains central to enhancing operational efficiency across the Division. By strategically optimising the allocation of production across our manufacturing network, we seek to improve operational efficiency and achieve greater economies of scale. This approach also streamlines our processes and enhances our agility in responding to changing market trends.

At the same time, we maintain operational continuity arrangements that identify backup manufacturing facilities across our network, helping us provide customers with a consistent and uninterrupted supply.

We also regularly review our portfolio and allocate resources towards initiatives that enhance our growth potential. In FY2026, the Group privatised Scientex Packaging (Ayer Keroh) Berhad, enabling us to consolidate and streamline our packaging manufacturing operations, supporting more streamlined resource allocation and management oversight.

Looking ahead, we will continue to explore opportunities in areas that provide access to new markets for our existing products, as well as technologies that complement and strengthen our existing portfolio.

FOCUS AREA #2: Product Innovations that Address Industrial and Consumer Market Trends

Innovation remains integral to our ability to respond to evolving market requirements and strengthen our competitive position across both our Industrial and Consumer packaging segments. Through close collaboration with customers and continued investment in R&D, we develop high-performance packaging solutions that meet both market demands and broader business priorities.

In FY2026, we undertook 222 R&D projects and successfully commercialised 42 innovations, reflecting our continued commitment to developing value-added solutions across our packaging portfolio.



In FY2026, we undertook
222 R&D projects
and successfully
commercialised
42 innovations

INDUSTRIAL PACKAGING PRODUCT INNOVATIONS

Our industrial packaging solutions serve customers across a diverse range of sectors, including petrochemical, oleochemical, logistics and warehousing. We continue to innovate to enhance the protective qualities and

physical performance of our products, ensuring the safe transportation of goods over long distances. At the same time, we are committed to reducing resource usage without compromising quality or performance, supporting lower environmental impact and appealing to customers who prioritise sustainability.

Resource-efficient stretch film

Stretch film plays an important role in global logistics, providing secure pallet wrapping to minimise product damage and wastage. We continue to downgauge and enhance our stretch film solutions to deliver improved quality and performance while progressively reducing their material footprint.

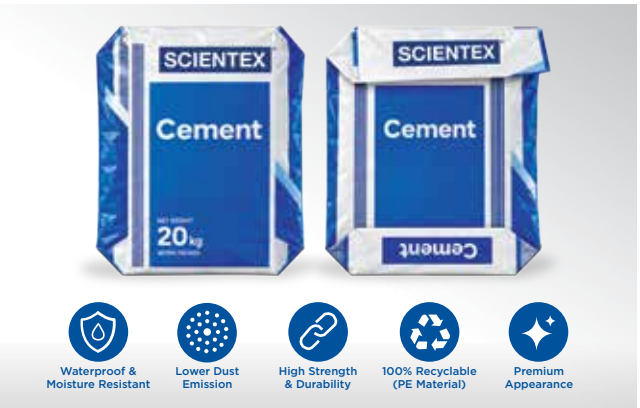
Our Nano Ultra XE stretch film exemplifies these efforts. Certified under the EUMOS 40509:2020 standard by the European Safe Logistics Association, it meets stringent durability requirements for road transport, while its highly stretchable design reduces material usage by up to 50% compared with conventional machine wrap films. Building on this innovation, we commercialised the 9-micron Nano Ultra XE-9 for high-speed wrapping machines, delivering further material efficiency while maintaining performance.

In the manual hand-roll segment, our ultra-thin 4.5-micron stretch film with a reinforced edge similarly combines material efficiency with the required quality and performance.

Specialised and Innovative Packaging Solutions

For delicate products, such as fine powders and moisture-sensitive materials, we continue to develop specialised packaging solutions that provide the necessary protection while addressing customers' operational and sustainability requirements.

Our trademarked Ventiflex range includes heavy-duty, sift-proof packaging solutions for such delicate products. Building on our established recyclable variants – Ventiflex Form-Fill-Seal ("FFS") for automated form-fill-seal machines and Ventiflex Valve Sack ("VS") with a self-closing check valve for PE valve bags – we have further enhanced the range through downgauging to reduce material usage while maintaining performance. Compared with conventional paper valve bags, our Ventiflex PE valve bags offer a more sustainable alternative without compromising performance, while also supporting more efficient handling and logistics.



Ventiflex PE valve bags: A recyclable alternative to conventional paper valve bags

We also offer aluminium-plastic composite barrier bags designed to protect sensitive products against oxygen, water vapour and odour. Their three-layer construction combines aluminium-sandwiched PE films to provide mechanical strength across a broad temperature range, excellent barrier properties and heat-sealing performance required for delicate applications.

In FY2026, we were also among the first in Southeast Asia to offer a printed stretch hood that combines product protection with enhanced branding and product visibility. Developed with high-resolution flexographic printing, the solution enables customers to customise their packaging while providing clear product identification and traceability. Its printed surface also enhances visual appeal, supporting customers in strengthening brand visibility across their supply chains.



Illustration of our printed stretch hood with branding and QR code printing

Industrial Products with Recycled Resin Content

We continued to expand our range of industrial packaging incorporating recycled resin in FY2026, working closely with customers, raw material suppliers and recycling partners to

Operational Review > Packaging Division

develop solutions that support circularity while meeting required performance standards.

Our existing solutions include sustainable coated PP strapping bands made from PIR resin recycled from plastic trimmings generated during our metallised and printed film manufacturing processes. We also offer various low-density polyethylene ("LDPE") shrink films incorporating PIR or PCR resin for aluminium can and polyethylene terephthalate ("PET") bottle packaging.

Several notable new innovations were commercialised in FY2026. These included plain LDPE stretch hoods containing 30% chemically recycled PCR resin for a leading global specialty chemicals company, manufactured at our ISCC PLUS-certified facility. We also expanded our Ventiflex portfolio with an open-top valve sack incorporating 50% chemically recycled PCR for a leading global chemical company.

Close engagement with our existing customers continues to drive innovation across our portfolio. In an earlier initiative, we maintained a closed-loop arrangement with a raw material supplier to recycle FFS packaging used to deliver raw materials to us. The used packaging is collected and recycled into new FFS packaging containing 30% PCR resin for the supplier, strengthening our customer-supplier relationship while contributing to greater circularity in plastic use.

Building on these efforts, we further collaborated with a plastic recycler in FY2026 to develop FFS packaging incorporating 40% PCR resin content. We also worked with another existing customer to develop a Ventiflex valve sack containing 30% PCR resin, further extending the application of recycled materials across our industrial packaging portfolio.

These developments broaden our range of recycled-content industrial packaging solutions and demonstrate our ability to tailor products to customers' evolving sustainability and performance requirements.

CONSUMER PACKAGING PRODUCT INNOVATIONS

Our consumer packaging business continues to be guided by a strategy of being responsive to evolving market trends. We work closely with F&B and FMCG brand owners to develop FPP solutions that combine performance, convenience, resource efficiency and recyclability. By understanding our customers' evolving requirements, we are able to develop customised solutions that address both their packaging needs and broader sustainability and business objectives.

Recyclable alternatives that support our customers' sustainability agenda

As Malaysia's first mover in developing mono-material laminate packaging, we continue to advance solutions that support the transition towards a circular plastics economy while broadening their applications across different product categories. Leveraging our in-house capabilities and close collaboration with customers, we have developed sustainable mono-material, multi-layered laminated FPP structures for a diverse range of products.

These include solutions with metallised properties for a variety of packaging applications, including snacks, cereals, oats, powdered drinks and chocolate bars, eliminating the need for PET content while maintaining the required packaging functionality. The solutions are available in various formats, including gusseted bags, pillow pouches, three-side seal pouches and cold-seal bar wrappers, providing versatility across different product requirements.

When designing our mono-material multi-layered laminated FPP innovations, we aim to fulfil customers' specific functional needs. For example, our recyclable mono-material chocolate bar wrapper incorporates a cold-seal function that enables pressure sealing for heat-sensitive products, while remaining easy to open and supporting a faster, more efficient packaging process.

Innovative Solutions Tailored to Customer Needs

Beyond supporting our customers' sustainability ambitions, we work closely with them to address wider business requirements, including cost efficiency and product performance.

Among our solutions is a cost-effective packaging film specifically designed for high-speed liquid packaging machines, providing a locally sourced alternative to more costly imported films. We have also developed an affordable recyclable mono-material, multi-layered laminated gusseted bag for milk powder that combines cost efficiency with the required product performance.

For one of the world's largest F&B manufacturers, we successfully developed ice cream packaging featuring a premium decorative finish that is fully compatible with its packaging machinery, while meeting a tight development timeline to support the customer's requirements. These developments demonstrate our ability to tailor solutions to customers' specific requirements while supporting their operational and business objectives.

Consumer Packaging Solutions with Recycled Resin Content

The use of recycled plastic as an input remains an important part of our efforts to reduce reliance on virgin resin and support the circular plastics economy. We continue to incorporate recycled resin into consumer packaging solutions while meeting customers' required performance and functionality standards.

Our previously commercialised solutions include instant noodle packaging containing up to 90% PCR resin, produced at our ISCC PLUS-certified plants for an Australian customer, as well as a coffee stick pack incorporating up to 90% PCR resin for one of the world's largest F&B conglomerates. We also commercialised a kitchen towel packaging solution containing 30% PCR resin for a multinational brand.

FOCUS AREA #3: Embedding Sustainability in Our Processes

Advancing Sustainability Through Recycling

Recycling remains integral to our efforts to embed sustainability across our manufacturing processes and reduce reliance on virgin resin. We continue to recycle plastic trimmings and rejected films generated through our operations, while investing in our recycling capacities and capabilities to increase the utilisation of recycled resin across our packaging solutions.

We continue to strengthen our in-house recycling capacity through the installation of additional recycling machines across our manufacturing plants. Where feasible, we relocate our recycling equipment and redesign key processes to improve the quality of recycled resin and optimise the utilisation of PIR resin.

At one of our plants, we have also installed in-line recycling units that capture plastic trimmings directly during blown film extrusion, allowing same-category trimming waste to be recycled into cleaner, more homogeneous and higher-quality resins for reuse.

Our sustainability certifications further support the traceability of recycled materials and provide verifiable evidence of their use across our operations. Nine of our manufacturing plants hold ISCC PLUS certification, a globally recognised system that enables the traceability of recycled materials throughout the supply chain. In addition, two of our plants have also obtained Global Recycled Standard ("GRS") certification, providing independent verification of recycled material usage through chain-of-custody auditing.

Minimising Our Carbon Footprint

Improving energy efficiency remains an important part of our approach to reducing the carbon footprint of our operations and supply chain. We continue to invest in energy-efficient technologies and undertake regular monitoring and maintenance to ensure our machinery operates at optimal levels, helping to minimise downtime and optimise energy consumption.

Renewable energy also forms an important part of our approach. With rooftop solar photovoltaic ("PV") systems installed across 11 of our manufacturing plants in Malaysia, we continue to generate and utilise renewable energy to support our operations. In FY2026, these systems generated 28,791 MWh of clean electricity, equivalent to avoiding 21,305 MT of CO_2e emissions, with the Packaging Division maintaining a total installed solar capacity of 23.4 MWp.

The renewable energy generated supports our efforts to reduce reliance on conventional grid electricity and lower Scope 2 greenhouse gas ("GHG") emissions from our operations, while also contributing to reductions in Scope 3 emissions across our supply chain. This also contributes to strengthening our competitiveness by combining operational efficiency with sustainable practices.

FOCUS AREA #4: Investing to Enhance Expertise, Capacity and Automation

In line with our 'Choose and Focus' strategy, we continue to reinvest in areas that align with our business strategy and evolving market demand. In FY2026, we invested RM49.7 million in new machinery, advanced technologies, and factory enhancements and expansion, with 16 new machines commissioned. These investments strengthened our production capabilities while driving greater operational efficiency, automation and competitiveness.

In FY2026, we invested
RM49.7 million
towards advanced machinery and technologies, with
16 new machines commissioned

Operational Review > Packaging Division

The investments include, but are not limited to, automation, advanced production machinery, printing and converting machinery, quality inspection systems, and equipment for material testing. One notable investment during the year was our second Nano 67-layer Stretch Film Cast Line, enabling greater production efficiency and more efficient material usage. We also invested in a new nine-colour rotogravure printing line, enhancing printing efficiency while enabling high-resolution printed films. These initiatives further support efficient production, capacity expansion and enhanced product quality across our manufacturing operations.



A glimpse of our Nano 67-layer Stretch Film Cast Line

Digitalisation remains an important enabler of our operational efficiency. Building on initiatives to integrate customer information and upgrade our enterprise systems, we continue to enhance data management, operational control and reporting processes, thereby supporting faster and more timely decision-making.

FOCUS AREA #5: Safeguarding Our Product Quality and Reliability

Product reliability and quality remain fundamental to our operations, particularly for packaging used in food applications where stringent food safety standards apply. Our manufacturing plants that produce packaging for food have attained internationally recognised certifications, including Food Safety System Certification 22000 ("FSSC 22000"), BRC Global Standard for Food Safety and ISO 22000 – Food Safety Management. In tandem, most of our active manufacturing plants hold the ISO 9001:2015 Quality Management Systems certification, providing a robust framework for consistent quality management across our operations.

Our quality assurance processes are supported by advanced monitoring technologies, including sophisticated camera inspection systems that enable us to accurately identify defects or irregularities during the production of FPP structures. These systems are deployed across various processes, including bag-making, printing and dry lamination, enabling defects to be promptly detected and rejected products to be automatically segregated, thereby minimising the risk of defective products reaching customers.

In FY2026, we further strengthened our quality control in our printing processes through the installation of additional units. These enhancements have contributed to a reduction in printing quality issues and associated quality-related losses.

Through these measures, we continue to enhance the consistency and reliability of our products, minimise quality-related risks and uphold the high standards expected by our customers.

FOCUS AREA #6: Investing in Our Human Capital

Our people remain fundamental to our operations, and we continue to prioritise their safety, health and development. We proactively invest in technologies, workplace improvements and training that create a safer working environment, reduce physical demands on employees and support the continued development of our workforce.

As part of our approach to workplace safety, we utilise automation technologies such as fully automated raw material feeding systems and lifting manipulators to reduce the need for employees to undertake physically strenuous tasks.

Emphasis is also placed on workplace ergonomics and operational efficiency. We recently upgraded and centralised our rubber roller rack to create a safer, more ergonomic setup for loading and unloading. We have also developed an in-house mixing system with an automatic cut-off dispenser and conveyor belt, enabling bulk mixing of raw materials while minimising manual handling.

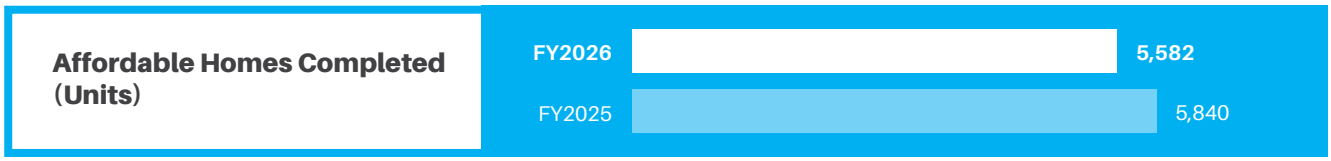
We also provide our employees with purpose-driven training and resources covering workplace safety and health (see 'Occupational Safety and Health' on p. 68 of our Sustainability Report), alongside broader learning and development initiatives that support their professional growth and develop the skills required across our operations (see 'Empowering Our People' on p. 74 of our Sustainability Report).

Alongside these initiatives, we continue to invest in building our talent pipeline through our Management Associate programme, a two-year programme that recruits fresh graduates and professionals with less than two years of experience and prepares them for future leadership roles.

Operational Review > Property Division

LEVERAGING A FAVOURABLE LANDSCAPE TO BROADEN OUR IMPACT

The Property Division delivered another year of strong revenue growth and steady construction progress in FY2026. Supported by a favourable demand landscape and government policies, alongside a healthy land bank for future development, we remain well-positioned to build on this momentum and achieve our goal of completing 50,000 affordable homes by 2028.



Total Completed Units (up to FY2026)

51,482 units

Total Completed Affordable Home Units (up to FY2026)

47,846 units

Targeted Affordable Homes To Be Completed By 2028

50,000 units

Affordable housing continued to demonstrate healthy demand in FY2026, supported by government initiatives aimed at broadening access to homeownership. Encouraging take-up rates for new launches across our key markets underscore the persistent need for more affordable housing in Malaysia, providing a positive foundation for the continued growth of our Property Division.

In FY2026, we completed 5,582 affordable homes, bringing our cumulative total to 47,846 units. This marks another significant step towards our Vision 2028 goal of completing 50,000 affordable homes and puts us firmly on track to achieve the target.

This positive operational momentum translated into another record financial performance for the Division. Revenue rose by 8.3% to a new high of RM2.20 billion, while operating profit increased by 5.4% to RM624.1 million, driven by higher sales, steady construction progress and strong take-up rates for new launches.

Our commitment to delivering quality affordable homes while advancing sustainable development also continued to earn industry recognition. During the year, we were named among the Top 10 Developers in Malaysia at the Hubexo Asia Awards 2026 (formerly the BCI Asia Awards) for the fifth consecutive year, reinforcing our standing as a leading developer of affordable homes.

Operational Review > Property Division

Preserving a Robust Land Bank to Support Growth

TOTAL LAND BANKS AS AT 31 JULY 2026
11,049 acres

TOTAL LAND BANKS DEVELOPED
4,032 acres

TOTAL LAND BANKS WITH ONGOING DEVELOPMENTS
1,053 acres

TOTAL LAND BANKS FOR FUTURE DEVELOPMENTS
5,964 acres

TOTAL LAND ACQUISITIONS COMPLETED IN FY2026
15 acres

Land Acquisitions Completed in FY2026	Acres
Jawi, Penang	15

Maintaining a sizeable and strategically located land bank is fundamental to the continued growth of our Property Division, providing us with the capacity to expand our development pipeline and respond to sustained demand for affordable housing across our key markets.

Our efforts in this area complement the Malaysian government's continued focus on increasing the supply of and access to affordable homes for middle-to-lower-income groups through various initiatives. Stable demand across our key markets presents opportunities for the Property Division to expand its quality affordable housing offerings and pursue further growth across these regions.

As at 31 July 2026, our total land bank stood at 11,049 acres, providing a sizeable foundation for the continued expansion of our Property Division. Of this, 4,032 acres have been developed, 1,053 acres are under development and 5,964 acres are available for future development. This land bank supports our ability to expand our development pipeline and respond to sustained demand for affordable housing.

By strategically managing our land bank and prioritising locations with long-term growth potential, we remain well-positioned to meet evolving market needs and sustain long-term growth. As we progress towards our Vision 2028 target of delivering 50,000 quality affordable homes, we are also working towards delivering 10,000 affordable homes annually in the near future, further supporting the government's efforts to expand homeownership accessibility.

Our Development Projects

Guided by our 'Cross Border Development Strategy', we continue to strengthen our presence across Peninsular Malaysia through the progressive development of our land bank and the expansion of our affordable housing offerings.

In FY2026, we maintained strong development and sales momentum across Johor, Melaka, Negeri Sembilan, Selangor and the Northern region, supported by new project launches and encouraging market response. The following section highlights our key developments and achievements across these regions during the financial year.

JOHOR

TOTAL LAND BANKS - 3,767 ACRES

Developed	Ongoing Developments	Future Developments
2,491 Acres	349 Acres	927 Acres

Affordable Homes Completed in FY2026	**1,767 units**
Total Affordable Homes Completed to Date	**26,203 units**



An artistic rendering of our development at Scientex Pulai 4

Operational Review > Property Division

Since first establishing our presence in Johor in 1995 with the development of Scientex Pasir Gudang, we have grown into an established property developer in the state. Our early entry has provided us with valuable market insights, operational scale and brand trust, while our continued expansion has strengthened our presence across the region.

Johor remains a cornerstone of our Property Division, supported by continued demand for housing and ongoing infrastructure investment, including the Johor Bahru-Singapore Rapid Transit System ("RTS") Link and the development of special economic zones such as the Johor-Singapore Special Economic Zone ("JS-SEZ"). With 927 acres earmarked for future development and 26,203 quality affordable homes completed to date, Johor continues to provide a strong platform for our Property Division's growth.

At Pulai, Scientex Pulai Mutiara and Scientex Pulai Mutiara 2 completed construction of their 210 and 609 Rumah Mampu Milik Johor ("RMMJ") flats, respectively. Similarly, our Taman Pulai Duta development, comprising 849 double-storey terrace homes across three phases – The Pines, The Oaks and The Oaks 2 – has also been completed. The development also saw the launch of 266 RMMJ flats at Taman Pulai Duta, priced at around RM150,000. In May 2026, we participated in the One-Stop Centre ("OCS") for RMMJ programme, where 213 of these flats were opened for balloting. The event provided successful candidates with a seamless platform to collect certificates, submit loan documents directly to bankers and check Central Credit Reference Information System ("CCRIS") reports, helping to facilitate the financing process.



Completed double-storey terrace homes at Taman Pulai Duta

Building on this momentum, we introduced Taman Pulai Duta 2 in FY2026, with Daisy, Iris and Daisy 2 comprising a total of 769 double-storey terrace homes. Daisy and Iris have recorded encouraging take-up rates of 93% and 71% respectively, while the more recently launched Daisy 2 continues to gain traction.

Meanwhile, our developments in Bandar Kulai continued to gather momentum. The 169 double-storey terrace homes launched at Tulip 2 have achieved full take-up, while 94% of the 204 double-storey terrace homes launched at Dandelion 3 have been taken up. Sales at Dandelion 3 were supported by a Bumiputera Lot Selection Event held on 3 August 2025, during which 50 units were sold. The event reflected strong demand for the development. We also launched 183 double-storey terrace homes at Tulip 3, 184 double-storey cluster homes at Sakura in June 2026, and 136 double-storey shop offices at Signature Avenue.

The past twelve months also saw further expansion of our affordable housing presence in Bandar Kulai with the launch of 382 RMMJ flats at Scientex Bandar Kulai. In February 2026, we participated in the Mega J-Home OCS for RMMJ, where 306 units were opened for balloting, further supporting homeownership opportunities for eligible buyers.



Certificate presentation during the Mega J-Home OSC for RMMJ programme

Elsewhere in Johor, we continued to broaden our presence in Senai with the launch of 690 serviced apartments at Sentrio Residence 2, while completing 99 units of RMMJ in Scientex Kota Tinggi.

With the encouraging response to our developments across Johor and close to 1,000 acres of land earmarked for future development, we are confident that the state will continue to play an important role in supporting the Property Division's long-term growth.

MELAKA (INCLUDING NEGERI SEMBILAN AND MUAR)

TOTAL LAND BANKS - 3,794 ACRES

Developed
756 Acres

Ongoing Developments
183 Acres

Future Developments
2,855 Acres

Affordable Homes Completed in FY2026	**1,298 units**
Total Affordable Homes Completed to Date	**10,775 units**



An artistic illustration of our development at Scientex Melaka

Melaka continues to provide strong growth potential for our Property Division, especially through our developments in Jasin. Together with our growing footprint across Negeri Sembilan and Muar, these provide us with a strong platform to serve demand for affordable and quality homes in the region. To date, we have completed 10,775 affordable homes across the region.

In Jasin, several established developments reached completion during the financial year, spanning a diverse range of residential and commercial offerings. At Scientex Jasin, 211 Rumah Mampu Milik ("RMM") and 281 double-storey terrace homes were completed. Within Scientex Bandar Jasin, completed developments included Camellia and Dahlia, comprising 188 double-storey cluster homes and 289 double-storey terrace homes respectively, alongside 329 RMM units and 102 double-storey shop offices. The development also saw the launch of 343 RMM double-storey terrace homes in December 2025, further expanding our affordable housing offerings.

Operational Review > Property Division

Our expansion in Negeri Sembilan continued with the launch of 384 serviced apartments in August 2025.

In Muar, we established our presence with the opening of the Scientex Muar Sales Gallery in October 2025, providing a dedicated platform to engage prospective homebuyers and showcase our offerings. We subsequently launched three new phases of Aster between May and July 2026, comprising a combined 661 double-storey terrace homes. The first two phases recorded strong take-up rates of 91% and 89% respectively, while the most recently launched phase continues to gain traction.



An artist's impression of the double-storey terrace houses at Scientex Muar

We further strengthened our presence in Melaka with the opening of the new Scientex Melaka Sales Gallery in Paya Rumput in February 2026. The development benefits from excellent connectivity via the Alor Gajah–Melaka Tengah–Jasin ("AMJ") Highway, Sungai Udang–Paya Rumput–Ayer Keroh ("SPA") Highway and North–South Expressway ("NSE"), as well as proximity to retail, education, healthcare and recreational amenities. During the financial year, we launched two phases of Scientex Melaka, comprising 279 and 288 double-storey terrace homes, respectively.



Our Scientex Melaka team at the newly opened Sales Gallery

With 2,855 acres earmarked for future development, representing the largest component of our regional land bank, we have the capacity to further expand our development pipeline across Melaka, Negeri Sembilan and Muar and support the Property Division's continued growth.

CENTRAL - SELANGOR

TOTAL LAND BANKS - 1,530 ACRES

Developed
269 Acres

Ongoing Developments
218 Acres

Future Developments
1,043 Acres

Affordable Homes Completed in FY2026	**448 units**
Total Affordable Homes Completed to Date	**3,341 units**



An artistic impression of the Scientex Bestari Jaya development

As Malaysia's most urbanised and populous state, Selangor remains an important growth market for our Property Division. Since embarking on our expansion into the state with the launch of Scientex Rawang in 2017, we have progressively expanded our presence across the state through developments in Kundang Jaya, Jenjarom and, most recently, Bestari Jaya.

As at 31 July 2026, our total land bank in Selangor stood at 1,530 acres, comprising 269 acres of developed land, 218 acres with ongoing developments and 1,043 acres reserved for future developments. During FY2026, we completed 448 affordable homes, bringing our cumulative total in the state to 3,341 units.

At Scientex Kundang Jaya, we continued to expand our residential and commercial offerings during the year. A new phase comprising 48 double-storey shop offices, launched in August 2025, has achieved a strong take-up rate of 94%. This was followed by the launch of Daisy in July 2026, comprising 300 double-storey terrace homes, further broadening the range of residential offerings within the development.

Operational Review > Property Division

Meanwhile, our developments in Jenjarom continued to record steady progress. Two phases of Scientex Jenjarom, comprising a combined 448 double-storey terrace homes, have reached completion. During FY2026, we also launched Jasmine, comprising 322 double-storey terrace homes. This was followed by the launch of Centrio Hub 2 in February 2026, comprising 50 double-storey shop offices, with 82% taken up to date.



An artistic rendering of the Jasmine phase at Scientex Jenjarom

FY2026 also marked an important milestone in our Selangor expansion with the commencement of new launches at Scientex Bestari Jaya. The development is strategically located with convenient access to key amenities and major connectivity routes, providing a well-connected location for our residential offerings. Two phases comprising a combined 620 double-storey terrace homes were launched in June 2026, recording encouraging take-up rates of 86% and 66% respectively.

With more than 1,000 acres reserved for future development and encouraging market response across our projects, we are well-positioned to progressively expand our development pipeline and strengthen our presence in Selangor over the coming years.

NORTHERN - PENANG, KEDAH AND PERAK

TOTAL LAND BANKS - 1,958 ACRES

Developed	Ongoing Developments	Future Developments
516 Acres	303 Acres	1,139 Acres

Affordable Homes Completed in FY2026	**2,069 units**
Total Affordable Homes Completed to Date	**7,527 units**



An artist's impression of our development at Scientex Jawi, Penang

Our operations across Penang, Kedah and Perak continued to expand during the financial year, strengthening our presence in the northern region of Peninsular Malaysia. Demand for affordable housing remains encouraging, particularly in Penang, where the state government is targeting the delivery of 220,000 affordable homes by 2030. During FY2026, we completed 2,069 quality affordable homes across this region, bringing our cumulative total to 7,527 units.

We continued to build on our established presence in Sungai Petani, Kedah and Sungai Dua, Penang. At Scientex Sungai Petani, a total of 482 double-storey terrace homes were completed across two phases, while at Scientex Sungai Dua's Taman Sena Utama, we completed a further 1,017 double-storey terrace homes across four phases during the year.

Operational Review > Property Division



Our completed double-storey terrace homes at Scientex Sungai Dua



An artistic rendering of double-storey terrace homes at Scientex Jawi

Building on our presence in Sungai Petani, a key milestone during the year was the official opening of Scientex SP Astana, our 228-acre township that reflects our commitment to enhancing access to affordable homes in the area. Two phases have been introduced to date, comprising 336 double-storey terrace homes at Taman Puncak Astana and 149 double-storey terrace homes at Taman Arowana Emas, with the latter achieving a take-up rate of 97%.

We also continued to grow our presence in Sungai Dua with two new launches at Taman Sena Mutiara. In October 2025, we launched 234 double-storey terrace homes, which achieved a take-up rate of 78%. A further 252 double-storey terrace homes were introduced.

Our entry into Jawi was marked by the opening of the Scientex Jawi Sales Gallery and show house in January 2026. During FY2026, we launched two phases of double-storey terrace developments in the area, comprising 267 and 369 units respectively. The first phase achieved a take-up rate of 99%, while the second phase, launched in July 2026, achieved a take-up rate of 63% within less than a month of launch.

Meanwhile, we expanded our regional footprint in Perak with the launch of three phases at Scientex Ipoh, comprising 368 double-storey terrace homes and 64 double-storey cluster homes, the latter under the Rumah Perakku programme.

Building on our established presence in Penang, we are expanding our affordable housing offerings through Scientex Bertam. Located within an established township, the development is planned to offer quality affordable freehold landed homes, with convenient access to the North-South Expressway, educational institutions, healthcare facilities, retail outlets, commercial centres and recreational amenities.

Across Penang, Kedah and Perak, we continue to broaden our presence through the development of affordable housing. By leveraging our development expertise and progressing our development pipeline, we aim to introduce further phases and expand our delivery of quality affordable homes across the Northern region.

Supporting Growth Through Digital Innovation & Partnerships

We continue to harness digital technologies and strategic collaborations to improve our daily operations, strengthen customer engagement and enhance our sales and marketing activities.

To support the continued expansion of our portfolio in strategic locations, we utilise advanced M&A mapping tools to identify and assess potential land acquisitions. By analysing market trends, demographic shifts and land value projections, these tools support informed decision-making and help us identify opportunities that complement our long-term development plans.

Digital technologies also play an important role in enhancing the homebuying experience and broadening our reach. Our 3D virtual house tours provide potential buyers with an immersive way to explore our properties remotely, enabling us to engage a wider and more diverse audience across Malaysia.

Our customer relationship management ("CRM") platform further supports our sales and marketing activities by automating routine processes such as email communications, contact management, online transactions, revenue tracking and performance reporting. This enables our sales personnel to dedicate greater attention to customer engagement and relationship building. We also incorporate QR codes into our sales brochures, allowing potential buyers to instantly access detailed property information and connect directly with our sales team, while reducing reliance on printed materials in support of our sustainability efforts.

Beyond these digital tools, we continue to broaden the visibility of our property offerings through digital and social media platforms, complemented by collaborations with key opinion leaders ("KOLs") to develop short-form content that reaches diverse audiences and generates greater awareness of our developments. We also work with property agencies to extend our market reach and complement our internal sales and marketing efforts, supporting our effort to connect with potential homebuyers and drive property sales.

