



healthy, friendly & happy ...

INTEGRATED
ANNUAL REPORT

2025

SCIENTEX BERHAD

196801000264 (7867-P)

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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 2025.

This Report, together with our Sustainability Report 2025, 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, supporting our vision of 'Sustainable Growth, Better Tomorrow'.

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), and in accordance with 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 2024 to 31 July 2025 ("FY2025") 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. These statements and forecasts are inherently uncertain as they pertain to future events 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 sustainable value.

In FY2025, we identified six key stakeholder groups (see Key Stakeholder Engagement on p. 37 for more) 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) 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 facing the Group across the following four 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

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 13 October 2025.

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 housing 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 in 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 while exploring regional growth opportunities.

VISION

Sustainable Growth, Better Tomorrow

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:



MANAGEMENT LIKE *Water*



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



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

- | | |
|---|--|
| <p>> Lim Peng Cheong
Chairman & Non-Independent Non-Executive Director</p> <hr/> <p>> Lim Peng Jin
Managing Director/Chief Executive Officer</p> <hr/> <p>> Chang Siew Sian
Executive Director</p> <hr/> <p>> Wong Chin Mun
Senior Independent Non-Executive Director</p> | <p>> Dato' Noorizah Binti Hj Abd Hamid
Independent Non-Executive Director</p> <hr/> <p>> Chin Lam Choong
Independent Non-Executive Director</p> <hr/> <p>> Sabarina Binti Harun
Independent Non-Executive Director</p> |
|---|--|

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 COMMITTEE

Wong Chin Mun
Chairperson

Dato' Noorizah Binti Hj Abd Hamid
Member

Chin Lam Choong
Member

NOMINATION AND REMUNERATION COMMITTEE

Chin Lam Choong
Chairperson

Wong Chin Mun
Member

Dato' Noorizah Binti Hj Abd Hamid
Member

RISK MANAGEMENT COMMITTEE

Dato' Noorizah Binti Hj Abd Hamid
Chairperson

Chang Siew Sian
Member

Chin Lam Choong
Member

AUDITORS

Deloitte Malaysia PLT
(formerly known as Deloitte 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
Standard Chartered Bank Malaysia
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 FY2025

Operating in a mixed landscape during FY2025, the Group demonstrated resilience, achieving record revenue and profit before tax ("PBT"). With solid fundamentals and a focused strategy, we remain well-positioned to capture emerging market opportunities, drive sustainable growth, and navigate challenges effectively to deliver long-term value for all our stakeholders.

A STEADFAST PERFORMANCE ACROSS THE BOARD

Revenue

RM **4.5**
Billion

+0.9%

Profit Before Tax

RM **735.3**
Million

+0.9%

Net Profit

RM **530.8**
Million

-2.7%

Earnings Per Share

34.1
Sen

-2.9%

Shareholders' Equity

RM **4.1**
Billion

+9.2%

Net Gearing Ratio

0.48
Times

REVIEW OF OUR OPERATIONS

PACKAGING DIVISION

267,270
metric tonnes ("MT") of
products sold

14
new machines
commissioned

54
new innovations
successfully commercialised

PROPERTY DIVISION

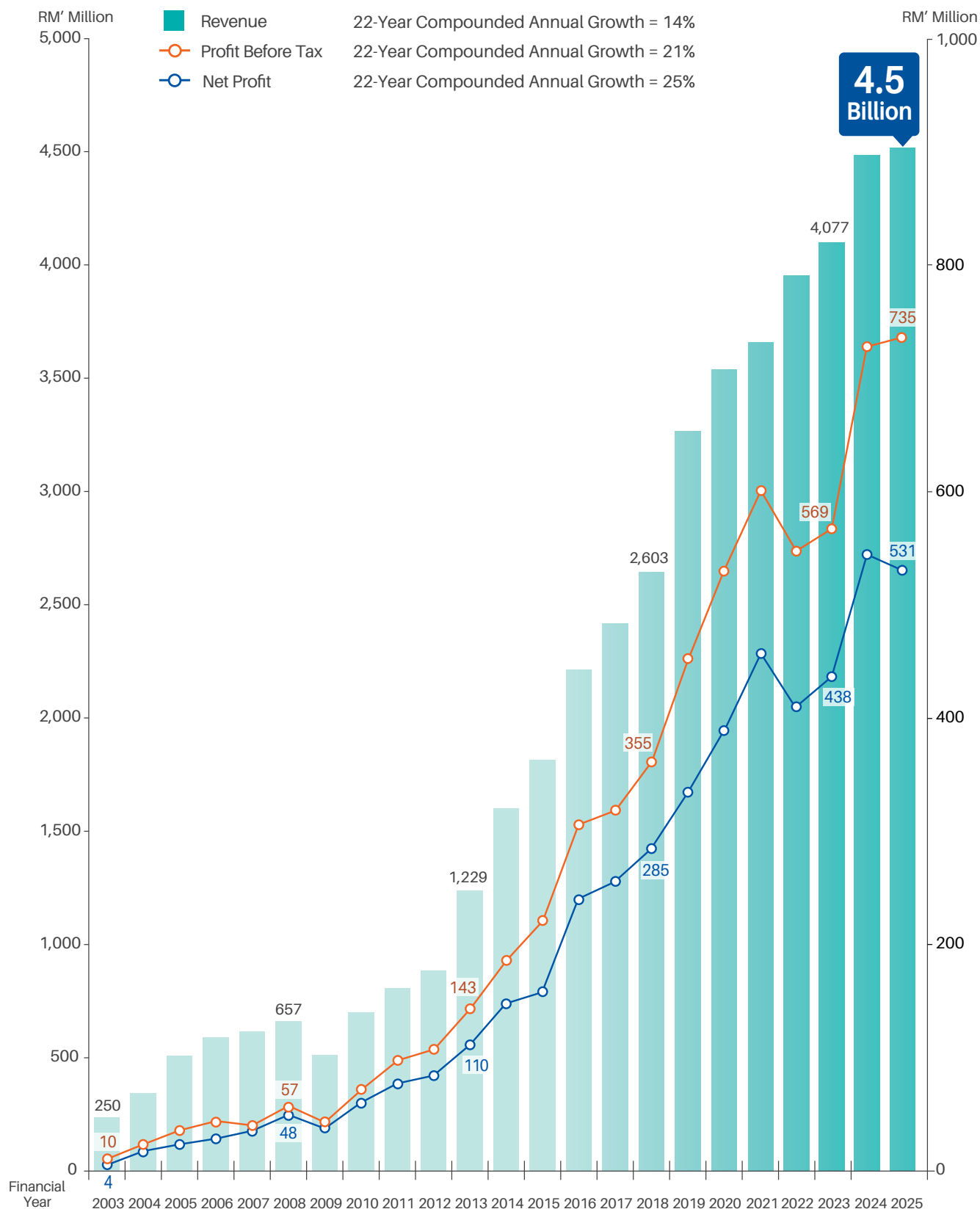
3,735
acres of land bank
acquisitions completed

5,840
units of affordable
homes completed

42,264
units of affordable homes
completed to date

Sustainable Growth, Better Tomorrow

Revenue & Profit Growth 2003 - 2025



Packaging Division Overview



A view of our Robotic Stretch Film Plant in Shah Alam, Selangor

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 expanded our capabilities beyond stretch film, embracing a diversification strategy that has allowed us to manufacture a broader range of packaging products, catering to both industrial and consumer sectors.

These strategic actions have not only enhanced our global reach but also equipped us with the capabilities and expertise to meet evolving market trends and customer needs.

DRIVING SUSTAINABLE GROWTH THROUGH STRATEGIC ACQUISITIONS AND INNOVATION

Our long-term vision of 'Sustainable Growth, Better Tomorrow' is driven by a multifaceted strategy within our Packaging Division, integrating strategic acquisitions, effective business integration and continuous innovation.

Central to this strategy is acquiring companies 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 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 sustainable solutions that prioritise recyclability and resource efficiency.

Recent milestones include the acquisition of Scientex Packaging (Kajang) Sdn Bhd, which broadened our product offerings to include packaging for liquids, pastes and medical devices. Additionally, the move to increase our stake in Hiro Food Packages Manufacturing Sdn Bhd from 30% to 70% in FY2025 has strengthened our ability to serve customers with complementary rigid packaging solutions alongside our core FPP offerings.

Supported by continuous investments in advanced equipment and machinery, our efforts have driven sustained growth across various product segments within the packaging value chain, further strengthening our position 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
- Fully compostable BioPBS™
- 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.

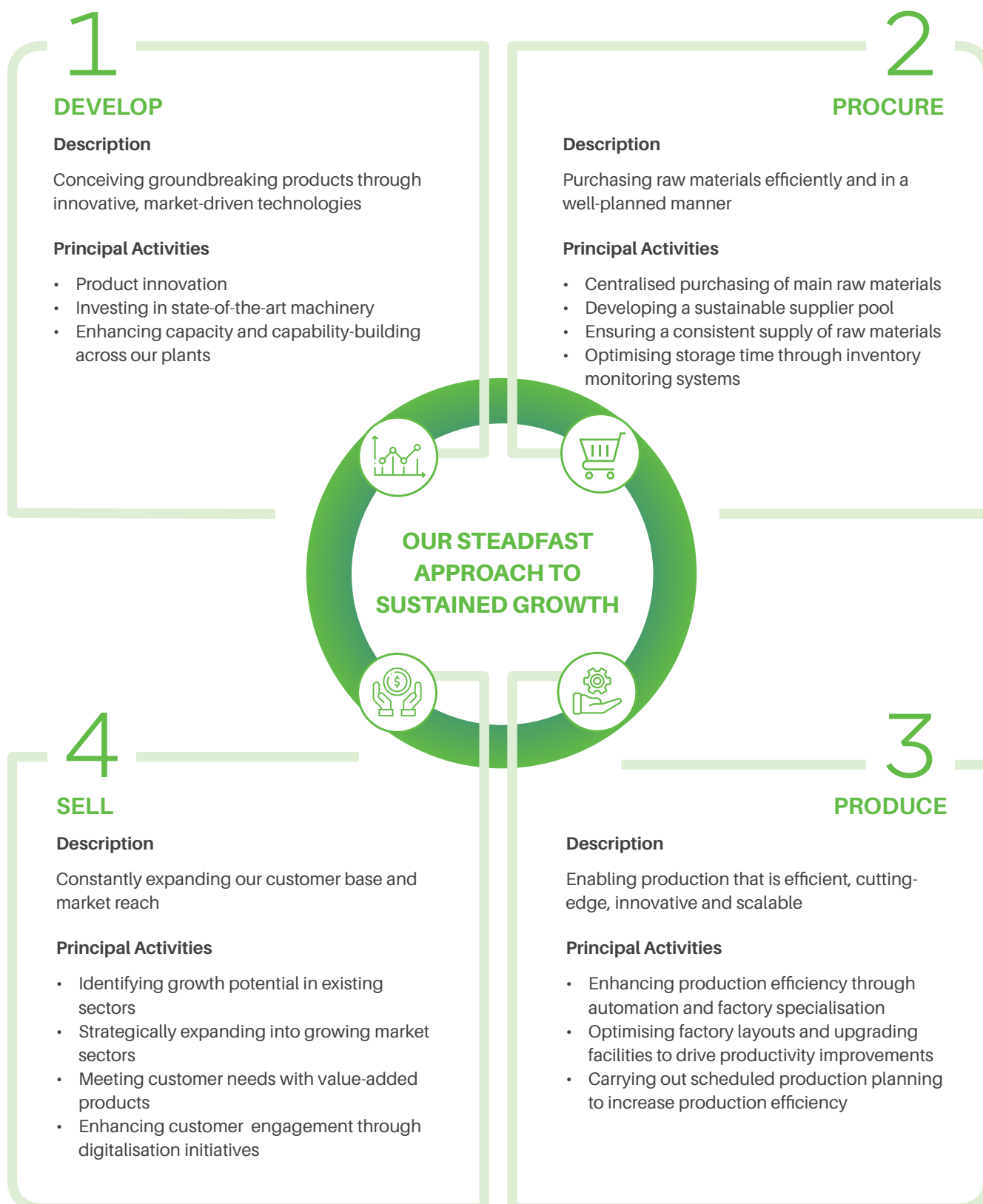
Our innovation efforts are led by a skilled technical team and supported by dedicated innovation centres equipped with advanced machinery and in-house testing facilities. These resources enable us to trial new technologies, explore alternative materials and refine production processes that align with 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, a key milestone that reinforced our leadership in sustainable FPP.

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

Packaging Division Business Process

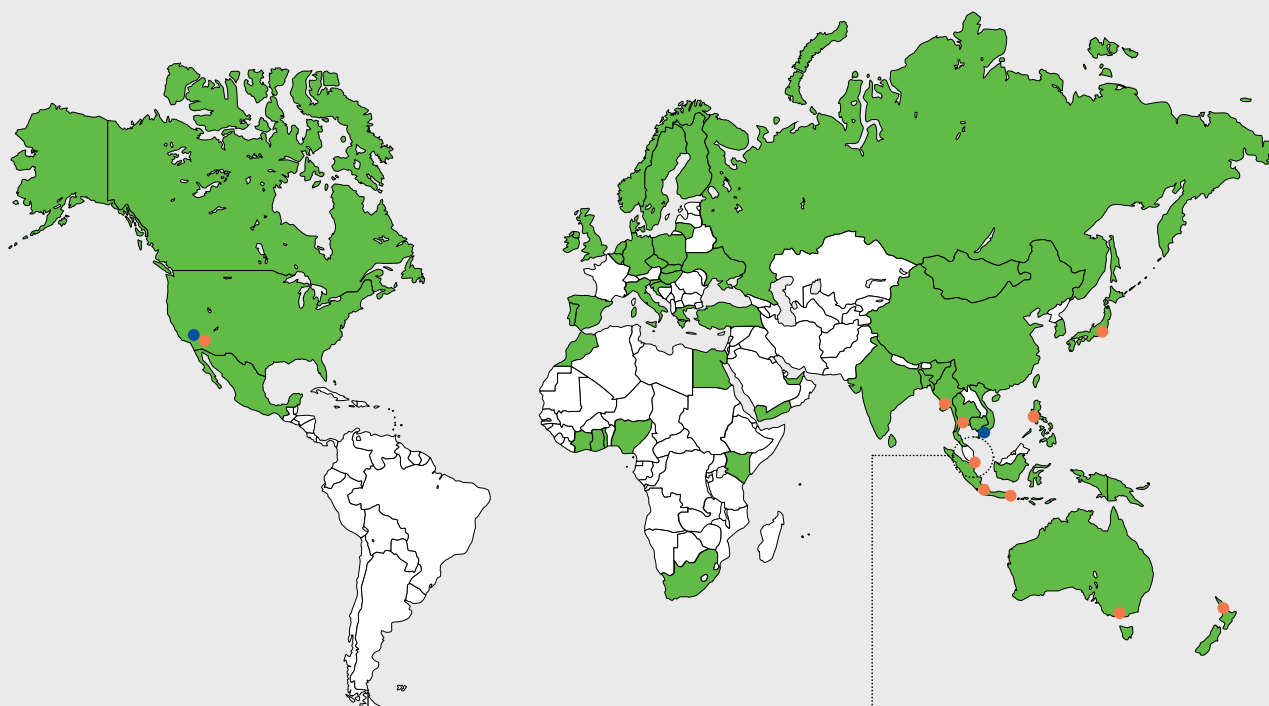
To support growth ambitions in our Packaging Division while maintaining a strong focus on quality, innovation and value creation, we have established and adhere to a structured and proven business process.



Our Reach and Market Presence

Leveraging an established market presence and wide global reach, we remain well-positioned to optimise value creation and drive business growth.

OUR PACKAGING PRESENCE



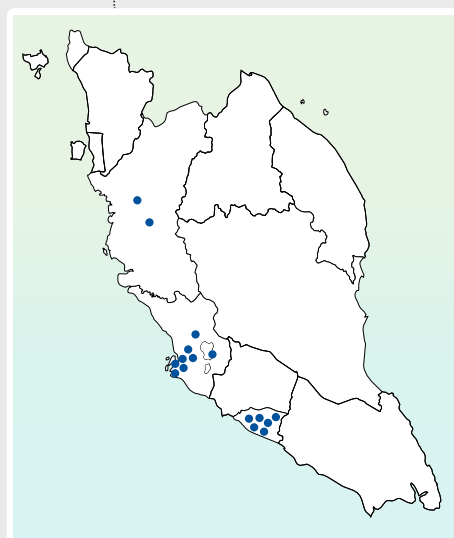
MANUFACTURING PLANTS

- 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
- Bukit Rambai, Melaka
- Ayer Keroh, Melaka
- Teluk Emas, Melaka
- 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
- Singapore
- Surabaya, Indonesia
- Tokyo, Japan
- Yangon, Myanmar

EXPORT COUNTRIES



Exporting to
more than **60** countries

Overseas sales
offices in **9** countries

18 manufacturing
plants worldwide

Property Division Overview



An artistic rendering of the Scientex Jenjarom project

A PIONEER IN DELIVERING QUALITY AFFORDABLE HOMES

Our Property Division upholds 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 magnified 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 crucially aligns our business strategies with 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 an extensive land bank, 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. In FY2025, we successfully achieved our initial target of growing our land bank beyond 10,000 acres, securing the strategic resources needed to maintain a robust growth trajectory.

In parallel, our sales teams are improving the efficiency of project launches and strengthening 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.

Property Division Overview

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 OUR GOAL OF 50,000 AFFORDABLE HOMES

Committed to supporting Malaysian federal and state government initiatives to enhance homeownership opportunities, we have been steadily advancing towards our target of completing 50,000 affordable homes by 2028. Our progress thus far remains well on track to achieve this target, with 42,264 units priced below RM500,000 constructed nationwide as of 31 July 2025, of which 71% were priced below RM300,000.

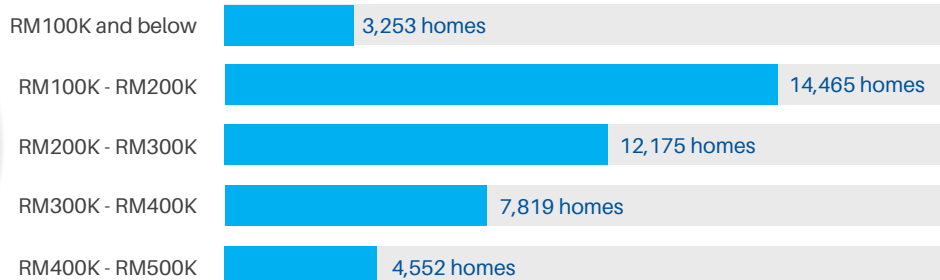
As we continue to advance towards achieving our Vision 2028 target, we aim to deliver an increasing number of homes each year, with the goal of reaching 10,000 affordable homes constructed per annum in the near future.

This mission underscores our dedication to growing our Property Division responsibly, fostering economic prosperity and the holistic well-being of local communities in line with our vision of 'Sustainable Growth, Better Tomorrow'.



Total Affordable
Homes Completed as
at 31 July 2025

42,264
Homes



Exploring Overseas Property Market Prospects

Building on our success in Malaysia, we made our first foray into international markets in FY2023, entering Indonesia and Thailand through joint ventures with local partners.

In FY2025, we further expanded our horizons by establishing our presence in Osaka, Japan, with the aim of providing affordable accommodation through joint ventures. These no-frills, budget-friendly accommodations are designed to meet the needs of the growing number of inbound travellers to Japan, reflecting our commitment to delivering accessible living solutions beyond our domestic market.

Property Division Business Process

We have implemented the following business process within our Property Division to enhance the efficiency, speed and value of our developments, empowering our teams to achieve our goal of completing 50,000 affordable homes by 2028.



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 Pulau
- 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 Pulau 3
- 26 Scientex Jenjarom
- 27 Scientex Sungai Dua
- 28 Scientex Ipoh
- 31 Scientex Bandar Kulai
- 32 Scientex Muar
- 33 Scientex Bestari Jaya
- 34 Scientex Jawi
- 35 Scientex Pulau 4
- 36 Scientex SP Astana
- 37 Scientex Melaka

THAILAND

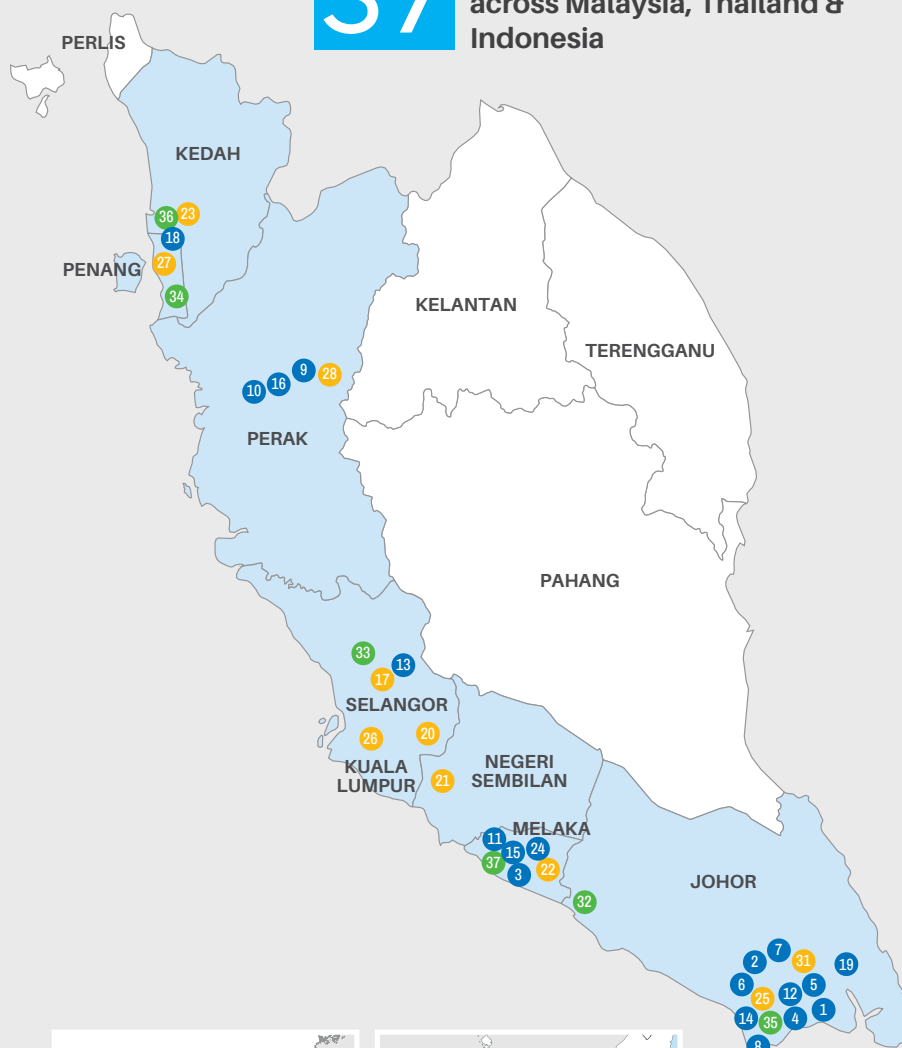
- 29 Kraf Vibe Bangna

INDONESIA

- 30 Mustika Garden Tamansari

37

townships and developments
across Malaysia, Thailand & Indonesia



19 Matured
Developments

12 Ongoing
Developments

06 New
Developments

CHAIRMAN'S STATEMENT

The Group delivered resilient financial and operational performance in FY2025, underpinned by continued investments in capacity and capabilities, as well as our strategic focus amidst challenges and emerging opportunities. As we continue to advance our sustainability agenda, deepen customer partnerships, and expand with selective focus, we are positioning Scientex for sustainable growth while creating long-term value for all 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 2025 ("FY2025").

RECOGNISING SUSTAINABILITY AS A CATALYST FOR RESILIENCE AND GROWTH

Our vision of 'Sustainable Growth, Better Tomorrow' continues to guide our ambitions and align the Group around a clear purpose: creating sustainable long-term value for shareholders while delivering shared benefits to our broader range of stakeholders.

The Packaging Division continues to provide solutions that support greater plastic circularity. Our teams maintain efforts to develop recyclable FPP solutions and utilise recycled resin, reinforcing the viability of a lower-carbon, resource-efficient value chain.

In Property, we remain steadfast in delivering quality affordable homes that uplift communities and support socioeconomic progress. We also prioritise embedding sustainable construction practices across our developments to enhance liveability, resilience, and environmental stewardship.

Our efforts and results have once again earned us recognition. We were ranked among Malaysia's Top 10 Developers at the Hubexo Asia Awards (formerly the BCI Asia Awards) for the fourth consecutive year, and secured six accolades under the StarProperty Awards for our Mori Residences high-rise series.

Simultaneously, we continue to advance our renewable energy agenda. Rooftop solar photovoltaic ("PV") installations were completed at 10 additional manufacturing plants, our property sales gallery, and our corporate headquarters during FY2025, bringing our total installed capacity to 23.9MWp. With these systems now supplying renewable energy to our operations, we are able to reduce our Scope 2 greenhouse gas ("GHG") emissions and lower operating costs, strengthening our competitiveness while supporting national decarbonisation goals.

Together, these actions reflect our belief that sustainability is not a trade-off – it is a catalyst for resilience, innovation, and lasting value creation.

For a deeper look into our sustainability integration efforts, please refer to the Operational Review section from p. 61 of this Report.

Chairman's Statement

A STEADY FINANCIAL PERFORMANCE DESPITE CHALLENGES

Amid a dynamic operating environment, the Group continued to deliver another year of record revenue and PBT.

Revenue grew by 0.9% from RM4.48 billion in FY2024 to RM4.52 billion in FY2025, while PBT similarly increased 0.9% from RM728.9 million to RM735.3 million. Net profit, however, declined by 2.7% to RM530.8 million, mainly due to higher tax and minority interest allocations, with earnings per share at 34.1 sen. Meanwhile, our net gearing ratio rose to 0.48, reflecting strategic investments in development land to capture strong demand for affordable homes and ensure a sustainable pipeline for future growth.

Our strategic focus and consistent financial performance continue to be recognised. We are honoured to be one of only nine Malaysian companies named to Forbes Asia's 2025 'Best Under A Billion' list, which highlights the top 200 small and mid-sized companies in the Asia-Pacific with annual sales below US\$1 billion. This recognition affirms the resilience of our business model and our commitment to long-term value creation.

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 FY2025, the Group declared a single-tier interim dividend of 6 sen per ordinary share, which was paid on 18 July 2025, while an additional single-tier final dividend of 6 sen per ordinary share has been recommended for approval at the upcoming Annual General Meeting.

In total, approximately RM186.8 million will be distributed for FY2025 – equivalent to approximately 35.2% of net profit – reaffirming our policy to pay out at least 30% of annual net profit as dividends.

NAVIGATING A DYNAMIC MARKET WITH FOCUS AND ANTICIPATION

The global packaging landscape remains challenging, shaped by economic uncertainty, intensified competition, geopolitical headwinds, and rising costs – dampening sentiment and prompting more cautious procurement. Anticipating these pressures, we have executed targeted responses to safeguard and strengthen our business competitiveness.

We continue to invest in advanced machinery, talent, and digital transformation to enhance efficiency, strengthen

cost management, and accelerate innovation – positioning the business for sustainable long-term growth. Drawing on our technical expertise and close customer partnerships, we deliver value-added, sustainable packaging solutions aligned to evolving regulatory and market needs. While current market conditions are mixed, the long-term outlook for packaging demand remains positive, and we are confident in the division's long-term prospects.

In Property, market fundamentals remain resilient, supported by steady demand for affordable homes, strong take-up rates, and supportive government policies that broaden access to homeownership. Johor stands out as one of the growth engines, catalysed by the Johor Bahru-Singapore Rapid Transit System ("RTS") Link, the Johor-Singapore Special Economic Zone ("JS-SEZ"), and the Forest City Special Financial Zone ("SFZ") – initiatives expected to spur investment, create jobs, and drive population growth, reinforcing long-term housing demand.

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

SUSTAINING MOMENTUM IN GROWTH AND EXPANSION

In a dynamic packaging landscape, we are proactively optimising our portfolio to sustain growth and sharpen our competitive edge. In FY2025, we advanced our strategy of divesting non-core exposure and reallocating capital to higher-growth areas. This included ceasing operations in Myanmar, where prospects remain limited, and increasing our stake in Hiro Food Packages Manufacturing Sdn Bhd to reinforce our position in rigid plastic packaging.

Looking ahead, the Packaging Division will diligently assess strategic investment opportunities to broaden market access and deepen our capabilities in proprietary technologies, supporting sustainable long-term growth.

In the Property Division, we are primed for expansion amid favourable demand dynamics. In FY2025, we accelerated land banking, acquiring 3,735 acres across Johor, Melaka, Selangor, Penang, and Kedah – bringing our total land bank to 11,034 acres and sustaining a robust project pipeline in high-growth corridors.

We also completed 5,840 affordable homes during the year, bringing cumulative deliveries to 42,264 and keeping us well on track towards our Vision 2028 target of 50,000 affordable homes by 2028.

Looking forward, we aim to progressively increase annual deliveries to 10,000 affordable homes, which will further

Chairman's Statement

strengthen our leadership as a trusted provider of quality affordable housing in Malaysia.

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

ADVANCING ESG WITH INTEGRITY, INNOVATION, AND INTERNAL DEVELOPMENT

Sustainability remains central to our strategy and long-term value creation. Each year, we uphold our commitments while driving progress across the ESG spectrum. Strong governance underpins our approach – ensuring ethical, responsible conduct and well-informed decisions through clear leadership and robust internal communications.

On the environmental front, beyond our rooftop solar PV systems rollout, we continue to provide sustainable, recyclable FPP solutions that support supply chain decarbonisation. We advanced this commitment in FY2025 by obtaining ISCC PLUS certification for 2 additional Malaysian plants, bringing our total to 8 plants and expanding our ability to deliver certified sustainable packaging with traceable recycled resin.

Our sustainability momentum ultimately rests on empowered, future-ready teams. As we embed ESG deeper into our business, we are investing in our people – developing capabilities, fostering an inclusive culture, and equipping our workforce to lead the next phase of growth. In FY2025, we delivered 31,882 hours of training to build skills, deepen sustainability literacy, and strengthen execution across the Group. We are also investing in automation and advanced technologies to reduce manual, repetitive tasks, enhance safety, and enable teams to focus on higher-value work and innovation.