Building a Presence in Japan's Affordable Accommodation Market

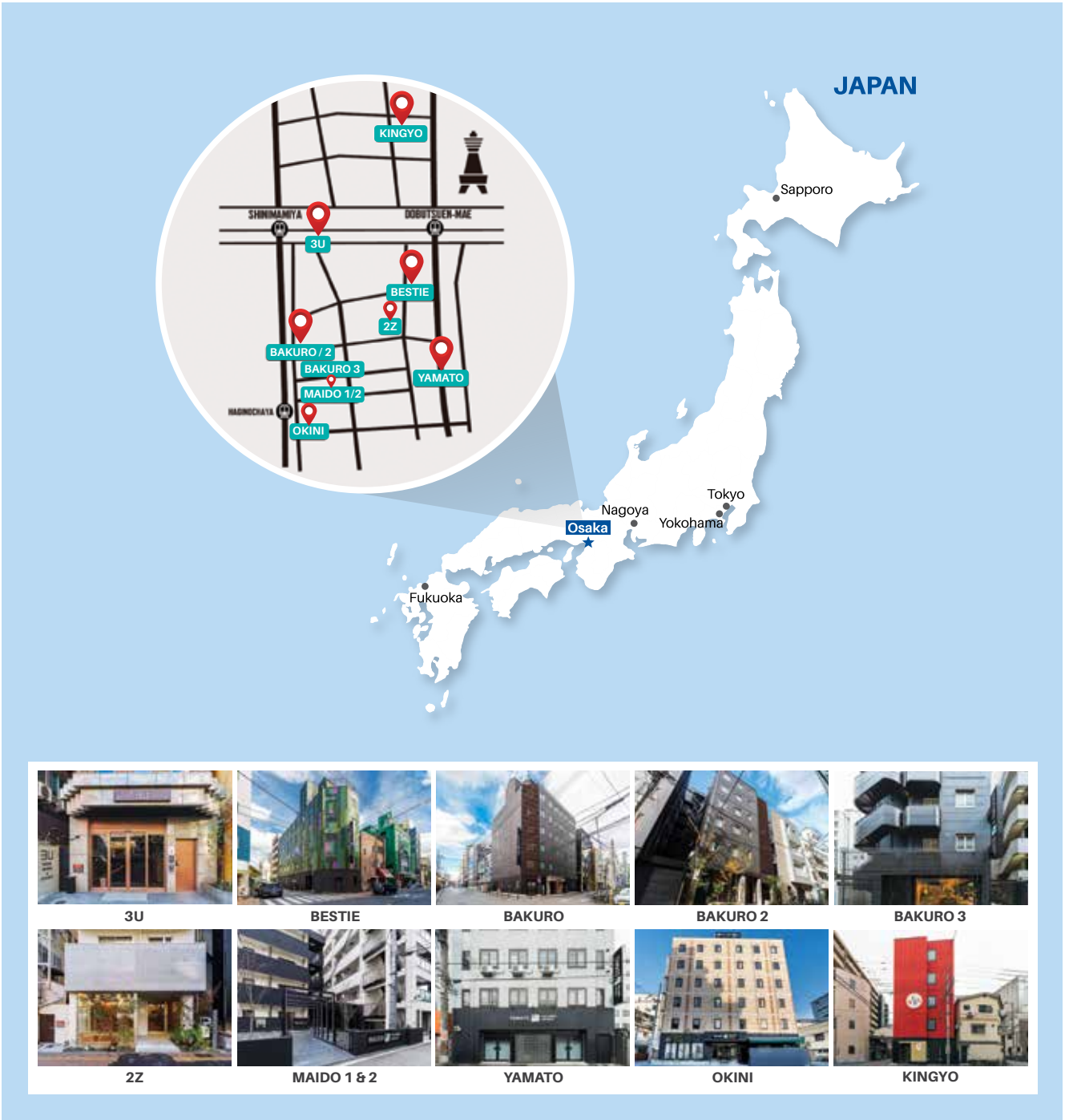
Building on our experience in delivering affordable and practical housing solutions, we continue to expand our presence beyond Malaysia through our affordable accommodation business in Osaka, Japan.

With international tourism to Japan expected to continue supporting demand for accommodation, our accommodations cater to travellers seeking convenient, affordable and practical stays. Designed to be simple, no-frills and budget-friendly accommodation, they also offer convenient access to public transport and key amenities, supporting the needs of value-conscious travellers.

Beyond providing affordable accommodation, we seek to preserve and showcase the local character of the areas in which we operate, while creating opportunities for guests and local communities to connect. Through our affordable accommodation business, we aim to contribute to the ongoing revitalisation of surrounding areas while creating new value from existing properties.

By leveraging a cost-efficient operating model and our experience in delivering affordable solutions, we aim to progressively develop and scale the business as opportunities arise. Our portfolio in Japan now comprises eleven operating affordable accommodations, further strengthening our presence in the market and providing a foundation for future growth.

Operational Review > Property Division



Our Sustainability Journey

As we pursue our vision to 'Fly Higher Grow Stronger', we recognise that the way we grow is just as important as the growth we achieve. Sustainability remains integral to how we operate, make decisions and create long-term value, enabling us to strengthen our businesses while managing our impact on the environment and society.

Through this commitment, we continue to embed responsible practices across our operations as we grow our business and contribute positively to our people, communities and the planet.



OVERVIEW

The Scientex Sustainability Report 2026 provides an overview of our sustainability commitments, initiatives and performance across the Group, outlining how we manage ESG matters and create long-term value for our stakeholders.

We present our accomplishments across 11 sustainability topics, organised under three pillars: 'Creating Shared Sustainable Value', 'For the Betterment of the Environment', and 'Our People, Our Pride'. Each topic aligns with relevant UN SDGs and discloses corresponding key performance data.

In addition to topic-level disclosures, the report details our ongoing efforts to integrate sustainability into our core business processes and strategies, developing a Group-wide organisational culture that emphasises corporate responsibility across our business operations.

The Scientex Sustainability Report 2026 has been prepared with reference to the Global Reporting Initiative ("GRI") Universal Standards 2021 and Bursa Malaysia's Sustainability Reporting Guide (3rd edition), and in accordance with Bursa Malaysia's Main Market Listing Requirements. For the first time, the Report has also been prepared in accordance with IFRS S2 Climate-related Disclosures, issued by the International Sustainability Standards Board ("ISSB").

SCOPE AND BOUNDARY

This report discloses the sustainability initiatives and commitments of Scientex, covering our Malaysian and international subsidiaries across our Packaging and Property Divisions. Joint ventures and associates of the Group are excluded from the report.

REPORTING PERIOD

The disclosures within this report cover the period from 1 August 2025 to 31 July 2026, unless specified otherwise.

AVAILABILITY

The full report may be downloaded from our corporate website at www.scientex.com.my.

Sustainability Framework

Our Sustainability Framework provides the foundation for how we approach sustainability at Scientex, bringing together our business processes, governance structure and initiatives to support our long-term value creation.

At the core of our framework are our three sustainability pillars: 'Creating Shared Sustainable Value', 'For the Betterment of the Environment' and 'Our People, Our Pride'. These pillars encompass the material sustainability topics that are shaped through ongoing stakeholder engagement and regular materiality assessments, enabling us to develop strategies and initiatives that create sustainable shared value.

These strategies and initiatives are embedded across the business processes of our Packaging and Property Divisions, guiding the delivery of our Vision and Purpose while supporting the UN SDGs relevant to our business.

This framework is supported by our Sustainability Governance structure, which promotes a collaborative, accountable and informed approach to sustainability. The structure assigns clear roles and responsibilities across the Group for strategising, monitoring and assessing our initiatives, empowering us to maximise the positive impact of our actions.



Our Approach to Sustainability

Sustainability considerations are embedded across the operational processes of both our business divisions, guiding how we create value while maximising the positive environmental, social and economic impacts of our activities.

PACKAGING DIVISION

> DEVELOP	> PROCURE	> PRODUCE	> SELL

SUSTAINABLE PROCESSES

> DEVELOP	> PROCURE	> PRODUCE	> SELL
• R&D of sustainable packaging solutions • Co-creating products with our customers	• Centralised procurement of raw materials • Sourcing of sustainable raw materials	• Investing in advanced, energy-efficient production machinery and lighting • Implementing renewable energy solutions, including investing in solar PV systems for our plants • Efficient production planning • Upholding best practices in water usage, waste and effluent management	• Engaging with customers to understand their long-term sustainability objectives • Maintaining efficient and time-tested distribution channels and methods

SUSTAINABLE OUTCOMES

> DEVELOP	> PROCURE	> PRODUCE	> SELL
• Recyclable FPP solutions • Biodegradable and compostable packaging solutions • Products with reduced material usage • Increased range of sustainable products innovated	• Reduced emissions from transportation due to centralised procurement • Increased access to sustainable raw materials	• Reduced material use, energy use and waste generation • Using recycled resin as a production input • Recycling plastic waste and converting non-recyclable waste to Processed Engineered Fuel • Reducing Scope 2 GHG emissions due to lower use of conventional electricity	• Continuous increase in sustainable products sold • Reduced energy usage and emissions related to product distribution • Continuous expansion of our market base

PROPERTY DIVISION

> ACQUIRE	> PLAN	> LAUNCH	> BUILD

SUSTAINABLE PROCESSES

> ACQUIRE	> PLAN	> LAUNCH	> BUILD
• Continuously expanding our presence through land bank acquisitions in Malaysia • Identifying suitable land banks at competitive prices	• Efficient planning of land use and house designs • Developing plans that incorporate connectivity and transport infrastructure to larger population hubs and encourage job creation within local communities • Including green spaces and recreation facilities	• Adopting digital channels to promote our developments • Adopting systematic online procedures for property purchasing • Installing solar PV systems to power our sales galleries	• Utilising the IBS construction technique • Adopting good practices in waste and effluent management • Reusing construction materials across multiple construction sites • Optimising logistics planning to minimise emissions

SUSTAINABLE OUTCOMES

> ACQUIRE	> PLAN	> LAUNCH	> BUILD
• Capacity to grow in the affordable housing market and enable homeownership for more people in the middle-to-lower- income groups • Cost effective acquisitions of land banks, with savings passed on to homeowners	• Creation of townships that cater to holistic economic and social needs • Improved the quality of life for residents • North-south building orientations that reduce heat exposure of dwellings	• Providing equal opportunities for affordable homeownership to people in middle-to-lower-income groups • Enhanced convenience and safety for potential home buyers • Reduced Scope 2 GHG emissions due to installation of solar PV systems at our sales galleries	• Improved employee safety due to the use of the IBS construction technique • Reduced waste generation and optimised material usage due to reuse of materials and use of the IBS construction technique

Our Sustainability Governance

Our sustainability governance structure provides clear oversight and accountability, ensuring sustainability matters are effectively identified, managed and monitored across the Group.

The structure instils responsibility for sustainability at all levels of the Group, from the Board – who bear responsibility for setting our overall agenda – to our workforce at individual departments and across all subsidiaries. It provides trusted avenues for all employees to raise matters relevant to their work and ensures oversight of actions taken to address these matters, with the Sustainability Steering Committee ("SSC") playing a central role in this process.



PACKAGING DIVISION

- Development and Technical
- Finance
- Health, Safety and Environment
- Human Resources
- Information Technology
- Operations
- Purchasing
- Sales and Marketing

PROPERTY DIVISION

- Construction
- Contract Department
- Customer Service
- Finance
- Health, Safety and Environment
- Human Resources
- Information Technology
- Project Department
- Sales and Marketing

CORPORATE DEPARTMENT

- Corporate Finance
- Corporate Planning & Communications
- Company Secretary
- Human Resources
- Information Technology
- Legal
- Internal Audit
- Risk Management

(Composition of working groups are determined based on the specific needs of sustainability topics and their associated initiatives)

Our Sustainability Governance

1 Board of Directors ("Board")

- Assumes overall responsibility for and oversight of the Group's sustainability agenda, including climate-related matters, by identifying sustainability topics, setting objectives, and implementing policies and practices.
- Meets at least quarterly, or as required, to effectively discharge its duties and responsibilities.
- Nominated by the Nomination and Remuneration Committee, which further evaluates the Board's performance on sustainability matters through a peer evaluation process.
- The Board's sustainability responsibilities are led by our Managing Director/Chief Executive Officer, Mr. Lim Peng Jin

2 Sustainability Steering Committee ("SSC")

- Comprises members of the EXCO and is led by the Managing Director/Chief Executive Officer, Mr. Lim Peng Jin.
- Meets on a monthly basis, or as required, to oversee and actively manage the Group's sustainability agenda.
- Engages regularly with stakeholders and staff at the departmental and subsidiary levels to identify potential sustainability topics.
- Reviews and presents identified sustainability topics to the Board for consideration.
- Develops strategies and establishes key performance indicators for approved sustainability topics, supported by appropriate data management systems, reporting processes and internal controls.
- Develops sustainability-related policies governing sustainability practices across the Group and tables these policies to the Board for approval.

3 Group Sustainability Team

- Led by the Chief Sustainability Officer ("CSO").
- Recommends potential sustainability topics to the SSC and supports the development and execution of strategies for approved sustainability topics.
- Supports the SSC in the nomination of specific working groups responsible for executing approved strategies.
- Works with the Sustainability Working Groups to implement sustainability initiatives across the Group.
- Reports the progress and outcomes of sustainability initiatives to the SSC at its monthly meetings.
- Monitors sustainability initiatives and maintains records to support the review of sustainability management procedures and performance.
- Leads the preparation and presentation of sustainability-related reports in compliance with applicable reporting requirements.

4 Sustainability Working Groups

- Appointed on a topic-by-topic basis according to the nature of each sustainability topic and its associated initiatives.
- May comprise representatives from various departments and divisions across the Group.
- Works with the Group Sustainability Team to implement approved sustainability strategies in accordance with established management procedures.
- Collaborates with the Risk Management Team to identify, assess and monitor sustainability-related risks and opportunities.
- Maintains accurate records of actions taken and the results achieved.
- Reports on the implementation and outcomes of sustainability initiatives during monthly management meetings.
- Serves as a communication channel between the Group Sustainability Team, Risk Management Team, individual departments and subsidiaries, enabling employees to raise and escalate sustainability-related matters for consideration.

Our Sustainability Performance

This section highlights our key topic-level sustainability disclosures and performance in FY2026. For more comprehensive information on our strategies, initiatives, progress and performance across the ESG spectrum, we invite you to explore our full Sustainability Report 2026 made available on our website.

Sustainability Topic	Why It Matters	Our Approach	Our Performance in FY2026
Responsible Business Conduct and Governance 	Upholding high standards of ethics, integrity and responsible business conduct is fundamental to maintaining stakeholder trust and supporting sustainable business growth.	• Embedding responsible business conduct across the Group through a robust governance structure • Adhering to international, local and industry regulations, guided by our internal codes and policies, including our Code of Ethics, Code of Conduct for Suppliers and ABAC Policy • Providing relevant employees with regular training and reviews on our codes and policies, and conducting department-level corruption risk assessments • Strengthening data privacy and cyber resilience through our Data Privacy Policy and employee training and regular IT health checks and software updates • Communicating our policies and expectations to all new suppliers with an annual supply value exceeding RM50,000 • Upholding our EXCO's pledge to drive responsible value creation, focusing on sustainability and robust corporate governance	• Annual corruption risk assessment conducted across 100% of business entities • 100% of our employees* received ABAC training • No material cases of bribery, corruption, unethical business conduct, data privacy breaches or human rights violations were reported or investigated ** Employees at executive level and above only*
Providing Affordable Housing 	Delivering quality affordable housing lies at the heart of our mission, supporting both our business growth and our commitment to social responsibility.	• Utilising standardised building designs and layouts to optimise land use, reduce construction costs and support the delivery of affordably priced homes • Expanding and refining the use of IBS construction techniques to improve construction efficiency, optimise material usage, and enhance quality and safety • Strategically expanding our land bank under our 'Cross Border Development Strategy' to support a sustainable pipeline of affordable housing developments across Peninsular Malaysia • Developing integrated townships that support surrounding communities through commercial opportunities, local employment and improved infrastructure and connectivity	• Completed 5,582 affordable homes during FY2026 • Delivered a cumulative 47,846 affordable homes, progressing towards our target of 50,000 homes by 2028 • 70% of affordable homes completed to date were priced below RM300,000 • Approximately 99.8% of completed affordable homes were sold as at FY2026

Sustainability Topic	Why It Matters	Our Approach	Our Performance in FY2026
Product Innovation 	Innovation strengthens our capacity, drives efficiency and enhances product value, our three Drivers of Growth that support long-term competitiveness. It also enables us to use resources more efficiently, minimise waste and advance the circular plastics economy.	• Investing in new machinery, advanced technologies, factory enhancements and innovation capabilities to support the development of value-added packaging solutions • Collaborating closely with customers to develop and commercialise customised packaging solutions tailored to their specific requirements • Advancing resource efficiency by downgauging our packaging solutions to reduce material consumption without compromising quality and performance • Supporting the circular plastics economy through recyclable FPP solutions and packaging incorporating PIR or PCR resin across a diverse range of industrial and consumer applications	• Invested RM49.7 million in new machinery, advanced technologies, factory enhancements and expansion - 222 R&D projects initiated - 42 innovations successfully commercialised
Economic Value Contributed 	As we deepen our presence across diverse markets, our focus on advancing social and economic progress is central to sustaining our business and creating long-term value for stakeholders.	• Generating and distributing economic value to our stakeholders through our business activities • Driving positive change in local communities through corporate social responsibility initiatives	• RM3.95 billion in economic value was distributed to governments, shareholders, investors, suppliers, business partners and employees, including: - RM206.6 million in taxes - RM365.9 million in salaries and benefits - RM198.1 million in dividends • RM883.6 million in economic value was retained
Responsible Waste Management 	We recognise our responsibility to reduce the negative waste impacts of our manufacturing and construction activities. By embedding sustainable practices across our operations, we aim to minimise waste generation and reduce the waste footprint of our packaging solutions.	• Upholding our Group-wide Environmental Policy and strengthening internal processes across key areas of our waste management framework, while adhering to the waste management hierarchy • Reducing waste through continuous innovation, including downgauging films, developing recyclable packaging and incorporating PCR resins into our products • Refining production machinery and processes to minimise incidental waste • Recycling and repurposing plastic trimmings and other recyclable materials wherever possible, including by converting waste into Process Engineered Fuel • Upholding responsible effluent and scheduled waste management practices	• Scheduled (hazardous) waste decreased by 6.6% year-on-year to 1,379 MT, representing 0.5% of output • Total non-hazardous plastic waste amounted to 13,763 MT, representing 5.2% of output, of which: - 7,972 MT was recycled - 3,426 MT was converted to energy

Our Sustainability Performance

Sustainability Topic	Why It Matters	Our Approach	Our Performance in FY2026
		• Following guidelines to minimise waste at project sites, while incorporating waste-reducing construction techniques and materials • Fostering a waste-conscious culture across the Group through initiatives such as our 3R programme, 'Back to Earth' composting, and other recycling efforts	
Optimising Consumption of Materials 	Developing resource-efficient products and embedding circular economy principles across our operations enable us to use materials more responsibly, reduce our environmental footprint and respond to evolving customer expectations and industry standards.	• Promoting responsible material use across our operations in accordance with our Group-wide Environmental Policy • Continuing to utilise PIR resin while strengthening our internal recycling capabilities to reduce reliance on virgin materials • Improving material efficiency through product and process innovation, including the continued downgauging of FPP products without compromising quality and performance • Optimising material use in property development through IBS construction techniques and longer-lasting, reusable steel and aluminium formworks • Incorporating GGBS as a partial cement substitute, supporting the reuse of industrial by-products and reducing reliance on virgin raw materials in our construction activities • Prioritising suppliers that demonstrate a commitment to responsible and sustainable material sourcing • Promoting responsible water use across our operations through water-saving and recycling practices, rainwater harvesting and ongoing consumption monitoring	• Recycled resin constituted 8.1% of total materials used in our Packaging Division, compared with 7.9% in FY2025 • Total water consumption marginally increased by 2.3% to 886.8 ML • Packaging Division water consumption intensity was 0.0022 ML/MT • Property Division water consumption intensity was 0.1377 ML/RM million
Reducing Energy Consumption and Emissions 	As a prominent FPP manufacturer and property developer, we recognise the growing challenges of climate change and our responsibility to adopt energy-efficient production processes and embrace renewable energy.	• Adhering to the energy and emissions principles set out in our Group-wide Environmental Policy • Improving energy efficiency through machinery and equipment upgrades, energy-efficient technologies and optimised production processes • Utilising renewable energy through solar PV systems across our manufacturing plants, corporate headquarters and property sales galleries to lower grid electricity consumption	• Total energy consumption was 321,161 MWh, a 3.7% year-on-year increase • Renewable energy consumption increased by 11.6% to 29,335 MWh • Packaging Division energy consumption intensity was 1.19 MWh/MT of output • Property Division energy consumption intensity was 3.29 MWh/RM million of revenue

Sustainability Topic	Why It Matters	Our Approach	Our Performance in FY2026
		• Incorporating lower-carbon materials and streamlining production processes to improve energy efficiency and reduce environmental impact • Implementing innovative approaches to reduce indirect emissions across both the Packaging and Property Divisions	• Total GHG emissions (Scope 1 and 2) were 195,735 MT CO_2e • Packaging Division GHG emissions intensity was 0.73 MT CO_2e/MT of output • Property Division GHG emissions intensity was 2.03 MT CO_2e/RM million of revenue *Note: FY2026 energy and emissions data reflect updated calculation methodologies, where applicable, to improve data accuracy and consistency.*
Environmental Compliance 	Ensuring compliance with applicable environmental laws and regulations across our operating regions, while expecting the same from our suppliers, is essential for minimising our environmental impacts and maintaining our reputation as a responsible corporate citizen.	• Upholding our Group-wide Environmental Policy, covering key areas including energy and emissions, waste management, resource utilisation and biodiversity, underpinned by our Environmental Compliance Framework • Maintaining full compliance with applicable environmental laws and regulations across all operating jurisdictions, supported by rigorous ongoing oversight and monitoring • Maintaining globally recognised environmental certifications that attest to our commitment to responsible practices • Strengthening environmental awareness and competencies through regular employee training, engagement and awareness programmes • Conducting EIA for applicable property developments to mitigate potential environmental risks, while adopting sustainable construction methods • Supporting environmental stewardship and biodiversity through initiatives such as planting diverse trees at our development sites and rehabilitating mangroves, alongside supporting government sustainability initiatives	• Our Code of Conduct for Suppliers continued to be communicated to all vendors with an annual supply value exceeding RM50,000 • Eight subsidiaries have retained ISO 14001 certification, while nine subsidiaries have retained ISCC PLUS certification and two subsidiaries have obtained GRS certification

Our Sustainability Performance

Sustainability Topic	Why It Matters	Our Approach	Our Performance in FY2026
Occupational Safety and Health 	Creating a safe and secure workplace is fundamental to our success. It drives productivity, safeguards the well-being of our people, builds trust with stakeholders, and protects our long-term reputation.	• Upholding our Group-wide Safety and Health Policy built on six key pillars that help us maintain consistently high standards • Implementing structural safety and health management systems in line with region-specific regulations • Maintaining site-specific OSHA Committees with balanced employer and employee representation to oversee workplace safety and health matters • Conducting regular inspections by internal and external parties at every worksite, overseen by OSHA Committees • Leveraging automation, technology and process improvements to minimise exposure to workplace risks • Strengthening emergency preparedness through appropriate response measures, equipment and employee training • Providing ongoing safety and health training and promoting employee health and well-being through healthcare and awareness initiatives	• 100% of workplaces were represented by OSHA Committees comprising a balanced mix of employer and employee representatives • Workplace incidents recorded during FY2026: - 28 minor accidents - 36 major accidents - Zero fatal injuries
Empowering Our People 	Our people are the core drivers of our performance. By providing a fair, inclusive and supportive workplace, competitive rewards and meaningful opportunities for development, we seek to attract, engage and retain a capable and diverse workforce that supports our business growth and sustainability ambitions.	• Upholding responsible and ethical employment practices through our Group-wide Code of Ethics, promoting human rights, fairness, inclusivity and equal employment opportunities • Maintaining responsible labour practices, supported by Supplier Ethical Data Exchange ("SEDEX") membership across six of our packaging plants • Providing fair and competitive remuneration and comprehensive employee benefits, while recognising and rewarding employees based on performance, capabilities and responsibilities • Fostering an engaging and supportive workplace through open communication, regular feedback and accessible channels for employees to raise concerns and share ideas • Providing training, professional development and career growth opportunities to strengthen employee capabilities and support our future talent pipeline	• 3,854 employees in total as of FY2026 • 28,360 hours of training were provided to our employees • No material incidents of non-compliance concerning employment practices

Sustainability Topic	Why It Matters	Our Approach	Our Performance in FY2026
Contributing to Local Communities 	By supporting the communities where we operate through enhancing homeownership opportunities, local employment, community initiatives and sustainable development, we seek to create lasting socioeconomic value while strengthening relationships with our stakeholders.	• Expanding access to quality affordable homes while developing liveable townships that support the needs and well-being of surrounding communities • Creating sustainable economic opportunities by prioritising local employment and engaging local suppliers wherever feasible • Contributing to a diverse range of community causes, including education, healthcare, youth development, sports and cultural initiatives • Encouraging employee volunteerism through mangrove planting, fabric recycling, and other community-focused initiatives • Raising awareness among local communities on recycling and circular plastic practices through ongoing educational campaigns • Producing compost from food waste generated at our operations and contributing it to local farmers and sustainability research • Strengthening community engagement through cultural and sustainability-focused programmes	• Local employees comprised 75% of our workforce • Contributed RM1,553,000 in direct financial contributions, benefiting 59 recipients and generating broader positive impacts for local communities

Our Corporate Governance

OUR INTEGRATED GOVERNANCE STRUCTURE

As our business expands and our operations grow across multiple locations, maintaining strong leadership alignment and collaboration across the Group remains essential. This ensures that our practices and processes remain aligned with our corporate values, support our Drivers of Growth and sustain the positive impact of the value we create.

Our integrated governance model supports this synergistic approach by consolidating top-level planning while empowering teams across our Packaging and Property Divisions to contribute their industry-specific insights and expertise to strategic decision-making.

GUIDING LONG-TERM SUSTAINABLE SUCCESS

The Group's integrated governance structure is spearheaded by the EXCO, which is chaired by the Group's Managing Director/Chief Executive Officer. Its members comprise senior decision-makers from the Packaging and Property Divisions, as well as our Corporate Department.

The EXCO steers the Group's strategic planning, resource allocation, governance, stakeholder engagement and community-building initiatives, ensuring its members work collectively to support long-term growth, strengthen operational effectiveness and create shared, sustainable value.

THE SCIENTEX EXECUTIVE COMMITTEE

Comprising representatives from:

Packaging Division | **Property Division** | **Corporate Department**

Strategic Goal Planning and Review

- Establishing short-, medium- and long-term targets and action plans
- Setting, establishing and reviewing strategic plans and objectives across the Group's business divisions

Strategic Resource Planning and Allocation

- Identifying focus areas for growth and expansion
- Allocating financial and non-financial capital to identified growth areas
- Identifying non-performing operations and reallocating resources accordingly

Governance, Compliance and Stakeholder Engagement

- Overseeing long-term policies and approaches to promote sustainability and sound governance, guided by stakeholder engagements
- Promoting a culture of good corporate governance and compliance across the Group
- Overseeing robust governance and risk management frameworks, supported by internal control systems, policies and procedures

Nurturing the Scientex Community

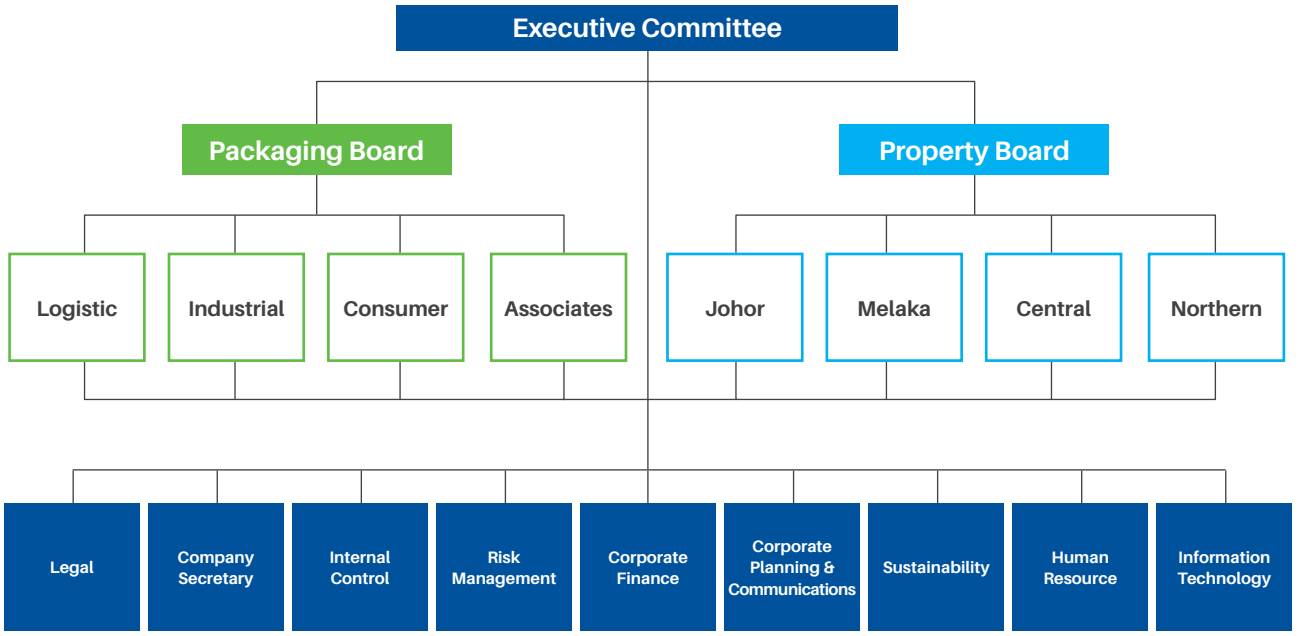
- Cultivating a Healthy, Friendly and Happy work environment
- Promoting a culture of openness and transparency based on mutual trust and respect
- Formulating and overseeing strategies that drive continuous professional and personal development
- Driving the implementation of best practices in sustainability across the ESG spectrum

DRIVING SYNERGY ACROSS THE GROUP

Our streamlined governance structure strengthens collaboration and synergies across business units, improving communication and supporting the effective execution of Group-wide strategies. Through our EXCO-led integrated governance model, we promote unified and collaborative decision-making, enabling more effective resource optimisation, sharper execution and greater operational efficiency.

This structure also enables our teams to respond swiftly to changing business conditions, foster innovation, enhance productivity and strengthen our competitive position across the markets in which we operate.

GROUP INTEGRATED STRUCTURE

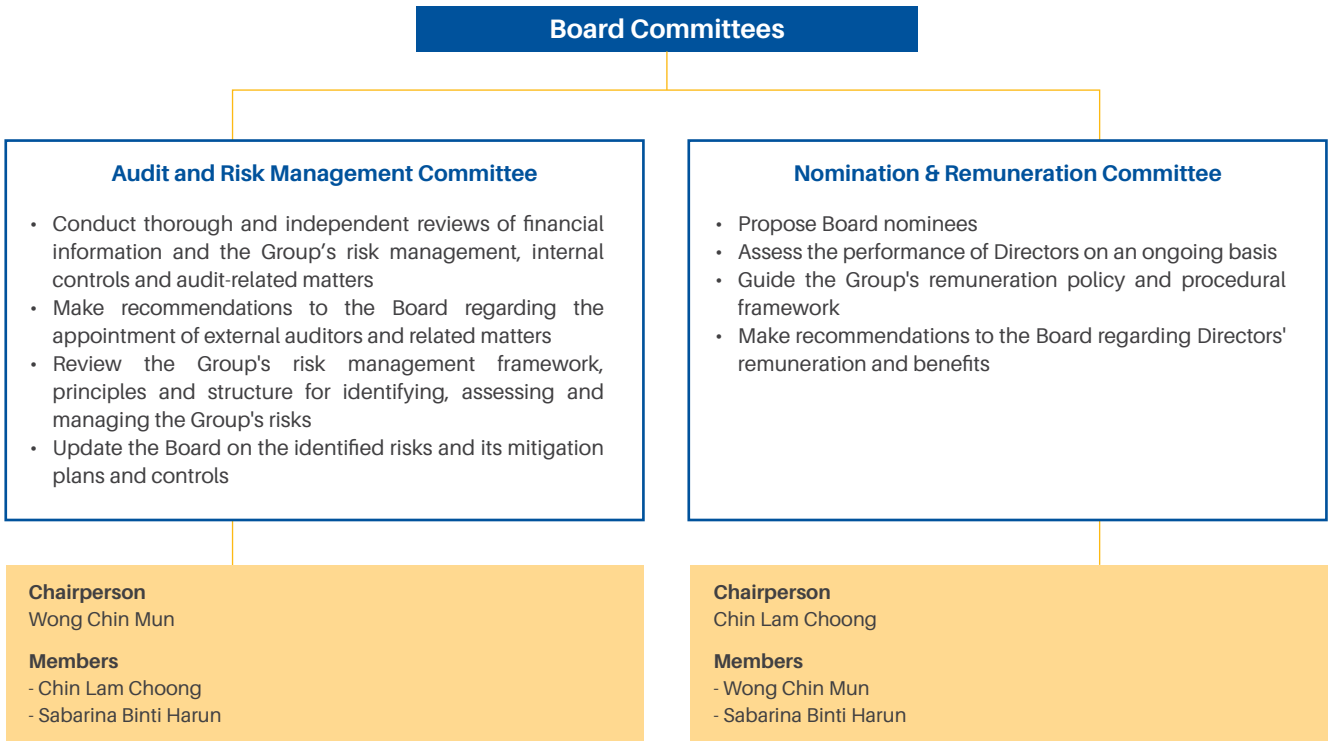


Our Integrated Governance Structure

UPHOLDING GOOD CORPORATE GOVERNANCE

In its commitment to upholding the principles and standards of good corporate governance, our Board delegates specific responsibilities to various Board Committees to support effective oversight and the diligent fulfilment of its duties.

To optimise governance efficiency and provide more holistic oversight of the Group's risk management and internal audit functions, the Audit Committee and Risk Management Committee were consolidated into a single Audit and Risk Management Committee in FY2026. Following this consolidation, the Board is supported by two Board Committees, with their respective roles outlined below:



For more comprehensive information on the specific responsibilities of our Board Committees, please refer to our corporate website.

BOARD AND KEY MANAGEMENT PROFILES

For detailed profiles of our Board and Key Management personnel, please refer to the Our Leadership section in this Report (pp. 26 - 30).

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("Board") of Scientex Berhad ("Scientex", the "Group" and/or the "Company") recognises the importance of upholding good corporate governance ("CG") and the responsibility of maintaining high standards of transparency, accountability and integrity. These best practices will not only safeguard and enhance sustainable shareholder value but also ensure that the interests of all stakeholders are protected.

In addition, the Group is committed to good Environmental, Social and Governance ("ESG") practices and works towards embedding sustainability into its business processes from its policies and social impact initiatives to its day-to-day operations to deliver continuous business growth that considers the development of communities and the preservation of the environment. Disclosure on the Group's sustainability efforts is continuously presented in its Sustainability Report, which contains in-depth analyses of its sustainability performance in relation to ESG matters material to the Group and its stakeholders, as well as its support towards the United Nations Sustainable Development Goals.

This CG Overview Statement ("Statement") is prepared in accordance with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). It provides stakeholders an overview on the application of the principles set out in the Malaysian Code on Corporate Governance 2021 ("MCCG 2021") under the leadership of the Board. This Statement together with the Company's CG Report disclosed the application of the MCCG 2021's best practices in financial year ended 31 July 2026 ("FY2026"). The CG Report is accessible at www.scientex.com.my/investor-relations/announcements/.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES

The Board is collectively responsible for the long-term success of the Group and the development of sustainable value for its shareholders and other stakeholders.

Together with Management, the Board oversees the Group's sustainability governance, including the establishment of sustainability strategies, priorities and targets. In discharging its responsibilities, the Board takes into consideration material sustainability matters in the development and implementation of the Group's business strategies and strategic direction. The Board also oversees the conduct of the Group's businesses, the adequacy and effectiveness of the risk management framework and internal control system, and the succession planning for Directors and Senior Management.

In addition, the Board oversees investor relations to foster the effective communication and engagement with shareholders and other stakeholders. The Board reviews the Group's short-, medium- and long-term plans, policies and business strategies, taking into account changes in the external business environment, emerging risks and evolving stakeholder expectations, while ensuring the achievement of the Group's business objectives and strategies.

Read more
Our Sustainability Governance > p. 82

The Board Charter sets out the Board's strategic intent and outlines the Board's roles and responsibilities, while acting as a source of reference and primary induction literature to provide insights to prospective Board members and Senior Management. The Board developed codes and policies to support the Group's corporate culture/values and committed to conduct business professionally and ethically, with due regard to ESG elements. The Board Charter, codes and policies of the Company are accessible at www.scientex.com.my/corporate-governance/.

To maintain effective supervision and accountability of the Board and the Management, the position of Chairman and Managing Director/Chief Executive Officer are held by different individuals to ensure balance of power and authority. The roles and responsibilities of the Chairman and the Managing Director/Chief Executive Officer are specified in the Board Charter, as explained in Practice 1.3 of the CG Report and accessible at www.scientex.com.my/investor-relations/announcements/.

Corporate Governance Overview Statement

The Directors, in their individual capacity or as a full Board, have full and unrestricted access to all information pertaining to the Group. The Directors have the advice and services of the suitably qualified and experienced Company Secretary and Senior Management at all times to aid in the proper discharge of their fiduciary duties. The Notices and the meeting papers are sent to all members of the Board and Board Committees a week ahead of the scheduled meetings, enabling them to seek clarification and to have sufficient time to peruse the issues to be deliberated at the Board and Board Committees meetings.

BOARD COMPOSITION

The Board comprises seven (7) experienced and competent members with different areas of expertise, out of which four (4) members are Independent Non-Executive Directors ("INED"). The Nomination and Remuneration Committee ("NRC") adheres to a formal and transparent procedure in accordance with the Terms of Reference of the NRC and Fit and Proper Policy of the Company for the nomination and appointment of a new Director. The NRC and the Board meet with the prospective candidate to ascertain the candidate's suitability for appointment as a Board member. None of the members of the Board is a former key audit partner of the external auditors of the Company. The Senior INED, Mr Wong Chin Mun, acts as an intermediary between the Company and the shareholders if the shareholders have concerns that have not been addressed through the channels provided.

The Board has established the Audit Committee ("AC"), NRC and Risk Management Committee ("RMC") to assist in the execution of its responsibilities. On 17 December 2025, the AC and RMC merged and streamlined into a single Audit and Risk Management Committee ("ARMC"). Each Board Committee is chaired by an INED who is not the Chairman of the Board. The functions, duties and authorities of the Board Committees are set out in the Terms of Reference of the respective Board Committees, accessible at www.scientex.com.my/corporate-governance/.

The Board, through the NRC, has conducted an annual peer and self-assessment via questionnaire on the independence of INEDs, effectiveness of the individual Directors, Board Committees and the Board, and the overall performance of the ARMC, external and internal auditors. The NRC and the Board reviewed the remuneration and rotation of Directors. The Board will engage an independent expert to facilitate objective and candid board effectiveness evaluation as and when necessary.

(i) Assessment of independence of INEDs

The NRC assessed the independence of all INEDs with the following criteria to ensure the INEDs discharge their duties and responsibilities effectively: -

- Fulfilment of the definition of "independent director" under the Listing Requirements;
- Whether the tenure of INEDs has exceeded a cumulative term of nine (9) years;
- Whether INEDs has received any performance-based remuneration or share-based incentives from the Company and the Group;
- Whether INEDs are able to exert considerable influence on the Company's financial standing; and
- Other criteria such as directorships in other listed issuers and public companies, any family relationship with Directors or major shareholders, any conflict of interest or potential conflict of interest he/she has with the Company, interest in securities in the Company, and their attendance of the Board and Board Committees meetings during the financial year.

The NRC has determined that all INEDs have remained objective and independent. Each INED has provided a confirmation of his/her independence to the NRC.

(ii) Review of the effectiveness of the individual Directors, Board Committees and the Board

The NRC reviewed the competencies, contributions and performances of the individual Directors, Board Committees and the Board as a whole. Having reviewed the mix of skills, experiences, competencies, including those relevant to sustainability-related matters, independence, diversity and other qualities required to meet the needs of the Group as

well as the character, personality, integrity and time commitment of the individual Directors, the NRC is satisfied with the performance and contribution of the Directors, the Board skills matrix, size and composition of the Board and Board Committees.

(iii) Review of the ARMC, external auditors and internal auditors

The NRC has reviewed and is satisfied with the independence, composition, skills and expertise, term of office and overall performance of the ARMC. The NRC through the ARMC, reviewed the objectivity, independence, competency, professionalism and resource capacity of the external and internal auditors.

(iv) Review of the remuneration of Directors

The NRC reviewed the remuneration component of the Directors, which includes fees, salary, benefits-in-kind and other emoluments. At the recommendation of NRC, the Board resolved that the Directors' fee of each Director be increased to RM150,000 to be commensurate with the performance and continuous growth of the Group. The total proposed Directors' fees of RM956,250 for FY2026 will be tabled at the forthcoming Fifty-Eighth Annual General Meeting ("AGM") of the Company ("58th AGM") for the approval of the shareholders.

(v) Rotation of Directors

The Constitution of the Company ("Constitution") provides that one-third (1/3) of the Directors with a minimum of one (1), and those appointed during the year shall retire from office and shall be eligible for re-election at every AGM. The Constitution also provides that all Directors shall retire from office at least once in every three (3) years.

The Directors, Mr Lim Peng Cheong and Mr Chin Lam Choong, who are subject to rotation pursuant to Regulation 81 of the Company's Constitution at the forthcoming 58th AGM, had indicated their intentions to seek for re-election. The Director who was appointed during the year, Madam Koh Huey Min, who is subject to re-election pursuant to Regulation 87 of the Company's Constitution at the forthcoming 58th AGM, had also indicated her intention to seek for re-election. Having considered the fit and proper criteria in the Fit and Proper Policy, their past contributions, attendance at the Board and Board Committees meetings as well as other criteria such as directorships in other listed issuers and public companies, any conflict of interest or potential conflict of interest he/she has with the Company, the Board recommended all their re-elections, to be approved by the shareholders at the forthcoming 58th AGM.

The Board is satisfied with the level of time commitment of the Directors in fulfilling their roles and responsibilities. This is evidenced by the Directors' attendance at the Board and Board Committees meetings, and all directors observing the restriction of the Listing Requirements by holding not more than five (5) directorships in listed issuers.

The Board and Board Committees schedule meetings according to the availability of the members and convene additional meetings as and when necessary. Senior Management and advisers are invited to the Board and Board Committees meetings to present relevant subject matters. Board and Board Committees meetings are conducted based on a formal agenda on matters to be discussed, with adequate time allocated for deliberation. The Chairman of the Board and the Chairperson of the respective Board Committees chair the meetings, with proper record of minutes kept by the Company Secretary. Draft minutes of the Board and Board Committees meetings are made available to all members of the Board and Board Committees for confirmation before the next meeting. The attendance of the members of the Board and the Board Committees during FY2026 were as follows: -

Corporate Governance Overview Statement

	No. of Meetings Attended/ Total No. of Meetings Held				
Name of Director	**Board**	**AC**	**RMC**	**ARMC#**	**NRC**
Lim Peng Cheong *(Chairman)*	4/4*	N/A	N/A	N/A	N/A
Lim Peng Jin *(Managing Director/Chief Executive Officer)*	4/4	N/A	N/A	N/A	N/A
Chang Siew Sian *(Executive Director)* *(Resigned as a member of RMC on 17 December 2025)*	4/4	N/A	1/1	N/A	N/A
Wong Chin Mun *(Senior Independent Non-Executive Director)*	4/4	3/3*	N/A	2/2*	2/2
Chin Lam Choong *(Independent Non-Executive Director)*	4/4	3/3	1/1	2/2	2/2*
Sabarina Binti Harun *(Independent Non-Executive Director)* *(Appointed as an Independent Non-Executive Director on 17 September 2025 and a member of ARMC and NRC on 17 December 2025)*	3/3	N/A	N/A	2/2	1/1
Koh Huey Min (Independent Non-Executive Director) *(Appointed as an Independent Non-Executive Director on 10 June 2026)*	N/A	N/A	N/A	N/A	NA
Dato' Noorizah Binti Hj Abd Hamid *(Independent Non-Executive Director)* *(Retired on 17 December 2025)*	2/2	2/3	1/1*	N/A	1/1

Remarks:
** Chairperson of the Board/Board Committees*
 # AC and RMC merged into a single ARMC on 17 December 2025
N/A – Not applicable/ not the member of the respective Board Committees

All Directors attended the Mandatory Accreditation Programme ("MAP") prescribed by Bursa Securities. The Board is mindful that the Directors should continuously update their skills and knowledge to maximise the effectiveness of the Board during their tenure. Directors are required to evaluate their own training needs continuously to keep abreast with regulatory requirements and ongoing business development. The Board has approved a budget for the Directors to attend relevant training courses which may assist the Directors in discharging their responsibilities. In addition, the Board is notified of a series of training programmes or workshops conducted by Bursa Securities and other training providers for its consideration. The Board receives updates of new statutory and regulatory requirements from time to time from the external auditors, Company Secretary and Chief Sustainability Officer on, among others, the amendments to the Malaysian Financial Reporting Standards, the Companies Act 2016, Listing Requirements, publications from Securities Commission Malaysia, sustainability reporting framework and the additional disclosures and reporting requirements arising thereto.

During FY2026, the Directors have attended various training programmes, seminars, conferences and forums, details of which are set out below: -

Directors	Title of Training Programmes/Seminars/Conferences/Forums
Lim Peng Cheong	- Environmental Awareness Talk - Scam Prevention Awareness Talk - Sustainability, Governance and Investor Expectations in Asia
Lim Peng Jin	- Global, Regional and Malaysian Economic Updates - The Art of Negotiation: Psychological Negotiation Principles for the Management of Your Business - Are you Antifragile? - The Strategic Command Center: Leveraging Gemini & NotebookLM for Sales Management
Chang Siew Sian	- Scam Prevention Awareness Talk - Mandatory Accreditation Programme Part II: Leading for Impact
Wong Chin Mun	- Scam Prevention Awareness Talk - Global, Regional and Malaysian Economic Updates - The Art of Negotiation: Psychological Negotiation Principles for the Management of Your Business - Introducing "Vistage Strategic Planning Framework" by Master Chair - The Strategic Command Center: Leveraging Gemini & NotebookLM for Sales Management
Chin Lam Choong	- Scam Prevention Awareness Talk - Case Study-Based Webinar: ESG Investing and Capital Markets: The Role of ESG in Investment Decision-Making - Introduction to Environmental, Social & Governance (ESG) and Sustainable Finance
Sabarina Binti Harun	- Environmental Awareness Talk - Inside the Grey Zone : Mastering Conflicts of Interest in the Boardroom
Koh Huey Min	- Scam Prevention Awareness Talk

REMUNERATION

The Company's general policy on Directors' remuneration is to offer competitive remuneration packages to attract and retain high-calibre Directors. The remuneration package for Executive Director(s) is structured to link the rewards to financial performance and long-term objectives of the Group aside from individual performance. The remuneration package comprises a number of separate elements such as basic salary, allowances, bonuses and other benefits-in-kind.

The remuneration of Non-Executive Directors is linked to their experience and the level of responsibilities undertaken. The remuneration package for Non-Executive Directors shall be determined by the Board as a whole. The Director concerned shall abstain from deliberation and voting on decisions in respect of his/her individual remuneration package.

Apart from the remuneration paid and payable by the Company and the Group in respect of FY2026 as follows, the Group has arranged for Directors' and officers' liability insurance to indemnify the Directors and officers of the Company and its group of companies. The amount of premium paid for such liability insurance is set out in the Report of the Directors of the Company's Audited Financial Statements for FY2026.

Corporate Governance Overview Statement

	Company					Group				
	Salaries RM'000	Fees* RM'000	Bonuses and Allowances and Other Emoluments RM'000	EPF Contribution by Employer RM'000	Total RM'000	Salaries RM'000	Fees* RM'000	Bonuses and Allowances and Other Emoluments RM'000	EPF Contribution by Employer RM'000	Total RM'000
Executive Directors										
Lim Peng Jin	-	150	-	-	150	5,480	150	5,025	1,891	12,546
Chang Siew Sian	-	150	-	-	150	1,344	150	1,269	470	3,233
Non-Executive Directors										
Lim Peng Cheong	-	150	-	-	150	-	150	-	-	150
Wong Chin Mun	-	150	-	-	150	-	150	-	-	150
Chin Lam Choong	-	150	-	-	150	-	150	-	-	150
Sabarina Binti Harun *(Appointed on 17 September 2025)*	-	131	-	-	131	-	131	-	-	131
Koh Huey Min *(Appointed on 10 June 2026)*	-	19	-	-	19	-	19	-	-	19
Dato' Noorizah Binti Hj Abd Hamid *(Retired on 17 December 2025)*	-	56	-	-	56	-	56	-	-	56

** Subject to the shareholders' approval at the 58th AGM.*

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT AND RISK MANAGEMENT COMMITTEE

The ARMC is led by a Senior INED who is not the Chairman of the Board. The ARMC comprises three (3) members, all of whom are INEDs, who each satisfy the "independence" requirements contained in the Listing Requirements. All ARMC members are financially literate, with extensive corporate experiences and equipped with the required business skills. The profile of the ARMC members is stated in the Integrated Annual Report 2026, accessible at www.scientex.com.my/board-of-directors/.

The summary of the activities carried out by the ARMC in discharging its function and duties for FY2026 is disclosed in the 'Audit and Risk Management Committee Report' in the Integrated Annual Report 2026 on p. 104.

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

The Board acknowledges its overall responsibilities to maintain a sound risk management and internal control system as well as reviewing its adequacy and effectiveness, and to put in place sufficient safeguards to manage the Group's risks in order to protect shareholders' interest and the Group's assets. This comprises overseeing the Group's approved risk appetite, risk management, governance and internal control system, which includes supporting the Group's strategic and business objectives.

The Board focuses on strengthening governance, transparency and accountability, while fostering risk-aware culture through the integration of risk management into the Group's strategic, business and day-to-day operational decision-making processes, in line with stakeholders' interest, evolving regulatory requirements, industry developments, emerging risks and evolving business expectations. The Board reviews the adequacy and effectiveness of the risk management and internal control system periodically, and endorsed the system which incorporates the '*Three Lines of Defence*' model.

The Board is guided by the ARMC in overseeing the overall risk management and internal control system of the Group. The ARMC updates material risk matters to the Board and periodically review the risk management framework, principles and structure for timely identification, assessment, evaluation and management of the risks that may potentially impact the Group. The internal audit function provides independent and objective assurance to the Board, by reporting to the ARMC on a quarterly basis. The Group's internal audit reviews, monitors, and ensures compliance with the Group's policies and procedures, while also assessing the adequacy and effectiveness of the internal control system in place.

The Board is also supported by the Scientex Executive Committee ("EXCO"), which is chaired by the Managing Director/ Chief Executive Officer and comprises Senior Management from both the Packaging and Property Divisions of the Group. The EXCO initiates the Group's policies and procedures on risk management include identifying, assessing and evaluating the associated risks, and initiating recommendations which are designed to respond to the risks, whilst continuously monitoring and reporting the risks. The Group is guided by the framework and principles of ISO 31000:2018 – Risk Management Guidelines and covers key risk areas, including strategic, financial, operational, compliance, information technology and sustainability risks. The Group adopts a forward-looking approach in managing climate-related risks through scenario analysis, having regard to the principles and requirements of the International Financial Reporting Standards ("IFRS") S2, issued by the International Sustainability Standards Board ("ISSB").

Read more
Key Risks and Mitigation > p. 49
Statement on Risk Management and Internal Control > p. 101
Audit and Risk Management Committee Report > p. 104

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

ENGAGEMENT WITH STAKEHOLDERS

The Board recognises the importance of transparency and accountability towards its shareholders and maintaining an effective communication policy that enables both the Board and the Management to communicate effectively with its stakeholders.

Pursuant to Paragraph 15.26(a) of the Listing Requirements, the Directors are responsible for the preparation of financial statements for each financial year to give a true and fair view of the financial position of the Company and the Group, and the financial performance and cash flows of the Company and the Group for the financial year then ended. In the preparation of these financial statements, the Directors have: -

- adopted suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent; and
- ensured that the applicable approved accounting standards have been complied with.

The Directors are also responsible for ensuring that proper accounting and other records are kept, which disclose with reasonable accuracy at any time the financial position of the Company and the Group. Additionally, the Directors are responsible for ensuring that the financial statements comply with the Companies Act 2016, the applicable approved accounting standards in Malaysia and the Listing Requirements of Bursa Securities.

Hence, in presenting the annual Audited Financial Statements and quarterly financial results, the Board aims to present a balanced and fair assessment of the Group's financial position and prospects. The ARMC reviews the Group's quarterly financial results and annual Audited Financial Statements to ensure accuracy, adequacy and completeness prior to seeking the Board's approval. The ARMC and the Board ensure that the financial statements prepared are drawn up in accordance with the applicable approved accounting standards and the provisions of the Companies Act 2016 so as to give a true and fair view of the financial position of the Company and the Group.

Corporate Governance Overview Statement

To maintain effective communication with the Company's stakeholders, the Board communicates information on the operations, activities and performance of the Group through its Integrated Annual Reports and various corporate announcements made to Bursa Securities and the Company's corporate website, while maintaining a continuous stream of active dialogues, discussions or briefings with the press, fund managers and analysts through planned programme of investor relations activities. Stakeholders may direct their queries or concerns to the Company through www.scientex.com.my/contact-us/.

By engaging constructively with the stakeholders, the Group has been able to understand their needs, address their expectations, and manage risks, which were then mapped against the Group's sustainability topics to provide context on their actual or potential effects on environmental, economic, social and governance outcomes. The Group's efforts to strengthen relationships with its stakeholders are reflected in 'Key Stakeholder Engagement' at p. 37.

CONDUCT OF GENERAL MEETINGS

General meetings serve as an important communication channel for shareholders. Notice of general meetings will be sent to shareholders at least fourteen (14) days before the meeting, or at least twenty-one (21) days prior to the meeting where any special resolution is to be proposed, or where it is an AGM, together with the Integrated Annual Report. Notice of AGM will be issued at least twenty-eight (28) days before the AGM date in line with the best practice recommended by MCCG 2021. Shareholders who are not able to participate in the general meetings are given the option of appointing a proxy to attend, participate, speak and vote at the meeting on his/her behalf. The Board ensures all relevant information is disclosed to shareholders to enable them to exercise their rights and hence, each item of special business included in the notice of meeting is accompanied by an explanatory statement on the effects of the proposed resolution. The notice of general meetings are published in the Company's corporate website, accessible at www.scientex.com.my/investor-relations/agm-egm/, and advertised in a nationally circulated English daily newspaper.

In line with Paragraph 8.29A of the Listing Requirements, the Board has implemented poll voting for all resolutions set out in the notice of general meetings and the appointment of at least one (1) independent scrutineer to validate the votes cast at the general meetings. The Company has leveraged on technology to facilitate electronic voting for the conduct of polls on all proposed resolutions to expedite verifications and counting of votes, reduce administrative costs and paperwork. The Company will ensure the service provider handling the general meetings have controls in place to protect data privacy and to prevent cyber threats during the conduct of general meetings. The outcome of the general meetings, including the poll voting results, will be announced to Bursa Securities on the day the general meetings are held and the announcement is accessible at www.scientex.com.my/investor-relations/announcements/ or via www.bursamalaysia.com/market_information/announcements/company_announcement.

At the general meetings, shareholders are given opportunity and sufficient time to express their views or raise questions in connection with the Company's financial performance, business operations, corporate governance, corporate proposals and other matters concerning the shareholders' interests. The Directors and Senior Management as well as the auditors and advisers of the Company are present at the general meetings to respond to any questions raised by the shareholders. The minutes of the general meeting is published in the Company's corporate website, accessible at www.scientex.com.my/investor-relations/agm-egm/. In addition, as and when necessary, a press conference is held immediately following the conclusion of the general meetings where the Directors brief the press, and answer relevant questions on the Group's operations and financial performance.

CURRENT KEY FOCUS AREAS AND FUTURE PRIORITIES

Against the backdrop of a volatile and challenging market environment, the Group delivered a strong financial and operational performance in FY2026. As we navigate changing circumstances, we are guided by our renewed vision, '*Fly Higher Grow Stronger*'. We will pursue growth with courage while continuously strengthening our foundations by building buffers and options, eliminating complexity and negativity, and continuously learning and improving through all challenges. We believe a strong foundation with clear accountability and the ability to embrace change and adapt as circumstances evolve will guide us towards our growth ambitions.

Read more
Chairman's Statement > p. 18
Sustainability Report 2026

This CG Overview Statement was approved in accordance with the resolution of the Board on 14 October 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors ("Board") is pleased to provide a Statement on Risk Management and Internal Control (the "Statement") for the financial year ended 31 July 2026 ("FY2026"). This Statement is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies 2025 ("SORMIC Guide 2025"), and outlines the nature, scope and key elements of risk management and internal controls.

The Group's risk management and internal control system applies principally to Scientex Berhad and its subsidiaries.

BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility to maintain a sound risk management and internal control system as well as reviewing its adequacy and effectiveness, and to put in place sufficient safeguards to manage the Group's risks in order to protect shareholders' interest and the Group's assets. This comprises overseeing the Group's approved risk appetite, risk management, governance and internal control system, which includes supporting the Group's strategic and business objectives. However, due to the inherent limitations in any system of risk management and internal control, such system is designed to manage rather than eliminate the risk of not achieving the business objectives. Thus, the risk management and internal control system that put in place can only provide reasonable but not absolute assurance against material misstatements, losses or other unforeseen circumstances. The material risk areas covered by the Group's risk management and internal control system are strategic, financial, operational, compliance, information technology and sustainability.

The Board focuses on strengthening governance, transparency and accountability, while fostering risk-aware culture through the integration of risk management into the Group's strategic, business and day-to-day operational decision-making processes, in line with stakeholders' interest, evolving regulatory requirements, industry developments, emerging risks and evolving business expectations. In this regard, the Board affirms that an ongoing and an established risk management process for identifying, assessing, evaluating, responding, monitoring and reporting the Group's key risks and emerging risks has been operating effectively throughout the financial year under review and up to the date of approval of this Statement for inclusion in the Integrated Annual Report.

RISK MANAGEMENT

On 17 December 2025, the Group's Audit Committee and Risk Management Committee were merged into a single Board Committee, namely the Audit and Risk Management Committee ("ARMC").

The Board understands that all aspects of the Group's operational activities involve a certain degree of risk and recognises that business decisions require taking appropriate measured risks, with the ultimate objective of balancing potential impact against the expected returns to shareholders. The Board is guided by the ARMC in overseeing the overall risk management and internal control system of the Group. The ARMC is supported by Scientex Executive Committee ("EXCO"). The EXCO is chaired by the Managing Director/Chief Executive Officer and comprise of Senior Management Executives ("Management") from both the Packaging and Property Divisions of the Group.

The EXCO establishes the Group's risk management policies and procedures include identifying, assessing and evaluating the associated risks, initiating recommendations which are designed to respond to the risks, whilst continuously monitoring and reporting the risks. The Group is guided by the framework and principles of ISO 31000:2018 – Risk Management Guidelines covering the key risk areas, comprising of strategic, financial, operational, compliance, information technology and sustainability. The Group adopts a forward-looking approach in managing climate-related risks through scenario analysis, having regard to the principles and requirements of the International Financial Reporting Standards ("IFRS") S2, issued by the International Sustainability Standards Board ("ISSB").

The Board reviews the adequacy and effectiveness of the risk management and internal control system periodically, and endorsed the system which has incorporated the '*Three Lines of Defence*' model. The *1st Line* comprises the Group's respective Business Owners, who are responsible for identifying, assessing, evaluating and managing risks within their respective areas of responsibility. The *2nd Line* comprises the Group's Risk Management function, which facilitates the overall

risk management process and supports the integration and implementation of risk management across the Group effectively. This encompasses to assist in identifying, assessing, evaluating, responding, monitoring and reporting the significant and emerging risks in a timely manner, by using the approved risk rating matrix which comprises the likelihood, impact and risk level parameters in evaluating the inherent and residual risk ratings. The *3rd Line* comprises the Group's Internal Audit function, which provides an independent and objective assurance on the adequacy and effectiveness of the Group's risk management and internal control system and reports to the ARMC. The Group adopts a forward-looking risk identification approach and remains vigilant in managing its key risks and emerging risks, in accordance with the Group's risk parameters.

Read more
Key Risks and Mitigation > p. 49

INTERNAL AUDIT

The Group established an internal audit function that provides independent and objective assurance to the Board, by reporting to the ARMC on a quarterly basis. The Group's internal audit conducts audit review on the Group's operations for both the Packaging and Property Divisions as approved by the ARMC. The Group's internal audit reviews, monitors, and ensures compliance with the Group's policies and procedures, while also assessing the adequacy and effectiveness of the internal control system in place. It highlights notable non-compliance subjects to the Board through the ARMC and follow-up with Management on the implementation of the agreed action plans.

The Internal Audit team operates independently and is free from undue interference in determining the scope of its work and performing its engagements and maintains objectivity and independence in discharging its duties and responsibilities.

OTHER KEY ELEMENTS OF RISK MANAGEMENT AND INTERNAL CONTROL

The other key elements of the Group's risk management and internal control system are as follows: -

- The EXCO was established to support the Board and to oversee day-to-day operational matters and the overall significant risk areas that might affect the Group, and ensuring the business operations are in line with the Group's directions and business strategies. The EXCO also implements operational strategies consistently to respond to the rapid changes in the external market and business environment, while ensuring that the Group's objectives, policies and procedures are adhered. Operational matters and areas of improvement raised for deliberation and discussion in the EXCO meetings and adequately addressed with appropriate actions taken. The EXCO meets at least once a month and when required, for immediate response and actions, to ensure the interests of the Group are protected at all times.

- The ARMC is led by a Senior Independent Non-Executive Director, who is not the Chairman of the Board. The ARMC comprises three (3) Independent Non-Executive Directors. The ARMC updates material risk matters to the Board and periodically reviews the risk management framework, principles and structure for timely identification, assessment, evaluation and management of the risks that may potentially impact the Group. The ARMC is facilitated by the Risk Management function. The Risk Management function facilitates and assists to establish and implement an effective risk management framework, policies and processes across the Group, as well as to support in overseeing the risk management approach of the Group to identify, assess, evaluate, respond, monitor, and report any significant and emerging risks to the ARMC. In addition, Risk Management function facilitates and assists the Business Owners in identifying, assessing, evaluating, responding and reporting the risks into their risk registers respectively.

- The EXCO conducts regular management meetings with their respective Management from the Packaging and Property Divisions, to review the financial and operational reports to monitor the performance of the businesses and other operational matters, including internal control related aspects and risk management concern areas of the respective division.

- The Group has clearly defined the delegation of responsibilities and authority for the relevant Board Committees and the Management, including an integrated organisational structure, the Board Charter and the respective Board Committees' Terms of Reference, which set out their respective roles, responsibilities and authority approval matrix. For further details, refer to the Company website at www.scientex.com.my/corporate-governance/.

- The Group has developed Policies and Codes of Conduct governing all relevant stakeholders to adhere to the applicable laws and regulations and follow the high ethical standards/principles. These documents defined the Group's commitment in relation to the applicable subject matter and are reviewed periodically to maintain its relevance and applicability.

- The Group's standard operational control guidelines are documented in the respective Internal Control Guidelines ("ICGs") of the Packaging and Property Divisions. The ICGs set out the key controls and process guidelines across the relevant functions. The ICGs served as key controls overview to provide structured oversight, facilitate consistent internal control practices, policies and procedures across the Group's operational locations and also, to manage the business and operational risks that may affect the Group to achieve their business objectives. The ICGs are reviewed and updated, where necessary, to reflect changes in the business environment, the Group's strategies and operational processes.

- The Group established an annual budget planning, requiring its key operating subsidiaries to prepare budgets and business plans for the upcoming financial year. The Group also practices a Quarterly Rolling Budget ("QRB") system to facilitate for an effective monitoring and review of the actual performance against budgets, supporting Management to implement remedial actions in a timely manner.