I am encouraged that our progress is being recognised externally. In FY2025, we improved our FTSE Russell ESG score and remain a proud constituent of the FTSE4Good Bursa Malaysia ("F4GBM") Index, alongside continued acknowledgement from other leading international ESG rating agencies.

For in-depth insights into our sustainability strategies and performance, please refer to our Sustainability Report 2025.

ACKNOWLEDGEMENTS

On behalf of the Board, I extend our deepest appreciation to Tan Sri Dato' Mohd Sheriff Bin Mohd Kassim for more than 21 years of exceptional dedication and leadership as Chairman of Scientex. We are sincerely grateful for his invaluable contributions and wish him a fulfilling retirement.

Our heartfelt thanks go to the Management team led by Mr. Lim Peng Jin, Managing Director/Chief Executive Officer, together with the Scientex Executive Committee ("EXCO") and our diverse, committed workforce. Their resilience, teamwork, and passion for excellence have been exemplary. We are confident their collective efforts will continue to propel our growth and sustainability ambitions.

We also warmly welcome Ms. Jesselyn Chang Siew Sian as an Executive Director and Puan Sabarina Binti Harun as an Independent Non-Executive Director to the Board. With their experience and insights, we are confident they will add valuable strategic perspectives and support the Group's next phase of growth.

We are equally grateful to our loyal shareholders, valued business partners, and discerning customers. Your continued trust and support motivate us to deliver consistent and sustainable performance. United by our vision of 'Sustainable Growth, Better Tomorrow', we are committed to building a business that thrives over the long term and creates enduring value for all stakeholders.

LIM PENG CHEONG

Chairman & Non-Independent Non-Executive Director

Pernyataan Pengerusi

Kumpulan telah menunjukkan prestasi kewangan dan operasi yang berdaya tahan sepanjang TK2025, disokong oleh pelaburan yang berterusan dalam kapasiti dan keupayaan, serta tumpuan strategik kami dalam menghadapi cabaran dan peluang yang muncul. Sambil terus memajukan agenda kemampanan kami, memperkukuh perkongsian dengan pelanggan dan berkembang dengan tumpuan terpilih, kami meletakkan Scientex atas landasan pertumbuhan yang mampan sambil mewujudkan nilai jangka panjang bagi semua pihak berkepentingan.

Para Pemegang Saham yang dihormati,

Bagi pihak Lembaga Pengarah ("Lembaga"), saya berbesar hati membentangkan Laporan Tahunan Bersepadu Scientex Berhad (dirujuk secara bertukar ganti dirujuk sebagai "Scientex" dan/atau "Kumpulan") bagi tahun kewangan yang berakhir pada 31 Julai 2025 ("TK2025").

MENGIKTIRAF KEMAMPANAN SEBAGAI PEMANGKIN UNTUK DAYA TAHAN DAN PERTUMBUHAN

Visi kami, 'Pertumbuhan Mampan, Masa Depan Lebih Baik' terus menerajui cita-cita kami dan menyelaraskan Kumpulan mengikut tujuan yang jelas: mewujudkan nilai jangka panjang yang mampan untuk pemegang saham, di samping memberikan manfaat bersama kepada pelbagai pihak berkepentingan kami yang lebih luas rangkumannya.

Bahagian Pembungkusan terus memberikan penyelesaian yang menyokong kitaran plastik yang lebih besar. Pasukan kami mengekalkan usaha untuk membangunkan penyelesaian FPP yang boleh dikitar semula dan menggunakan resin kitar semula, memperkukuh daya maju rantaian nilai yang lebih rendah karbon dan cekap sumber.

Dalam Hartanah, kami kekal teguh dalam menyediakan rumah mampu milik berkualiti yang meningkatkan taraf hidup komuniti dan menyokong kemajuan sosioekonomi. Kami juga memberikan keutamaan dalam memupuk amalan pembinaan yang mampan dalam semua pembangunan kami untuk meningkatkan kemesrahan, daya tahan dan pengawasan alam sekitar.

Usaha dan hasil kami sekali lagi mendapat pengiktirafan. Kami disenaraikan dalam kalangan 10 Pemaju Terbaik di Malaysia di Anugerah Asia Hubexo (dahulunya dikenali sebagai Anugerah Asia BCI) untuk tahun keempat berturut-turut, dan memperoleh enam anugerah di bawah Anugerah StarProperty bagi siri bangunan pencakar langit kami, iaitu Mori Residences.

Pada masa yang sama, kami terus memajukan agenda tenaga boleh diperbaharui. Pemasangan sistem fotovolt (PV) solar atas bumbung telah disiapkan di sejumlah 10 lagi kilang pembuatan, galeri jualan hartanah dan ibu

pejabat korporat kami pada TK2025, menjadikan jumlah kapasiti terpasang kami sebanyak 23.9MWp. Kini, dengan sistem yang membekalkan tenaga boleh diperbaharui kepada operasi, kami dapat mengurangkan pelepasan Skop 2 gas rumah hijau dan mengurangkan lagi kos operasi, mengukuhkan daya saing, di samping menyokong matlamat penyahkarbonan negara.

Tindakan ini mencerminkan kepercayaan kami bahawa kemampanan bukanlah suatu kompromi – ia merupakan pemangkin untuk daya tahan, inovasi dan pewujudan nilai yang berkekalan.

Untuk mengetahui usaha penyepaduan kemampanan kami dengan lebih mendalam, sila rujuk bahagian Ulasan Operasi pada halaman 61 Laporan ini.

PRESTASI KEWANGAN YANG MANTAP WALAUPUN TERDAPAT CABARAN

Di tengah-tengah persekitaran operasi yang dinamik, Kumpulan terus memberikan satu lagi tahun dengan hasil dan untung sebelum cukai ("PBT") yang tertinggi dalam sejarah.

Hasil meningkat sebanyak 0.9% daripada RM4.48 bilion pada TK2024 kepada RM4.52 bilion pada TK2025, manakala PBT juga meningkat sebanyak 0.9% daripada RM728.9 juta kepada RM735.3 juta. Walau bagaimanapun, untung bersih merosot sebanyak 2.7% kepada RM530.7 juta, terutamanya disebabkan oleh cukai yang lebih tinggi dan peruntukan faedah minoriti, dengan pendapatan sesaham pada 34.1 sen. Sementara itu, nisbah penggearan kami meningkat kepada 0.48, mencerminkan pelaburan strategik dalam tanah pembangunan untuk memenuhi permintaan kukuh bagi rumah mampu milik dan memastikan aliran yang mampan untuk pertumbuhan masa hadapan.

Pernyataan Pengerusi

Tumpuan strategik dan prestasi kewangan kami yang konsisten terus diiktiraf. Kami berbesar hati untuk menjadi salah satu daripada hanya sembilan syarikat di Malaysia yang dinamakan dalam senarai "Best Under A Billion", Forbes Asia 2025, yang menonjolkan 200 syarikat kecil dan sederhana terbaik di Asia Pasifik dengan jualan tahunan di bawah AS\$1 bilion. Pengiktirafan ini mengesahkan daya tahan model perniagaan dan komitmen kami terhadap pewujudan nilai jangka panjang.

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

MEMBERIKAN PULANGAN YANG KONSISTEN KEPADA PEMEGANG SAHAM

Pada TK2025, Kumpulan mengisytiharkan dividen interim satu peringkat sebanyak 6 sen sesaham biasa yang telah dibayar pada 18 Julai 2025, manakala dividen akhir satu peringkat tambahan sebanyak 6 sen sesaham biasa telah dicadangkan untuk kelulusan pada Mesyuarat Agung Tahunan akan datang.

Secara keseluruhan, kira-kira RM186.8 juta akan diagihkan untuk TK2025 – bersamaan dengan kira-kira 35.2% daripada untung bersih – mengesahkan semula dasar kami untuk membayar sekurang-kurangnya 30% daripada untung bersih tahunan sebagai dividen.

MENGEMUDI PASARAN DINAMIK DENGAN TUMPUAN DAN JANGKAAN

Landskap pembungkusan global kekal mencabar, dibentuk oleh ketidaktentuan ekonomi, persaingan yang semakin sengit, cabaran geopolitik dan peningkatan kos - mengurangkan sentimen dan mendorong pemerolehan yang lebih berhati-hati. Dengan menjangkakan tekanan ini, kami telah melaksanakan respons bersasar untuk melindungi dan memperkukuh daya saing perniagaan kami.

Kami terus melabur dalam jentera canggih, bakat dan transformasi digital untuk meningkatkan kecekapan, memperkukuh pengurusan kos dan mempercepat inovasi - sekali gus meletakkan perniagaan pada landasan pertumbuhan jangka panjang yang mampan. Berdasarkan kepakaran teknikal dan perkongsian rapat dengan pelanggan, kami memberikan penyelesaian pembungkusan yang bernilai tambah dan mampan sejajar dengan keperluan kawal selia dan pasaran yang berkembang. Walaupun keadaan pasaran semasa bercampur-campur, ramalan jangka panjang untuk permintaan pembungkusan kekal positif, dan kami yakin terhadap prospek jangka panjang bahagian tersebut.

Dalam Hartanah, asas pasaran kekal berdaya tahan disokong oleh permintaan yang stabil untuk rumah mampu milik, kadar pengambilan yang kukuh dan dasar kerajaan yang menyokong, yang meluaskan akses kepada pemilikan rumah. Johor menonjol sebagai salah satu daripada enjin pertumbuhan yang dimangkin oleh Pautan Sistem Transit Rapid Johor Bahru-Singapura ("RTS"), Zon Ekonomi Khas Johor-Singapura ("JS-SEZ") dan Zon Kewangan Khas Forest City ("SFZ") - inisiatif yang dijangka akan merangsang pelaburan, mewujudkan pekerjaan dan memacu pertumbuhan penduduk yang memperkukuh permintaan perumahan jangka panjang.

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

MENGEKALKAN MOMENTUM DALAM PERTUMBUHAN DAN PENGEMBANGAN

Dalam landskap pembungkusan yang dinamik, kami memperkukuh semula portfolio dengan proaktif, untuk mengekalkan pertumbuhan dan meningkatkan kelebihan daya saing. Pada TK2025, kami memajukan strategi untuk melucutkan pendedahan bukan teras dan mengagihkan semula modal ke kawasan pertumbuhan yang lebih tinggi. Ini termasuk dengan menghentikan operasi di Myanmar, yang prospeknya kekal terhad, dan meningkatkan kepentingan kami dalam Hiro Food Packages Manufacturing Sdn Bhd untuk memperkukuh kedudukan dalam pembungkusan plastik tegar.

Memandang ke hadapan, Bahagian Pembungkusan akan terus menilai peluang pelaburan yang strategik untuk meluaskan akses pasaran dan memperteguh keupayaan kami dalam teknologi proprietari, yang menyokong pertumbuhan jangka panjang yang mampan.

Dalam Bahagian Hartanah, kami bersedia untuk pengembangan di tengah-tengah dinamik permintaan yang menggalakkan. Pada TK2025, kami mempercepat pemerolehan tanah, memperoleh 3,735 ekar di seluruh Johor, Melaka, Selangor, Pulau Pinang dan Kedah – menjadikan jumlah pegangan tanah kami sebanyak 11,034 ekar dan mengekalkan saluran projek yang kukuh di koridor pertumbuhan tinggi.

Kami juga telah menyiapkan sebanyak 5,840 unit rumah mampu milik sepanjang tahun, menjadikan jumlah keseluruhan rumah yang disiapkan sebanyak 42,264 unit dan memastikan kami berada di landasan yang betul ke arah sasaran Visi 2028 kami, iaitu 50,000 unit rumah mampu milik menjelang 2028.

Pernyataan Pengerusi

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

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

MEMAJUKAN ESG DENGAN INTEGRITI, INOVASI DAN PEMBANGUNAN DALAMAN

Kemampuan kekal menjadi keutamaan dalam strategi kami dan pewujudan nilai jangka panjang. Setiap tahun, kami mendukung komitmen kami, di samping memacu kemajuan merentasi spektrum ESG. Tadbir urus yang kukuh menyokong pendekatan kami – memastikan tingkah laku yang beretika dan bertanggungjawab serta membuat keputusan termaklum melalui kepimpinan yang jelas dan komunikasi dalaman yang mantap.

Dari segi alam sekitar, selain pelaksanaan sistem PV solar atas bumbung, kami terus menyediakan penyelesaian FPP yang mampan dan boleh dikitar semula, yang menyokong penyahkarbonan rantai bekalan. Kami memajukan komitmen ini pada TK2025 dengan memperoleh pensijilan ISCC PLUS untuk 2 kilang tambahan di Malaysia, menjadikan jumlahnya sebanyak 8 buah kilang dan mengembangkan keupayaan kami untuk membuat pembungkusan mampan yang diperakui dengan resin kitar semula yang boleh dikesan.

Momentum kemampanan kami pada akhirnya bergantung kepada pasukan yang diperkasakan dan bersedia untuk masa hadapan. Di samping memupuk ESG dengan lebih mendalam dalam perniagaan kami, kami juga melabur dalam memajukan kakitangan kami – membangunkan keupayaan, memupuk budaya inklusif dan melengkapkan tenaga kerja kami untuk menerajui fasa pertumbuhan seterusnya. Pada TK2025, kami membuat latihan selama 31,882 jam untuk membina kemahiran, memperdalam literasi kemampanan dan mengukuhkan pelaksanaan bagi seluruh Kumpulan. Kami juga melabur dalam automasi dan teknologi canggih untuk mengurangkan tugas manual dan berulang, meningkatkan keselamatan dan memberikan masa terluang kepada pasukan bagi memberikan tumpuan kepada kerja dan inovasi yang bernilai lebih tinggi.

Saya yakin bahawa kemajuan kami diiktiraf oleh pihak luar. Pada TK2025, kami meningkatkan skor ESG FTSE Russell kami dan kekal sebagai konstituen yang membanggakan dalam Indeks FTSE4Good Bursa Malaysia (F4GBM), di samping mendapat pengiktirafan berterusan daripada agensi penarafan ESG antarabangsa terkemuka.

Untuk mendapatkan pandangan yang mendalam tentang strategi dan prestasi kemampanan kami, sila rujuk Laporan Kelestarian 2025 kami.

PENGHARGAAN

Bagi pihak Lembaga Pengarah, saya merakamkan setinggi-tinggi penghargaan kepada Tan Sri Dato' Mohd Sheriff Bin Mohd Kassim atas dedikasi dan kepimpinan yang luar biasa selama lebih daripada 21 tahun sebagai Pengerusi Scientex. Kami amat berterima kasih atas sumbangan beliau yang tidak ternilai dan mengucapkan selamat memasuki alam persaraan yang amat bermakna.

Ucapan terima kasih kami tujukan kepada pasukan Pengurusan yang diketuai oleh Encik Lim Peng Jin, Pengarah Urusan/Ketua Pegawai Eksekutif, bersama-sama dengan Jawatankuasa Eksekutif dan tenaga kerja kami yang pelbagai dan komited. Daya tahan, semangat kerja berpasukan dan semangat mereka demi kecemerlangan telah menjadi contoh yang unggul. Kami yakin bahawa usaha mereka bersama akan terus mendorong pertumbuhan dan cita-cita kemampanan kami.