- The Board and Management receive quarterly performance reports that provide comprehensive insights of the Group's financial performance and its key business indicators for facilitating an effective performance monitoring of the Group.

- Strong governance and internal reporting practices are applied in preparing the annual and sustainability reports. Where relevant, the reports are reviewed by both internal and external auditors before being approved by the Board.

CONCLUSION

During the financial year, the Board is confident that the Group's risk management and internal control system have been operating adequately and effectively, and is in line with the Group's business objectives. No material losses were identified from any shortcomings of the Group's risk management and internal control system that required a separate disclosure in this Integrated Annual Report. The Board has also received assurance from the Managing Director/ Chief Executive Officer and the officer primarily responsible for financial management of Scientex Berhad, that the Group's risk management and internal control system is operating adequately and effectively in all material respects. Accordingly, the Board is of the opinion that the current risk management and internal control system across the Group is sufficient to safeguard shareholders' interests and protect the Group's assets. The Board and Management remain committed to continuously enhance the Group's risk management and internal control systems.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

By requirement under Paragraph 15.23 of the Listing Requirements of Bursa Securities, the Group's external auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 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.

Pursuant to their review, the external auditors notified the Board that no incident had come to their attention suggesting this statement is inconsistent with their understanding of the Board's review process on the adequacy and effectiveness of the Group's risk management and internal control system.

This Statement on Risk Management and Internal Control is made in accordance with the resolution of the Board on 14 October 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors ("Board") is pleased to present the report of the Audit and Risk Management Committee ("ARMC") for the financial year ended 31 July 2026 ("FY2026").

On 17 December 2025, the Audit Committee ("AC") and Risk Management Committee ("RMC") were merged into a single Board Committee, namely the ARMC.

ARMC MEMBERS

The ARMC is led by a Senior Independent Non-Executive Director who is not the Chairman of the Board. The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors, who each satisfy the "independence" requirements contained in the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). The ARMC meets the requirements of Paragraph 15.09 of the Listing Requirements.

Members	Position
Wong Chin Mun	Chairman *(Senior Independent Non-Executive Director)*
Chin Lam Choong	Member *(Independent Non-Executive Director)*
Sabarina Binti Harun	Member *(Independent Non-Executive Director)*

ATTENDANCE AT MEETING

The attendance record of each ARMC member in FY2026 is as follows: -

ARMC Members	Number of AC Meetings Attended / Total Number of AC Meetings Held	Number of RMC Meetings Attended / Total Number of RMC Meetings Held	Number of ARMC# Meetings Attended / Total Number of ARMC Meetings Held
Wong Chin Mun	3/3	N/A	2/2
Chin Lam Choong	3/3	1/1	2/2
Sabarina Binti Harun *(Appointed as member of ARMC on 17 December 2025)*	N/A	N/A	2/2

Remarks:

#AC and RMC merged into a single ARMC on 17 December 2025
N/A – Not applicable/ not the member of the respective Board Committees

The Executive Directors, Senior Management, Internal and External Auditors, other Board Members and the Company Secretary were invited to attend the meetings, as and when necessary.

SUMMARY OF ACTIVITIES OF THE ARMC

The functions and duties of the ARMC are set out in its terms of reference and available on the Company's corporate website at www.scientex.com.my/corporate-governance/. In discharging its functions, duties and responsibilities, the ARMC has undertaken the following activities during FY2026: -

(i) Financial Reporting and Regulatory Requirements

The ARMC monitored the financial reporting processes of the Group, including reviewing and discussing the Group's unaudited quarterly financial results and audited financial statements with the management and external auditors to ensure compliance with the applicable financial reporting standards and relevant regulatory requirements, as well as discussing the performance of the Group, before presentation to the Board for consideration and approval.

The ARMC reviewed and discussed significant accounting, auditing and regulatory issues and the impact of new accounting standards and other regulatory requirements including but not limited to Malaysian Financial Reporting Standards, the Companies Act 2016, Malaysian Code on Corporate Governance 2021, the Listing Requirements and the additional disclosures and reporting requirements arising thereto.

As part of the financial year end reporting process, the ARMC reviewed the external auditors' professional services planning memorandum, progress report and final report which disclosed, amongst others, the responsibilities of the external auditors and those charged with governance, members of the audit team, materiality level, audit approach and scope, significant risks and areas of audit focus, internal control assessment, involvement of internal auditors, specialists and audit data analytics, use of technology tools, audit process and execution, independence policies, report on system of quality management, audit timeline, analysis of audit misstatements and responses from Management on the findings. There were no significant findings noted from the reports.

(ii) External Auditors

In considering the appointment of external auditors, the ARMC discussed and considered the competency and resource capacity of the external auditors, the rotation of audit partners, the audit and service team, the audit work, objectivity, professionalism and the independence of the external auditors. The ARMC assessed the external auditors annually via questionnaire.

For FY2026, the ARMC has reviewed the independence and suitability of the external auditors, namely Deloitte Malaysia PLT ("Deloitte"), in respect to the provision of non-audit services to the Group and fees paid/payable for such services in accordance with the terms of all relevant professional and regulatory requirements. The ARMC noted that Deloitte had established policies, safeguards and procedures to ensure there is no threat to its independence and objectivity. Furthermore, Deloitte provided independence assurance for their audit works for FY2026. Pursuant thereto, the ARMC was of the opinion that Deloitte's independence is not impaired and recommended to the Board for the re-appointment of Deloitte as the external auditors of the Company at the forthcoming Annual General Meeting based on the suitability, performance, objectivity, professionalism and independence of the external auditors.

The ARMC had private discussions with the external auditors during the review of the audited financial statements to discuss any issues arising from the final audit and the assistance given by the management and staff during the course of audit. There were no significant issues highlighted by the external auditors and they received full cooperation from the management and staff, and had unrestricted access to Senior Management in the performance of the audit. There was neither material disagreement nor significant difficulties encountered while performing the audit works.

(iii) Internal Audit and Risk Management

The ARMC has reviewed and approved the internal audit plan and risk management plan for year 2026 to ensure that the scope and coverage of the internal audit and risk management on the operations of the Group is adequate and major risk areas are audited accordingly in line with the latest developments of the Group and the overall business environment.

The internal audit function and risk management function presented the internal audit reports and risk management reports of the operating units of Packaging Division and Property Division. The ARMC considered the findings highlighted in the internal audit reports and the responses from management. There were no major controls weaknesses noted from the said reports. The ARMC reviewed the risk registers, the ongoing monitoring process and the management actions of the risk focus areas.

The ARMC assessed the objectivity, independence, competency and resource capacity of the internal audit function annually via questionnaire.

(iv) Others

In addition to the above activities, the ARMC: -

a) Reviewed matters related to corporate governance, risk management, internal control, prevention and detection of fraud, including the Group's assessment of risk of fraud, the processes and controls established to mitigate such risk and the framework in place to identify any risk of fraud.

b) Reviewed and reported to the Board on any related party transactions, recurrent related party transactions, conflict of interest and potential conflict of interest that may arise. Save as disclosed in the profile of the Directors and key management, none of the Directors and key management have any conflict of interest or potential conflict of interest in any competing business with the Company or its subsidiaries. The Directors and key management undertake to inform the Company immediately if and when they become aware of any conflict of interest or potential conflict of interest situations and recuse themselves from the relevant deliberations and decisions where such conflict may be present.

c) Reviewed the ARMC Report, Corporate Governance Overview Statement, Corporate Governance Report and Statement on Risk Management and Internal Control, and recommended the same for the Board's approval.

INTERNAL AUDIT FUNCTION

The Group's internal audit function reports directly to the ARMC in accordance with the approved internal audit plan. It undertakes regular and systematic review of the internal control system within the Group to provide independent assurance on the adequacy and effectiveness of the governance and internal control processes.

The internal audit function conducted assurance reviews by interviewing the relevant personnel, observing the working environment and procedures of the business units, reviewing relevant supporting documents and performing sampling verification. The preliminary internal audit reports include the recommendation for areas of improvement were circulated to the management for their responses and actions. Audit responses and management actions were recorded in the final internal audit reports before tabling at the ARMC meetings. The ARMC reviews and deliberates the internal audit plan and internal audit reports. The ARMC Chairman then updates the Board on the matters deliberated in the ARMC meetings. Additionally, the internal audit function reviewed the Internal Control Guidelines of the Packaging and Property Divisions and made necessary updates to reflect current business practices and environment. The internal audit function also performed regular reviews on the Group's environmental, social and governance ("ESG") data, to provide independent and objective assurance in the accuracy of the data collection process.

The cost incurred by the Group's internal audit function for FY2026 amounted to RM880,899.

This ARMC Report is made in accordance with the resolution of the Board on 14 October 2026.

ADDITIONAL COMPLIANCE INFORMATION

1. Audit and Non-Audit Fees

The amount of audit and non-audit fees paid and payable to the external auditors, Deloitte Malaysia PLT ("Deloitte"), and its affiliate corporations for the audit and non-audit services rendered to the Company and the Group for FY2026 are as follows: -

Type of Services / External Auditors		Fees (RM'000)	
		Company	Group
Audit : Deloitte		55	844
: Other Auditors		-	161
	Total Audit Fees	55	1,005
Non-Audit : Deloitte		9	84
: Deloitte's Affiliates		5	401
	Total Audit and Non-Audit Fees	69	1,490

The non-audit services include the following :

i) tax compliance and advisory services; and
ii) review on the Statement on Risk Management and Internal Control of the Company.

2. Material Contracts Involving Directors' and Major Shareholders' Interest

There were no material contracts entered into by or subsisting between the Company and/or its subsidiaries involving Directors' and major shareholders' interests during FY2026.

3. 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

Total Income	Remarks	Group	
		2026 (RM'000)	2025 (RM'000)
Revenue		**4,813,019**	4,517,709
Other income		**19,442**	12,656
Interest income		**7,472**	6,636
Dividend income		**2**	2
Share of profit of associates		**11,193**	15,680
Total		**4,851,128**	4,552,683
Total Assets		**8,253,005**	8,068,957

Additional Compliance Information

(B) Business Activities

Shariah Non-Compliant Activities	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Liquor and liquor-related activities		**7,291**	6,533
Pork and pork-related activities		**641**	14
Interest income		**6,882**	6,369
Gain from investment in conventional Instruments		**395**	412
Other Shariah non-compliant activities (please specify in the remarks column)		**195**	-
Total		**15,404**	13,328

(C) Component of Financial Position

(i) Cash Component

Islamic Account/ Instruments	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Cash at bank (exclude cash in hand)		**351**	116
Cash in hand		**219**	200
Deposits with licensed bank		**14,205**	14,692
Money market instruments		**9,232**	4,488
Total		**24,007**	19,496

Conventional Account/ Instruments	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Cash at bank (exclude cash in hand)		**161,703**	118,185
Deposits with licensed bank		-	1,278
Deposits with bank in foreign jurisdiction: Interest-bearing		**20,091**	4,294
Cash held under Conventional Housing Development Accounts		**13,609**	11,611
Money market instruments		**138,400**	290,750
Total		**333,803**	426,118

(ii) Debt Component

Islamic Financing	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Current			
Banker's acceptances		-	1,397
Revolving credit and financing		**294,806**	308,100
Invoice financing		**1,215**	-
Non-Current			
Sukuk		**1,060,000**	1,060,000
Total		**1,356,021**	1,369,497

Conventional Borrowing	Remarks	Group 2026 (RM'000)	Group 2025 (RM'000)
Current			
Banker's acceptances		**39,036**	46,961
Revolving credit and loans		**442,931**	911,570
Invoice financing		**213,162**	112,169
Non-Current		-	-
Total		**695,129**	1,070,700

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Report of the Directors

The directors of **SCIENTEX BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 July 2026.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries and associates are as disclosed in Notes 16 and 18 to the financial statements respectively.

RESULTS

The results of the Group and of the Company for the year are as follows:

	The Group RM'000	The Company RM'000
Profit for the year	657,699	301,838
Profit for the year attributable to:		
Owners of the Company	620,170	301,838
Non-controlling interests	37,529	-
	657,699	301,838

In the opinion of the directors, the results of the Group and of the Company during the year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

Dividends paid and declared since the end of the previous year were as follows:

	RM'000
In respect of the year ended 31 July 2025:	
Single tier final dividend of 6 sen per ordinary share declared on 17 December 2025 and paid on 23 January 2026	93,376
In respect of the year ended 31 July 2026:	
Single tier interim dividend of 6 sen per ordinary share declared on 10 June 2026 and paid on 17 July 2026	93,377
	186,753

On 9 September 2026, the directors proposed a single tier final dividend of 6 sen per ordinary share amounting to approximately RM93,377,000 in respect of the year ended 31 July 2026. The proposed single tier final dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements. Upon approval by the shareholders, the dividend payment will be accounted for in equity as an appropriation of retained earnings in the year ending 31 July 2027.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES

During the year, the Company increased the number of issued shares from 1,556,268,391 ordinary shares to 1,556,277,014 ordinary shares by way of issuance of 8,623 new ordinary shares pursuant to the exercise of 8,623 warrants at the exercise price of RM4.30 per warrant.

The new ordinary shares issued rank pari-passu in all respects with the existing ordinary shares of the Company. Further relevant details of the issuance of shares are disclosed in Note 26 to the financial statements.

As at 31 July 2026, the total number of issued shares of the Company was 1,556,277,014 ordinary shares, of which 100 ordinary shares were held as treasury shares.

Continued

TREASURY SHARES

The Company did not purchase any of its issued ordinary shares from the open market during the year.

As at 31 July 2026, the Company held a total of 100 ordinary shares as treasury shares out of its 1,556,277,014 issued ordinary shares. Such treasury shares are held at a carrying amount of RM720. Further relevant details are disclosed in Note 27(c) to the financial statements.

ISSUE OF WARRANTS

The Company has not issued any new warrants during the year.

During the year, the Company issued 8,623 ordinary shares pursuant to the exercise of 8,623 warrants at the exercise price of RM4.30 per warrant. The warrants expired on 14 January 2026 and the remaining 98,276,380 unexercised warrants lapsed. The salient features and movements of the warrants of the Company are disclosed in Note 26(b) to the financial statements.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance 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 the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets 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 amount written off for bad debts or the amount of the allowance 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 the current assets in the financial statements of the Group and of the Company misleading; or

(c) which have arisen which would 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 financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

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

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

(b) any contingent liability in respect of the Group and of the Company which has arisen since the end of the year.

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

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the year in which this report is made.

Continued

DIRECTORS

The directors of the Company in office during the period since the beginning of the year to the date of this report are as follows:

Lim Peng Cheong
Lim Peng Jin
Wong Chin Mun
Chin Lam Choong
Chang Siew Sian
Sabarina Binti Harun (Appointed on 17 September 2025)
Koh Huey Min (Appointed on 10 June 2026)
Dato' Noorizah Binti Hj Abd Hamid (Retired on 17 December 2025)

The directors of the subsidiaries of the Company in office during the period since the beginning of the year to the date of this report are as follows:

Lim Peng Jin
Koay Teik Chuan
Choo Seng Hong
Khaw Giet Thye
Chang Siew Sian
Goh Tian Chin
Yasuo Nagae
Takeshi Nishimura
Tan Lian Kung
Tan Chee Seng
Chang Chee Siong
U Kyaw Win Tun
U Myo Min Kyaw
Wong Pei Pei
Choon Ting Song
Lim Jian You
Low Geoff Jin Wei
Heong Mun Foo
Phang Yuen Khang
Low Pei Fhoon
Tang Song Teik
Tan Hong Koon
Tin Jie Qi
Nazri Bin Hassanal Bashry
Munsir
Dato' Azman Bin Mahmud
Tan Chee Teong
Lim Hong Yee
Yukinori Kitagawa
Wong Min Heng
Datuk Ichiro Suzuki
Kwan Yew Chee
Keith Ling Ang Kuong*
Choo Yung Siong*
Goh Chee Hong*
Chua Chun Seng*
Ir Dr Ishan Bin Ismail*
Hiroki Muneyoshi*
Takehiro Takagawa*
Gan Kok Khye^
Megat Rozlan Bin Abdul Rahman^
Cham Chean Fong @ Sian Chean Fong^
Lim Kah Fan^
Koh Huey Min^
Toshihiko Muneyoshi^
Masanobu Kamiyama^

* Appointed during the year and up to the date of this report.
^ Resigned during the year and up to the date of this report.

Continued

DIRECTORS' INTERESTS

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

	Number of ordinary shares			
	As at 1.8.2025	Acquired/ Transfer in	Disposed/ Transfer out	As at 31.7.2026
Shares in the Company				
Direct interests				
Lim Peng Cheong	1,820,000	-	-	1,820,000
Lim Peng Jin	7,312,032	-	-	7,312,032
Wong Chin Mun	300,000	-	-	300,000
Chang Siew Sian	5,910,000	340,000	-	6,250,000
Deemed/Indirect interests				
Lim Peng Cheong	869,827,550	21,219,700	-	891,047,250
Lim Peng Jin	909,996,634	21,199,700	-	931,196,334
Chin Lam Choong	10,000	-	(10,000)	-

	Number of warrants			
	As at 1.8.2025	Acquired	Lapsed^	As at 31.7.2026
Warrants in the Company				
Direct interests				
Lim Peng Cheong	10,000	-	(10,000)	-
Lim Peng Jin	482,904	-	(482,904)	-
Wong Chin Mun	16,200	-	(16,200)	-
Deemed/Indirect interests				
Lim Peng Cheong	49,663,073	-	(49,663,073)	-
Lim Peng Jin	52,437,713	-	(52,437,713)	-

^ The Company's warrants expired on 14 January 2026 and the remaining unexercised warrants lapsed.

Lim Peng Jin and Lim Peng Cheong by virtue of their interests in shares and warrants in the Company are also deemed to have interests in shares of all the Company's subsidiaries to the extent the Company has an interest.

The other directors in office at the end of the year did not have any shares and/or warrants or beneficial interest in the shares and/or warrants of the Company or its related corporations during the year.

Continued

DIRECTORS' BENEFITS

During and at the end of the year, no arrangement subsisted to which the Company was a party whereby the directors of the Company might 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 year, none of the directors of the Company has received or become entitled to receive any benefits (other than the fees and benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full time employee of the Company or its related corporations as shown below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

The directors' benefits are as follows:

	The Group 2026 RM'000	The Company 2026 RM'000
Directors of the Company		
Executive:		
Salaries and other emoluments	13,118	-
Defined contribution plan	2,361	-
Fees	300	300
	15,779	300
Non-executive:		
Fees	656	656
	16,435	956

DIFFERENT YEAR END OF SUBSIDIARIES

The Group has been granted approval from Companies Commission of Malaysia pursuant to Section 247(3) of Companies Act, 2016 for Scientex Tsukasa (Vietnam) Co., Ltd. ("STV") and Daibochi Packaging (Myanmar) Company Limited ("DPM") to continue to adopt the year end that does not coincide with the Group's year end of 31 July. The Group has consolidated the financial position and results of STV and DPM based on the unaudited financial statements made up to the year end of the Group.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains a directors and officers liability insurance throughout the year, which provides appropriate insurance cover for the directors and officers of the Company and its group of companies. The amount of insurance premium paid during the year amounted to RM27,500.

No indemnity was given to or insurance effected for auditors of the Company and of the subsidiaries during the year.

SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE YEAR

In addition to the significant events disclosed elsewhere in this report, other significant events are disclosed in Notes 17 and 41 to the financial statements.

AUDITORS' REMUNERATION

The amount paid/payable as remuneration of the auditors of the Group and of the Company for the year ended 31 July 2026 amounting to RM1,005,000 and RM55,000 respectively.

Continued

AUDITORS

The auditors, Deloitte Malaysia PLT, have indicated their willingness to continue in office.

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

LIM PENG JIN

CHANG SIEW SIAN

Shah Alam, Selangor Darul Ehsan
14 October 2026

Independent Auditors' Report to The Members of Scientex Berhad

(Incorporated in Malaysia)

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of **SCIENTEX BERHAD**, which comprise the statements of financial position as at 31 July 2026 of the Group and of the Company, and the statements of profit or loss, statements of other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 121 to 186.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 July 2026, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current 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.

Key audit matter	*How our audit address the key audit matter*
Revenue of property development activities recognised over time The Group recognises revenue from its property development activities over time according to the stage of completion of the properties. Estimated losses are recognised in full when determined. Property development projects and expense estimates are reviewed and revised periodically as work progresses and as variation orders are approved. Significant judgements are required in determining the stage of completion, the extent of the property development projects completed, the estimated total property development revenue and costs as well as the recoverability of the projects undertaken. In making these judgements, the Group has made reference to past experiences. Refer to "Key sources of estimation uncertainty" in Note 4 to the financial statements.	Our audit procedures included, among others: • Obtained an understanding of the relevant controls put in place by the Group in respect of revenue recognition for property development activities and performed procedures to evaluate the design and implementation and test operating effectiveness of such controls. • Performed site visits for selected ongoing projects to arrive at an overall assessment as to whether information provided by management is reasonable. • Reviewed management prepared budgets for property development projects and ensured that budgets are appropriate and reflected cost incurred, cost to complete and current cost of operations. • Challenged management assumptions used in the preparation of the respective budgets, and performed a retrospective review to establish the reliability of management-prepared budgets. • Performed test of details on actual development costs incurred during the year as to whether the development costs recorded are valid and in the correct accounting period. • Verified the gross development value by reviewing the sale and purchase agreement entered into between the purchasers and the Group. • Checked the mathematical accuracy of the revenue and profit recognised based on percentage of completion calculations.

We had determined that there is no key audit matter in the audit of the separate financial statements of the Company to be communicated in our auditors' report.

Continued

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report of the Group, but does not include the financial statements of the Group and of the Company and our auditors' report thereon.

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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.

Continued

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

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for 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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are as disclosed in Note 16 to the financial statements.

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.

DELOITTE MALAYSIA PLT (LLP0010145-LCA)
Chartered Accountants (AF0080)

WONG YEW CHOONG
Partner - 03195/06/2027 J
Chartered Accountant

Kuala Lumpur
14 October 2026

Statements of Profit or Loss

For the year ended 31 July 2026

	Note(s)	The Group 2026 RM'000	The Group 2025 RM'000	The Company 2026 RM'000	The Company 2025 RM'000
Revenue	5	4,813,019	4,517,709	304,793	267,965
Cost of sales	6	(3,588,490)	(3,461,341)	-	-
Gross profit		1,224,529	1,056,368	304,793	267,965
Other income		26,916	19,294	33	1,203
Selling and distribution expenses		(132,828)	(125,467)	-	-
Administration expenses		(235,006)	(206,614)	(2,290)	(1,876)
Other expenses		(2,100)	(1,517)	(782)	-
Finance costs	7	(27,901)	(22,490)	-	-
Share of results of associate	18	11,193	15,680	-	-
Profit before tax	8	864,803	735,254	301,754	267,292
Income tax (expense)/credit	11	(207,104)	(170,151)	84	75
Profit for the year		657,699	565,103	301,838	267,367
Profit for the year attributable to:					
Owners of the Company		620,170	530,750	301,838	267,367
Non-controlling interests		37,529	34,353	-	-
		657,699	565,103	301,838	267,367
Earnings per share					
Basic and diluted (sen per share)	12	39.85	34.13		

The accompanying Notes form an integral part of the Financial Statements.

Statements of Other Comprehensive Income

For the year ended 31 July 2026

	Note	The Group		The Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Profit for the year		657,699	565,103	301,838	267,367
Other comprehensive (loss)/ income, net of income tax:					
Item that will not be reclassified subsequently to profit or loss:					
Revaluation of land and buildings		-	10,543	-	2,107
Fair value loss arising from other investment		(5,232)	(1,286)	(1,353)	(383)
Item that may be reclassified subsequently to profit or loss:					
Foreign currency translation of foreign operations		(17,058)	(37,949)	-	-
Total other comprehensive (loss)/income for the year, net of income tax		(22,290)	(28,692)	(1,353)	1,724
Total comprehensive income for the year, net of income tax		635,409	536,411	300,485	269,091
Total comprehensive income for the year attributable to:					
Owners of the Company		603,106	512,959	300,485	269,091
Non-controlling interests	16	32,303	23,452	-	-
		635,409	536,411	300,485	269,091

The accompanying Notes form an integral part of the Financial Statements.

Statements of Financial Position

As at 31 July 2026

	Note	The Group 2026 RM'000	The Group 2025 RM'000	The Company 2026 RM'000	The Company 2025 RM'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	13	1,617,253	1,637,244	42,348	42,951
Right-of-use assets	14	3,167	3,853	-	-
Investment property	15	4,970	4,970	-	-
Investment in subsidiaries	16	-	-	1,230,352	1,113,435
Land held for property development	17	3,311,792	3,413,998	-	-
Investment in associates	18	109,007	102,722	3,000	3,000
Other investments	19	27,126	33,142	23,167	25,271
Deferred tax assets	32	19,888	19,679	-	-
Goodwill	20	305,022	305,022	-	-
		5,398,225	5,520,630	1,298,867	1,184,657
Current Assets					
Property development costs	17	755,254	633,863	-	-
Inventories	21	434,971	329,853	-	-
Trade receivables	22	921,490	812,471	-	-
Other receivables, deposits and prepaid expenses	23	164,337	183,745	84	72
Tax recoverable		4,215	3,515	-	-
Contract assets	24	216,703	139,266	-	-
Cash and cash equivalents	25	357,810	445,614	2,345	2,661
		2,854,780	2,548,327	2,429	2,733
TOTAL ASSETS		8,253,005	8,068,957	1,301,296	1,187,390

Statements of Financial Position

As at 31 July 2026 - continued

	Note	The Group 2026 RM'000	The Group 2025 RM'000	The Company 2026 RM'000	The Company 2025 RM'000
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	26	727,281	727,244	727,281	727,244
Reserves	27	3,782,908	3,396,658	564,771	451,039
Equity attributable to owners of the Company		4,510,189	4,123,902	1,292,052	1,178,283
Non-controlling interests	16	163,796	261,158	-	-
Total Equity		4,673,985	4,385,060	1,292,052	1,178,283
Non-Current Liabilities					
Borrowings	28	1,060,000	1,060,000	-	-
Lease liabilities	29	1,236	1,532	-	-
Retirement benefits obligations	30	54,860	52,830	-	-
Deferred payables	31	69,335	-	-	-
Deferred tax liabilities	32	107,541	106,593	8,015	8,128
		1,292,972	1,220,955	8,015	8,128
Current liabilities					
Borrowings	28	991,150	1,380,197	-	-
Lease liabilities	29	1,984	2,368	-	-
Trade payables	33	721,455	638,622	-	-
Other payables and accrued expenses	34	339,531	264,929	1,219	972
Contract liabilities	24	150,645	117,826	-	-
Tax liabilities		81,283	59,000	10	7
		2,286,048	2,462,942	1,229	979
Total Liabilities		3,579,020	3,683,897	9,244	9,107
TOTAL EQUITY AND LIABILITIES		8,253,005	8,068,957	1,301,296	1,187,390

The accompanying Notes form an integral part of the Financial Statements.

Statements of Changes In Equity

For the year ended 31 July 2026

The Group	Non-distributable reserves					Distributable reserve			
	Share capital RM'000	Treasury shares RM'000	Property revaluation surplus RM'000	Foreign currency translation reserve RM'000	Other reserves RM'000	Retained earnings RM'000	Attributable to owners of the Company RM'000	Non-controlling interests RM'000	Total equity RM'000
As at 1 August 2024	705,744	(1)	98,927	19,738	(419)	2,952,206	3,776,195	235,044	4,011,239
Profit for the year	-	-	-	-	-	530,750	530,750	34,353	565,103
Other comprehensive income/(loss) for the year	-	-	10,217	(26,722)	(1,286)	-	(17,791)	(10,901)	(28,692)
Total comprehensive income for the year	-	-	10,217	(26,722)	(1,286)	530,750	512,959	23,452	536,411
Non-controlling interest arising from acquisition of subsidiary	-	-	-	-	-	-	-	18,024	18,024
Capital injection in a subsidiary by non-controlling interest	-	-	-	-	-	-	-	15,000	15,000
Issuance of ordinary shares pursuant to exercise of warrants (Note 26)	21,500	-	-	-	-	-	21,500	-	21,500
Dividends (Note 35)	-	-	-	-	-	(186,752)	(186,752)	(30,362)	(217,114)
As at 31 July 2025	727,244	(1)	109,144	(6,984)	(1,705)	3,296,204	4,123,902	261,158	4,385,060
As at 1 August 2025	727,244	(1)	109,144	(6,984)	(1,705)	3,296,204	4,123,902	261,158	4,385,060
Profit for the year	-	-	-	-	-	620,170	620,170	37,529	657,699
Other comprehensive loss for the year	-	-	-	(11,832)	(5,232)	-	(17,064)	(5,226)	(22,290)
Total comprehensive income for the year	-	-	-	(11,832)	(5,232)	620,170	603,106	32,303	635,409
Capital injection in a subsidiary by non-controlling interest	-	-	-	-	-	-	-	250	250
Issuance of ordinary shares pursuant to exercise of warrants (Note 26)	37	-	-	-	-	-	37	-	37
Acquisition of additional interest in an existing subsidiary (Note 16)	-	-	-	-	-	(3,388)	(3,388)	(11,636)	(15,024)
Share capital reduction by an existing subsidiary	-	-	-	-	-	(26,715)	(26,715)	(106,910)	(133,625)
Dividends (Note 35)	-	-	-	-	-	(186,753)	(186,753)	(11,369)	(198,122)
As at 31 July 2026	727,281	(1)	109,144	(18,816)	(6,937)	3,699,518	4,510,189	163,796	4,673,985

Statements of Changes In Equity

For the year ended 31 July 2026 - continued

	← Non-distributable reserves →				Distributable reserve	
The Company	**Share capital RM'000**	**Treasury shares RM'000**	**Property revaluation surplus RM'000**	**Other reserves RM'000**	**Retained earnings RM'000**	**Total equity RM'000**
As at 1 August 2024	705,744	(1)	26,089	(269)	342,881	1,074,444
Profit for the year	-	-	-	-	267,367	267,367
Other comprehensive income/(loss) for the year	-	-	2,107	(383)	-	1,724
Total comprehensive income for the year	-	-	2,107	(383)	267,367	269,091
Issuance of ordinary shares pursuant to exercise of warrants (Note 26)	21,500	-	-	-	-	21,500
Dividends (Note 35)	-	-	-	-	(186,752)	(186,752)
As at 31 July 2025	727,244	(1)	28,196	(652)	423,496	1,178,283
As at 1 August 2025	727,244	(1)	28,196	(652)	423,496	1,178,283
Profit for the year	-	-	-	-	301,838	301,838
Other comprehensive loss for the year	-	-	-	(1,353)	-	(1,353)
Total comprehensive income for the year	-	-	-	(1,353)	301,838	300,485
Issuance of ordinary shares pursuant to exercise of warrants (Note 26)	37	-	-	-	-	37
Dividends (Note 35)	-	-	-	-	(186,753)	(186,753)
As at 31 July 2026	727,281	(1)	28,196	(2,005)	538,581	1,292,052

The accompanying Notes form an integral part of the Financial Statements.