Kami juga mengalu-alukan Cik Jesselyn Chang Siew Sian, Pengarah Eksekutif dan Puan Sabarina Binti Harun, Pengarah Bukan Eksekutif Bebas sebagai ahli Lembaga Pengarah. Dengan pengalaman dan pandangan mereka, kami yakin bahawa mereka akan menambah perspektif strategik yang bernilai dan menyokong fasa pertumbuhan Kumpulan yang seterusnya.

Kami juga berterima kasih kepada pemegang saham yang setia, rakan kongsi perniagaan yang dihargai dan pelanggan kami yang bijak menilai. Kepercayaan dan sokongan berterusan anda mendorong kami untuk mencapai prestasi yang konsisten dan mampan. Disatukan oleh visi kami, 'Pertumbuhan Mampan, Masa Depan Lebih Baik', kami komited untuk membina perniagaan yang berkembang maju dalam tempoh jangka panjang dan mewujudkan nilai yang berkekalan bagi semua pihak berkepentingan.

LIM PENG CHEONG

Pengerusi & Pengarah Bukan Bebas Bukan Eksekutif

主席报告书

森德于2025财政年展现出稳健的财务与营运表现，这得益于我们持续在产能与能力方面的投入，以及在面对挑战与机遇并存的环境中始终保持的战略聚焦。随着我们不断推进永续发展，深化客户伙伴关系，并以选择性聚焦的策略推动业务扩展，森德正稳步奠定可持续增长的基础，并为所有股东创造长期价值。

各位股东，

我谨此非常荣幸的代表董事部，为大家汇报森德公司（简称“森德”或“集团”）截至2025年7月31日财政年（“2025财政年”）的综合年度报告。

将永续发展视为增强韧性与推动增长的驱动力

我们的愿景‘永续增长，创造美好未来’持续引领着我们的雄心壮志，并凝聚集团朝着明确的方向前进 – 为股东创造可持续的长期价值，同时为更广泛的利益相关者带来共享的成果。

包装业务持续推出有助于提升塑料循环利用的解决方案。我们的团队不断努力研发可回收的弹性塑料包装方案，并采用再生树脂，以强化低碳、资源高效价值链的可行性。

在产业业务方面，我们始终致力于提供可负担的品质房屋，以提升社区生活水平并推动社会经济进步。同时，我们也优先在各个开发项目中融入可持续建筑实践，以提升宜居性、韧性及环境管理水平。

我们的努力与成果再次获得业界肯定。森德连续第四年在Hubexo亚洲大奖（前身为BCI亚洲大奖）中荣膺马来西亚十大房地产开发商，并凭借森景公寓（Mori Residences）高楼房产系列在星报房产大奖中斩获六项殊荣。

与此同时，我们持续推进可再生能源的发展议程。集团于2025财政年内，额外在10家制造厂房、产业销售廊以及企业总部完成了屋顶太阳能光伏系统的安装，使我们的总装机容量达到23.9兆瓦峰值。这些系统现已为我们的运营提供可再生能源，帮助我们减少范围二的温室气体排放并降低运营成本，从而在支持国家脱碳目标的同时，进一步提升企业竞争力。

总体而言，这些举措体现了我们的信念：可持续发展并非取舍之间的权衡，而是推动韧性、创新与长期价值创造的催化力量。

请参阅本报告第61页的《营运评估》，以深入了解我们在可持续发展整合方面的举措。

逆境中保持稳健的财务表现

在不断变化的营运环境中，森德的营业额与税前盈利依然创新高。

集团的营业额于2025财政年，取得了0.9%的年度增长，从2024财政年的44亿8000万令吉，增加至45亿2000万令吉。

税前盈利同步上扬0.9%，达到7亿3530万令吉，去年同期是7亿2890万令吉，然而，净盈利下滑了2.7%，至5亿3070万令吉，主要归因于更高税务支出及少数股东权益分配增加所致；每股盈利为34.1仙。与此同时，净负债比率上升至0.48倍，反映出集团为把握可负担房屋的强劲市场需求，并确保未来发展的项目储备保持可持续性，而进行的策略性土地投资。

我们的战略专注与稳健的财务表现持续获得肯定。森德很荣幸地成为《福布斯亚洲》2025年“十亿美元以下最佳企业（Best Under A Billion）”榜单中仅有的9家马来西亚入选企业之一。该榜单旨在表彰亚太地区年度销售额少于10亿美元，表现最卓越的200家中小型企业。这一殊荣充分印证了我们业务模式的韧性以及对长期价值创造的坚定承诺。

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2025财政年派发每股6仙的中期单层股息，并于2025年7月18日派发给股东。另外，董事部也建议再派发每股6仙的终期单层股息，回馈股东。有关终期股息的派发，有待在即将来临的常年股东大会上通过。

总的来说，森德于2025财政年的股息派发总额，达到约1亿8680万令吉，相等于集团约35.2%净盈利，再次凸显森德致力兑现派发最低30%年度净盈利给忠诚股东的承诺。

聚焦前瞻，掌舵变局

在经济不确定性、竞争加剧、地缘政治逆风及成本上升的影响下，市场情绪受抑，采购趋于谨慎，全球包装业务格局因而仍然充满挑战。鉴于这些压力，森德已采取针对性的应对措施，以保障并强化公司的业务竞争力。

森德继续投资先进机械、人才培养和数码化转型，以提高效率、强化成本管理并加速创新步伐，为业务实现可持续的长期增长做好准备。凭借我们的技术专长和密切的客户合作关系，我们提供具附加价值且可持续的包装解决方案，以契合不断演变的监管与市场需求。尽管当前市场状况好坏参半，但包装需求的长期前景仍然乐观，我们对包装业务的长期前景充满信心。

主席报告书

在产业业务方面，市场基本面依然稳健，主要得益于市场对可负担房屋的稳定需求，强劲的销售率，以及政府推动居者有其屋的有利政策。其中，柔佛州成为集团业务增长的主要动力之一。其发展势头受到柔佛新山-新加坡捷运系统（RTS）、柔佛-新加坡经济特区（JS-SEZ）及森林城市金融特区（SFZ）等举措的带动。这些重大项目有望促进投资、创造就业机会并吸引人口流入，从而进一步巩固长期的房屋需求。

相关深入分析，请参阅本报告第40页的《市场评估，前景和趋势》

保持增长与扩张的动力

在瞬息万变的包装领域，我们积极优化业务布局，以维持增长与强化竞争优势。集团于2025财政年采取了剥离非核心业务并将资本重新配置至高增长领域的战略。这包括停止在前景仍然有限的缅甸业务，以及增加对 Hiro Food Packages Manufacturing Sdn Bhd的持股比例，以巩固我们在硬质塑料包装领域的市场地位。

展望未来，包装业务部将认真评估战略投资机会，致力于拓展市场覆盖面，并深化我们的专有技术能力，以支持业务的可持续长期增长。

在产业业务方面，我们已整装待发，迎接有利的市场需求形式。森德于2025财政年加快土地储备步伐，在柔佛、马六甲、雪兰莪、檳城及吉打共收购了3,735英亩土地，使集团的总土地储备面积增至11,034英亩，并在高增长区域保持强劲的项目储备。

森德于本财政年共完成了5,840间可负担房屋的建设，使累计交付量达到42,264间，稳步迈向“2028愿景” - 于2028年建设50,000间可负担房屋的目标。

展望未来，我们计划逐步将可负担房屋的年交付量提升至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领先地位。

请翻阅本报告第61页的《营运评估》，以了解更多相关细节。

以廉正、创新与内部提升推动环境、社会及公司治理进程

可持续发展始终是我们战略与长期价值创造的核心。每一年，森德在坚守承诺的同时，持续推动环境、社会及公司治理(ESG)各领域的进展。稳健的企业监管体系构成我们实践的基石，通过清晰的领导方向与完善的内部沟通，确保企业秉持道德、负责任且信息充分的方式作出决策。

在环境方面，除了持续推进屋顶太阳能光伏系统的安装外，我们也不断提供可持续、可回收的弹性塑料包装解决方案，以助力供应链减碳。森德于2025财政年进一步落实这一承诺，旗下另外两家马来西亚厂房获得生物基、可再生和循环原料的可持续认证（ISCC PLUS）认证，使获得该认证的工厂总数增至八家，从而提升我们提供以可追溯再生树脂生产的经认证可持续包装的能力。

我们的可持续发展动力源于具备自主能力、面向未来的团队。随着环境、社会及公司治理在业务中不断深化，我们持续投资于员工发展 - 提升能力、培育多元包容文化，并赋能团队，引领员工迈向下一阶段的成长。我们于2025财政年共开展了31,882小时的培训，以强化技能、深化可持续发展意识，并提升集团整体执行能力。同时，我们也持续投资于自动化与先进技术，以减少人工及重复性作业、提升安全水平，并让团队能够专注于更高价值的工作与创新。

令我感到鼓舞的是，我们的进展得到了外界的认可。2025财政年，森德的富时罗素环境、社会及公司治理（FTSE Russell ESG）评分进一步提升，并持续成为富时大马交易所社会责任指数（FTSE4Good Bursa Malaysia, F4GBM）成份股，同时也继续获得国际主要环境、社会及公司治理评级机构的肯定。

欲深入了解我们的可持续发展战略与绩效表现，敬请翻阅《2025年永续发展报告》

感谢篇

我谨代表董事部，向Tan Sri Dato' Mohd Sheriff Bin Mohd Kassim 表达最诚挚的谢意，感谢他在过去 21 年间以无私的奉献与卓越的领导履任董事长一职。我们诚挚感激他对集团所作出的宝贵贡献，并祝愿他退休生活愉快充实。

同时，我们也感谢由董事经理兼首席执行官，林炳仁先生领导的管理团队、执行委员会成员和我们多元化且敬业的员工。他们的坚韧、协作精神与追求卓越的热忱令人钦佩。我们深信，他们的共同努力将持续推动集团的成长与可持续发展目标进程。

我们也热烈欢迎两位女士加入董事部。郑秀仙女士出任执行董事，Puan Sabarina Binti Harun 则出任独立非执行董事。凭借她们的丰富经验与独到见解，我们深信她们将为集团的下一阶段成长带来宝贵的战略视角与助力。

我们同时也向忠实的股东、尊贵的商业伙伴和眼光独到的客户表示衷心的感谢。他们的信任与支持，激励我们继续实现稳健而可持续的业绩表现。在‘永续增长，创造美好未来’愿景的引领下，我们将致力于打造一个能够长期稳健发展，并为所有股东创造持久价值的企业。

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 63



MALE

Lim Peng Cheong is a Chairman and 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 58



MALE

Lim Peng Jin is currently the Managing Director/Chief Executive Officer 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 Program 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 53



FEMALE

Jesselyn Chang Siew Sian is an Executive Director of the Company. She was appointed to the Board on 12 March 2025. She is also a member of the Risk Management Committee.

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.

Board of Directors

WONG CHIN MUN*Senior Independent Non-Executive Director***MALAYSIAN****AGE 81****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 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.

DATO' NOORIZAH BINTI HJ ABD HAMID*Independent Non-Executive Director***MALAYSIAN****AGE 65****FEMALE**

Dato' Noorizah Binti Hj Abd Hamid is an Independent Non-Executive Director of the Company. She was appointed to the Board as a Non-Executive Director on 7 November 2016. She is also the Chairperson of the Board's Risk Management Committee and a member of the Audit Committee and Nomination and Remuneration Committee.

She graduated with a Diploma in Accountancy from MARA Institute of Technology in 1980, and a Bachelor of Science in Business Administration (Finance) and a Master's Degree in Business Administration (Finance and Management) from Central Michigan University, USA, in 1982 and 1984 respectively.

She was formerly an Independent Non-Executive Director of Amanah Mutual Berhad, Maybank Islamic Asset Management Sdn Bhd, PT Lintas Marga Sedaya, a subsidiary of PLUS Expressways International Berhad ("PEIB"), a Senior Independent Non-Executive Director of Mass Rapid Transit Corporation Sdn Bhd ("MRT Corp") and a Chairperson and Director of UKM Holdings Sdn Bhd. She was also formerly a Non-Executive Chairperson and Managing Director/Chief Executive Officer of PEIB, and former Managing Director of PLUS Malaysia Berhad and PLUS Expressways Berhad. Presently, she sits on the Board of Directors of a wholly-owned subsidiary of MRT Corp, Mass Rapid Transit System Sdn Bhd, PNB Merdeka Venture Sdn Bhd, Land & General Berhad and Petron Malaysia Refining & Marketing Berhad.

Board of Directors

CHIN LAM CHOONG*Independent Non-Executive Director***MALAYSIAN****AGE 59****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 Committee and Risk Management Committee.

He graduated with a Higher Diploma in Electrical & Electronic Engineering and 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 cumulated 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.

SABARINA BINTI HARUN*Independent Non-Executive Director***MALAYSIAN****AGE 48****FEMALE**

Puan Sabarina Binti Harun is an Independent Non-Executive Director of the Company. She was appointed to the Board on 17 September 2025.

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.

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.

Prior to joining SIRIM Berhad, Puan Sabarina was the 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").

She is currently the Group Chief Operating Officer at SIRIM Berhad, leading the Project Monitoring Office and Digital Services for SIRIM Group, overseeing the asset management and operations of 10 State offices nationwide and leading 2 Strategic Business Units of SIRIM Group under the developmental and commercial mandates.

Presently, she sits on the Board of Directors of Redtone Digital Berhad and DSR Taiko Berhad as an Independent Non-Executive Director. She is also a member of the Audit Committee and Nomination Committee of Redtone Digital Berhad; and Chairperson of the Audit Committee of DSR Taiko 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 2025.

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 57



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. He is also the Chairman and Non-Independent Non-Executive Director of Scientex Packaging (Ayer Keroh) Berhad.

DATUK ALEX KHAW GIET THYE

Chief Operating Officer - Property



MALAYSIAN



AGE 57



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 65



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.

GAN KOK KHYE

Executive Director - Corporate



MALAYSIAN



AGE 63



MALE

Gan Kok Khye graduated from North East London Polytechnic, London, in 1985 with a Bachelor of Arts (Honours) in Business Studies. He joined Scientex Group in 1988 and has since then held various management positions in the subsidiaries of the Company. For a period from 2016 to 2018, he was assigned to oversee the corporate affairs of the Group. He was appointed as an Executive Director of Scientex's Packaging Division from 2002 to June 2024 and redesignated as an Executive Director of the Corporate Division in July 2024.

Key Management

GOH TIAN CHIN*Executive Director - Packaging***MALAYSIAN****AGE 60****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.

JACKY PHANG YUEN KHANG*Sales and Marketing Director - Property***MALAYSIAN****AGE 44****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 32****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 47****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 and the Executive Director of Scientex Packaging (Ayer Keroh) Berhad since July 2022.

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 2025.

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 present in the current economic climate and industry landscape.

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.