Statements of Cash Flows

For the year ended 31 July 2026

	The Group		The Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES				
Profit before tax	864,803	735,254	301,754	267,292
Adjustments for:				
Depreciation of:				
Property, plant and equipment	137,813	134,277	603	564
Right-of-use assets	3,006	3,604	-	-
Finance costs	27,901	22,490	-	-
Unrealised loss/(gain) on foreign exchange	321	(5,065)	-	-
Increase in liability for defined benefit plan	4,348	6,445	-	-
Write off of inventories	707	2,822	-	-
Fair value loss/(gain) on other investments	751	(1,035)	751	(1,035)
Impairment loss on trade receivables	157	277	-	-
Property, plant and equipment written off	182	1,358	-	-
Gain on lease modification	(8)	(114)	-	-
Dividend income	(256)	(204)	(304,673)	(267,845)
Reversal of impairment loss on trade receivables	(173)	(468)	-	-
Loss on disposal of property, plant and equipment	1,221	134	-	-
Fair value gain on money market deposits	(468)	(667)	(31)	(189)
Interest income	(7,472)	(6,636)	(2)	(10)
Share of results of associates	(11,193)	(15,680)	-	-
Impairment loss on other receivable	3,158	-	-	-
Loss on disposal of other investments	26	-	-	-
Write back of bad debts	-	(5)	-	-
Fair value gain on investment property	-	(4,167)	-	-
Gain on previously held equity interest of investment in an associate	-	(1,724)	-	-
Impairment loss on property, plant and equipment	-	464	-	-
Operating Profit/(Loss) Before Working Capital Changes	1,024,824	871,360	(1,598)	(1,223)
Movement in working capital:				
(Increase)/Decrease in:				
Inventories	(105,825)	28,435	-	-
Property development costs	127,674	146,444	-	-
Receivables	(197,190)	46,897	(12)	-
Increase/(Decrease) in payables	181,542	(9,660)	247	(95)
Cash Generated From/(Used In) Operations	1,031,025	1,083,476	(1,363)	(1,318)
Income tax paid	(193,217)	(172,520)	(26)	(26)
Income tax refunded	8,246	2,087	-	-
Retirement benefits obligations paid	(2,187)	(3,962)	-	-
Net Cash From/(Used In) Operating Activities	843,867	909,081	(1,389)	(1,344)

Statements of Cash Flows

For the year ended 31 July 2026 - continued

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES				
Interest received	7,940	7,303	33	198
Proceeds from disposal of property, plant and equipment	4,751	3,958	-	-
Acquisition of a subsidiary, net of cash and cash equivalents acquired	-	(11,749)	-	-
Additional investment in subsidiary	(15,024)	-	(116,917)	(100,000)
Purchase of other investment	-	(3,894)	-	-
Proceeds from capital injection in a subsidiary by non-controlling interest	250	15,000	-	-
Dividend income received	15,396	4,238	304,673	267,845
Purchase of property, plant and equipment (Note 40(a))	(107,689)	(203,485)	-	-
Deposit paid for purchase of plant and equipment	(3,915)	(30,282)	-	-
Purchase of land held for property development (Note 40(b))	(10,884)	(1,742,232)	-	-
Payment related to land proprietor's entitlement	(12,744)	-	-	-
Additional investment in associate	(10,233)	-	-	-
Proceeds from disposal of other investments	7	-	-	-
Net Cash (Used In)/From Investing Activities	(132,145)	(1,961,143)	187,789	168,043
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES				
Net (repayment)/drawdown of short-term borrowings	(389,049)	514,578	-	-
Dividends paid to:				
Shareholders of the Company	(186,753)	(186,752)	(186,753)	(186,752)
Non-controlling shareholders of subsidiaries	(11,369)	(30,362)	-	-
Proceeds from exercise of warrants in the Company	37	21,500	37	21,500
Repayment of lease liabilities	(2,971)	(3,449)	-	-
Finance costs paid	(75,796)	(60,197)	-	-
Issuance of Sukuk	-	990,000	-	-
Share capital reduction by an existing subsidiary	(133,625)	-	-	-
Net Cash (Used In)/From Financing Activities	(799,526)	1,245,318	(186,716)	(165,252)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(87,804)	193,256	(316)	1,447
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	445,614	252,358	2,661	1,214
CASH AND CASH EQUIVALENTS AT END OF YEAR (NOTE 25)	357,810	445,614	2,345	2,661

The accompanying Notes form an integral part of the Financial Statements.

Notes to The Financial Statements

For the year ended 31 July 2026

1. GENERAL INFORMATION

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

The principal activities of the Company are investment holding and provision of management services. The principal activities of the subsidiaries and associates are as disclosed in Notes 16 and 18 respectively.

The Company's registered office and principal place of business are located at No. 9, Persiaran Selangor, Seksyen 15, 40200 Shah Alam, Selangor Darul Ehsan.

The financial statements of the Group and of the Company were authorised by the Board of Directors for issuance on 14 October 2026.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Adoption of Amendments to MFRS

In the current year, the Group and the Company have applied the Amendments to MFRS issued by the Malaysian Accounting Standards Board ("MASB") that are mandatorily effective for the financial statements of the Group and of the Company for the year ended 31 July 2026:

Amendments to MFRS 121	Lack of Exchangeability

The adoption of the above Amendments to MFRS does not have any material impact on the financial statements of the Group and of the Company in the period of its initial application.

Standards and Amendments to MFRS in Issue but Not Yet Effective

As at the date of authorisation of these financial statements, certain new Standards and Amendments to MFRS have been published by the MASB but not yet effective, and have not been adopted by the Group and the Company are as listed below:

MFRS 18	Presentation and Disclosure in Financial Statements[2]
MFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
MFRS 20	Regulatory Assets and Regulatory Liabilities[3]
Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual Improvements to MFRS Accounting Standards - Volume 11[1]
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments[1]
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity[1]
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures[2]
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency[2]
Amendments to MFRS 128	Fair Value Option for Investments in Associates and Joint Ventures[2]
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[4]

1 *Effective for annual periods beginning on or after 1 January 2026, with earlier application permitted.*
2 *Effective for annual periods beginning on or after 1 January 2027, with earlier application permitted.*
3 *Effective for annual periods beginning on or after 1 January 2029, with earlier application permitted.*
4 *Effective date deferred to a date to be determined and announced by MASB, with earlier application permitted.*

The directors anticipate that the abovementioned Standards and Amendments to MFRS will be adopted in the annual financial statements of the Group and of the Company when they become effective. The adoption of these Standards and Amendments are not expected to have significant impact on the financial statements of the Group and of the Company in the period of initial application, except for the adoption of MFRS18.

Continued

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONT'D)

MFRS 18 *Presentation and Disclosure in Financial Statements*

MFRS 18 *Presentation and Disclosure in Financial Statements* replaces MFRS 101 *Presentation of Financial Statements*, carrying forward many of the requirements in MFRS 101 unchanged and complementing them with new requirements. MFRS 18 introduces new requirements to improve the reporting of financial performance:

- present specified categories and defined subtotals in the statement of profit or loss;
- provide disclosures on management-defined performance measures in the notes to the financial statements; and
- improve aggregation and disaggregation.

The adoption of MFRS 18 impacts the financial statements of the Group and of the Company in the period of initial application. However, it is not practicable to provide a reasonable estimate of the effect of the adoption of the said MFRS 18 until the Group and the Company undertake a detailed review.

3. MATERIAL ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared on the historical cost basis except as disclosed in this summary of 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transaction that are within the scope of MFRS 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in MFRS 102 *Inventories* or value-in-use in MFRS 136 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can assess at the measurement date;
- Level 2 are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 are unobservable inputs for the asset or liability.

The material accounting policies are set out below.

Subsidiaries and Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its investment with the investee; and
- has the ability to use its power to affect its returns.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interest. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Continued

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Subsidiaries and Basis of Consolidation (cont'd)

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets.

The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Subsidiaries

Investments in subsidiaries which are eliminated on consolidation, are stated at cost less impairment losses, if any, in the Company's separate financial statements.

Goodwill

Goodwill arising on acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognised in profit or loss.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units ("CGU") that is expected to benefit from the synergies of the combination. A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Continued

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Revenue Recognition

Revenue is recognised when or as a performance obligation in the contract with customer is satisfied, i.e. when the "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

(i) Sales of goods

Revenue from the sale of goods is recognised at a point in time when the products have been transferred to the customers and coincide with the delivery of products and acceptance by customers.

(ii) Rendering of services

Revenue from rendering of management and technical services is recognised over time when the services have been rendered by reference to the contracts entered into.

(iii) Property development revenue

The Group recognises revenue from property development over time if it creates an asset with no alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation.

Revenue from property development projects is accounted for using the percentage of completion method where the outcome of the development activity can be reliably estimated and is in respect of sales where agreements have been finalised by the end of the year.

(iv) Sale of completed properties

Revenue from sale of completed properties is recognised at a point in time upon the finalisation of sale and purchase agreements by the end of the year and when the control of the properties has been passed to the customers.

(v) Affordable accommodation

Revenue from affordable accommodation is derived from room rentals, and is accrued daily based on rooms occupied by customers. The revenue is recognised at published rates, net of discounts.

(vi) Dividend income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the Company and the amount of income can be measured reliably).

Foreign Currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in Ringgit Malaysia ("RM"), which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise except for:

(a) exchange differences arising on the retranslation of non-monetary items carried at fair value in respect of which gain and losses are recognised in other comprehensive income. For such non-monetary items, the exchange component of that gain or loss is also recognised in other comprehensive income;

(b) exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

(c) exchange differences on transactions entered into in order to hedge certain foreign currency risks; and

Continued

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Foreign Currencies (cont'd)

(d) exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore, forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in RM using exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, loss of joint control over a joint venture that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. of associates or joint venture not involving a change of accounting basis), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting date. Exchange differences arising are recognised in other comprehensive income.

Property, Plant and Equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment, except for land and buildings, are stated at cost less accumulated depreciation and impairment loss, if any. Freehold land is stated at valuation, which is the fair value at the date of valuation, less impairment loss, if any. Long-term leasehold land and buildings are stated at valuation, which is the fair value at the date of the valuation, less accumulated depreciation and impairment loss, if any.

The Group revalues its land and building every five years from the last date of valuation or at shorter intervals whenever the fair value of the said assets is expected to differ substantially from its carrying amounts.

Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the property revaluation surplus account, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the property revaluation surplus account.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the property revaluation surplus account in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

Investment Properties

Investment properties carried at fair value

Investment properties are properties which are owned to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured initially at cost and subsequently at fair value with any change therein recognised in profit or loss for the period in which they arise. Where the fair value of the investment properties under construction is not reliably determinable, the investment properties under construction is measured at cost until either its fair value becomes reliably determinable or construction is complete, whichever is earlier.

Cost includes expenditure that is directly attributable to the acquisition of the investment properties.

Continued

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Investment Properties (cont'd)

Investment properties carried at fair value (cont'd)

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in profit or loss in the period in which the property is derecognised.

Determination of fair value

An external, independent valuation firm, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the Group's investment properties portfolio.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Inventories

Materials and goods

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Raw materials: purchase costs on a weighted average basis.
- Finished goods and work-in-progress: cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity.
- Completed property units: cost of construction materials and raw materials comprises costs of purchase and other direct charges. The cost of completed properties, determined on specific identification basis, comprise cost of land, construction and appropriate development expenditure.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Land held for property development

Land held for property development and costs attributable to the development activities which are held for future development where no significant development has been undertaken, is stated at lower of cost and net realisable value.

Land held for property development is classified as property development costs under current assets when significant development work has been undertaken and is expected to be completed within the normal operating cycle.

Property development costs

Property development costs are determined on a specific identification basis. Property development costs comprise costs associated with the acquisition of land and all costs directly attributable to development activities or that meet the definition of inventories are recognised as an asset and stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and applicable variable selling expenses. The asset is subsequently recognised as an expense in profit or loss when or as the control of the asset is transferred to the customer over time or at a point in time.

Financial Instruments

Financial instruments are contracts that give rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

Continued

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Financial Assets

(i) Recognition and Initial Measurement

Financial assets and financial liabilities are recognised in the Group's and the Company's statements of financial position when the Group and the Company become a party to the contractual provisions of the instruments.

At initial recognition, the Group and the Company measure a financial asset (unless it is a trade receivable without significant financing component) or a financial liability at its fair value plus or minus, in the case of a financial instrument not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to the acquisition or issuance. Transaction costs of financial assets at FVTPL are recognised immediately in profit or loss.

Trade receivables without a significant financing component are initially measured at transaction price in accordance with MFRS 15 *Revenue from Contracts with Customers.*

Regular way of purchase or sale of a financial asset is recognised on the trade date, the date on which the Group and the Company commit to purchase or sell an asset.

(ii) Classification and Subsequent Measurement

The Group classifies its financial assets in the following measurement categories:

(a) those to be measured at fair value (either through other comprehensive income ("FVTOCI") or through profit or loss ("FVTPL")); and

(b) those to be measured at amortised cost.

The classification depends on the Group's and the Company's business model for managing the financial assets and the contractual cash flow characteristics. For assets measured at fair value, gain and losses will be recorded in either profit or loss or other comprehensive income ("OCI").

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

(a) Financial assets at amortised cost

Financial assets that are held for collection of contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding are classified as financial assets at amortised cost. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method, less accumulated impairment.

Interest income from these financial assets is calculated using the effective interest rate method and is recognised in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. For credit-impaired financial assets the effective interest rate shall be applied to the amortised cost of the financial asset in subsequent reporting dates.

(b) Financial assets at fair value through other comprehensive income ("FVTOCI")

This category comprises investment in equity instruments which are not held for trading, and the Group and the Company irrevocably elect to present subsequent changes in fair value of the investments in OCI. The election is made on an investment-by-investment basis. On derecognition, gains and losses accumulated in OCI are not reclassified to profit or loss.

Dividend income from these investments is recognised in profit or loss when the right to receive payment of the dividend is established.

The Group and the Company subsequently measure all investments in equity instruments at fair value.

Continued

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Financial Assets (cont'd)

(ii) Classification and Subsequent Measurement (cont'd)

(c) Financial assets at fair value through profit or loss ("FVTPL")

Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. Fair value changes are recognised in profit or loss in the period in which it arises.

(iii) Impairment of financial assets and contract assets

An impairment loss is recognised in profit or loss based on expected credit losses ("ECL") at the end of each reporting date. ECL are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). ECL are discounted at the effective interest rate of the financial asset.

Lifetime ECL represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. 12-month ECL represent the portion of lifetime ECL that are expected to result from defaults event on a financial instrument that are possible within 12 months after the end of reporting date.

Reversal of impairment loss to profit or loss, if any, is restricted to not exceeding what the amortised cost would have been had the impairment not been recognised previously.

The Group and the Company apply the simplified approach to measure the impairment of trade receivables and contract assets at lifetime ECL. The ECL are estimated based on the Group's and the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting date, including time value of money where appropriate.

To measure the ECL, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables. The Group and the Company have therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

For other financial assets such as other receivables and amount due from intercompany, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the impairment losses for that financial instrument at an amount equal to 12-month ECL.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group and the Company consider reasonable and supportable information that is relevant and available without due cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and includes forward-looking information.

At the end of each reporting date, the Group and the Company assess whether the financial assets carried at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred, such as debtor who have defaulted on payment, or are in significant financial difficulties, or it is becoming probable that the borrower will enter bankruptcy.

These assets are written off when there is no reasonable expectation of recovery, with case-by-case assessment performed based on indicators such as insolvency or demise. Subsequent recoveries of amounts previously written off are recognised in profit or loss as bad debts recovered.

Deposits and bank balances of the Group and of the Company are placed with reputable financial institution with high credit ratings and no history of default. Hence, the Group and the Company do not expect any losses from default or non-performance by the counterparties.

Continued

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Financial Assets (cont'd)

(iv) Derecognition of financial assets

Financial assets are derecognised when the contractual rights to receive cash flows from the financial assets have expired or have been transferred and the Group and the Company have transferred substantially all the risks and rewards of ownership.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the consideration received and receivable is recognised in profit or loss, except for the derecognition of an investment in equity instruments measured at FVTOCI, the cumulative gain or loss is transferred within equity, not recognised in profit or loss.

Financial Liabilities and Equity Instruments

(i) Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

(ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group and the Company are recognised at the proceeds received, net of direct issue costs.

(iii) Financial liabilities

Financial liabilities are classified as either financial liabilities "at FVTPL" or "other financial liabilities".

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liabilities are either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis;
- it forms part of a contract containing one or more embedded derivatives, and MFRS 9 *Financial Instruments* permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other income' and 'other expenses' line items in the statements of profit or loss.

Continued

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Financial Liabilities and Equity Instruments (cont'd)

(iii) Financial liabilities (cont'd)

Other financial liabilities

Other financial liabilities are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

(iv) Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(v) Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of the impairment loss determined in accordance with MFRS 9 *Financial Instruments*; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

Statements of Cash Flows

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows.

Cash and cash equivalents comprise cash and bank balances, term deposits and other short-term, highly liquid investments that are readily convertible into cash with insignificant risk of changes in value, against which bank overdrafts, if any, are deducted.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 3, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 3 above, the directors are of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amount recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities of the Group and of the Company within the next year is disclosed below.

Continued

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

Key sources of estimation uncertainty (cont'd)

Impairment losses of trade receivables

The Group recognises impairment loss for financial assets based on assumption about risk of default and expected credit loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting date. Where the expectation is different from the original estimate, such difference will impact the carrying value of the receivables and impairment loss in the period in which such estimate has been changed. Details are disclosed in Note 22.

Property development projects

Revenue is recognised as and when the control of the asset is transferred to customers and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the asset that will be transferred to the customer. Depending on the terms of the contract and the applicable laws governing the contract, control of the asset may transfer over time or at a point in time.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Significant judgement is required in determining the progress towards complete satisfaction of that performance obligation based on the certified work-to-date corroborated by the level of completion of the development based on actual costs incurred to date over the estimated total property development costs. The total estimated costs are based on approved budgets, which require assessments and judgements to be made on changes in, for example, work scope, changes in costs and costs to completion. In making these judgements, management relies on past experience and the work of specialists.

If the Group is unable to make reasonably dependable estimates, the Group would not recognise any profit before a project is completed, but would recognise a loss as soon as the loss becomes evident.

Adjustments based on the progress towards satisfaction of performance obligations are reflected in property development and contract revenue in the reporting date. To the extent that these adjustments result in a reduction or elimination of previously reported property development and contract revenue and costs, the Group recognises a charge or credit against current earnings and amounts in prior periods, if any, are not restated.

Note 3 describes the Group's policy to recognise revenue from sales of properties by reference to the progress towards satisfaction of performance obligations. Property development revenue is recognised in respect of all development units that have been sold.

As at 31 July 2026, the Group recognised revenue of RM2,188,651,000 (2025: RM2,003,130,000) and cost of RM1,379,448,000 (2025: RM1,261,866,000), arising from the property development activities recognised over time using the stage of completion method.

Valuation of land and buildings

The valuation of land and buildings performed by the Group and the Company are based on independent professional valuations with reference to direct comparison method and the cost method. The directors are of the opinion that the chosen valuation techniques and assumptions are appropriate in determining the valuation of the Group's and of the Company's land and buildings. Details are disclosed in Note 13.

Impairment of goodwill

The determination of the recoverable amount of the CGU assessed in the annual goodwill impairment test requires an estimate of the fair value net of disposal costs and the value-in-use. The assessment of the value-in-use requires assumptions to be made with respect of the operating cash flows of the CGU as well as the discount rate. The CGUs for the purpose of impairment of goodwill mainly arose from the Group's packaging segment as a result of acquisitions in previous years.

Evaluation for impairment is significantly impacted by estimates of future prices for the products, the evolution of expenses, economic trends in the local and international sectors, expectations of long-term development of growing markets and other factors. The results of such evaluation are also impacted by the discount rates and perpetual growth rate used.

The carrying amount of the goodwill at the end of the reporting date is disclosed in Note 20.

Net realisable value of completed property units

Inventories of completed property units are stated at the lower of cost and net realisable value. The Group determines net realisable value based on historical trends and management estimates of future products demand and related pricing. Possible changes in these estimates could result in revisions to the valuation of inventories. Details are disclosed in Note 21.

Continued

5. REVENUE

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Revenue from contracts with customers:				
Sale of goods	2,593,342	2,483,771	-	-
Property development:				
Sale of properties under development	2,188,651	2,003,130	-	-
Sale of completed properties	12,951	20,037	-	-
Affordable accommodations	17,372	10,449	-	-
Management fees from associate	120	120	120	120
	4,812,436	4,517,507	120	120
Revenue from other sources:				
Rental income	329	-	-	-
Gross dividends from:				
Subsidiaries	-	-	290,476	264,806
Associates	-	-	13,943	2,837
Unquoted shares outside Malaysia	254	202	254	202
	583	202	304,673	267,845
	4,813,019	4,517,709	304,793	267,965
Timing of revenue recognition				
Revenue from contracts with customers:				
At a point in time	2,623,665	2,514,257	-	-
Over time	2,188,771	2,003,250	120	120
	4,812,436	4,517,507	120	120

6. COST OF SALES

	The Group	
	2026 RM'000	2025 RM'000
Cost of inventories sold:		
Manufacturing	2,160,208	2,172,886
Completed properties	7,416	11,630
Property development costs (Note 17(b))	1,379,448	1,261,866
Affordable accommodations	16,329	8,292
Contract cost assets	24,313	17,852
Provision/(Reversal) for foreseeable losses	776	(11,185)
	3,588,490	3,461,341

Continued

7. FINANCE COSTS

	The Group	
	2026 RM'000	**2025 RM'000**
Interest expenses on:		
Sukuk Murabahah	17,129	14,364
Sukuk Wakalah	19,465	8,128
Term loan	-	125
Revolving credits	30,715	30,256
Trade loans	8,316	7,086
Lease interest	171	238
	75,796	60,197
Less: Amount capitalised in land held for property development (Note 17(b))	(47,895)	(37,707)
Total finance costs	27,901	22,490

8. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting) the following:

	The Group		The Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
(Gain)/Loss on foreign exchange:				
Realised	(9,487)	6,118	31	31
Unrealised	321	(5,065)	-	-
Rental of:				
Buildings	3,428	3,048	-	-
Machinery and equipment	2,101	1,647	-	-
Auditors' remuneration:				
Statutory audit	1,005	1,088	55	42
Other services	84	90	9	9
Remuneration for other professional services rendered by affiliates of auditors	401	622	5	5
Impairment loss on other receivable (Note 23(iii))	3,158	-	-	-
Write back of bad debts	-	(5)	-	-
Property, plant and equipment written off	182	1,358	-	-
Write off of inventories	707	2,822	-	-
Interest income	(7,472)	(6,636)	(2)	(10)
Rental income	(4,402)	(4,190)	-	-
Dividend income	(2)	(2)	-	-
Fair value loss/(gain) on other investments	751	(1,035)	751	(1,035)
Fair value gain on investment property (Note 15)	-	(4,167)	-	-
Gain on previously held equity interest of investment in an associate	-	(1,724)	-	-
Fair value gain on money market deposits	(468)	(667)	(31)	(189)
Impairment loss on property, plant and equipment	-	464	-	-
Loss on disposal of other investments	26	-	-	-
Loss on disposal of property, plant and equipment	1,221	134	-	-
Gain on lease modification	(8)	(114)	-	-

Continued

9. EMPLOYEE BENEFITS EXPENSE

	The Group	
	2026 RM'000	2025 RM'000
Wages, salaries and other emoluments	313,351	272,480
Contributions to defined contribution plan	26,548	24,530
Increase in liability for defined benefit plan (Note 30)	4,348	6,445
Social security contributions	3,261	2,939
	347,508	306,394

The Company does not have any employees since it is an investment holding company and the directors' remuneration is disclosed in Note 10.

10. DIRECTORS' REMUNERATION

The details of remuneration receivable by directors of the Company during the year are as follows:

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Directors of the Company				
Executive:				
Salaries and other emoluments	13,118	9,470	-	-
Defined contribution plan	2,361	1,704	-	-
Fees	300	165	300	165
	15,779	11,339	300	165
Non-executive:				
Fees	656	565	656	565
	16,435	11,904	956	730

Continued

11. INCOME TAX EXPENSE/(CREDIT)

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Income tax expense:				
Malaysian income tax	202,268	167,104	29	29
Foreign tax	5,204	4,631	-	-
Withholding tax	200	296	-	-
Overprovision in prior years	(1,118)	(667)	-	-
	206,554	171,364	29	29
Deferred tax (Note 32):				
Current year	(764)	(1,949)	(113)	(104)
Underprovision in prior years	1,314	736	-	-
	550	(1,213)	(113)	(104)
	207,104	170,151	(84)	(75)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2025: 24%) of the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. The below reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

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

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Profit before tax	864,803	735,254	301,754	267,292
Tax at statutory tax rate of 24% (2025: 24%)	207,553	176,461	72,421	64,150
Tax effects of:				
Non-taxable income	(2,799)	(3,320)	(72,942)	(64,571)
Different tax rates in other countries	(524)	172	-	-
Share of results of associates	(2,686)	(3,763)	-	-
Non-deductible expenses	6,248	5,659	437	346
Recognition of deferred tax arising from tax losses previously not recognised	-	(4,793)	-	-
Utilisation of capital allowances, unrecognised tax losses and other deductible temporary differences previously not recognised	(1,601)	(876)	-	-
Deferred tax assets not recognised	517	246	-	-
Withholding tax	200	296	-	-
(Over)/Underprovision in prior years:				
Income tax	(1,118)	(667)	-	-
Deferred tax	1,314	736	-	-
	207,104	170,151	(84)	(75)

Continued

11. INCOME TAX EXPENSE/(CREDIT) (CONT'D)

Factors that may affect future tax charges

The OECD's Pillar Two Model Rules introduce a global minimum effective tax rate of 15% for multinational enterprise ("MNE") groups with consolidated annual revenue of at least €750 million. Pillar Two legislation has been implemented in several jurisdictions in which the Group operates.

For the year ended 31 July 2026, the Pillar Two rules are effective in Malaysia, Indonesia, New Zealand, Vietnam, Australia and Japan. Meanwhile, the management continues to monitor legislative developments in the United States and Myanmar, neither of which have implemented Pillar Two as at year end.

The Group has applied the mandatory temporary exception under MFRS 112 *Income Taxes* and has not recognised deferred tax assets or liabilities related to Pillar Two income taxes.

The management has assessed the Group's exposure to Pillar Two income taxes in the relevant jurisdictions, including the applicability of the Transitional Safe Harbour requirements. Based on the assessment performed, the Group does not expect to be subject to any Pillar Two top-up tax for the year ended 31 July 2026.

The management will continue to monitor developments in the jurisdictions in which the Group operates and reassess its Pillar Two exposure in subsequent years, and provide updated disclosures if material changes occur.

12. EARNINGS PER SHARE

Basic earnings per share

The calculation of basic earnings per share ("EPS") is based on the consolidated profit for the year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the year as follows:

	The Group	
	2026 RM'000	**2025 RM'000**
Profit for the year attributable to owners of the Company	620,170	530,750

	The Group	
	2026 Units '000	**2025 Units '000**
Weighted average number of ordinary shares in issue	1,556,273	1,554,857

	The Group	
	2026	**2025**
Basic EPS (sen)	39.85	34.13

Diluted earnings per share

The basic and diluted earnings per share are the same as the Company has no dilutive potential ordinary shares.

13. PROPERTY, PLANT AND EQUIPMENT

The Group	Freehold land RM'000	Long-term leasehold land RM'000	Buildings RM'000	Staff quarters and apartment RM'000	Plants and machinery, tools and equipment RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Valuation/Cost									
As at 1 August 2024	203,699	167,793	370,692	2,049	2,094,209	115,513	20,495	539	2,974,989
Acquisition of a subsidiary	26,800	-	8,000	-	52,812	5,967	3,165	-	96,744
Additions	41,366	-	55,958	-	67,095	9,785	2,913	30,072	207,189
Disposals	-	-	-	-	(32,789)	(8)	(5,954)	-	(38,751)
Written off	-	-	(9)	-	(41,713)	(2,520)	(5)	-	(44,247)
Reclassification	-	-	-	-	76	72	-	(148)	-
Revaluation	4,541	8,494	-	-	-	-	-	-	13,035
Elimination of accumulated depreciation on revaluation	(5,983)	(9,124)	(46,920)	-	-	-	-	-	(62,027)
Exchange differences	(1,614)	(347)	(4,690)	-	(14,702)	(961)	(109)	(464)	(22,887)
As at 31 July 2025	268,809	166,816	383,031	2,049	2,124,988	127,848	20,505	29,999	3,124,045
Accumulated depreciation and impairment									
As at 1 August 2024	5,983	9,974	48,994	644	1,286,668	82,014	16,668	-	1,450,945
Acquisition of a subsidiary	-	-	-	-	42,835	5,650	2,172	-	50,657
Charge for the year	-	2,469	15,410	39	106,146	8,438	1,775	-	134,277
Disposals	-	-	-	-	(29,156)	(8)	(5,495)	-	(34,659)
Written off	-	-	(1)	-	(40,474)	(2,409)	(5)	-	(42,889)
Impairment loss	-	-	301	-	89	74	-	-	464
Elimination of accumulated depreciation on revaluation	(5,983)	(9,124)	(46,920)	-	-	-	-	-	(62,027)
Exchange differences	-	(173)	(859)	-	(8,136)	(710)	(89)	-	(9,967)
As at 31 July 2025	-	3,146	16,925	683	1,357,972	93,049	15,026	-	1,486,801

Continued

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

The Group	Freehold land RM'000	Long-term leasehold land RM'000	Buildings RM'000	Staff quarters and apartment RM'000	Plants and machinery, tools and equipment RM'000	Office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Capital work-in-progress RM'000	Total RM'000
Valuation/Cost									
As at 1 August 2025	268,809	166,816	383,031	2,049	2,124,988	127,848	20,505	29,999	3,124,045
Additions	10,688	-	42,352	-	64,255	20,757	1,265	3,348	142,665
Disposals	-	-	-	-	(43,096)	(82)	(472)	-	(43,650)
Written off	-	-	-	-	(14,708)	(1,675)	(257)	-	(16,640)
Reclassification	-	-	19,783	-	9,937	-	-	(29,720)	-
Exchange differences	(5,049)	(189)	(11,106)	-	(5,922)	(314)	(166)	(12)	(22,758)
As at 31 July 2026	274,448	166,627	434,060	2,049	2,135,454	146,534	20,875	3,615	3,183,662
Accumulated depreciation and impairment									
As at 1 August 2025	-	3,146	16,925	683	1,357,972	93,049	15,026	-	1,486,801
Charge for the year	-	2,592	15,824	39	109,782	7,699	1,877	-	137,813
Disposals	-	-	-	-	(37,187)	(48)	(443)	-	(37,678)
Written off	-	-	-	-	(14,655)	(1,546)	(257)	-	(16,458)
Exchange differences	-	(98)	(546)	-	(3,228)	(114)	(83)	-	(4,069)
As at 31 July 2026	-	5,640	32,203	722	1,412,684	99,040	16,120	-	1,566,409
Net book value									
As at 31 July 2025	268,809	163,670	366,106	1,366	767,016	34,799	5,479	29,999	1,637,244
As at 31 July 2026	274,448	160,987	401,857	1,327	722,770	47,494	4,755	3,615	1,617,253

Continued

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

The Company	Long-term leasehold land RM'000	Staff quarters and apartment RM'000	Motor vehicles RM'000	Total RM'000
Valuation/Cost				
As at 1 August 2024	42,700	481	1,006	44,187
Revaluation	2,773	-	-	2,773
Elimination of accumulated depreciation on revaluation	(2,773)	-	-	(2,773)
As at 31 July 2025	42,700	481	1,006	44,187
Accumulated depreciation				
As at 1 August 2024	2,217	222	1,006	3,445
Charge for the year	556	8	-	564
Elimination of accumulated depreciation on revaluation	(2,773)	-	-	(2,773)
As at 31 July 2025	-	230	1,006	1,236
Valuation/Cost				
As at 1 August 2025/31 July 2026	42,700	481	1,006	44,187
Accumulated depreciation				
As at 1 August 2025	-	230	1,006	1,236
Charge for the year	593	10	-	603
As at 31 July 2026	593	240	1,006	1,839
Net book value				
As at 31 July 2025	42,700	251	-	42,951
As at 31 July 2026	42,107	241	-	42,348

(a) If the land and buildings were measured using the cost model, the carrying amounts would have been as follows:

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Freehold land	261,275	255,636	-	-
Long-term leasehold land	46,294	47,266	654	668
Buildings	399,748	363,987	-	-
	707,317	666,889	654	668

Continued

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

Freehold land is not depreciated. Capital work-in-progress represents buildings and machineries under installation, is stated at cost and is not depreciated until such time when the asset is available for use. Depreciation of other property, plant and equipment is computed using the straight-line method to write down their cost to residual values over their estimated useful lives at the following period and rates:

	The Group and The Company	
	2026	**2025**
Long-term leasehold land	26 to 72 years	31 to 77 years
Buildings	2% - 10%	2% - 10%
Staff quarters and apartment	2%	2%
Plants and machinery, tools and equipment	5% - 20%	5% - 20%
Office equipment, furniture and fittings	5% - 33%	5% - 33%
Motor vehicles	12.5% - 20%	12.5% - 20%

Freehold land, long-term leasehold land and buildings of the Group and of the Company were revalued in July 2025 by accredited independent professional valuers using the comparison and cost methods. The fair value was categorised as Level 3 of the fair value hierarchy with no transfer between Levels 1 and 2 during the year.

Qualitative information about the fair value measurement of freehold land, long-term leasehold land, and buildings performed using significant unobservable inputs (Level 3) is as follows:

Valuation Technique	**Significant Unobservable Inputs**
Comparison method	Difference in size, location, timing of transaction, freehold/leasehold tenure, land shape configuration, bumiputera ownership restrictions and improvement on land
Cost method	Construction price per square feet

Comparison method

Under comparison method, a property's fair value is estimated based on comparison of current prices in an active market for similar properties in the same location and condition and where necessary, adjusting for significant unobservable inputs. Fair value of properties derived using the comparison method have been generally included in Level 3 fair value hierarchy due to the adjustments mentioned above. The most significant input into this valuation approach is price per square feet of comparable properties.

Cost method

In the cost method of valuation, the market value of the building is assumed to have a direct relationship with its cost of construction. The cost of construction is then adjusted to allow for cost of finance and profit to reflect its present market value.

(b) The freehold lands and buildings under property, plant and equipment with a carrying amount of RM62,004,000 (2025: RM71,192,000) have been charged as security for borrowing as disclosed in Note 28(c)(ii).

Continued

14. RIGHT-OF-USE ASSETS

The Group	Buildings RM'000	Machineries RM'000	Total RM'000
Cost			
At 1 August 2024	6,597	5,070	11,667
Additions	2,161	1,800	3,961
Modification of lease contract	(1,147)	-	(1,147)
Written off	(890)	(1,800)	(2,690)
Reclassification	100	(100)	-
Exchange differences	(1,258)	-	(1,258)
At 31 July 2025/1 August 2025	5,563	4,970	10,533
Additions	1,591	1,039	2,630
Modification of lease contract	(810)	(3)	(813)
Written off	(2,307)	(1,896)	(4,203)
Exchange differences	(94)	-	(94)
As at 31 July 2026	3,943	4,110	8,053
Accumulated Depreciation			
At 1 August 2024	4,130	3,179	7,309
Depreciation for the year	2,007	1,597	3,604
Modification of lease contract	(708)	-	(708)
Written off	(890)	(1,800)	(2,690)
Reclassification	17	(17)	-
Exchange differences	(835)	-	(835)
At 31 July 2025/1 August 2025	3,721	2,959	6,680
Depreciation for the year	1,530	1,476	3,006
Modification of lease contract	(508)	-	(508)
Written off	(2,307)	(1,896)	(4,203)
Exchange differences	(89)	-	(89)
As at 31 July 2026	2,347	2,539	4,886
Carrying amounts			
As at 31 July 2025	1,842	2,011	3,853
As at 31 July 2026	1,596	1,571	3,167

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the asset on a straight-line basis, as follows:

	2026	2025
Buildings	33% - 50%	10% - 50%
Machineries	25% - 50%	25% - 50%

15. INVESTMENT PROPERTY

The Group	Leasehold land RM'000
At fair value:	
At 1 August 2024	-
Reclassified from land held for property development (Note 17)	803
Fair value gain (Note 8)	4,167
As at 31 July 2025/1 August 2025/31 July 2026	4,970

Continued

15. INVESTMENT PROPERTY (CONT'D)

In the prior year, the Group reclassified a parcel of land previously recognised as land held for property development to investment property. The investment property is a leasehold land, leased to a third party for a non-cancellable lease period of 30 years.

The revaluation of the investment property was performed by an accredited independent professional valuer in July 2025 based on the comparison and cost method. The fair value was categorised as Level 3 of the fair value hierarchy with no transfer between Levels 1 and 2 during the year.

Qualitative information about the fair value measurement of investment property performed using significant unobservable inputs (Level 3) is as follows:

Valuation Technique	Significant Unobservable Inputs
Comparison method	Difference in size, location, timing of transaction, type of land, freehold/leasehold tenure and permissible plot ratio

The valuation technique of comparison method for investment property is similar to the comparison method disclosed in Note 13 for freehold land, long-term leasehold land and buildings.

The property rental income earned by the Group from its investment property amounted to RM329,000 (2025: Nil).

Direct operating expenses arising from the investment property amounted to RM21,000 (2025: Nil).

16. INVESTMENT IN SUBSIDIARIES

	The Company	
	2026 RM'000	2025 RM'000
Unquoted shares, at cost:		
At beginning of year	656,106	556,106
Additions	116,917	100,000
Reclassification from quoted shares	457,329	-
At end of year	1,230,352	656,106
Quoted shares, at cost:		
At beginning of year	457,329	457,329
Reclassification to unquoted shares	(457,329)	-
At end of year	-	457,329
Net carrying amount	1,230,352	1,113,435

Continued

16. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the Company's subsidiaries are as follows:

Name of Subsidiaries	Country of Incorporation	Proportion of ownership interest and voting power held by the Group 2026 %	Proportion of ownership interest and voting power held by the Group 2025 %	Principal Activities
Scientex Quatari Sdn. Bhd. ("SQSB")	Malaysia	100	100	Investment holding, property investment and development
Scientex Packaging Film Sdn. Bhd. ("SPF")	Malaysia	100	100	Manufacturing of stretch film and investment holding
Scientex Industries Group Sdn. Bhd. ("SIG")	Malaysia	100	100	Sales and marketing of laminating polyurethane adhesives and packaging related materials
Scientex Management Sdn. Bhd. ("SMSB")	Malaysia	100	100	Investment holding
Scientex Polymer Sdn. Bhd.	Malaysia	100	100	Investment holding
Scientex Tsukasa (Vietnam) Co., Ltd. ("STV")[4*]	Vietnam	60	60	Manufacturing of polypropylene ("PP") woven bags, fabrics, bulk bags and polyethylene tying tapes
Scientex Packaging (Ayer Keroh) Berhad ("SPAK")[1]	Malaysia	100	71.89	Manufacturing and marketing of flexible packaging materials
Subsidiaries of SQSB				
Scientex Heights Sdn. Bhd. ("SHSB")	Malaysia	100	100	Property development
Scientex Park (M) Sdn. Bhd. ("SPSB")	Malaysia	100	100	Investment holding, property investment and development
Texland Sdn. Berhad	Malaysia	90	90	Property development
Scientex (Skudai) Sdn. Bhd. ("SKSB")	Malaysia	100	100	Property development
Amber Land Berhad ("ALB")[2]	Malaysia	100	100	Property development
Scientex Contract Sdn. Bhd. ("SCSB")	Malaysia	100	100	Property construction
Scientex Lestari Sdn. Bhd. ("SLSB")	Malaysia	70	70	Property development
Scientex Bertam Sdn. Bhd. ("SBSB")[3]	Malaysia	75	N/A	Property development

Continued

16. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the Company's subsidiaries are as follows:

Name of Subsidiaries	Country of Incorporation	Proportion of ownership interest and voting power held by the Group 2026 %	Proportion of ownership interest and voting power held by the Group 2025 %	Principal Activities
Subsidiaries of SPSB				
Scientex Jenjarom Sdn. Bhd. ("SJSB")	Malaysia	70	70	Property development
Scientex Creed Japan Co., Ltd ("SCJ")**	Japan	50.001	50.001	Affordable accommodations
Subsidiary of SIG				
PT. Scientex Indonesia ("PTSI")*	Indonesia	100	100	Sales and marketing of laminating polyurethane adhesives
Subsidiaries of SPF				
Scientex Tsukasa Strapping Sdn. Bhd. ("STS")	Malaysia	70	70	Manufacturing of PP strapping band
Scientex Great Wall Sdn. Bhd. ("SGW")	Malaysia	90	90	Manufacturing of plastic packaging products
Scientex Great Wall (Ipoh) Sdn. Bhd. ("SGWI")	Malaysia	100	100	Manufacturing of plastic packaging products
Scientex Great Wall (Klang) Sdn. Bhd. ("SGWK")	Malaysia	100	100	Manufacturing of plastic packaging products
Scientex Phoenix, LLC ("SPLLC")**	United States of America	100	100	Manufacturing and sales of industrial stretch film products
Scientex Packaging (Kajang) Sdn. Bhd. ("SPK")	Malaysia	80.20	80.20	Manufacturing and marketing of flexible packaging materials
Scientex Japan Co., Ltd. ("SJ")**	Japan	100	100	Sales and marketing of plastic packaging materials
Hiro Food Packages Manufacturing Sdn. Bhd. ("HIRO")	Malaysia	70	70	Manufacturing of plastic packaging products
Subsidiary of SMSB				
KC Contract Sdn. Bhd.	Malaysia	65	65	Property construction

Continued

16. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the Company's subsidiaries are as follows:

Name of Subsidiaries	Country of Incorporation	Proportion of ownership interest and voting power held by the Group 2026 %	2025 %	Principal Activities
Subsidiaries of SPAK				
Scientex Packaging (Teluk Emas) Sdn. Bhd. ("SPTE")	Malaysia	100	71.89	Manufacturing and marketing of flexible packaging materials
Scientex Packaging (Australia) Pty. Ltd. ("SPAU")*	Australia	100	71.89	Marketing of flexible packaging materials
Scientex Packaging (New Zealand) Limited ("SPNZ")**	New Zealand	100	71.89	Marketing of flexible packaging materials
Scientex Packaging Management Sdn. Bhd. ("SPMSB")	Malaysia	100	71.89	Investment holding
Scientex Land Sdn. Bhd.	Malaysia	100	71.89	Dormant
Subsidiary of SPMSB				
Daibochi Packaging (Myanmar) Company Limited ("DPM")[4]**	Myanmar	60	43.13	Dormant

* *Audited by other auditors.*

** *Exempted from statutory audit under the rules and regulations of the respective countries of incorporation.*

1 *On 12 September 2025, the Company served a letter of offer requesting SPAK to undertake a selective capital reduction and repayment exercise pursuant to Section 116 of the Companies Act, 2016 ("SCR"). The SCR was completed on 10 March 2026. Pursuant to the SCR, a total of 88,549,357 ordinary shares in SPAK were cancelled, resulting in a reduction of share capital by RM132,824,036. Following which SPAK became a wholly-owned subsidiary of the Company.*
The Company had on 12 September 2025 and 8 April 2026, acquired an additional 10,000,000 ordinary shares and subscribed for an additional 67,928,165 ordinary shares respectively in SPAK at an acquisition and issue price of RM1.50 per ordinary share. The Company's equity interest in SPAK increased from 71.89% to 74.75% and from 74.75% to 100% following the acquisition and completion of the SCR.

2 *On 19 August 2025, ALB completed its first reduction of share capital to reduce its share capital from RM204,132,343 comprising 115,500,000 ordinary shares to RM109,966,883 comprising 103,504,400 ordinary shares by cancelling 11,995,600 ordinary shares and distributed the credit of RM94,165,460 arising therefrom to SQSB. Subsequently, on 19 June 2026, ALB completed its second reduction of share capital to reduce its share capital from RM109,966,883 comprising 103,504,400 ordinary shares to RM95,241,883 comprising 88,004,400 ordinary shares by cancelling 15,500,000 ordinary shares and distributed the credit of RM14,725,000 arising therefrom to SQSB.*

3 *On 3 October 2025, SBSB was incorporated in Malaysia with an initial issued and paid-up share capital of RM1. Subsequently, SBSB increased its issued and paid-up share capital from 1 ordinary share to 100 ordinary shares and from 100 ordinary shares to 1,000,000 ordinary shares by way of issuance of 99 ordinary shares and 999,900 ordinary shares on 14 October 2025 and 3 November 2025 respectively, at an issue price of RM1 per ordinary share, at the proportion of 75% and 25%, held by SQSB and a third-party subscriber respectively. SBSB prepared its first financial statements for the period ended 31 July 2026, within 18 months from the date of incorporation pursuant to Section 248 of Companies Act, 2016 in Malaysia.*

4 *The Group has been granted approval from Companies Commission of Malaysia pursuant to Section 247(3) of Companies Act, 2016 for STV and DPM to continue to adopt the year end that does not coincide with the Group's year end of 31 July. The Group has consolidated the financial position and results of STV and DPM based on the unaudited financial statements made up to the year end of the Group.*

Continued

16. INVESTMENT IN SUBSIDIARIES (CONT'D)

Non-controlling interests in subsidiaries

The table below shows details on non-wholly owned subsidiaries of the Group that have material non-controlling interests.

	Proportion of ownership interest and voting rights held by non-controlling interests		Total comprehensive income allocated to non-controlling interests for the year		Non-controlling interests	
Name of Subsidiaries	2026 %	2025 %	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
SGW	10	10	2,025	952	46,322	44,297
Others			30,278	22,500	117,474	216,861
			32,303	23,452	163,796	261,158

Summarised information of subsidiary with non-controlling interests that is material to the Group is set out below. The summarised financial information below represents amounts before intragroup eliminations. The non-controlling interests of the other subsidiaries are not material to the Group.

	2026 RM'000	2025 RM'000
SGW		
Summarised statement of financial position		
Non-current assets	452,286	482,252
Current assets	127,417	107,749
Non-current liabilities	(14,496)	(11,264)
Current liabilities	(101,985)	(135,764)
Net assets	463,222	442,973
Summarised statement of profit or loss and other comprehensive income		
Revenue	490,175	511,898
Profit for the year	20,249	6,260
Total comprehensive income for the year	20,249	9,519
Summarised cash flows information		
Net cash from operating activities	53,197	39,890
Net cash used in investing activities	(11,810)	(27,845)
Net cash used in financing activities	(41,386)	(16,509)
Net cash inflows/(outflows)	1	(4,464)

Continued

17. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS

(a) Land held for property development

The Group	Freehold land RM'000	Leasehold land RM'000	Development costs RM'000	Total RM'000
Cost				
As at 1 August 2024	1,678,399	57,906	29,309	1,765,614
Acquisition of land	1,880,193	-	-	1,880,193
Costs incurred during the year	328,518	5,280	25,635	359,433
Transfer to property development costs (Note 17(b))	(563,193)	(4,796)	(22,450)	(590,439)
Transfer to investment property (Note 15)	-	(803)	-	(803)
As at 31 July 2025	3,323,917	57,587	32,494	3,413,998
As at 1 August 2025	3,323,917	57,587	32,494	3,413,998
Acquisition of land	10,884	-	-	10,884
Costs incurred during the year	474,063	2,460	15,240	491,763
Transfer to property development costs (Note 17(b))	(599,204)	(16)	(18,377)	(617,597)
Land proprietor's entitlement	12,744	-	-	12,744
As at 31 July 2026	3,222,404	60,031	29,357	3,311,792

During the year, the Group acquired the following freehold lands through its subsidiaries:

(i) SKSB acquired a piece of land measuring approximately 14.9 acres in Mukim 07, District of Seberang Perai Selatan, State of Pulau Pinang for a total purchase consideration (inclusive of associated administrative costs for the acquisition) of RM10,794,000.

(ii) On 16 October 2025, SBSB, a subsidiary of the Company entered into a Joint Development Agreement ("JDA") with Lembaga Kemajuan Wilayah Pulau Pinang ("PERDA") and Perda Ventures Incorporated Sdn. Bhd. ("PVI") (collectively referred to as "the Proprietors"), to undertake a new housing development project and jointly develop 3 parcels of freehold land, all situated in District of Seberang Perai Utara, State of Pulau Pinang, measuring approximately 356.4 acres, in accordance with the terms and conditions as set out in the JDA. The Proprietors are the registered proprietors of the Lands, of which SBSB will act as the developer to jointly develop the Lands.

Pursuant to the JDA and in consideration of the Proprietors providing the Lands for SBSB to develop the Lands under the said development, the Proprietors shall be entitled to the following entitlements under deferred payment terms, which will be payable in staggered payments in accordance with the terms and conditions as set out in the JDA:

(a) RM75,000,000, which represents 5% of the estimated Gross Development Value ("GDV"), subject to calculation of actual GDV upon final phase completion of the said development; and

(b) RM27,435,000, which represents a fixed Proprietors' entitlement.

During the year, SBSB paid RM12,744,000 as consideration of the Proprietors' entitlements for the joint development of the Lands.

Continued

17. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS (CONT'D)

(b) **Property development costs**

The Group	Freehold land RM'000	Leasehold land RM'000	Development costs RM'000	Total RM'000
Cumulative property development costs				
As at 1 August 2024	828,695	43,710	945,436	1,817,841
Costs incurred during the year	-	-	796,223	796,223
Transfer from land held for property development (Note 17(a))	563,193	4,796	22,450	590,439
Reversal of completed projects	(310,099)	(30,783)	(575,178)	(916,060)
Unsold units transferred to inventories	(659)	(179)	(1,688)	(2,526)
As at 31 July 2025	1,081,130	17,544	1,187,243	2,285,917
Cumulative costs recognised in profit or loss				
As at 1 August 2024	(564,481)	(41,507)	(700,260)	(1,306,248)
Recognised during the year (Note 6)	(590,896)	(6,820)	(664,150)	(1,261,866)
Reversal of completed projects	310,099	30,783	575,178	916,060
As at 31 July 2025	(845,278)	(17,544)	(789,232)	(1,652,054)
Property development costs as at 31 July 2025	235,852	-	398,011	633,863
Cumulative property development costs				
As at 1 August 2025	1,081,130	17,544	1,187,243	2,285,917
Costs incurred during the year	-	-	903,205	903,205
Transfer from land held for property development (Note 17(a))	599,204	16	18,377	617,597
Reversal of completed projects	(405,164)	(2,504)	(816,084)	(1,223,752)
Unsold units transferred to inventories	(5,000)	-	(14,963)	(19,963)
As at 31 July 2026	1,270,170	15,056	1,277,778	2,563,004
Cumulative costs recognised in profit or loss				
As at 1 August 2025	(845,278)	(17,544)	(789,232)	(1,652,054)
Recognised during the year (Note 6)	(557,943)	(16)	(821,489)	(1,379,448)
Reversal of completed projects	405,164	2,504	816,084	1,223,752
As at 31 July 2026	(998,057)	(15,056)	(794,637)	(1,807,750)
Property development costs as at 31 July 2026	272,113	-	483,141	755,254

The freehold and leasehold lands under land held for property development with a carrying amount of RM663,773,000 (2025: RM641,500,000) have been charged as a security for borrowings (Note 28(c)(i)).

Included in the land held for development is interest capitalised of RM47,895,000 (2025: RM37,707,000) (Note 7).

The transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at 31 July 2026 is RM2,016,000,000 (2025: RM1,843,000,000), where the Group expects to recognise it as revenue over the next 1 to 3 years (2025: 1 to 3 years).

Continued

18. INVESTMENT IN ASSOCIATES

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Unquoted shares, at cost	14,769	32,848	3,000	3,000
Acquisition	10,233	-	-	-
Reclassified to investment in subsidiary	-	(18,078)	-	-
Share of post-acquisition reserves	84,005	87,952	-	-
	109,007	102,722	3,000	3,000
Share of post-acquisition reserves:				
At beginning of year	87,952	76,779	-	-
Share of results	11,193	15,680	-	-
Dividend received	(15,140)	(4,034)	-	-
Reclassified to investment in subsidiary	-	(473)	-	-
At end of year	84,005	87,952	-	-

Details of the associates are as follows:

Name of Associates	Country of Incorporation	Proportion of ownership interest and voting power held by the Group 2026 %	2025 %	Principal Activities
Mitsui Chemicals Scientex Sdn. Bhd. ("MCS")*	Malaysia	30	30	Manufacturing and trading of polyurethane adhesive for flexible packaging applications
OPS Paper Products Sdn. Bhd. ("OPS")*	Malaysia	34.60	24.60	Manufacturing and trading of paper products

* *Audited by other auditors.*

On 22 June 2026, SMSB acquired an additional 10% equity interest in OPS for a total cash consideration RM10,233,000. Subsequent to the acquisition, the shareholding of SMSB in OPS increased from 24.60% to 34.60%.

MCS have a year end of 31 December. For the purpose of applying the equity method of accounting, the unaudited financial statements of MCS for the year ended 31 July 2026 have been used.

In the prior year, SPF acquired an additional 40% equity interest in HIRO for a total cash consideration of RM21,781,000. Subsequent to the acquisition, the shareholding of SPF in HIRO increased from 30% to 70%. Accordingly, HIRO became a subsidiary of SPF.

At the Group level, the carrying value of associates represents the share of net assets in the associates at end of the reporting date.

Continued

18. INVESTMENT IN ASSOCIATES (CONT'D)

Summarised financial information in respect of the Group's material associate is as follows:

MCS	2026 RM'000	2025 RM'000
Assets and Liabilities		
Current assets	215,655	234,023
Non-current assets	57,604	66,407
Total assets	273,259	300,430
Current liabilities	(24,795)	(29,187)
Non-current liabilities	(5,683)	(5,683)
Total liabilities	(30,478)	(34,870)
Results		
Revenue	244,842	266,668
Profit for the year	23,698	39,886

19. OTHER INVESTMENTS

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
At fair value:				
Unquoted equity instruments outside Malaysia	25,979	30,609	23,030	23,781
Unquoted equity instruments in Malaysia	-	1,353	-	1,353
Quoted equity instruments in Malaysia	667	667	-	-
Corporate memberships	480	513	137	137
	27,126	33,142	23,167	25,271

The fair value of the unquoted equity instruments is categorised as Level 3 in the fair value hierarchy and are determined using the adjusted net assets method. The unquoted equity instruments are classified as financial assets either at fair value through profit or loss or fair value through other comprehensive income.

The fair value of quoted equity instruments is determined by reference to the exchange quoted market prices at the close of the business on the reporting date and categorised as Level 1 in the fair value hierarchy. The quoted equity instruments are classified as financial assets at fair value through other comprehensive income.

The fair value of corporate memberships of the Group and of the Company is categorised as Level 2 in the fair value hierarchy and classified as financial assets at fair value through profit or loss.

Continued

20. GOODWILL

	The Group	
	2026 RM'000	**2025 RM'000**
At cost:		
At beginning/end of year	305,022	305,022

The carrying amount of goodwill allocated by CGUs with indefinite useful life allocated are as follows:

	The Group	
	2026 RM'000	**2025 RM'000**
SPAK	201,478	201,478
SPTE	42,786	42,786
SGWK	48,624	48,624
SGWI	12,134	12,134
	305,022	305,022

Goodwill arising from the business combination for subsidiaries are allocated to the CGU of the Group that is expected to benefit from the business combination. The Group's methodology to test goodwill for impairment is described in Note 3.

Key assumptions used

The recoverable amount of the CGU is determined based on the higher of fair value less costs to sell or value-in-use. The impairment test for goodwill relating to the CGU was assessed using value-in-use method. Estimating a value-in-use amount requires management to make an estimate of expected future cash flows from the CGU and determine a suitable discount rate in order to calculate the present value of those cash flows. The recoverable amount of a CGU is determined based on value-in-use calculations using cash flow projections based on financial budgets approved by management covering a five-year period.

The following key assumptions have been applied in the VIU calculation for the four CGUs:

	2026 (%)	**2025 (%)**
Key assumptions		
Revenue Compounded Annual Growth Rate ("CAGR")	2.0 - 3.7	2.0 - 3.6
Pre-tax discount rate	9.7 - 11.9	8.5 - 11.8
Long-term inflation rate	1.8	1.8

The directors are of the opinion that a 1% change in the above key assumptions would not cause the recoverable amount of the CGU to be lower than its carrying amount.

Continued

21. INVENTORIES

	The Group	
	2026 RM'000	2025 RM'000
At cost:		
Raw materials and consumables	276,948	190,869
Unsold completed property units	41,168	28,622
Finished products	86,694	84,344
Work-in-progress	26,883	22,542
	431,693	326,377
At net realisable value:		
Unsold completed property units	1,795	1,795
Raw materials	1,125	696
Finished products	358	985
	3,278	3,476
	434,971	329,853

For the current year, the amount of inventories recognised as expenses in the cost of sales of the Group was RM1,674,393,000 (2025: RM1,705,326,000).

22. TRADE RECEIVABLES

	The Group	
	2026 RM'000	2025 RM'000
Third parties	922,565	813,860
Associates	56	104
	922,621	813,964
Less: Impairment losses	(1,131)	(1,493)
Trade receivables, net	921,490	812,471

Trade receivables are non-interest bearing. The credit terms for trade receivables of the Group range from 14 to 120 days (2025: 7 to 120 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Amounts due from the associates are unsecured, non-interest bearing and have credit terms of 60 days (2025: 60 days).

Included in trade receivables are retention sums on property development activities amounting to RM134,619,000 (2025: RM124,882,000).

Continued

22. TRADE RECEIVABLES (CONT'D)

The table below is an analysis of trade receivables at the end of the reporting date:

	The Group	
	2026 RM'000	**2025 RM'000**
Neither past due nor impaired	898,264	773,779
Past due but not impaired	23,226	38,692
Past due and impaired	1,131	1,493
	922,621	813,964
Ageing of past due but not impaired		
1 to 30 days	15,030	24,467
31 to 60 days	3,859	9,779
61 to 90 days	2,564	2,099
More than 90 days	1,773	2,347
	23,226	38,692
Ageing of past due and impaired		
More than 120 days	1,131	1,493

Movement in allowance for impairment loss

The trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	The Group	
	2026 RM'000	**2025 RM'000**
At beginning of year	1,493	1,748
Impairment loss	157	277
Written off	(271)	-
Reversal of impairment loss	(173)	(468)
Foreign exchange differences	(75)	(64)
At end of year	1,131	1,493

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records. None of the Group's trade receivables that are neither past due nor impaired have been renegotiated during the year.

Receivables that are past due but not impaired

The Group has trade receivables amounting to RM23,226,000 (2025: RM38,692,000) that are past due at the reporting date but not impaired. The Group does not hold any collateral over these balances. These relate to creditworthy customers that the Group continues to trade actively with.

Receivables that are impaired

Trade receivables that are impaired at the reporting date relate to debtors that are in financial difficulties or in dispute and have defaulted on payments. The Group does not hold any collateral over these balances.

In determining the recoverability of the trade receivables, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated.

Continued

22. TRADE RECEIVABLES (CONT'D)

The currency profile of trade receivables of the Group is as follows:

	The Group	
	2026 RM'000	2025 RM'000
Ringgit Malaysia	730,789	647,123
United States Dollar	122,735	107,197
Other currencies	69,097	59,644
	922,621	813,964

23. OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

		The Group		The Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Other receivables		14,659	21,013	-	-
Less: Impairment losses	(iii)	(3,158)	-	-	-
Other receivables, net		11,501	21,013	-	-
Deposit on purchase of property, plant and equipment		3,968	33,556	-	-
Other refundable deposits		69,339	45,788	10	10
Other assets	(i)	50,279	53,810	-	-
Prepaid expenses		15,227	14,571	74	62
Contract cost assets	(ii)	14,007	14,992	-	-
Amounts due from associates		16	15	-	-
		164,337	183,745	84	72

(i) Other assets of the Group represent consideration payable to customers. These are either accounted for as a reduction of property development revenue when the Group recognises revenue for the transfer of the related goods or services to the customers, or as costs to secure sales contracts which are amortised on a systematic basis consistent with the pattern of revenue recognition of the related revenue.

(ii) Contract cost assets relate to cost incurred for securing property sales contracts which are expected to be recovered. These costs are subsequently amortised on a systematic basis that is consistent with the pattern of revenue recognition which the assets relate.

	The Group	
	2026 RM'000	2025 RM'000
At beginning of year	14,992	6,807
Addition	28,447	30,567
Cost charged to profit or loss	(29,432)	(22,382)
At end of year	14,007	14,992

Continued

23. OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES (CONT'D)

(iii) Movement in allowance for impairment losses

The other receivable that are impaired at the reporting date and the movement of the allowance for impairment losses are as follows:

	The Group	
	2026 RM'000	**2025 RM'000**
At beginning of year	-	-
Impairment loss (Note 8)	3,158	-
At end of year	3,158	-

24. CONTRACT ASSETS AND CONTRACT LIABILITIES

Contract assets and contract liabilities relate to the sales of property development as at the end of the reporting date are as follows:

	The Group	
	2026 RM'000	**2025 RM'000**
Contract assets	216,703	139,266
Contract liabilities	(150,645)	(117,826)
	66,058	21,440

The Group issues progress billing to purchasers when the billing milestones are attained and recognises revenue when the performance obligations are satisfied. The contract assets and liabilities at the end of the reporting date arose as a result of the timing differences between billing to property purchasers and the recognition of property development revenue.

	The Group	
	2026 RM'000	**2025 RM'000**
At beginning of year	21,440	79,160
Revenue recognised during the year	2,201,602	2,023,167
Consideration payable to customers	2,890	(3,075)
Less: Progress billing during the year	(2,159,874)	(2,077,812)
At end of year	66,058	21,440

25. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Cash and bank balances	175,882	130,112	132	160
Short-term deposits with:				
Other financial institutions	147,632	295,238	2,213	2,501
Licensed banks	34,296	20,264	-	-
	357,810	445,614	2,345	2,661

Continued

25. CASH AND CASH EQUIVALENTS (CONT'D)

The Housing Development Accounts are maintained in accordance with Section 7(A) of the Housing Development (Control and Licensing) Act, 1966. These accounts, which consist of monies received from purchasers, are for the payment of property development expenditure incurred. The surplus monies, if any, will be released to certain subsidiary companies upon the completion of the property development projects and after all property development expenditure have been fully settled. Included in cash and bank balances of the Group is an amount of RM13,609,000 (2025: RM11,611,000) held in the Housing Development Accounts.

Short-term deposits with other financial institutions refer to licensed fund management companies in Malaysia. These deposits have redemption period of one working day upon notification of withdrawal. The weighted average effective interest as at 31 July 2026 for the Group and the Company is 3.07% (2025: 3.53%) per annum.

Short-term deposits with licensed banks of the Group have weighted average effective interest rate of 3.52% (2025: 3.47%) per annum.

The fair value of the money market deposits is categorised as Level 1 in the fair value hierarchy and are determined using their quoted closing prices at the end of the reporting date. The money market deposits are classified as financial assets at fair value through profit or loss.

The currency profile of cash and cash equivalents is as follows:

	The Group	
	2026 RM'000	**2025 RM'000**
Ringgit Malaysia	224,565	350,282
United States Dollar	111,032	78,854
Other currencies	22,213	16,478
	357,810	445,614

Cash and cash equivalents of the Company are denominated in Ringgit Malaysia.

26. SHARE CAPITAL

	The Group and The Company			
	Number of ordinary shares		Amount	
	2026 '000	**2025 '000**	**2026 RM'000**	**2025 RM'000**
Issued and fully paid up shares with no par value classified as equity instrument:				
At beginning of year	1,556,268	1,551,268	727,244	705,744
Issued pursuant to exercise of warrants	9	5,000	37	21,500
At end of year	1,556,277	1,556,268	727,281	727,244

Continued

26. SHARE CAPITAL (CONT'D)

(a) Share capital

During the year, the Company issued and allotted 8,623 (2025: 5,000,024) new ordinary shares pursuant to the exercise of 8,623 (2025: 5,000,024) warrants at the exercise price of RM4.30 (2025: RM4.30) per warrant.

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

As at 31 July 2026, the total number of issued shares of the Company was 1,556,277,014 (2025: 1,556,268,391) ordinary shares.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote at meetings of the Company as prescribed in the Constitution of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

(b) Warrants

On 15 January 2021, the Company issued 103,372,778 free warrants on the basis of 1 free warrant for every 5 existing ordinary shares held. The warrants were listed and quoted on the Main Market of Bursa Malaysia Securities Berhad on 20 January 2021.

The warrants are constituted by the deed poll dated 17 December 2020.