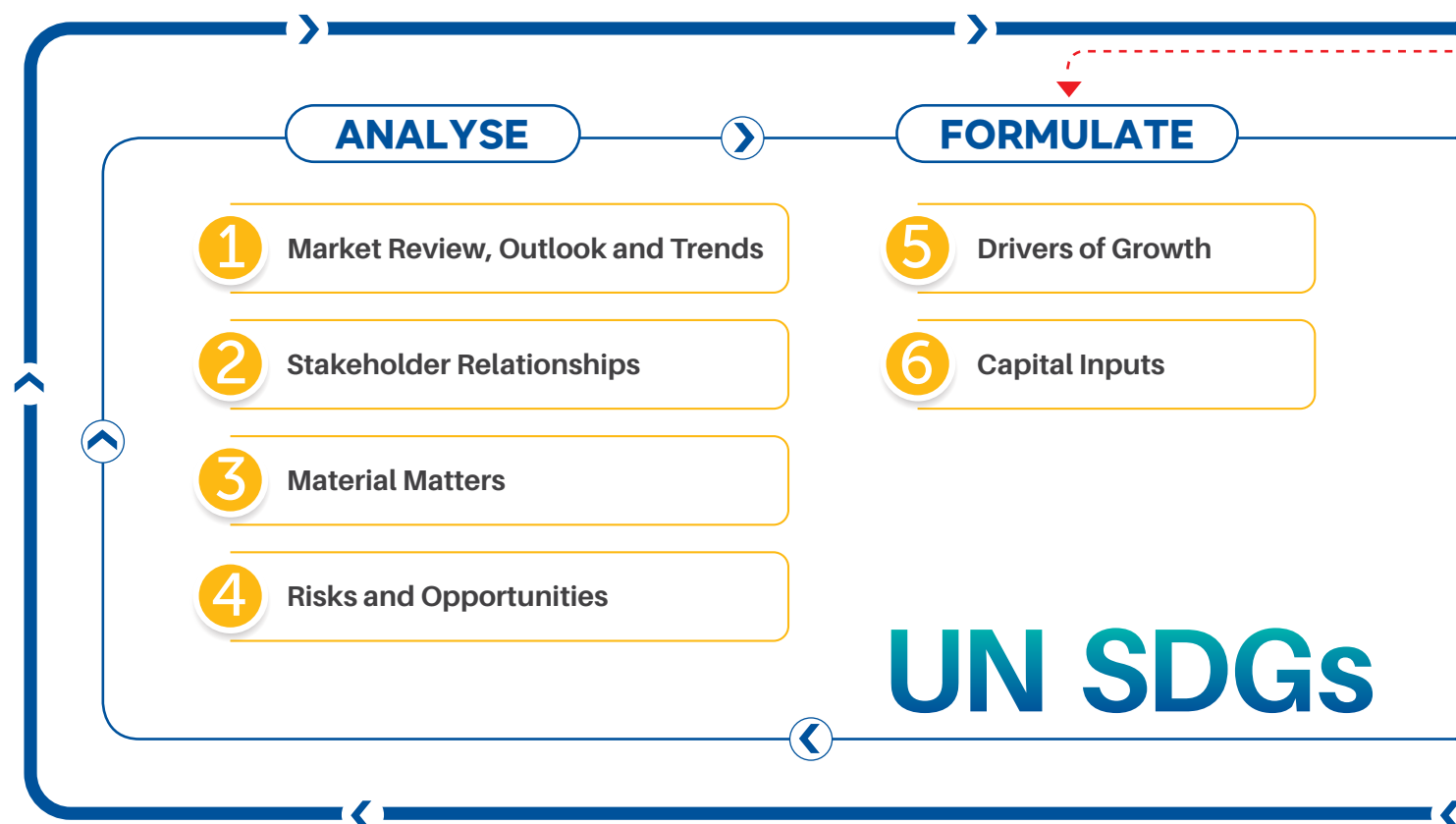
Execution of these strategies has been embedded within the structured business processes of our Packaging and Property Divisions, with a focus on advancing our vision of 'Sustainable Growth, Better Tomorrow' while generating economic value that we reinvest to drive continuous improvements in our operations.

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 2025.

Our Value Creation Story

SCIENTEX VISION

Sustainable Growth, Better Tomorrow



UN SDGs

1 Market Review, Outlook and Trends [p. 40](#)

We study global, local and industry trends to identify external forces 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.



Customers



Suppliers



Investors & Shareholders



Employees



Governments & Regulators



Local Communities

3 Material Matters [p. 44](#)

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



Product Innovation



Product Reliability



Talent Attraction & Retention



Expansion



Community Impact & Development



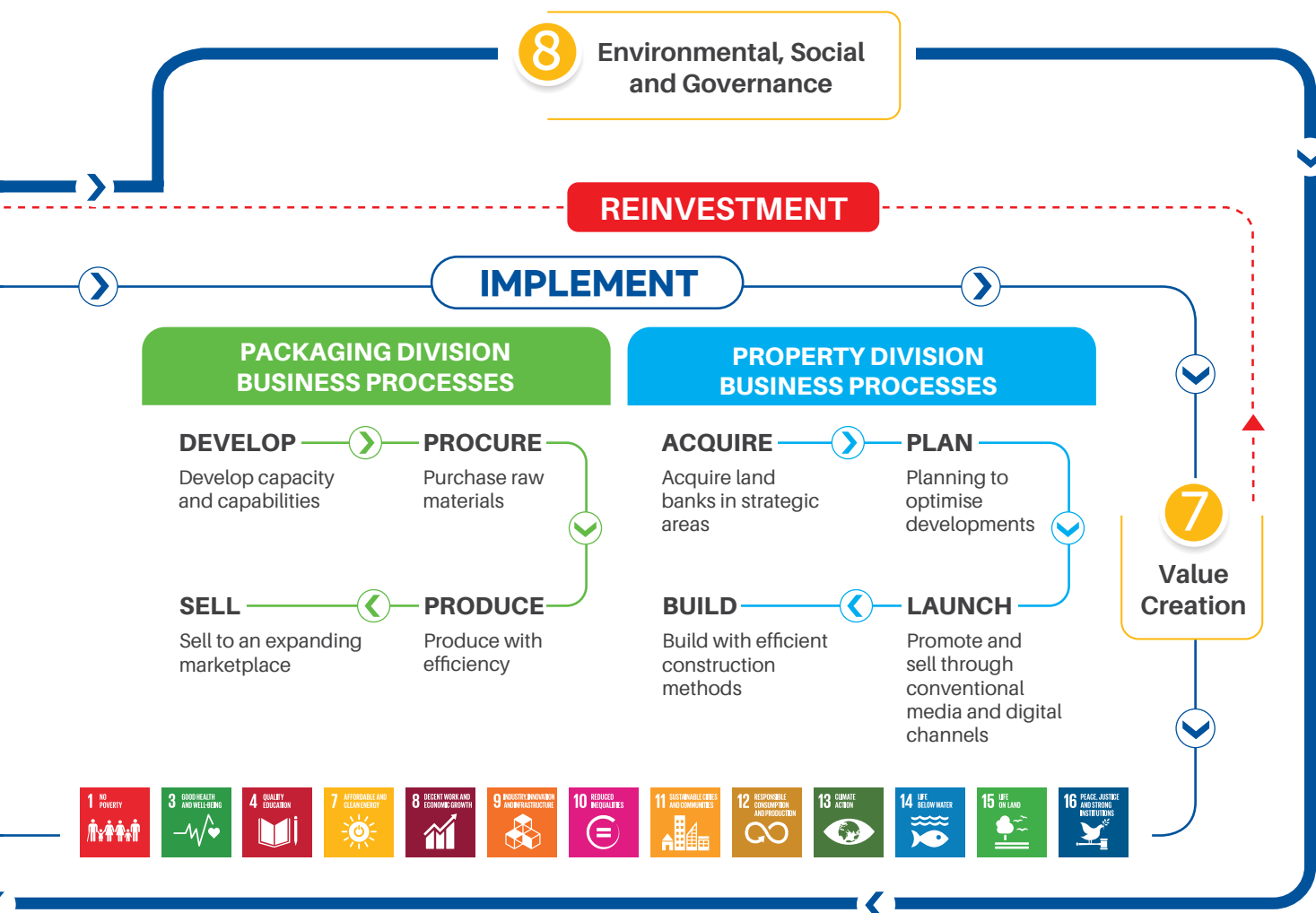
Employee Safety & Health



Governance & Compliance

4 Risks and Opportunities [p. 49](#)

We stay vigilant to the evolving business and industry landscape, including strategic, operational, financial and compliance-related risks and opportunities, to protect our



operational processes, reputation and revenue-generating capabilities.

5 Drivers of Growth [p. 36](#)

Our Drivers of Growth are 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 production 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. This economic value is also recirculated and reinvested to foster continuous improvement across all our capitals.

8 Environmental, Social and Governance

[read our Sustainability Report 2025 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



OUTPUTS

Financial Capital

- Revenue of RM4.52 billion
- Net profit of RM530.8 million
- Net operating cash flow of RM909.1 million
- Earnings per share of 34.1 sen
- Dividend payout of 12 sen per share (including proposed dividend pending shareholders' approval)

Manufactured Capital

- 267,270 MT of packaging products sold
- 14 new machines commissioned
- 3,735 acres of land banks acquired
- 5,840 units of affordable housing completed

Intellectual Capital

- 54 packaging innovations commercialised
- 2 plants certified with the ISO 45001 standard for occupational safety and health
- Continued listing as a constituent company of the F4GBM Index

Human Capital

- 76% of our workforce hired from local communities
- 31,882 hours of employee training conducted
- Zero work-related fatalities reported
- RM319.7 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
- RM171.4 million in income taxes paid

Natural Capital

- 7.9% of recycled resin used in our manufacturing operations
- ISCC PLUS certifications obtained by 8 of our manufacturing plants
- 9.3% reduction in Group-wide GHG emissions
- 1.0% reduction in the proportion of non-hazardous waste relative to output

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 the 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:
 - An effective rewards systems, career progression plan and employee training programme
 - 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 plastic 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 gained 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 three core drivers – Capacity, Efficiency and Product Value – each playing a vital role in enhancing our long-term competitiveness and reputation. By directing our investments and innovation efforts towards driving improvement in each of these three areas, we make progress towards meeting our growth targets and fulfilling our corporate vision.

OUR VISION

Sustainable Growth, Better Tomorrow

CAPACITY

Increasing production capacity and sales volume

- Actively exploring potential mergers and acquisitions to tap into new markets and benefit from synergies with other organisations
- Expanding our acquisition team to source for suitable land banks, thus boosting our capacity to grow 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 that is aligned with our long-term goals

EFFICIENCY

Improving production and construction efficiencies

- Embracing advanced production technologies and methods, such as automation (Packaging Division) and IBS (Property Division)
- Implementing process innovations to improve time and cost efficiency in production
- Standardising our processes to boost efficiency
- Centrally procuring raw materials to drive economies of scale, while using a 'just-in-time' purchasing strategy to reduce 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 our consumers' 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 in 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 solutions for addressing their needs. These insights inform our materiality determination process, which in turn shapes our business and sustainability strategies to promote shared and sustainable value.

Stakeholders	Why We Engage	How We Engage	How We Address Their Expectations
 Customers	A strong emphasis on comprehending the evolving needs of our customers and the latest trends in the market 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.	<u>Packaging Division</u> • The Scientex corporate website • Customer feedback channels • Regular meetings and plant visits • Collaborations in product development • Product brochures <u>Property Division</u> • Customer feedback channels • Social media platforms • The Scientex corporate website • Marketing campaigns and promotions • Our customer service offices	<u>Packaging Division</u> • Working closely with our 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 our customers' sustainability requirements by providing a wide range of sustainable packaging solutions • Ensuring continuous and open communication channels between our customers, technical staff and sales teams • Managing ESG risks and opportunities by adhering to established frameworks and policies, and attaining globally recognised certifications  Read more Operational Review - Packaging Division > p. 61 Product Innovation > p. 38 of our Sustainability Report 2025 Environmental Compliance > p. 62 of our Sustainability Report 2025 <u>Property Division</u> • 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, especially middle-to-lower-income groups • Advertising our latest launches, events and promotions via traditional and digital marketing channels to expand our customer reach  Read more Operational Review - Property Division > p. 67 Providing Affordable Housing > p. 35 of our Sustainability Report 2025

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 our product quality, meeting production timelines, and helping us identify and address operational risks proactively. Moreover, these interactions serve as an important platform to encourage the adoption of sustainable and ethical business practices that align 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 resilience - 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 offering timely feedback to help suppliers improve their service standards and stay aligned with our evolving business requirements <u>Sub-contractors and construction material suppliers</u> - Holding regular meetings to harmonise construction schedules and share material demand forecasts, ensuring smoother and more coordinated project execution - Performing periodic reviews and providing constructive feedback to help them continuously improve the quality of their goods and services
 Investors & Shareholders	Upholding transparency in disclosing both 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 our business growth and expansion ambitions.	- 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 - Establishing internal and external investor relations teams to ensure effective shareholder communication - Delivering consistent capital appreciation and robust dividend payouts - Reinvesting our earnings back into our business to drive continuous improvement, enhance our capitals and accelerate the creation of long-term shareholder value - Strengthening our environmental and community-focused initiatives and regularly sharing progress updates
 Employees	Consistently engaging with our employees provides us with 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 a culture of open communication between employees and their 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 the provision of various medical benefits and health talks

Key Stakeholder Engagement

Stakeholders	Why We Engage	How We Engage	How We Address Their Expectations
 Governments & Regulators	We maintain active engagement with governmental and regulatory authorities to stay informed about evolving regulatory requirements. This enables us to craft strategies that deliver shared value for our business and the countries where we operate. Moreover, these engagements enhance 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	 Read more Occupational Safety and Health > p. 70 of our Sustainability Report 2025 Empowering Our People > p. 76 of our Sustainability Report 2025
			- Developing affordable housing solutions tailored to local community needs, aligning with 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 on legal and regulatory developments - Contributing to Malaysia's economic growth by generating foreign currency receipts from exports and fulfilling our tax obligations  Read more Responsible Business Conduct and Governance > p. 32 of our Sustainability Report 2025 Economic Value Contributed > p. 45 of our Sustainability Report 2025
 Local Communities	Through active engagement with our local communities – who represent both our consumers and the majority of our workforce in the Packaging and Property Divisions – we gain valuable insights into their needs and preferences. This understanding informs the ongoing 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 ample opportunities for career advancement to local community members - Expanding our affordable housing projects across Peninsular Malaysia and neighbouring countries to serve a broader segment of middle-to-lower-income populations - Developing integrated townships that feature diverse services, commercial zones for job creation and enhanced connectivity to major urban centres, thereby strengthening community resilience and improving quality of life - Implementing environmental and social impact assessments to mitigate risks associated with our property development activities - Allocating financial resources to support initiatives such as school programmes and environmental projects that promote sustainable living - Executing community engagement initiatives as part of our active contribution to socioeconomic development  Read more Providing Affordable Housing > p. 35 of our Sustainability Report 2025 Empowering Our People > p. 76 of our Sustainability Report 2025 Contributing to Local Communities > p. 82 of our Sustainability Report 2025

Market Review, Outlook and Trends

- Packaging

Our Packaging Division continues to navigate a dynamic global market by focusing on cost efficiency, innovation and sustainability. Through investments in technology and talent that enhance productivity and reduce operating costs, we are strengthening our resilience and setting the stage for long-term growth.

Navigating Market Challenges, Driving Growth

The global packaging market remains challenging, attributed to softened export demand and intensified competition due to overcapacity and pricing, which are placing pressure on the competitiveness of market players. Geopolitical uncertainties, including trade tensions, have further caused challenges in exports, while persistent inflationary pressures have added complexity to the operating environment.