The salient terms of the warrants are as follows:

	Tenure (Years)	Exercise Period		Exercise Price (RM)
		Issue date	Expiry date	
Warrants	5	15 January 2021	14 January 2026	4.30

(i) The warrants may be exercised at any time during the tenure of the warrants of five (5) years commencing from the issue date of the warrants and ending on the expiry date. Warrants not exercised during the exercise period will thereafter lapse and ceased to be valid;

(ii) Each warrant carries the entitlement to subscribe for one (1) new ordinary share at the exercise price of RM4.30 and subject to the adjustments in accordance with the deed poll constituting the warrants;

(iii) The new shares to be issued upon the exercise of the warrants shall, upon issuance and allotment, rank pari-passu in all respects with the existing shares of the Company except that they will not be entitled to any dividends, rights, allotments and/or other forms of distribution which may be declared, made or paid by the Company for which the entitlement date for the distribution precedes the date of allotment and issuance of the new shares; and

(iv) The exercise price and number of unexercised warrants are subject to adjustments in accordance with the provisions as set out in the deed poll.

During the year, the Company issued 8,623 (2025: 5,000,024) ordinary shares pursuant to the exercise of 8,623 (2025: 5,000,024) warrants at the exercise price of RM4.30 per warrant. The warrants expired on 14 January 2026 and the remaining 98,276,380 unexercised warrants lapsed.

Continued

27. RESERVES

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Non-distributable reserves:				
Property revaluation surplus	109,144	109,144	28,196	28,196
Foreign currency translation reserve	(18,816)	(6,984)	-	-
Other reserves	(6,937)	(1,705)	(2,005)	(652)
Treasury shares	(1)	(1)	(1)	(1)
	83,390	100,454	26,190	27,543
Distributable reserve:				
Retained earnings	3,699,518	3,296,204	538,581	423,496
	3,699,518	3,296,204	538,581	423,496
	3,782,908	3,396,658	564,771	451,039

(a) Property revaluation surplus

Property revaluation surplus represents increases in the fair value of land and buildings, net of tax and non-controlling interests, and decreases to the extent that such decreases relate to an increase on the same asset previously recognised in other comprehensive income.

(b) Foreign currency translation reserve

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

(c) Treasury shares

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount consists of the acquisition costs of the treasury shares.

As at 31 July 2026, the Company held 100 (2025: 100) ordinary shares as treasury shares. Such treasury shares are recorded at a carrying amount of RM720 (2025: RM720).

(d) Retained earnings

The Company is able to distribute dividends out of its entire retained earnings as at 31 July 2026 under the single tier system.

Continued

28. BORROWINGS

	The Group	
	2026 RM'000	**2025 RM'000**
Current - at amortised cost		
Secured:		
Foreign currency revolving credits	71,266	26,100
Unsecured:		
Revolving credits	666,471	1,074,583
Trade loans	253,413	160,527
Foreign currency revolving credits	-	118,987
	991,150	1,380,197
Non-current - at amortised cost		
Secured:		
Sukuk Murabahah	500,000	500,000
Sukuk Wakalah	560,000	560,000
	1,060,000	1,060,000
	2,051,150	2,440,197

Borrowings are repayable as follows:

	The Group	
	2026 RM'000	**2025 RM'000**
Current	991,150	1,380,197
Non-current:		
More than 1 year and less than 2 years	60,000	-
More than 2 years and less than 5 years	700,000	330,000
More than 5 years	300,000	730,000
	2,051,150	2,440,197

The weighted average interest/profit rates per annum of the borrowings at the end of the reporting date are as follows:

	The Group	
	2026 %	**2025 %**
Sukuk Murabahah	3.40	3.65
Sukuk Wakalah	3.45	3.70
Revolving credits	3.36	3.39
Trade loans	3.18	3.17
Foreign currency revolving credits	1.97	1.25

Continued

28. BORROWINGS (CONT'D)

(a) Sukuk Murabahah Programme

In financial year 2016, SQSB, a wholly-owned subsidiary of the Company, had established a Sukuk Murabahah Programme ("Sukuk Murabahah") for the issuance of up to RM500,000,000 in nominal value of Sukuk Murabahah. It provides SQSB the flexibility to raise funds from time to time which can be utilised to finance and/or reimbursement of the acquisition of land(s)/property(ies)/investments, to fund working capital requirements and to refinance existing bank borrowings of SQSB and/or its subsidiaries. The Sukuk Murabahah is unrated and has a tenure of fifteen (15) years from the date of first issuance.

On 27 September 2024 and 9 October 2024, SQSB has made its fourth and fifth issuance of RM100 million and RM330 million in nominal value of unrated Sukuk Murabahah respectively based on the Shariah principle of Murabahah (via Tawarruq arrangement) under the Sukuk Murabahah Programme to part finance land acquisitions. As at 31 July 2026, the total amount issued of unrated Sukuk Murabahah stood at RM500,000,000 (2025: RM500,000,000) in nominal value. The redeemable Sukuk Murabahah are due on 29 December 2028 for RM70 million, 26 September 2030 for RM100 million and 8 October 2030 for RM330 million, and bear profit based on cost of fund plus margin, payable monthly.

(b) Sukuk Wakalah Programme

On 13 November 2024, SQSB, a wholly-owned subsidiary of the Company had established the Sukuk Wakalah Programme ("Sukuk Wakalah"), which has a perpetual programme tenure, provides SQSB the flexibility to issue multicurrency Islamic medium-term notes of up to RM1.5 billion (or its equivalent in other currencies) in nominal value at any point in time. During the same financial year, SQSB has made its first and second issuance of RM260 million and RM300 million in aggregate nominal value of unrated Sukuk Wakalah respectively under the Sukuk Wakalah Programme to refinance the existing shariah-compliant financing of SQSB and to part finance the acquisition of lands. As at 31 July 2026, the total amount issued of unrated Sukuk Wakalah stood at RM560,000,000 (2025: RM560,000,000) in nominal value. The redeemable Sukuk Wakalah are due on 10 February 2028 for RM60 million, 19 February 2029, 8 February 2030, 10 February 2032, 19 February 2032 and 18 February 2033 for each RM100 million and bear profit based on cost of fund plus margin, payable monthly.

(c) The borrowings and other banking facilities are secured by the following:

(i) First and third party charge over the freehold and leasehold lands under land held for property development of subsidiaries with carrying value of RM663,773,000 (2025: RM641,500,000) as disclosed in Note 17.

(ii) First party charge over the freehold lands and buildings under property, plant and equipment of SCJ with carrying value of RM62,004,000 (2025: RM71,192,000) as disclosed in Note 13.

(iii) Negative pledges on all the other assets held by the Company and certain subsidiaries.

(iv) Corporate guarantee of the Company as disclosed in Note 39.

(d) The currency profile of borrowings is as follows:

	The Group	
	2026 RM'000	2025 RM'000
Ringgit Malaysia	1,979,884	2,295,110
Japanese Yen	71,266	145,087
	2,051,150	2,440,197

Continued

29. LEASE LIABILITIES

	The Group	
	2026 RM'000	**2025 RM'000**
Non-current	1,236	1,532
Current	1,984	2,368
	3,220	3,900
Minimum lease payment:		
Not later than 1 year	2,033	2,472
Later than 1 year but not later than 5 years	1,307	1,571
	3,340	4,043
Less: Unexpired finance charges	(120)	(143)
	3,220	3,900
Present value of lease liabilities:		
Not later than 1 year	1,984	2,368
Later than 1 year but not later than 5 years	1,236	1,532
	3,220	3,900

The Group discounted the lease liabilities by using the Group's incremental borrowing rates ranging from 4% to 14% (2025: 3% to 14%) per annum.

During the year, the Group recognised RM5,115,000 and RM414,000 (2025: RM4,329,000 and RM366,000) respectively of short-term leases and leases of low value assets on a straight-line basis as expenses.

30. RETIREMENT BENEFITS OBLIGATIONS

	The Group	
	2026 RM'000	**2025 RM'000**
At beginning of year	52,830	50,428
Current and past service cost (Note 9)	4,348	6,445
Paid during the year	(2,187)	(3,962)
Foreign exchange differences	(131)	(81)
At end of year	54,860	52,830

The present value of the pension obligation is determined by actuary using the Projected Unit Credit Method. The last actuarial valuation was carried out during the year ended 31 July 2023 by Actuarial Partners Consulting Sdn. Bhd., an independent professional actuary.

The Group operates an unfunded defined benefit lump sum plan. A lump sum benefit is payable to the employees at the normal retirement age of 60 (2025: 60). The plan is applicable to employees who have a minimum 5 years of service to the Group.

Continued

30. RETIREMENT BENEFITS OBLIGATIONS (CONT'D)

The amounts recognised in the statements of profit or loss are as follows:

	The Group	
	2026 RM'000	2025 RM'000
Cost of sales	2,052	1,998
Administrative expenses	2,006	3,926
Selling and distribution expenses	290	521
	4,348	6,445

The principal assumptions are as follows:

	The Group	
	2026 %	2025 %
Discount rate	5.00	5.00
Future salary increases	7.00	7.00

No sensitivity analysis on the principal assumptions is prepared as the Group does not expect any material effect on the statements of profit or loss arising from the effect of reasonably possible changes to the above principal actuarial assumptions at the end of the reporting date.

31. DEFERRED PAYABLES

	The Group	
	2026 RM'000	2025 RM'000
Current	6,000	-
Non-current	69,335	-
	75,335	-
Deferred payables at amortised cost:		
Not later than 1 year (Note 34)	6,000	-
Later than 1 year and not later than 5 years	27,347	-
More than 5 years	41,988	-
	75,335	-

Deferred payables include amounts related to the joint development of lands amounting to RM102,435,000 (2025: Nil). These amounts are payable in accordance with the terms stipulated in the JDA, as disclosed in Note 17(a)(ii).

These payables are initially recognised at fair value and subsequently measured at amortised cost at an effective interest rate of 3.45% (2025: Nil) per annum.

Continued

32. DEFERRED TAX (ASSETS)/LIABILITIES

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
At beginning of year	86,914	85,640	8,128	7,566
Recognised in profit or loss (Note 11)	550	(1,213)	(113)	(104)
Recognised in equity	-	2,492	-	666
Foreign exchange differences	189	(5)	-	-
At end of year	87,653	86,914	8,015	8,128
Deferred tax assets	(19,888)	(19,679)	-	-
Deferred tax liabilities	107,541	106,593	8,015	8,128
	87,653	86,914	8,015	8,128

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when deferred taxes relate to the same tax authority.

The deferred tax (assets)/liabilities provided in the financial statements represents the tax effects of the following:

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Deferred tax assets (before offsetting):				
Unabsorbed reinvestment allowances	(49,398)	(57,176)	-	-
Unutilised tax losses and unabsorbed capital allowances	(11,853)	(5,675)	-	-
Others	(33,880)	(28,484)	-	-
	(95,131)	(91,335)	-	-
Offsetting	75,243	71,656	-	-
Deferred tax assets (after offsetting)	(19,888)	(19,679)	-	-
Deferred tax liabilities (before offsetting):				
Temporary differences arising from:				
Property, plant and equipment	141,999	137,433	578	591
Revaluation of land and buildings	40,283	40,752	7,437	7,537
Others	502	64	-	-
	182,784	178,249	8,015	8,128
Offsetting	(75,243)	(71,656)	-	-
Deferred tax liabilities (after offsetting)	107,541	106,593	8,015	8,128

Continued

32. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

As mentioned in Note 3, the tax effects of unutilised tax losses, unabsorbed capital allowances, unabsorbed reinvestment allowances and deductible temporary differences which would give rise to deferred tax assets are generally recognised to the extent that it is probable that future taxable profits will be available against which the unutilised tax losses, unabsorbed capital allowances, unabsorbed reinvestment allowances and deductible temporary differences can be utilised. As at 31 July 2026, the amount of unutilised tax losses, unabsorbed capital allowances, unabsorbed reinvestment allowances and deductible temporary differences of certain subsidiaries for which deferred tax assets are not recognised in the financial statements due to uncertainty of realisation are as follows:

	The Group	
	2026 RM'000	2025 RM'000
Unutilised tax losses	30,790	29,313
Unabsorbed capital allowances	29	4,108
Unabsorbed reinvestment allowances	21,185	23,268
Deductible temporary differences	783	615
	52,787	57,304

The comparative figures of the Group have been revised to reflect the previous year's final tax submission.

Under the Malaysia Finance Act 2018 which was gazetted on 27 December 2018, the Group's unutilised tax losses will be imposed with a time limit of utilisation. Effective from year of assessment 2018, unutilised tax losses in a year of assessment can only be carried forward for a maximum period of seven consecutive years of assessment.

Under the Malaysia Finance Act 2021 which was gazetted on 31 December 2021, the time frame to carry forward unused tax losses for year of assessment 2019 and subsequent years of assessment will be extended from seven to ten consecutive years of assessment. Unutilised tax losses accumulated up to year of assessment 2018 can now be carried forward for ten consecutive years of assessment until year of assessment 2028.

Expiry date of the Group's tax losses is summarised below:

	The Group	
	2026 RM'000	2025 RM'000
Year of assessment 2036	1,936	-
Year of assessment 2031	6,112	6,112
Year of assessment 2030	8,991	8,991
Year of assessment 2029	13,078	13,565
Year of assessment 2028	464	464
	30,581	29,132

33. TRADE PAYABLES

	The Group	
	2026 RM'000	2025 RM'000
Third parties	688,565	600,954
Associates	32,890	37,668
	721,455	638,622

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 14 to 120 days (2025: 14 to 120 days). The amount due to associates is unsecured, non-interest bearing and has credit terms of 30 to 120 days (2025: 30 to 120 days). Included in the trade payables of the Group is an amount of RM60,428,000 (2025: RM53,990,000) representing retention amount.

Continued

33. TRADE PAYABLES (CONT'D)

The currency profile of trade payables is as follows:

	The Group	
	2026 RM'000	**2025 RM'000**
Ringgit Malaysia	439,642	402,683
United States Dollar	273,057	227,943
Other currencies	8,756	7,996
	721,455	638,622

34. OTHER PAYABLES AND ACCRUED EXPENSES

	The Group		The Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Accrued expenses	186,436	127,102	1,219	972
Other payables	86,593	85,565	-	-
Other liabilities	58,774	49,858	-	-
Deposits	1,728	2,404	-	-
Deferred payables (Note 31)	6,000	-	-	-
	339,531	264,929	1,219	972

Included in other payables of the Group is advance payments received from customers of RM11,406,000 (2025: RM7,948,000) for goods that are to be delivered in the future.

Other liabilities of the Group represent the obligation for the Group to repay the solicitors in relation to the legal fees on sales and purchase agreement signed between the Group and the purchasers in property development segment.

35. DIVIDENDS

	The Group and The Company	
	2026 RM'000	**2025 RM'000**
In respect of the year ended 31 July 2024:		
Single tier final dividend of 6 sen per ordinary share on 1,556,268,291 ordinary shares	-	93,376
In respect of the year ended 31 July 2025:		
Single tier interim dividend of 6 sen per ordinary share on 1,556,268,291 ordinary shares	-	93,376
Single tier final dividend of 6 sen per ordinary share on 1,556,270,691 ordinary shares	93,376	-
In respect of the year ended 31 July 2026:		
Single tier interim dividend of 6 sen per ordinary share on 1,556,276,914 ordinary shares	93,377	-
	186,753	186,752

On 9 September 2026, the directors proposed a single tier final dividend of 6 sen per ordinary share amounting to approximately RM93,377,000 in respect of the year ended 31 July 2026. The proposed single tier final dividend is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as a liability in the financial statements. Upon approval by the shareholders, the dividend payment will be accounted for in equity as an appropriation of retained earnings in the year ending 31 July 2027.

Continued

36. CAPITAL COMMITMENTS

At the end of the reporting date, the Group has the following capital commitments in respect of plant and machinery.

	The Group	
	2026 RM'000	2025 RM'000
Approved and contracted for:		
Purchase of property, plant and machinery	32,336	38,507

37. RELATED PARTY TRANSACTIONS

Amounts owing by/(to) associates which arose mainly from trade transactions and expenses paid on behalf have a credit period range from 30 to 120 days (2025: 30 to 120 days).

The Group and the Company have the following transactions with related parties during the year, which were determined on terms not more favourable to the related parties than to third parties:

(a) In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the year:

		The Group		The Company	
		2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Associates:					
Sales	(i)	(649)	(610)	-	-
Purchases	(ii)	172,531	166,418	-	-
Management fees income	(iii)	(120)	(120)	(120)	(120)
Rental income	(iv)	(557)	(557)	-	-
Dividend income		-	-	(13,943)	(2,837)
Subsidiaries:					
Dividend income		-	-	(290,476)	(264,806)

(i) The sales were determined on terms not more favourable to the related parties than to third parties and have credit terms of 60 days (2025: 60 days).

(ii) The purchase of products from associate were made according to the published prices and conditions offered by the related party to their major customers and have credit terms of 30 to 120 days (2025: 30 to 120 days).

(iii) The rendering of services to associate was determined on terms not more favourable to the related parties than to third parties and have credit terms of 30 days (2025: 30 days).

(iv) The rental payable by the associate were determined on terms not more favourable to the related parties than to third parties and have credit terms of 30 days (2025: 30 days).

Continued

37. RELATED PARTY TRANSACTIONS (CONT'D)

(b) Compensation of key management personnel is as follows:

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Wages, salaries and other emoluments	34,801	29,681	-	-
Contribution to defined contribution plans	6,225	5,314	-	-
Fees	353	245	300	165
	41,379	35,240	300	165

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company, directly or indirectly.

Included in compensation of key management personnel of the Group and of the Company is directors' remuneration amounting to RM15,779,000 and RM300,000 (2025: RM11,339,000 and RM165,000) respectively.

38. SEGMENTAL INFORMATION

Segment reporting is presented in respect of the Group's business segments in a manner consistent with the internal reporting provided to and regularly reviewed by the chief operating decision maker in order to allocate resources to a segment and to assess its performance.

Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that are subject to risks and returns that are different from those components operating in other economic environments.

Segment revenue, expense, assets and liabilities are those amounts resulting from the operating activities of a segment that are directly attributable to the segment and the relevant portion that can be allocated on a reasonable basis to the segment. Segment revenue, expenses, assets and liabilities are determined before intragroup balances and intragroup transactions are eliminated as part of the consolidation process, except to the extent that such intragroup balances and transactions are within the Group.

(a) **Business Segments**

The Group's activities are classified into two major business segments:

- Packaging - mainly in the business of manufacturing, selling, and marketing of various flexible plastic packaging products, which can be further categorised into industrial and consumer-based packaging products.
- Property development - in the business of constructing and developing mainly affordable housing in Peninsular Malaysia.

Management monitors the operating results of its business units separately for the purpose of decision making on resource allocation and performance assessment. Transactions between operating segments are conducted under terms, conditions and prices not materially different from transactions with non-related parties.

Continued

38. SEGMENTAL INFORMATION (CONT'D)

(b) **Analysis by activity**

	Note	Packaging RM'000	Property development RM'000	Consolidated RM'000
2026				
Revenue		2,610,714	2,202,305	4,813,019
Results				
Interest income		1,562	6,378	7,940
Finance costs		19,474	8,427	27,901
Depreciation of property, plant and equipment		132,447	5,366	137,813
Depreciation of right-of-use assets		2,828	178	3,006
Share of results of associates		11,193	-	11,193
Other non-cash expenses	(ii)	4,830	5,860	10,690
Segment profit	(i)	257,416	624,095	881,511
Assets				
Segment assets		2,728,743	5,391,152	8,119,895
Investment in associates		109,007	-	109,007
Tax recoverable		1,166	3,049	4,215
Deferred tax assets		3,923	15,965	19,888
Consolidated total assets				8,253,005
Liabilities				
Segment liabilities		947,703	2,442,493	3,390,196
Tax liabilities		24,313	56,970	81,283
Deferred tax liabilities		103,745	3,796	107,541
Consolidated total liabilities				3,579,020

	Note	Packaging RM'000	Property development RM'000	Consolidated RM'000
2025				
Revenue		2,483,771	2,033,938	4,517,709
Results				
Interest income		2,095	5,208	7,303
Finance costs		14,819	7,671	22,490
Depreciation of property, plant and equipment		127,347	6,930	134,277
Depreciation of right-of-use assets		3,431	173	3,604
Share of results of associates		15,680	-	15,680
Other non-cash expenses	(ii)	4,448	(5,526)	(1,078)
Segment profit	(i)	149,756	592,308	742,064

Continued

38. SEGMENTAL INFORMATION (CONT'D)

(b) Analysis by activity (cont'd)

	Note	Packaging RM'000	Property development RM'000	Consolidated RM'000
Assets				
Segment assets		2,613,426	5,329,615	7,943,041
Investment in associates		102,722	-	102,722
Tax recoverable		1,273	2,242	3,515
Deferred tax assets		5,403	14,276	19,679
Consolidated total assets				8,068,957
Liabilities				
Segment liabilities		979,490	2,538,814	3,518,304
Tax liabilities		4,905	54,095	59,000
Deferred tax liabilities		103,280	3,313	106,593
Consolidated total liabilities				3,683,897

Notes

(i) The following items are added to/(deducted from) segment profit to arrive at profit before tax presented in the statements of profit or loss:

	2026 RM'000	2025 RM'000
Segment profit	881,511	742,064
Finance costs (Note 7)	(27,901)	(22,490)
Share of results of associates	11,193	15,680
Profit before tax	864,803	735,254

(ii) Other material non-cash (income)/expenses consist of the following items as presented in the respective notes to the financial statements:

	2026 RM'000	2025 RM'000
Increase in liability for defined benefit plan	4,348	6,445
Net unrealised loss/(gain) on foreign exchange	321	(5,065)
Impairment loss on trade receivables	157	277
Impairment loss on property, plant and equipment	-	464
Impairment loss on other receivable	3,158	-
Write back of bad debts	-	(5)
Property, plant and equipment written off	182	1,358
Fair value loss/(gain) on other investments	751	(1,035)
Fair value gain on investment property	-	(4,167)
Gain on previously held equity interest of investment in an associate	-	(1,724)
Reversal of impairment loss on trade receivables	(173)	(468)
Loss on disposal of other investments	26	-
Loss on disposal of property, plant and equipment	1,221	134
Gain on lease modification	(8)	(114)
Write off of inventories	707	2,822
	10,690	(1,078)

Continued

38. SEGMENTAL INFORMATION (CONT'D)

(b) **Analysis by activity (cont'd)**

(iii) Included in segment assets is addition to non-current assets of:

	Packaging RM'000	Property development RM'000	Consolidated RM'000
2026			
Property, plant and equipment	80,951	61,714	142,665
Right-of-use assets	2,572	58	2,630
Land held for property development	-	10,884	10,884
Investment in associate	10,233	-	10,233
2025			
Property, plant and equipment	87,139	120,050	207,189
Right-of-use assets	3,634	327	3,961
Land held for property development	-	1,880,193	1,880,193

(c) **Geographical information**

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-Current Assets	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Malaysia	3,170,054	2,920,643	5,167,245	5,315,262
Japan	380,820	346,344	146,347	107,875
Australia	264,498	262,663	147	279
Thailand	172,482	153,600	-	-
Indonesia	155,081	148,501	401	554
Korea	137,855	148,978	-	-
United States of America	121,889	110,795	74,299	85,406
Europe	119,411	99,814	-	-
Philippines	108,341	105,557	-	-
Singapore	96,981	114,673	-	-
New Zealand	19,742	22,741	-	-
The Socialist Republic of Vietnam	10,509	11,167	9,786	11,254
Others	55,356	72,233	-	-
Consolidated	4,813,019	4,517,709	5,398,225	5,520,630

Revenue from one major customer amounted to RM279,164,000 (2025: RM257,541,000), arising from sales by the packaging segment.

Non-current assets information presented above consist of the following items as presented in the consolidated statement of financial position.

	2026 RM'000	2025 RM'000
Property, plant and equipment	1,617,253	1,637,244
Right-of-use assets	3,167	3,853
Land held for property development	3,311,792	3,413,998
Investment Property	4,970	4,970
Investment in associates	109,007	102,722
Other investments	27,126	33,142
Deferred tax assets	19,888	19,679
Goodwill	305,022	305,022
	5,398,225	5,520,630

Continued

39. FINANCIAL INSTRUMENTS

Capital risk management

The primary objective of the Group's capital risk management is to ensure that the Group maintains healthy capital ratios in order to support its business operations and maximise shareholders value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 July 2026 and 31 July 2025.

Gearing Ratio

The gearing ratio at end of the reporting date was as follows:

		The Group	
		2026 RM'000	**2025 RM'000**
Debt	(i)	2,051,150	2,440,197
Less: Cash and cash equivalents		(357,810)	(445,614)
Net debt		1,693,340	1,994,583
Equity attributable to owners of the Company	(ii)	4,510,189	4,123,902
Net debt to equity ratio		0.38	0.48

(i) Debt is defined as long-term and short-term borrowings as disclosed in Note 28.

(ii) Equity includes issued capital and reserves.

Material accounting policies

Details of the material accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses), for each class of financial assets, financial liabilities and equity instruments are disclosed in Note 3.

Categories of financial instruments

	The Group		The Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Financial assets				
At amortised cost:				
Trade receivables	921,490	812,471	-	-
Other receivables and deposits	80,856	66,816	10	10
Deposits, cash and bank balances	210,178	150,376	132	160
At FVTPL:				
Other investments	23,510	24,294	23,167	23,918
Short-term deposits with other financial institutions	147,632	295,238	2,213	2,501
At FVTOCI:				
Other investments	3,616	8,848	-	1,353
	1,387,282	1,358,043	25,522	27,942

Continued

39. FINANCIAL INSTRUMENTS (CONT'D)

Categories of financial instruments (cont'd)

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Financial liabilities				
At amortised cost:				
Trade payables	721,455	638,622	-	-
Other payables and accrued expenses	322,125	256,981	1,219	972
Borrowings	2,051,150	2,440,197	-	-
Lease liabilities	3,220	3,900	-	-
Deferred payables	75,335	-	-	-
	3,173,285	3,339,700	1,219	972

Financial Risk Management Objectives and Policies

The operations of the Group and of the Company are subject to a variety of financial risks, including foreign currency risk, interest rate risk, credit risk and liquidity risk. The Group and the Company have formulated a financial risk management framework whose principal objective is to minimise the Group's and the Company's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group and of the Company.

Various risk management policies are made and approved by the Board of Directors for observation in the day-to-day operations for the controlling and management of the risks associated with financial instruments.

Foreign currency risk management

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Group is exposed to foreign exchange rate risk on certain transactions entered into by subsidiaries in currencies other than its functional currency.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting date are as follows:

	Assets The Group		Liabilities The Group	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
United States Dollar	181,209	137,800	246,858	196,023
Japanese Yen	2,309	4,874	1,355	122,200

Foreign currency sensitivity analysis

The Group is mainly exposed to the foreign currency of United States Dollar ("USD") and Japanese Yen ("JPY").

The following table details the Group's sensitivity to a 3% increase and decrease in the Ringgit Malaysia against USD and JPY. 3% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

Continued

39. FINANCIAL INSTRUMENTS (CONT'D)

Foreign currency risk management (cont'd)

Foreign currency sensitivity analysis (cont'd)

The sensitivity analysis below includes:

(i) Outstanding foreign currency denominated monetary items and adjusts their translation at the reporting date and for a 3% change in foreign currency rates. A positive number below indicates a profit where the Ringgit Malaysia strengthens 3% against the USD and JPY. For a 3% weakening of the Ringgit Malaysia against USD and JPY, there would be a comparable impact on profit or loss and the balances below would be negative.

	The Group	
	2026 RM'000	**2025 RM'000**
United States Dollar	1,969	1,747
Japanese Yen	(29)	3,520

(ii) The Group's sales less cost of sales and other items of expenses denominated in USD and JPY during the year ended 31 July 2026 for a 3% change in foreign currency rates. A positive number below indicates profit where the Ringgit Malaysia weakens 3% against USD and JPY. For a 3% strengthening of the Ringgit Malaysia against USD and JPY, there would be a comparable impact on profit or loss, the balances below would be negative.

	The Group	
	2026 RM'000	**2025 RM'000**
United States Dollar	3,885	2,505
Japanese Yen	1,261	998

(iii) The Group's sales less cost of sales and other items of expenses denominated in USD and JPY during the year ended 31 July 2026, offset against the Group's exposure in USD and JPY in the statements of financial position at the end of the reporting date for a 3% change in foreign currency rates. A positive number below indicates a profit where the Ringgit Malaysia strengthens 3% against the USD and JPY. For a 3% weakening of the Ringgit Malaysia against USD and JPY, a positive number below indicates a loss.

	The Group	
	2026 RM'000	**2025 RM'000**
United States Dollar	(1,916)	(758)
Japanese Yen	(1,290)	2,522
	(3,206)	1,764

Interest rate risk management

The Group is exposed to interest rate risk through the impact of rate changes on bank borrowings. The interest rates for the said bank borrowings are disclosed in Note 28.

Interest rate sensitivity analysis

The Group's exposures to interest rates on financial liabilities are detailed below. The sensitivity analyses below have been determined based on the exposure to interest rates for financial liabilities at the end of the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of the liabilities at the end of the reporting date will remain unchanged for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 25 basis points higher or lower and all other variables were held constant, the Group's profit for the year ended 31 July 2026 would decrease or increase by RM4,157,000 (2025: RM3,265,000).

Continued

39. FINANCIAL INSTRUMENTS (CONT'D)

Credit risk management

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

The Group is exposed to credit risk mainly from trade and other receivables. The Group extends credit to its customers based upon careful evaluation on the customers' financial condition and credit history.

The Company monitors on an ongoing basis the results of the subsidiaries and related parties, and repayments made by the subsidiaries and related parties.

The Group's and the Company's exposure to credit risk in relation to their receivables, should all their customers fail to perform their obligations as at 31 July 2026, is the carrying amount of these receivables as disclosed in the statements of financial position.

Financial assets that are neither past due nor impaired

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 22. Deposits and short-term placements with licensed banks and financial institutions that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are past due and impaired

Information regarding trade receivables that are past due and impaired is disclosed in Note 22.

Credit risk concentration profile

As at the end of the reporting date, the Group does not have any significant exposure to any individual customer or counterparty.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's and of the Company's short-term, medium and long-term funding and liquidity management requirements. The Group and the Company manage liquidity risk by maintaining adequate reserves and banking facilities, continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Group and the Company practice prudent liquidity risk management to minimise the mismatch of financial assets and liabilities and to maintain sufficient credit facilities for contingent funding requirement of working capital.

The tables below summarise the maturity profile of the Group's and of the Company's financial liabilities at the end of the reporting date based on contractual undiscounted repayment obligations. The tables include both interest and principal cash flows.

Continued

39. FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk management (cont'd)

The Group	Effective interest rate per annum	Less than 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000	Total RM'000
2026					
Financial liabilities					
Non-interest bearing:					
Trade payables		721,455	-	-	721,455
Other payables and accrued expenses		322,125	-	-	322,125
		1,043,580	-	-	1,043,580
Interest bearing:					
Borrowings	2.0% - 3.5%	1,027,470	865,421	308,625	2,201,516
Lease liabilities	4.0% -14.0%	2,033	1,307	-	3,340
Deferred payables	3.5%	6,000	37,716	45,975	89,691
		1,035,503	904,444	354,600	2,294,547
Total undiscounted financial liabilities		2,079,083	904,444	354,600	3,338,127
2025					
Financial liabilities					
Non-interest bearing:					
Trade payables		638,622	-	-	638,622
Other payables and accrued expenses		256,981	-	-	256,981
		895,603	-	-	895,603
Interest bearing:					
Borrowings	1.3% - 3.7%	1,419,167	468,671	752,662	2,640,500
Lease liabilities	3.0% - 14.0%	2,472	1,571	-	4,043
		1,421,639	470,242	752,662	2,644,543
Total undiscounted financial liabilities		2,317,242	470,242	752,662	3,540,146

Continued

39. FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk management (cont'd)

The Company	Carrying Amount RM'000	Less than 1 year RM'000	Total RM'000
2026			
Financial liabilities			
Non-interest bearing:			
Other payables and accrued expenses	1,219	1,219	1,219
Total undiscounted financial liabilities	1,219	1,219	1,219
Financial guarantees	Nil	2,437,627	2,437,627
2025			
Financial liabilities			
Non-interest bearing:			
Other payables and accrued expenses	972	972	972
Total undiscounted financial liabilities	972	972	972
Financial guarantees	Nil	2,805,960	2,805,960

Financial guarantees

Corporate guarantees are provided by the Company to certain financial institutions and suppliers to secure banking facilities and credit facilities for the subsidiaries. The directors are of the opinion that the corporate guarantees are not likely to be called upon and regard the value of the credit enhancement provided by the corporate guarantees as minimal.

The maximum exposure to credit risk in relation to the financial corporate guarantees given amounts to RM2,437,627,000 (2025: RM2,805,960,000) as at the end of the reporting date representing the outstanding banking facilities and supplier credit facilities of the subsidiaries as at the reporting date.

Fair values of financial instruments

The carrying amounts of the short-term financial assets and financial liabilities recognised at amortised cost in financial statements approximate their fair values.

The fair value of long-term financial liabilities has been determined by the present value of future cash flow estimated and discounted using the current interest rates for similar instruments at the end of the reporting date. There is no material difference between fair value and carrying values of these financial liabilities as at the reporting date.

Fair value hierarchy

The assets and liabilities carried at fair value are categorised into different levels of fair value hierarchy based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair measurement in its entirety. Details of the fair value hierarchy of the Group's and the Company's property, plant and equipment, investment property, other investments and money market deposits are disclosed in Notes 13, 15, 19 and 25 respectively.

Continued

40. NOTE TO THE STATEMENTS OF CASH FLOWS

(a) Cash outflows on purchase of property, plant and equipment

Purchase of property, plant and equipment during the year is financed by the following means:

	The Group	
	2026 RM'000	**2025 RM'000**
Additions to property, plant and equipment	142,665	207,189
Less: Deposits paid in prior year	(33,503)	(3,012)
Less: Amount outstanding as other payables	(6,245)	(5,353)
Add: Amount paid in current year from other payables	4,772	4,661
Cash outflows	107,689	203,485

(b) Cash outflows on purchase of land held for property development

Purchase of land held for property development during the year is financed by the following means:

	The Group	
	2026 RM'000	**2025 RM'000**
Additions to land held for property development	10,884	1,880,193
Less: Deposits paid in prior year	-	(137,961)
Cash outflows	10,884	1,742,232

(c) Reconciliation of liabilities arising from financing activities

The table below details the reconciliation of the opening and closing balances in the statements of financial position for the liabilities arising from the financing activities in the statements of cash flows of the Group and the Company:

The Group	**Note**	**As at 1 August RM'000**	**Acquisition of a subsidiary RM'000**	**Non-cash changes movement RM'000**	**Cash flows Drawdown RM'000**	**Cash flows Repayment RM'000**	**As at 31 July RM'000**
2026							
Borrowings	28	2,440,197	-	2	-	(389,049)	2,051,150
Lease liabilities	29	3,900	-	2,291	-	(2,971)	3,220
		2,444,097	-	2,293	-	(392,020)	2,054,370
2025							
Borrowings	28	933,029	8,085	(5,495)	1,504,578	-	2,440,197
Lease liabilities	29	7,991	-	(642)	-	(3,449)	3,900
		941,020	8,085	(6,137)	1,504,578	(3,449)	2,444,097

Continued

41. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE YEAR

(i) On 12 September 2025, the Company announced that it had served a letter of offer requesting SPAK to undertake a SCR. The SCR was completed on 10 March 2026. Accordingly, SPAK became a wholly-owned subsidiary of the Company. The entire share capital of SPAK were delisted from the Official List of Bursa Malaysia Securities Berhad on 25 March 2026.

(ii) On 29 September 2026, the Company announced that SPAK, a wholly-owned subsidiary of the Company, entered into an Equity Interest Sale and Purchase Agreement ("the Agreement") with Ms. Tan Cui Fang (as seller) and Hunan Changcheng Tianyi Information Technology Co., Ltd. to acquire a 70% equity interest in Hunan Changcheng Mint New Material Technology Co., Ltd. ("Mintpack") for a consideration of RMB167.3 million, equivalent to approximately RM101.5 million ("Proposed Acquisition"). The Proposed Acquisition is pending the fulfilment of the conditions precedent as set out in the Agreement, including obtaining the necessary consents and approvals from the relevant authorities, customers and financiers of Mintpack. The Proposed Acquisition is expected to be completed by the end of year 2026.

(iii) On 6 October 2026, the Company announced that SQSB, a wholly-owned subsidiary of the Company entered into a conditional SPA with Pangkal Budiman Sdn Bhd for the proposed acquisition of 14 pieces of freehold land, all situated in Mukim of Pulai, District of Johor Bahru, State of Johor, measuring in aggregate an approximate area of 502.6 acres for a total purchase consideration of RM580.2 million. The proposed acquisition is expected to be completed in the second half of year 2027.

Statement By Directors

The directors of **SCIENTEX BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 July 2026 and of the financial performance and the cash flows of the Group and of the Company for the year ended on that date.

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

LIM PENG JIN

CHANG SIEW SIAN

Shah Alam, Selangor Darul Ehsan
14 October 2026

Declaration by The Officer Primarily Responsible for The Financial Management of The Company

I, **CHOO SENG HONG**, being the officer primarily responsible for the financial management of **SCIENTEX BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

CHOO SENG HONG
(MIA MEMBERSHIP NO. 11057)

Subscribed and solemnly declared by the abovenamed
CHOO SENG HONG at **KUALA LUMPUR, WILAYAH PERSEKUTUAN**
on this 14th day of October 2026.

Before me,
KHATIJAH BINTI KAMARUDDIN (W739)
Commissioner for Oaths
Kuala Lumpur
Wilayah Persekutuan

List of Properties Held by The Group

As at 31 July 2026

Location	Description/ Existing Use/ Age of Building	Tenure	Land Area (Acres)	Built-up Area (sq.ft.)	Net Book Value (RM'000)	Year of Acquisition/ Revaluation*
Mukim 6 and Mukim 7 (Total: 44 Titles) Daerah Seberang Perai Selatan, Pulau Pinang	Mixed development	Freehold	665.3	-	475,355	2025
GRN 33134 Lot 314 Mukim Batang Berjuntai, Daerah Kuala Selangor, Selangor Darul Ehsan	Mixed development	Freehold	772.3	-	388,801	2025
Mukim Pulai (Total: 14 Titles) Daerah Johor Bahru, Johor Darul Takzim	Mixed development	Freehold	283.3	-	349,613	2025
GRN 10580 Lot 75 GRN 10581 Lot 244 GRN 10582 Lot 245 Mukim Paya Rumput, Daerah Melaka Tengah, Melaka	Mixed development	Freehold	487.3	-	332,949	2025
H. S. (D) 17394 P. T. No. 7209 H. S. (D) 17395 P. T. No. 7210 GRN 60084 Lot 7561 Mukim and Daerah Jasin, Melaka	Mixed development	Freehold	1,120.8	-	260,089	2021
H. S. (D) 74874 - 74876 P. T. No. 112721 - 112723 H. S. (D) 75675 - 75677 P. T. No. 112802 - 112804 Mukim Senai, Daerah Kulai, Johor Darul Takzim	Mixed development	Freehold	407.8	-	242,922	2024
Mukim Parit Jawa (Total: 24 Titles) Daerah Muar, Johor Darul Takzim	Mixed development	Freehold	1,031.4	-	216,975	2025
H. S. (D) 50643 P. T. No. 4006 H. S. (D) 50644 P. T. No. 4007 H. S. (D) 50646 P. T. No. 4009 Pekan Jenjarom GM1839 - 1842 Lot 421 - 424 Mukim Telok Panglima Garang, Daerah Kuala Langat, Selangor Darul Ehsan	Mixed development	Freehold	92.0	-	133,716	2024
GRN 38309 Lot 1608 Mukim Rawang, Daerah Gombak, Selangor Darul Ehsan	Factory, office and warehouse for industrial use (Age: 15 - 28 years)	Freehold	28.7	508,452	119,836	2025 *
Mukim and Daerah Ulu Langat, (Total: 10 Titles) Selangor Darul Ehsan	Mixed development	Freehold	134.4	-	111,494	2021

Analysis of Shareholdings

As at 12 October 2026

Type of Shares	-	Ordinary Shares
Voting Rights	-	One vote per ordinary share
No. of Shareholders	-	10,545

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held *	% *
Less than 100	261	2.47	6,512	0.00 ^
100 - 1,000	2,715	25.75	1,702,014	0.11
1,001 - 10,000	4,515	42.82	18,940,705	1.22
10,001 - 100,000	2,436	23.10	78,135,708	5.02
100,001 to less than 5% of issued shares	614	5.82	710,465,253	45.65
5% and above of issued shares	4	0.04	747,026,722	48.00
Total	**10,545**	**100.00**	**1,556,276,914**	**100.00**

Notes:-

* *Excluding a total of 100 ordinary shares purchased by the Company and retained as treasury shares.*
^ *Less than 0.01%.*

SUBSTANTIAL SHAREHOLDERS (as per Register of Substantial Shareholders)

	Name	No. of Shares Held			
		Direct Interest	% *	Deemed Interest	% *
1	Lim Peng Jin	7,312,032	0.47	932,204,534 [A]	59.90
2	Lim Peng Cheong	1,820,000	0.12	886,094,402 [B]	56.94
3	Scientex Holdings Sdn Berhad	325,546,872	20.92	141,477,612 [C]	9.09
4	Scientex Infinity Sdn Bhd	195,949,868	12.59	559,342,654 [D]	35.94
5	Scientex Leasing Sdn Bhd	141,477,612	9.09	-	-
6	TM Lim Sdn Bhd	92,318,170	5.93	-	-
7	Sim Swee Tin Sdn Bhd	72,930,600	4.69	92,318,170 [E]	5.93

Notes:-

* *Excluding a total of 100 ordinary shares purchased by the Company and retained as treasury shares.*
[A] *Deemed interests through Scientex Holdings Sdn Berhad, Scientex Infinity Sdn Bhd, Scientex Leasing Sdn Bhd, TM Lim Sdn Bhd, Sim Swee Tin Sdn Bhd, Malacca Securities Sdn Bhd, Mplusonline Sdn Bhd and Progress Innovations Sdn Bhd.*
[B] *Deemed interests through Scientex Holdings Sdn Berhad, Scientex Infinity Sdn Bhd, Scientex Leasing Sdn Bhd, TM Lim Sdn Bhd, Sim Swee Tin Sdn Bhd, Malacca Securities Sdn Bhd, Mplusonline Sdn Bhd, Paradox Corporation Sdn Bhd and Paradox Capital Sdn Bhd.*
[C] *Deemed interest through Scientex Leasing Sdn Bhd.*
[D] *Deemed interests through Scientex Holdings Sdn Berhad, Scientex Leasing Sdn Bhd and TM Lim Sdn Bhd.*
[E] *Deemed interest through TM Lim Sdn Bhd.*

DIRECTORS' SHAREHOLDINGS (as per Register of Directors' Shareholdings)

	Name	No. of Shares Held			
		Direct Interest	% *	Deemed/ Indirect Interest	% *
1	Lim Peng Cheong	1,820,000	0.12	892,172,250 [a]	57.33
2	Lim Peng Jin	7,312,032	0.47	932,296,334 [b]	59.91
3	Chang Siew Sian	6,250,000	0.40	-	-
4	Wong Chin Mun	300,000	0.02	-	-
5	Chin Lam Choong	-	-	-	-
6	Sabarina Binti Harun	-	-	-	-
7	Koh Huey Min	-	-	-	-

Lim Peng Jin and Lim Peng Cheong by virtue of their interests in the shares of the Company are also deemed to have interests in the shares of all the Company's subsidiaries to the extent the Company has an interest.

Other than as disclosed above, the Directors in office did not have any other interest in the shares of the Company and its related corporations as at the date of the Analysis of Shareholdings.

Analysis of Shareholdings

Notes:-

* *Excluding a total of 100 ordinary shares purchased by the Company and retained as treasury shares.*

[a] *Deemed/indirect interests through Scientex Holdings Sdn Berhad, Scientex Infinity Sdn Bhd, Scientex Leasing Sdn Bhd, TM Lim Sdn Bhd, Sim Swee Tin Sdn Bhd, Malacca Securities Sdn Bhd, Mplusonline Sdn Bhd, Paradox Corporation Sdn Bhd, Paradox Capital Sdn Bhd, Yong Sook Lan, Lim Jian You, Lim Chia Wei and Lim Jian Yen.*

[b] *Deemed/indirect interests through Scientex Holdings Sdn Berhad, Scientex Infinity Sdn Bhd, Scientex Leasing Sdn Bhd, TM Lim Sdn Bhd, Sim Swee Tin Sdn Bhd, Malacca Securities Sdn Bhd, Mplusonline Sdn Bhd, Progress Innovations Sdn Bhd and Lee Chung Yau.*

LIST OF THIRTY (30) LARGEST SHAREHOLDERS

(Without Aggregating Securities from Different Securities Accounts Belonging to the Same Person)

No.	Names	No. of Shares Held	% *
1	Scientex Holdings Sdn Berhad	325,546,872	20.92
2	Scientex Infinity Sdn Bhd	195,949,868	12.59
3	Scientex Leasing Sdn Bhd	141,477,612	9.09
4	TM Lim Sdn Bhd	84,052,370	5.40
5	Sim Swee Tin Sdn Bhd	72,930,600	4.69
6	Lembaga Tabung Haji	56,058,000	3.60
7	Progress Innovations Sdn Bhd	48,615,300	3.12
8	HLB Nominees (Tempatan) Sdn Bhd - *Pledged Securities Account for Malacca Securities Sdn Bhd (PJCAC)*	15,579,000	1.00
9	Lim Koy Peng	15,048,913	0.97
10	UOBM Nominees (Tempatan) Sdn Bhd - *Pledged Securities Account for Malacca Securities Sdn Bhd*	14,621,000	0.94
11	LG & L Pty Ltd	14,610,496	0.94
12	CIMB Group Nominees (Tempatan) Sdn Bhd - *Pledged Securities Account for Malacca Securities Sdn Bhd (NBFI-FIG)*	12,060,000	0.77
13	Saw Soon Lin	11,801,064	0.76
14	Citigroup Nominees (Tempatan) Sdn Bhd - *Employees Provident Fund Board (Nomura)*	11,029,254	0.71
15	Citigroup Nominees (Asing) Sdn Bhd - *CBNY for Ishares Core MSCI Emerging Markets ETF*	10,805,500	0.69
16	HSBC Nominees (Asing) Sdn Bhd - *JPMCB NA for Vanguard Total International Stock Index Fund*	8,778,724	0.56
17	Cartaban Nominees (Asing) Sdn Bhd - *BBH and Co Boston for Fidelity Low-Priced Stock Fund*	8,648,200	0.56
18	Wong Mook Weng @ Wong Tsap Loy	8,579,728	0.55
19	TM Lim Sdn Bhd	8,265,800	0.53
20	HSBC Nominees (Asing) Sdn Bhd - *JPMCB NA for Vanguard Emerging Markets Stock Index Fund*	7,994,800	0.51
21	HSBC Nominees (Tempatan) Sdn Bhd - *HSBC (M) Trustee Bhd for Singular Value Fund*	7,602,100	0.49
22	Yatee & Sons Sdn Bhd	7,444,698	0.48
23	Lim Peng Jin	7,312,032	0.47
24	Malacca Securities Sdn Bhd - *IVT(001) Team MK02*	6,601,612	0.42
25	Citigroup Nominees (Tempatan) Sdn Bhd - *Employees Provident Fund Board (Aberdeen)*	6,382,596	0.41
26	Chang Siew Sian	6,250,000	0.40
27	HSBC Nominees (Asing) Sdn Bhd - *BBH and Co Boston for Fidelity Global Value Advance Equity Mother Fund (Nomura TB)*	5,858,200	0.38
28	Chua Ah Nee	5,678,849	0.37
29	Loh Hoay Chye & Sons Sdn Bhd	5,376,000	0.35
30	HLB Nominees (Tempatan) Sdn Bhd - *Pledged Securities Account for Mplusonline Sdn Bhd*	5,004,500	0.32
	Total	**1,135,963,688**	**72.99**

Notes:-

* *Excluding a total of 100 ordinary shares purchased by the Company and retained as treasury shares.*

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fifty-Eighth Annual General Meeting ("58th AGM") of the Company will be held at **Scientex Packaging Film Sdn Bhd, Lot 4, Jalan Sungai Pinang 4/3, Seksyen 4, Taman Perindustrian Pulau Indah, 42920 Pelabuhan Klang, Selangor Darul Ehsan** on **Tuesday, 15 December 2026** at **11.30 a.m.** for the following purposes: -

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 July 2026 together with the Reports of the Directors and Auditors thereon.

2. To declare a single-tier final dividend of 6 sen per ordinary share in respect of the financial year ended 31 July 2026. ***(Resolution 1)***

3. To re-elect the following Directors who retire by rotation in accordance with Regulation 81 of the Company's Constitution and who being eligible offer themselves for re-election: -

   (a) Mr Lim Peng Cheong ***(Resolution 2)***

   (b) Mr Chin Lam Choong ***(Resolution 3)***

4. To re-elect Madam Koh Huey Min who retires in accordance with Regulation 87 of the Company's Constitution and who being eligible offers herself for re-election. ***(Resolution 4)***

5. To approve the payment of Directors' fees of RM956,250 for the financial year ended 31 July 2026. ***(Resolution 5)***

6. To re-appoint Deloitte Malaysia PLT as the Auditors of the Company and to authorise the Directors to fix their remuneration. ***(Resolution 6)***

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions: -

7. **Ordinary Resolution I**
   Authority to Directors to Allot and Issue Shares Pursuant to the Companies Act 2016

   "THAT subject to the Companies Act 2016 ("Act"), the Constitution of the Company and the approvals and/or requirements of the relevant governmental and/or regulatory authorities, where necessary, the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Act to allot and issue shares in the Company from time to time at such price, upon such terms and conditions and for such purposes and to such person or persons whomsoever as the Directors may, in their absolute discretion, deem fit provided the aggregate number of shares to be allotted and issued does not exceed ten percent (10%) of the total number of issued shares of the Company ("New Shares") for the time being AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued AND THAT such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company ("the Mandate").

   AND THAT in connection to the above, pursuant to Section 85 of the Act read together with Regulation 50 of the Constitution of the Company, the shareholders of the Company do hereby waive their pre-emptive rights to be offered New Shares and the Company be given the approval to disapply the statutory pre-emptive rights conferred upon the shareholders of the Company and that the Directors are exempted from the obligation to offer such New Shares first to the existing issued shareholders of the Company arising from any issuance of the New Shares ranking pari passu with the existing shares, pursuant to the Mandate." ***(Resolution 7)***

8. **Ordinary Resolution II**
   Proposed Renewal of the Authority to Allot and Issue New Ordinary Shares in the Company ("New Scientex Shares"), for the Purpose of the Company's Dividend Reinvestment Plan ("DRP") that Provides the Shareholders of the Company ("Shareholders") the Option to Elect to Reinvest Their Cash Dividend in New Scientex Shares

   "THAT pursuant to the DRP as approved by the Shareholders at the Extraordinary General Meeting held on 6 December 2017 and subject to the approval of the relevant regulatory authority (if any), approval be and is hereby given to the Company to allot and issue such number of New Scientex Shares from time to time as may be required to be allotted and issued pursuant to the DRP until the conclusion of the next Annual General Meeting of the Company upon terms and conditions and to such persons as the Directors of the Company may, in their absolute discretion, deem fit and in the best interest of the Company PROVIDED THAT the issue price of the said New Scientex Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5)-day volume weighted average market price ("VWAMP") of New Scientex Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price of New Scientex Shares.

Notice of Annual General Meeting

AND THAT the Directors and the Secretaries of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements, deeds, undertakings and documents as may be necessary or expedient in order to give full effect to the DRP with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed or agreed to by any relevant authorities (if any) or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, by the Directors as they may, in their absolute discretion, deem fit and in the best interest of the Company." ***(Resolution 8)***

9. **Ordinary Resolution III**
Proposed Renewal of Share Buy-Back Authority

"THAT subject to the rules, regulations, orders and guidelines made pursuant to the Companies Act 2016 ("Act"), provisions of the Constitution of the Company and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authorities, the Company be and is hereby authorised to purchase on the market and/or hold such number of the Company's issued ordinary shares ("Scientex Shares") through Bursa Securities ("Proposed Share Buy-Back") as may be determined by the Directors of the Company ("Directors") from time to time upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company subject to the following:-

(a) The aggregate number of Scientex Shares which may be purchased or held by the Company at any point of time pursuant to the Proposed Share Buy-Back shall not exceed ten percent (10%) of the total number of issued shares of the Company for the time being quoted on Bursa Securities;

(b) The maximum fund to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the retained earnings of the Company based on its latest audited financial statements. As at 31 July 2026, the audited retained earnings of the Company was RM538,581,000; and

(c) The authority conferred by this resolution will be effective immediately upon the passing of this Ordinary Resolution and will expire at the conclusion of the next Annual General Meeting of the Company, unless renewed or earlier revoked or varied by ordinary resolution of the shareholders of the Company in a general meeting or the expiration of the period within which the next Annual General Meeting after the date is required by law to be held, whichever occurs first, but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and, in any event, in accordance with the provisions of the Main Market Listing Requirements of Bursa Securities or any other relevant authorities.

THAT the Directors be and are hereby authorised to deal with the shares purchased by the Company pursuant to the Proposed Share Buy-Back in their absolute discretion and that the shares so purchased may be retained as treasury shares, distributed as share dividends to the shareholders, resold on the market of Bursa Securities, transferred and/or cancelled in accordance with the Act and/or be dealt with in such other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act, the Main Market Listing Requirements of Bursa Securities and any other relevant authorities for the time being in force, as may be selected and determined by the Directors from time to time.

AND THAT the Directors be and are hereby authorised to take all steps as are necessary or expedient to implement or to give effect to the Proposed Share Buy-Back with full powers to amend and/or assent to any conditions, modifications, variations or amendments (if any) as may be imposed by the relevant governmental/regulatory authorities from time to time and to do all such acts and things as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto." ***(Resolution 9)***

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT subject to the approval of the shareholders, the proposed single-tier final dividend will be paid on 21 January 2027 to shareholders whose names appeared in the Record of Depositors of the Company on 5 January 2027.

A depositor shall qualify for entitlement only in respect of:

(a) Shares transferred into the depositor's securities account before 4.30 p.m. on 5 January 2027;

(b) Shares deposited into the depositor's securities account before 12.30 p.m. on 4 January 2027 (in respect of shares which are exempted from mandatory deposit); and

(c) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order Of The Board

CHUA SIEW CHUAN (MAICSA 0777689) (SSM Practising Certificate No. 201908002648)
TUNG WEI YEN (MAICSA 7062671) (SSM Practising Certificate No. 201908003813)
ONG LING HUI (MAICSA 7065599) (SSM Practising Certificate No. 202008000555)
Secretaries

Shah Alam
16 November 2026

Notice of Annual General Meeting

Notes:-

1. ***Appointment of Proxies and Entitlement of Attendance***

   (i) A member entitled to attend, participate, speak and vote at the meeting is entitled to appoint at least one proxy to attend, participate, speak and vote in his/her stead and where a member appoints two or more proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy. A proxy need not be a member of our Company. There is no restriction as to the qualification of the proxy.

   (ii) Every member of our Company including authorised nominees as defined under the Securities Industry (Central Depositories) Act 1991 (SICDA), and Exempt Authorised Nominees who holds ordinary shares in our Company for multiple owners in one securities account (Omnibus Account), is entitled to appoint at least one person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote instead of him/her at our 58th AGM, and that such proxy(ies) need not be a member(s) of our Company. The appointment of more than one proxy in respect of any particular securities account or omnibus account shall specify the proportion of the member's shareholding to be represented by each proxy.

   (iii) The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if such appointor is a corporation, either be executed under its common seal or under the hand of two authorised officers, one of whom shall be a director, or its attorney duly authorised in writing.

   (iv) The form of proxy must be deposited at the registered office of the Company at No. 9, Persiaran Selangor, Seksyen 15, 40200 Shah Alam, Selangor Darul Ehsan, not less than 48 hours before the stipulated time fixed for the holding of the meeting or at any adjournment thereof.

   (v) In respect of deposited securities, only members whose names appear in our Record of Depositors as at 4 December 2026 shall be regarded as a member and entitled to attend, participate, speak and vote at the meeting or appoint proxy to attend, participate, speak and/or vote on his/her behalf.

2. ***Audited Financial Statements***

   Agenda 1 is for discussion at the 58th AGM and no voting is required.

3. ***Re-election of Directors***

   The Directors who are subject to re-election have been assessed by the Board of Directors of the Company ("Board") through the Nomination and Remuneration Committee ("NRC"). Mr Wong Chin Mun, after having served on the Board for 9 years since his appointment as an Independent Non-Executive Director of the Company ("INED") on 6 October 2017, did not seek for the retention as an INED at the 58th AGM. Hence, he will retain office until the close of the 58th AGM, and retires in line with the best practices recommended by the Malaysian Code on Corporate Governance 2021 in relation to the tenure of an independent director.

4. ***Directors' Fees***

   The NRC and the Board have reviewed the Directors' fees after taking into account the performance and continuing growth of Scientex Group. Further information of the Directors' Fees/Remuneration is set out in the Corporate Governance Overview Statement of the Company's Integrated Annual Report 2026.

5. ***Explanatory Notes on Special Business:*** *-*

   (i) ***Authority to Directors to Allot and Issue Shares Pursuant to the Companies Act 2016***

   Resolution 7, if passed, will empower the Directors to allot and issue shares up to a maximum of ten percent (10%) of the total number of issued shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company, without having to convene a general meeting. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company. This is also to approve the disapplication of statutory pre-emption rights under the Section 85 of the Companies Act 2016, to allow new shares (or to grant rights over shares) without first offering them to existing shareholders in proportion to their holdings pursuant to the general mandate.

   As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last AGM held on 17 December 2025 and which will lapse at the conclusion of the 58th AGM.

   This renewal of general mandate, if approved, will provide flexibility to the Company to avoid any delay and cost in convening a general meeting for such issuance of shares for any possible fundraising exercise(s), including but not limited to placing of shares for the purpose of funding future expansion(s), investment project(s), working capital and/or acquisition(s) and/or for general corporate purposes and/or any strategic reasons.

   (ii) ***Proposed Renewal of the Authority to Allot and Issue New Ordinary Shares in the Company ("New Scientex Shares"), for the Purpose of the Company's Dividend Reinvestment Plan ("DRP") that Provides the Shareholders of the Company the Option to Elect to Reinvest Their Cash Dividend in New Scientex Shares***

   Resolution 8, if approved, will renew the authority given to the Directors to allot and issue New Scientex Shares pursuant to the DRP under the resolution passed at the last AGM held on 17 December 2025, the authority of which will lapse at the conclusion of the 58th AGM.

   (iii) ***Proposed Renewal of Share Buy-Back Authority***

   Resolution 9, if passed, will empower the Company to purchase and/or hold the Company's shares up to ten percent (10%) of the total number of issued shares of the Company by utilising the funds allocated which shall not exceed the total retained earnings of the Company. This authority, unless renewed, revoked or varied at a general meeting, will expire at the conclusion of the next AGM of the Company. Further information on the Proposed Renewal of Share Buy-Back Authority is set out in the Share Buy-Back Statement dated 16 November 2026.

6. ***Poll Voting***

   Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by poll.

Statement Accompanying Notice of Annual General Meeting

Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements")

1. **Details of individuals who are standing for election as Directors**

   No individual is seeking election as Director at the forthcoming Fifty-Eighth Annual General Meeting of the Company.

2. **Statement relating to the general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Listing Requirements**

   The details of the general mandate are set out in the Notice of Annual General Meeting dated 16 November 2026 under item (i) of the Explanatory Notes on Special Business.

FORM OF PROXY

SCIENTEX BERHAD
Company No. 196801000264 (7867-P)
(Incorporated in Malaysia)

I/We _____ NRIC No./Passport No./Registration No. _____

Number of Shares Held _____ CDS Account No. _____

of _____

Contact/Mobile Phone No. _____ Email Address _____
being a member(s) of Scientex Berhad, hereby appoint:

Full Name				Proportion of Shareholdings
NRIC No./Passport No.				
Full Address				
Contact/Mobile Phone No.		Email Address		%

And/or failing him/her

Full Name				Proportion of Shareholdings
NRIC No./Passport No.				
Full Address				
Contact/Mobile Phone No.		Email Address		%

or failing him/her, the Chairman of the Meeting as my/our proxy, to attend and vote for me/us and on my/our behalf at the Fifty-Eighth Annual General Meeting ("58th AGM") of the Company to be held at **Scientex Packaging Film Sdn Bhd, Lot 4, Jalan Sungai Pinang 4/3, Seksyen 4, Taman Perindustrian Pulau Indah, 42920 Pelabuhan Klang, Selangor Darul Ehsan** on **Tuesday, 15 December 2026** at **11.30 a.m.** or at any adjournment thereof, in the manner indicated below:-

NO.	RESOLUTIONS	PROXY A		PROXY B	
		FOR	AGAINST	FOR	AGAINST
1.	To approve the declaration of a single-tier final dividend of 6 sen per ordinary share.				
2.	To re-elect Lim Peng Cheong as a Director of the Company.				
3.	To re-elect Chin Lam Choong as a Director of the Company.				
4.	To re-elect Koh Huey Min as a Director of the Company.				
5.	To approve the payment of Directors' fees of RM956,250.				
6.	To re-appoint Deloitte Malaysia PLT as the Auditors of the Company and to authorise the Directors to fix their remuneration.				
7.	To authorise the Directors to allot and issue shares pursuant to the Companies Act 2016.				
8.	To approve the Proposed Renewal of Authority to allot and issue new ordinary shares under the Company's Dividend Reinvestment Plan.				
9.	To approve the Proposed Renewal of Share Buy-Back Authority.				

Please indicate with (X) how you wish your vote to be cast. In the absence of specific instruction, your proxy/proxies will vote or abstain from voting at his/her discretion.

Dated this _____ day of _____ 2026.

_____
Signature of Member(s)

Notes:-

(i) A member entitled to attend, participate, speak and vote at the meeting is entitled to appoint at least one proxy to attend, participate, speak and vote in his/her stead and where a member appoints two or more proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy. A proxy need not be a member of our Company. There is no restriction as to the qualification of the proxy.

(ii) Every member of our Company including authorised nominees as defined under the Securities Industry (Central Depositories) Act 1991 (SICDA), and Exempt Authorised Nominees who holds ordinary shares in our Company for multiple owners in one securities account (Omnibus Account), is entitled to appoint at least one person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote instead of him/her at our 58th AGM, and that such proxy(ies) need not be a member(s) of our Company. The appointment of more than one proxy in respect of any particular securities account or omnibus account shall specify the proportion of the member's shareholding to be represented by each proxy.

(iii) The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if such appointor is a corporation, either be executed under its common seal or under the hand of two authorised officers, one of whom shall be a director, or its attorney duly authorised in writing.

(iv) The form of proxy must be deposited at the registered office of the Company at No. 9, Persiaran Selangor, Seksyen 15, 40200 Shah Alam, Selangor Darul Ehsan, not less than 48 hours before the stipulated time fixed for the holding of the meeting or at any adjournment thereof.

(v) In respect of deposited securities, only members whose names appear in our Record of Depositors as at 4 December 2026 shall be regarded as a member and entitled to attend, participate, speak and vote at the meeting or appoint proxy to attend, participate, speak and/or vote on his/her behalf.

(vi) Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of Annual General Meeting will be put to vote by poll.

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COMPANY SECRETARY

SCIENTEX BERHAD
Company No. 196801000264 (7867-P)

No. 9, Persiaran Selangor

Seksyen 15, 40200 Shah Alam

Selangor Darul Ehsan, Malaysia

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SCIENTEX BERHAD 196801000264 (7867-P)
No. 9, Persiaran Selangor, Seksyen 15, 40200 Shah Alam, Selangor Darul Ehsan, Malaysia.
Tel: +603-5524 8888/+603-5519 1325 Fax: +603-5519 1884 Email: info@scientex.com.my
Website: www.scientex.com.my

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healthy, friendly & happy ...