Amidst these headwinds, Scientex persists in proactively implementing strategic responses. Rigorous cost management and enhanced operational efficiency continue to be our priorities, thus ensuring our resilience against market fluctuations. At the same time, product development and innovation remain central, thereby enabling the delivery of customised, value-added, and sustainable packaging solutions that expand our market reach and unlock new opportunities.

To support sustainable and long-term growth, we maintain robust investment in new machinery, talent, and digital transformation, while enhancing our sustainability performance. A key milestone in this journey has been the completion of rooftop solar PV systems at our headquarters and 10 major manufacturing plants. This initiative lowers energy costs, reduces Scope 2 GHG emissions, and reinforces our commitment to embedding sustainability across operations.

Despite the current soft global market conditions, the long-term outlook and recovery for the packaging business remains positive. To further enhance our position for business growth, we diligently evaluate selective merger and acquisition opportunities, particularly those that offer access to new markets or proprietary technologies that complement our existing portfolio.

Stretch Film Market Continues to Grow

The global stretch film market is on a positive growth trajectory, projected to reach an estimated US\$6.68 billion by 2028, reflecting a compound annual growth rate ("CAGR") of 3.4%.¹ This growth is largely driven by the robust expansion in the global shipping and logistics sectors, supported by rising industrial activities in the electronic and electrical sectors as well as the food and beverage ("F&B") segment, which have fueled demand for high-performance stretch

film for packaging. Stretch film remains a critical component for providing secure wrapping to protect goods during transportation and storage.

As one of the leading global stretch film producers, Scientex is well-positioned to capitalise on this growing market. Therefore, we continue to invest in automation in our operations to boost production efficiency and capacity, with the commissioning of our Robotic Stretch Film Plant in Shah Alam, Malaysia. At the same time, our network of manufacturing facilities across Malaysia and the United States of America ("USA") allows us to serve diverse markets with speed, flexibility, and reliability. This has contributed to our resilience, demonstrated by our sales growth despite global trade challenges.

On this note, our strategic decision to establish our manufacturing presence in the USA nine years ago has proven to be timely amid the challenges posed by the current trade tensions. With the ability to serve USA customers directly from our Arizona plant, we are well-positioned to continue strengthening our position in this key market.

Looking ahead, we will continue to invest in automation and advanced machinery to expand our capacity, improve production efficiencies, and enhance the sustainability features of our products, thus ensuring we are well-positioned to capture the rising market demand.

Opportunities Abound in Robust FPP Market

Plastic remains the material of choice for modern packaging, and the flexible packaging market continues to demonstrate resilience and growth. Valued at US\$210.62 billion in 2023, it is projected to reach US\$238.91 billion by 2029, growing steadily at a CAGR of 2.12%.²

Asia-Pacific leads the global flexible packaging market, driven by retail expansion and the demand for organised, convenient packaging solutions, while Europe is set for strong growth, supported by product diversification and the ongoing shift from rigid to flexible formats.

Flexible plastics are particularly critical in the F&B sector, offering a combination of durability, cost efficiency, and lightweight versatility. Their high-barrier properties protect perishables from moisture and humidity, extending shelf life and reducing spoilage. Compared with traditional

Market Review, Outlook and Trends > Packaging

packaging materials such as metal, rigid plastic, and glass, flexible plastics deliver high performance at competitive prices, making them the preferred choice for manufacturers and consumers alike.

Our Packaging Division is well-placed to leverage and capitalise on these growth trends, focusing on delivering practical and innovative market-driven solutions. We prioritise product functionality such as extended shelf life, hygiene, protection and convenience, aligning closely with the needs of F&B and fast-moving consumer goods ("FMCG") manufacturers. Additionally, we co-create packaging solutions with our customers, tailoring innovations to their product and market needs while ensuring practicality, commercial viability and speed-to-market, subsequently strengthening our partnerships.

With our plants across Peninsular Malaysia specialising in serving the consumer packaging segment – particularly F&B, healthcare, personal care, and pet food – we are equipped to meet growing demand and continue advancing flexible packaging solutions for diverse industries.

Prospects in Plastic Circularity

The global sustainable FPP market, particularly recyclable solutions, is set to expand further as consumer awareness and industry demand continue to grow. The New Plastic Economy Global Commitment, launched in 2018 by the Ellen MacArthur Foundation and United Nations Environment Programme ("UNEP"), has gained broad support from over 500 signatories, while Malaysian government initiatives such as the 12th Malaysian Plan 2021-2025 ("RMK-12") and Malaysia Plastics Sustainability Roadmap ("MPSR") 2021-2030 reinforce the country's commitment to plastic sustainability.

These global and national commitments not only shape regulatory expectations but also open avenues for industry players to accelerate innovation and collaboration in sustainable FPP. In line with this, we have integrated sustainability into our core strategies, partnering with brand owners to co-develop recyclable solutions that uphold performance standards while advancing shared sustainability agendas. We have also introduced products incorporating PIR or PCR resin to further support circularity in the plastic sector.

To support our ambitions in this area, we continue to reinvest in our operations, enhancing our capabilities, capacity, and technology to drive innovation in sustainable packaging. Our ISCC PLUS-certified facilities enable us to deliver environmentally responsible solutions while contributing

meaningfully to the circular plastic economy. Through these efforts, we reinforce our position as a leader in sustainable manufacturing, both locally and globally, shaping a more circular future for the industry.

Sources:

1. *Global and United States Stretch Film Packaging Market Report & Forecast 2022-2028 | Market Research Report | May 2022*
2. *Flexible Packaging Market – Global Outlook & Forecast 2024-2029 | Market Research Report | November 2024*

Market Review, Outlook and Trends

- Property

Our Property Division operates in a favourable landscape, underpinned by steady demand, rising consumer confidence, and government policies that support homeownership. By aligning our development strategies with economic trends and evolving market needs, we are well-positioned to deliver an increasing number of affordable homes across key regions in the years ahead.

Sustained Confidence in the Property Market

The Malaysian property market remains resilient, driven by steady demand for affordable housing, strong take-up rates, and supportive government policies that improve access to homeownership. The post-pandemic economic recovery, rising Gross Domestic Demand ("GDP"), and growing consumer confidence have created a favourable environment for property demand across key regions.

To capitalise on these conditions, we continue to enhance operational efficiency through IBS techniques, optimised land use, and bulk procurement of construction materials. These initiatives allow us to deliver projects that balance cost efficiency, speed, and quality – three principles central to our Property Division – while reinforcing buyer confidence in well-designed, affordable homes.

The performance of our new projects reflects the success of this approach. Healthy take-up rates for new launches in Johor, Melaka, Selangor, Perak, Penang, and Kedah underscore sustained demand for affordable housing. Guided by this strong demand, we remain on track to roll out subsequent development phases as planned.

Johor remains a standout growth market, underpinned by improved connectivity via the Johor Bahru-Singapore Rapid Transit System ("RTS") Link and government initiatives such as the Johor-Singapore Special Economic Zone ("JS-SEZ") and Forest City Special Financial Zone ("SFZ"), which are set to spur investments, job creation and population growth, thereby supporting housing demand. Building on this favourable outlook, we further expanded our presence in Johor with the acquisition of 350 acres of land in FY2025, bringing our total land bank in the state to 3,767 acres, of which 1,390 acres are to be developed.

Beyond Johor, we secured major land acquisitions across other key growth regions in Peninsular Malaysia, acquiring a total of 3,735 acres in FY2025. These strategic additions strengthen our development pipeline, support future launches, and provide long-term growth visibility for the Property Division.

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

A Favourable Economic Outlook

Malaysia's economic recovery continues to support strong property market demand. GDP expanded 4.4% in H1 2025, accompanied by a 5.3% increase in household spending and sustained momentum in the construction sector in Q2 2025, which recorded double-digit growth for the sixth consecutive quarter, driven in part by a 12.2% rise in residential building activity.¹

The labour market has also strengthened, with the unemployment rate easing slightly to 3% in Q2 2025 from 3.1% in Q2 2024, alongside a steady increase in employment.¹ This reflects greater income stability and growing consumer confidence, enabling more households to consider homeownership and supporting the ongoing demand for affordable housing. The continued growth in residential construction further reinforces this positive outlook.

In addition, the July 2025 reduction of the Overnight Policy Rate ("OPR") from 3.00% to 2.75%² has improved home loan affordability, complementing our rollout of new affordable housing projects across key growth regions. Coupled with strong buyer demand and our expanding land bank, this creates a favourable environment for our Property Division to continue delivering quality affordable homes.

Stable Demand Persists for Affordable Housing

Market activity in Malaysia remains stable and continues to favour affordable housing. In 2024, residential transactions rose 4.0% to 260,516 units, with total transaction value increasing 5.9% to RM106.92 billion from 2023. Selangor remained the top contributor with 21.6% of volume (56,167 units) and 29.6% of value (RM31.68 billion), followed by Johor at 16.3% of volume (42,565 units) and 19.3% of value (RM20.64 billion).³

Market Review, Outlook and Trends > Property

Property Market Report 2024 – Number of Residential Property Transactions by Sub-Sector and Price ³		
Time Period & Price Range	Units	
Jan - Dec	2023	2024
100,000 & Below	38,183	40,711
100,001 - 200,000	46,487	48,542
200,001 - 300,000	47,683	47,553
300,001 - 400,000	35,576	36,235
400,001 - 500,000	26,825	27,670
500,001 - 600,000	15,450	16,575
600,001 - 700,000	11,456	11,322
700,001 - 800,000	7,720	7,981
800,001 - 900,000	5,035	5,976
900,001 - 1,000,000	3,321	3,644
1,000,001 & Above	12,850	14,307
Total	250,586	260,516

Homes priced RM300,000 and below accounted for 52.5% of transactions, followed by homes in the RM300,001 to RM500,000 price range at 24.5%. Meanwhile, terraced houses were the most sought-after property type, representing 43.1% of sales. Residential overhang also improved in 2024, declining to 23,149 units valued at RM13.94 billion, down 10.3% in volume and 21.2% in value from 2023.³

These figures underscore a stable and resilient demand for affordable landed properties in Malaysia, in line with our business objectives. To support this, we will continue expanding our presence through strategic land bank acquisitions across seven states in Peninsular Malaysia, enabling us to deliver quality affordable housing developments that meet the needs of growing communities.

Government Initiatives Continue to Support Homeownership

National housing policies remain a key driver in strengthening affordability and expanding access to homeownership in Malaysia. Under RMK-12, 500,000 affordable homes are targeted by 2025, with a further one million units planned under the 13th Malaysia Plan ("RMK-13") between 2026 and 2035.

Complementing these policy targets, targeted financial incentives have been introduced to ease the path to homeownership, particularly for first-time buyers. Full stamp duty exemptions apply to residential properties priced up to RM500,000 for Sales and Purchase Agreements ("SPA") signed by 31 December 2025. In addition, tax relief on housing loan interest is available for SPAs executed from 1 January 2025 to 31 December 2027, up to RM7,000 per year for properties priced RM500,000 and below, and up to

RM5,000 per year for properties between RM500,001 and RM750,000.

In tandem, dedicated governmental programmes are broadening inclusion by supporting vulnerable groups. In 2025, the Housing Credit Guarantee Scheme ("HCGS") allocated an additional RM10 billion to provide government-backed loans of up to RM500,000, specifically targeting first-time home buyers in the gig economy, informal sector and rural communities. Since its inception, the HCGS has approved RM12.8 billion in financing, enabling more than 57,000 Malaysians to own homes.⁴

We are confident that these various government initiatives to improve access to financing will drive greater homeownership among middle-to-lower-income individuals, supporting our goal of delivering 50,000 affordable homes by 2028.

Sources:

1. *Malaysian Economics Statistics Review*, Vol. 8 | 2025 | Statistics Department Malaysia | August 2025
2. *Monetary Policy Statement* | BNM | July 2025
3. *Property Market Report 2024* | NAPIC
4. *Budget 2025 Speech* | Ministry of Finance | 18 October 2024

Our Material Matters

Drawing on insights gathered from stakeholder feedback and our internal analysis, we pinpoint key matters that shape our ability to generate value over the short, medium and long term for both our business and communities we serve. These material matters guide our approach to managing potential risks and seizing emerging opportunities.

Through our established materiality assessment process, we have identified seven critical matters with the greatest potential to influence our business and stakeholders. Details of this process and the matters identified are described below, with insights into our perspectives and actions shared on the following pages.

THE MATERIALITY DETERMINATION PROCESS

IDENTIFICATION

We integrate stakeholder feedback with the outcomes of our internal analyses to identify matters that may impact the Group's financial and non-financial performance. These are done within the context of the Six Capitals of the <IR> Framework.

EVALUATION AND PRIORITISATION

By carefully assessing the significance of these topics and considering their known or potential impact on value creation for our business and stakeholders, we are empowered to ascertain the material matters that should be prioritised.

DISCLOSURE

We conduct an intensive exercise to determine the relevant information to disclose within the scope and boundary of each key material matter, which subsequently ensures the thoroughness 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

Providing performance-linked rewards and upskilling opportunities drives workforce development, impacting product value and supporting our long-term growth objectives



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

Placing community well-being and needs at the centre of our initiatives allows us to generate meaningful social value alongside business growth



Employee Safety & Health

Ensuring a safe and healthy work environment preserves regulatory compliance, safeguards employee welfare, and protects the stability of our business



Governance & Compliance

Upholding robust governance systems and vigilantly adhering to applicable laws and regulations promotes operational excellence, ensures effective oversight and enhances our reputation

Our Material Matters

Material Matters	Capitals, Stakeholders and Drivers of Growth Impacted	Description
 Product Innovation	<u>Capitals Impacted:</u>     <u>Stakeholders Involved:</u>   <u>Drivers of Growth Impacted:</u>   	• Innovation boosts 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 to sustainability and the circular plastic 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 2025
 Product Reliability	<u>Capitals Impacted:</u>   <u>Stakeholders Involved:</u>   <u>Drivers of Growth Impacted:</u>   	• Our customer-centric approach is built on consistency, reliability and a strong focus on quality • We adhere to international best practices, especially in critical areas of our two core businesses, with most 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 top-notch 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	<u>Capitals Impacted:</u>   <u>Stakeholders Involved:</u>  <u>Drivers of Growth Impacted:</u>   	• Attracting, developing and retaining a skilled workforce is fundamental to driving our human capital and innovation strategies, fueling our Drivers of Growth • As a responsible employer, we uphold full compliance with employment laws and regulations across all jurisdictions • We provide competitive remuneration packages and impactful talent development opportunities to attract and retain high-quality professionals • We offer performance-based bonuses to incentivise our 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 resilient and sustainable workforce that supports our growth while supporting community progress 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. 70 of our Sustainability Report 2025 Empowering Our People > p. 76 of our Sustainability Report 2025
 Expansion	<u>Capitals Impacted:</u>      <u>Stakeholders Involved:</u>     <u>Drivers of Growth Impacted:</u>   	• Our ongoing expansion efforts are centred on increasing our production capacity, property land bank and customer base, in support of our vision: Sustainable Growth, Better Tomorrow • Guided by our 'Cross Border Development Strategy', our Property Division actively explores new locations within Peninsular Malaysia to provide affordable housing to a broader cross-section of local communities • To date, we have secured over 11,000 acres through strategic land acquisitions, enabling us to scale our affordable housing developments in response to growing demand • 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 via strategic acquisitions, land bank expansions and organic expansions  Read more Operational Review - Packaging Division > p. 61 Operational Review - Property Division > p. 67 Product Innovation > p. 38 of our Sustainability Report 2025

Our Material Matters

Material Matters	Capitals, Stakeholders and Drivers of Growth Impacted	Description
 Community Impact & Development	<u>Capitals Impacted:</u>   <u>Stakeholders Involved:</u>   <u>Drivers of Growth Impacted:</u>  	• As encapsulated by our vision, we strive to harmonise our business objectives with the well-being of our people and planet • Innovations in our Packaging Division deliver tangible benefits such as improved protection, convenience, hygiene and safety, while also reducing food waste • Our sustainable packaging solutions actively 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 encapsulates our drive to create meaningful and lasting impacts for more Malaysian families • Our planned developments are designed to offer 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 such as regular 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 collaborating with local suppliers wherever possible  Read more Key Stakeholder Engagement - Local Communities > p. 39 Providing Affordable Housing > p. 35 of our Sustainability Report 2025 Product Innovation > p. 38 of our Sustainability Report 2025 Empowering Our People > p. 76 of our Sustainability Report 2025 Contributing to Local Communities > p. 82 of our Sustainability Report 2025
 Employee Safety & Health	<u>Capitals Impacted:</u>   <u>Stakeholders Involved:</u>   <u>Drivers of Growth Impacted:</u>  	• Safeguarding the safety and health of our valued employees is a core priority throughout our operations, reinforcing our reputation as an employer of choice • 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 sets clear standards and purpose-fit 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 on safety matters through employee involvement initiatives and encourage proactive incident reporting • We offer frequent occupational safety and health training programmes to keep our workforce informed of the latest best practices • Our employees benefit from regular sessions on physical and mental health topics, complemented by free health screenings, to support early detection and treatment of certain diseases

Our Material Matters

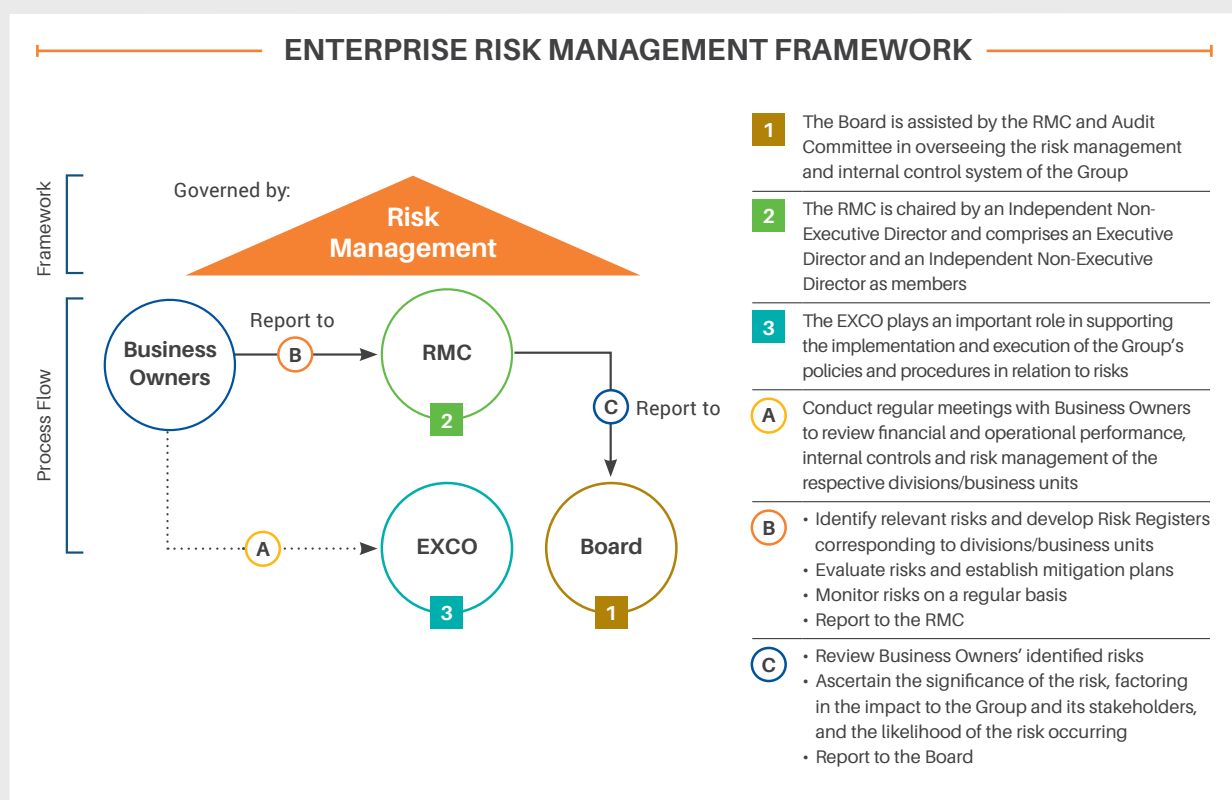
Material Matters	Capitals, Stakeholders and Drivers of Growth Impacted	Description
 Governance & Compliance		 Read more Occupational Safety and Health > p. 70 of our Sustainability Report 2025 Read our full suite of Group-wide policies on our corporate website
	Capitals Impacted:    Stakeholders Involved:     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, concurrently remaining vigilant against 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. 89 Key Risks and Mitigation – Compliance > p. 53 Responsible Business Conduct and Governance > p. 32 of our Sustainability Report 2025 Read our full suite of Group-wide policies on our corporate website

Key Risks and Mitigation

Our Enterprise Risk Management ("ERM") Framework integrates risk awareness into daily activities across our diverse business operations. Guided by the ISO 31000:2018 Risk Management – Guidelines, this framework empowers leaders at all levels to proactively identify and address risks that could impact our business and stakeholders.

We adopt a decentralised approach to risk management, assigning responsibility to respective management teams across all divisions and business units, known as Business Owners. These Business Owners are responsible for identifying risks specific to their operational contexts, crafting effective mitigation plans and closely tracking their implementation status thus ensuring risks are managed effectively and swift actions are taken to reduce potential impacts.

This structure is reinforced by a governance system comprising the EXCO and our Risk Management Committee ("RMC"). The EXCO ensures the Group's risk management policies and procedures are implemented consistently across the organisation. Meanwhile, the RMC manages the overall framework, evaluates its effectiveness, and consolidates reports from respective Business Owners on identified risks and mitigation measures, highlighting their observations to the Board for strategic decision-making.



Risk Identification

Identify risks from the operating environment

Risk Assessment

Analyse the likelihood and assess the potential impact of risks

Risk Evaluation

Evaluate existing controls of risks to derive risk ratings

Risk Treatment

Establish risk controls and action plans

Risk Monitoring and Reporting

Review, monitor and report the action plan implementation progress

Key Risks and Mitigation

OUR IDENTIFIED RISKS AND MITIGATION PLANS

Governed by our robust ERM Framework and close collaboration with our Business Owners, we have identified eight key risks that are most significant to our business operations. These risks, along with related opportunities, are grouped into four categories – Strategic, Operational, Financial and Compliance – and are described in detail below.

Risks/Opportunities	Description	Mitigation Plans
 Environmental Issues Includes: • Climate Change • Biodiversity • Pollution (Air, Water & Land) • Waste Management • Natural Resource Utilisation • Water Security <u>Risk Category:</u>  Strategic <u>Material Matters Impacted:</u>  	<u>Risks:</u> 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, as Malaysia advances toward a low-carbon or net-zero economy • Additional costs incurred to comply with evolving regulations related to sustainable waste management Physical Risks • Project and production delays, stranded assets and potential damage to inventories resulting from increasingly extreme weather events driven by climate change <u>Opportunities:</u> • Developing environmentally friendly products and solutions to meet rising customer demand for sustainable alternatives, thus positioning ourselves as a market leader • Leveraging on suppliers' efficient machinery and production technology, enabling us to enhance our core competencies, lower operational costs and promote sustainability throughout our value chain	• 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 2025  Responsible Waste Management > p. 48 of our Sustainability Report 2025  Optimising Consumption of Materials > p. 53 of our Sustainability Report 2025  Reducing Energy Consumption and Emissions > p. 57 of our Sustainability Report 2025  Environmental Compliance > p. 62 of our Sustainability Report 2025

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: The growing demand for environmentally friendly products enables us to innovate sustainable solutions and enhance operational efficiency, helping us differentiate ourselves and stay in tune with shifting market trends	• 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 • Embracing digital channels and streamlined online processes to promote our developments and facilitate property transactions, ensuring broader outreach to our target audience
 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 • 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  Product Innovation > p. 38 of our Sustainability Report 2025  Occupational Safety and Health > p. 70 of our Sustainability Report 2025  Empowering Our People > p. 76 of our Sustainability Report 2025

Key Risks and Mitigation

Risks/Opportunities	Description	Mitigation Plans
 Cybersecurity <u>Risk Category:</u>  Operational <u>Material Matters Impacted:</u>  	<u>Risks:</u> - 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 <u>Risk Category:</u>  Operational <u>Material Matters Impacted:</u>  	<u>Risks:</u> - 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 <u>Opportunities:</u> - 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 - Ongoing innovation in raw material usage and application – including adopting alternative, substitute or recycled materials – reduces costs, enhances product sustainability and decreases dependence on single-source suppliers	- Continuous close monitoring of raw material prices and stock levels to anticipate supply and demand changes, enabling prompt market responses - Centralising our raw material procurement to maximise economies of scale, reduce costs, and manage daily price fluctuations effectively, thereby enhancing production planning and ensuring greater stability in input costs - 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 - Leveraging economies of scale to optimise production planning and strategically distribute raw materials among plants as required
 Employee and Contractor Safety & Health	<u>Risks:</u> 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:  Compliance 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 Read more Our Material Matters - Employee Safety & Health > p. 47 Occupational Safety and Health > p. 70 of our Sustainability Report 2025 Empowering Our People > p. 76 of our Sustainability Report 2025
 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
 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 2025

Roadmap Towards Achieving Our Vision

PACKAGING DIVISION

Sustainable
Growth,

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 specific 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 - Specialisation across different factories	- Refine our machine deployment strategies to promote specialisation 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 plastic economy
 SELL	- Strong and established global market presence - Over 55 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

Guided by our vision of 'Sustainable Growth, Better Tomorrow', our strategies are purposefully crafted to create positive contributions to the Economy, Environment, and Society ("EES") while driving the growth of our two business divisions. We consistently leverage and strengthen our competitive advantages across business processes, executing strategic initiatives that balance EES stewardship with the delivery of strong shareholder value.

Better Tomorrow



PROPERTY DIVISION

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 and neighbouring countries
 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	FY2025 RM'000	FY2024 RM'000	Change (%)
Revenue	4,517,709	4,475,599	+ 0.9
Profit Before Tax ("PBT")	735,254	728,883	+ 0.9
Net Profit	530,750	545,209	- 2.7

The Group delivered resilient financial results amidst a mixed business landscape, maintaining a solid financial position that enables us to continue strategically investing in growth opportunities while sustaining healthy performance moving forward.

We preserved our track record of consistent annual revenue growth, achieving our highest-ever revenue of RM4.52 billion and a record PBT of RM735.3 million in FY2025. However, provisions for higher taxes and minority interest allocations resulted in a net profit that was marginally lower than the previous year.

DIVISION FINANCIAL PERFORMANCE OVERVIEW			
Packaging Division	FY2025 RM'000	FY2024 RM'000	Change (%)
Revenue	2,483,771	2,594,478	- 4.3
Operating Profit	149,756	217,990	- 31.3
Property Division	FY2025 RM'000	FY2024 RM'000	Change (%)
Revenue	2,033,938	1,881,121	+ 8.1
Operating Profit	592,308	518,544	+ 14.2

PACKAGING DIVISION

Ongoing challenges in the global packaging market continued to weigh on the Packaging Division's performance in FY2025, with revenue dipping 4.3% to RM2.48 billion. Despite these pressures, sales volume remained steady at 267,270 metric tonnes ("MT").

The operating landscape remained demanding, shaped by intense industry competition, persistent inflationary pressures, foreign currency volatility, and geopolitical tensions. These factors contributed to softer demand from export markets and heightened price competition, placing pressure on margins and resulting in a 31.3% contraction in operating profit.

Against this backdrop, the cost optimisation measures we implemented in preceding years and the current year have proven vital in cushioning the impact of adverse conditions. Through digitisation, automation, and continuous process improvements, we are progressively strengthening operational efficiency, enhancing waste control, and lowering overall costs.

Equally, our ongoing focus on product development and innovation has enabled us to deliver customised, value-added, and sustainable packaging solutions tailored to evolving market needs, supporting our ability to retain all key customers in a highly competitive market. Our strategic presence in Arizona has also reinforced our resilience, allowing us to serve USA customers directly and mitigate risks associated with global trade tensions.

Concurrently, we have progressed steadily in expanding our utilisation of renewable energy. Having completed rooftop solar PV installations across our headquarters and 10 key manufacturing plants nationwide, we are now benefiting from reduced energy costs while lowering Scope 2 GHG emissions. This not only strengthens our long-term cost competitiveness but also makes our products more attractive to sustainability-conscious customers across the value chain.

PROPERTY DIVISION

The Property Division benefitted from a more favourable operating environment in FY2025, with demand for affordable

Financial Performance Review

housing remaining resilient across all markets. Revenue rose by 8.1%, supported by rapid construction progress, higher sales from ongoing projects, and strong take-up rates for new launches.

Effective cost management strategies further strengthened performance, driving a notable 14.2% increase in operating profit. Key initiatives included bulk purchasing of construction materials, wider deployment of IBS techniques, and optimising land use to achieve both cost efficiency and delivery speed. These efforts were complemented by our land acquisition strategy, which emphasises investment in strategic and cost-effective land banks, helping us keep overall development costs under control.

Recent acquisitions in Muar, Bestari Jaya, Jawi, Pulau, Paya Rumpit, and Sungai Petani have significantly bolstered our development pipeline, positioning the Property Division to capitalise on favourable market conditions and sustain growth momentum in the years ahead.

Looking forward, we remain well on track to achieve our Vision 2028 goal of delivering 50,000 affordable homes, and aim to progressively increase annual deliveries to 10,000 affordable homes.

GROUP FINANCIAL POSITION

The Group's financial position remains strong, with total assets rising significantly to RM8.07 billion in FY2025 from RM6.15 billion in FY2024. This increase was driven by several strategic land acquisitions, including parcels in Muar, Jawi, Bestari Jaya, Pulau, Paya Rumpit, and Sungai Petani. Assets were further bolstered by the capitalisation of eight affordable accommodations in Osaka, Japan, new plant and machinery for our packaging plants, and the installation of solar facilities. The consolidation of Hiro Food Packages Manufacturing Sdn Bhd, our new subsidiary, also contributed to the growth in total assets.

Total equity attributable to owners of the Company increased from RM3.78 billion to RM4.12 billion, mainly supported by FY2025 net profit of RM530.8 million and a revaluation surplus of RM10.2 million on land and buildings. These were partly offset by a foreign exchange translation loss of RM26.7 million and dividend payments of RM186.8 million.

GROUP CASH FLOW

Description	FY2025 RM'000	FY2024 RM'000
Net Operating Cash Generated	909,081	859,130
Net Borrowings	1,994,583	680,671
Equity Attributable to Owners of the Company	4,123,902	3,776,195
Net Gearing Ratio (times)	0.48	0.18

The Group continues to record a robust cash position, with net cash from operating activities rising from RM859.1 million in FY2024 to RM909.1 million in FY2025.

In FY2025, cash outflow from investing activities which increased to RM1.96 billion, underscores our deliberate reinvestment into growth, largely channelled towards acquiring development land and enhancing our operational efficiency through new machinery. Meanwhile, net cash inflows from financing activities of RM1.25 billion were mainly from the issuance of sukuk and short-term bank borrowings totalling RM1.50 billion to partly finance the development land purchases. This was offset by dividend payments of RM217.1 million and finance cost payments of RM60.2 million.

While our gearing ratio rose from 0.18 to 0.48 due to the investments in development land, the Group's financial position remains healthy, supported by resilient operating cash flows and prudent capital management.

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 18 July 2025. In addition, the Board has recommended a single-tier final dividend of 6 sen per ordinary share, subject to approval at the forthcoming AGM.

Together, this represents a total dividend of 12 sen per ordinary share for FY2025, amounting to approximately RM186.8 million and equating to 35.2% of the Group's net profit for the current year.

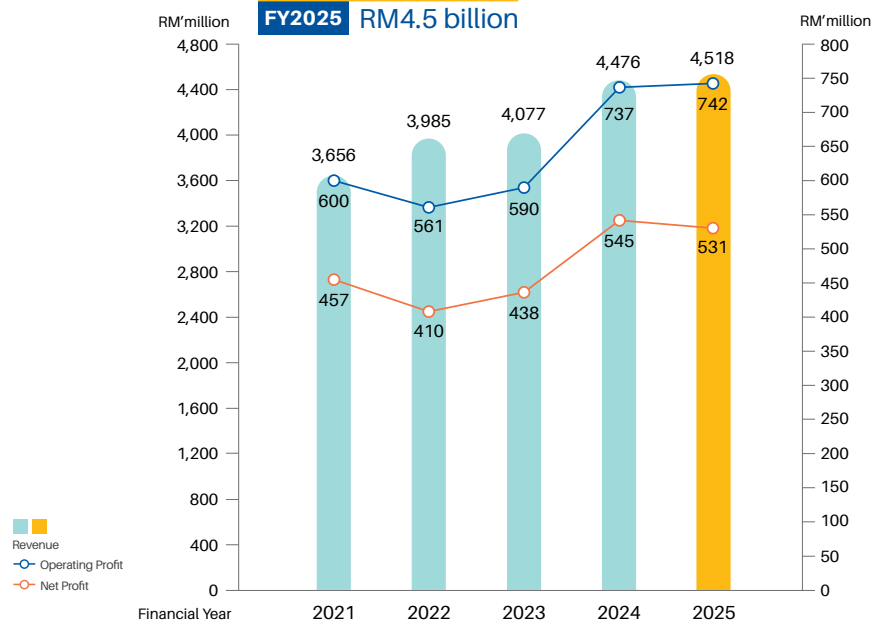
5-Year Financial Highlights

Financial year ended 31 July	2025 RM '000	2024 RM '000	2023 RM '000	2022 RM '000	2021 RM '000
Results					
Revenue	4,517,709	4,475,599	4,076,896	3,985,318	3,655,966
Operating Profit	742,064	736,534	589,598	561,042	600,339
EBITDA	895,625	883,556	726,077	683,207	722,327
Profit Before Taxation	735,254	728,883	568,667	548,307	600,961
Profit After Taxation	565,103	569,185	448,941	432,597	485,776
Net Profit	530,750	545,209	438,141	409,874	457,233
Group Assets					
Non-current Assets	5,520,630	3,754,985	3,438,753	3,582,302	3,159,980
Current Assets	2,548,327	2,398,644	2,066,462	1,892,253	1,939,853
Total Assets Employed	8,068,957	6,153,629	5,505,215	5,474,555	5,099,833
Financed by					
Share Capital	727,244	705,744	705,009	704,799	703,250
Reserves	3,396,658	3,070,451	2,687,209	2,404,797	2,192,413
Equity attributable to owners of the Company	4,123,902	3,776,195	3,392,218	3,109,596	2,895,663
Non-controlling Interests	261,158	235,044	214,127	198,062	201,545
Current Liabilities	2,462,942	1,916,924	1,680,775	1,782,023	1,571,262
Non-current Liabilities	1,220,955	225,466	218,095	384,874	431,363
Total Funds Employed	8,068,957	6,153,629	5,505,215	5,474,555	5,099,833
Performance Indicators					
Earnings Per Share (Sen)	34.13	35.15	28.25	26.43	29.50
Net Dividend Per Share (Sen)	12.00 [#]	12.00	10.00	9.00	9.00
Net Assets Per Share (RM)	2.65	2.43	2.19	2.00	1.87
Net Gearing Ratio (Times)	0.48	0.18	0.20	0.32	0.30
Return on Equity (%)	12.87	14.44	12.92	13.18	15.79
Net Operating Cash Flow (RM'000)	909,081	859,130	804,792	738,288	699,572

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

REVENUE

FY2025 RM4.5 billion

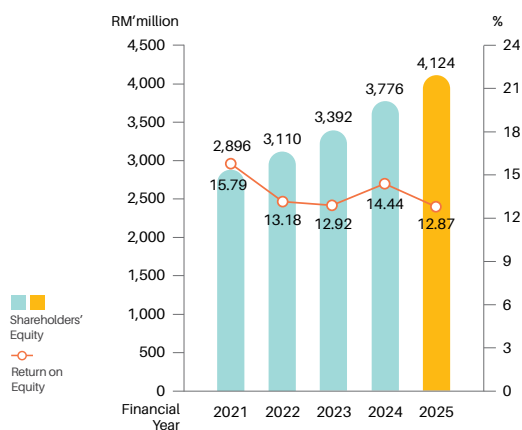


RETURN ON EQUITY

FY2025 12.87%

SHAREHOLDERS' EQUITY

FY2025 RM4.1 billion

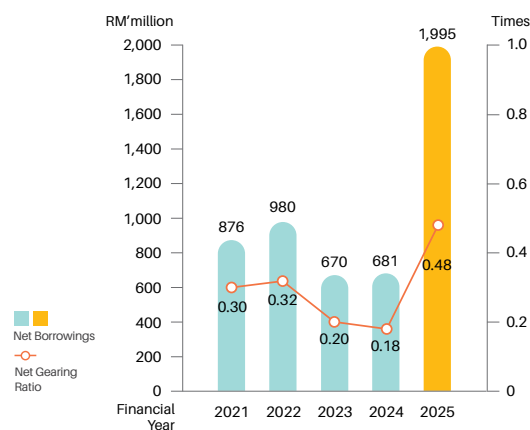


NET GEARING RATIO

FY2025 0.48 times

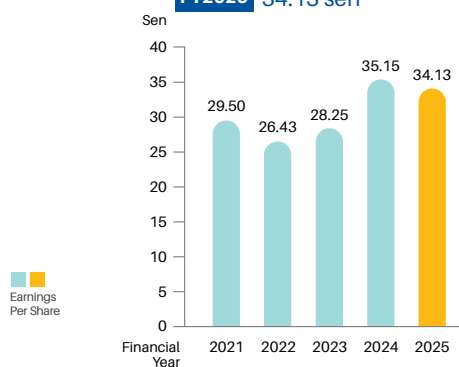
NET BORROWINGS

FY2025 2.0 billion



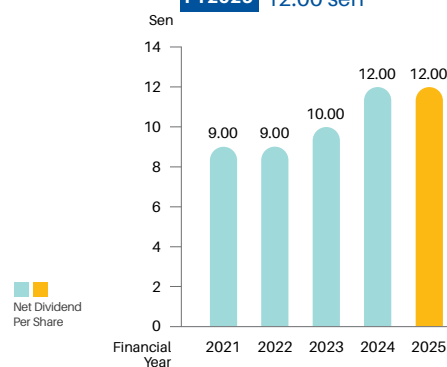
EARNINGS PER SHARE

FY2025 34.13 sen

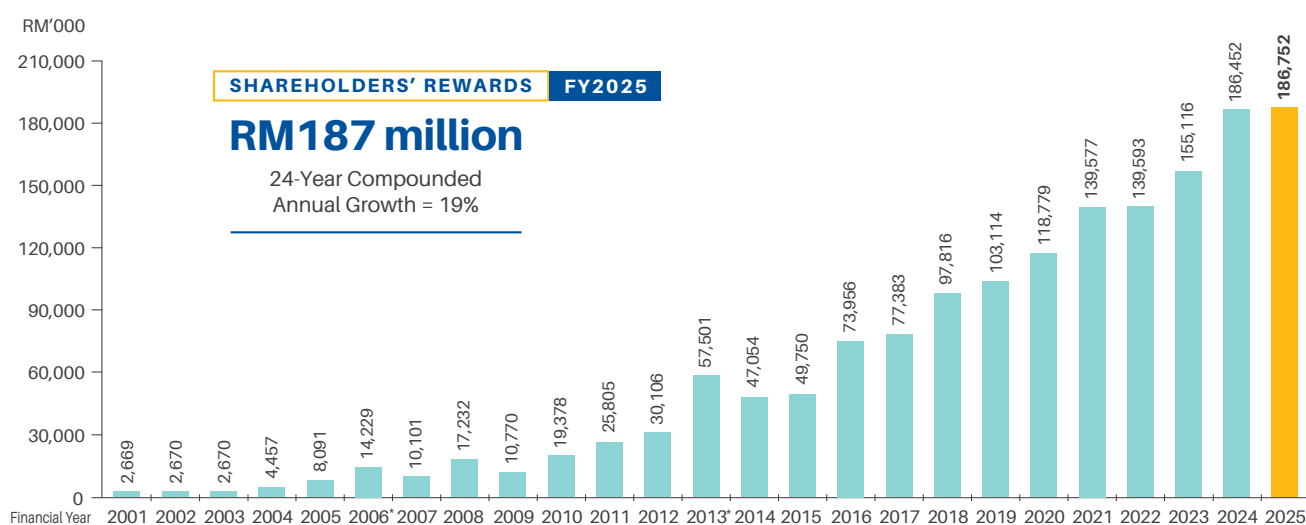
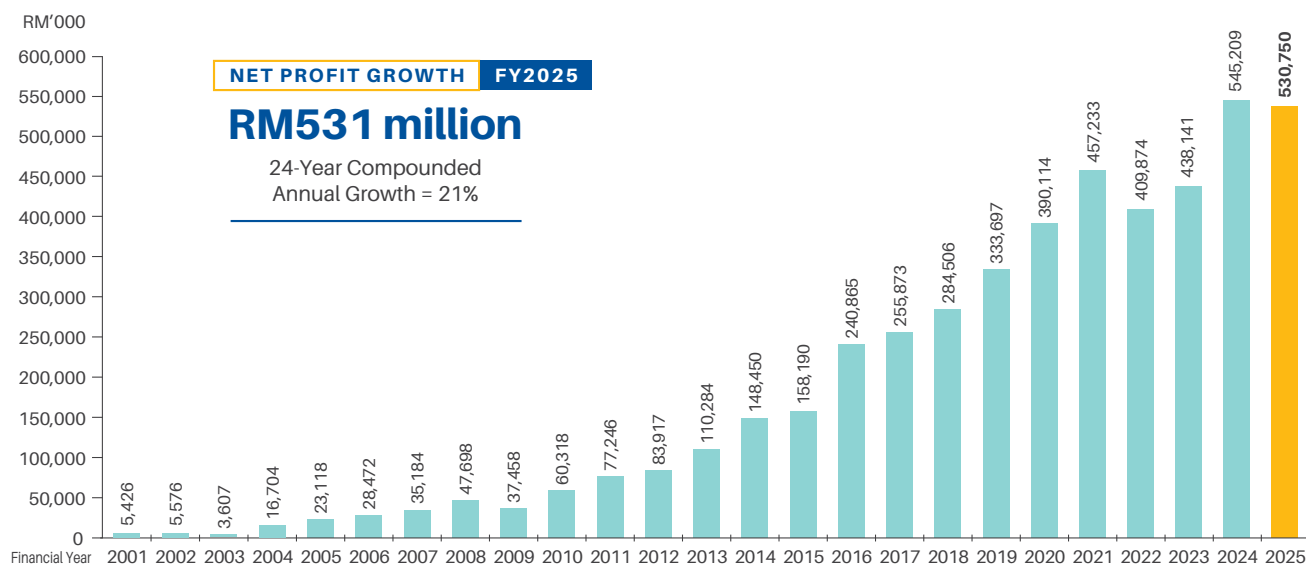


NET DIVIDEND PER SHARE

FY2025 12.00 sen

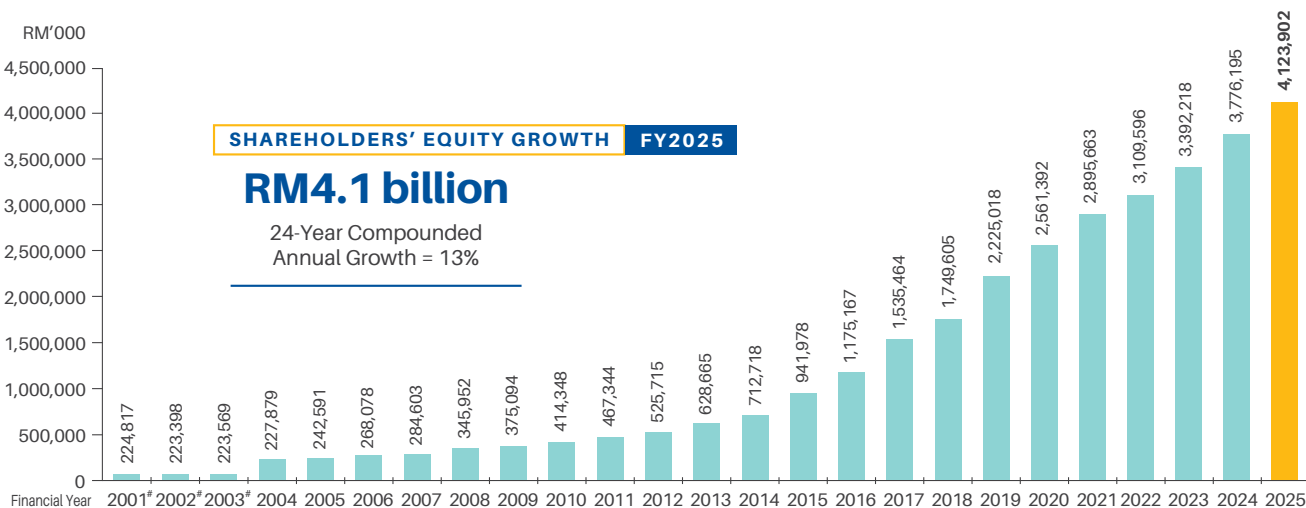


Scientex Performance Record



* Includes a special dividend of RM4.8m in FY2006 and RM22.1m in FY2013.

[†] Includes a single tier final dividend of 6 sen per share proposed for shareholders' approval.

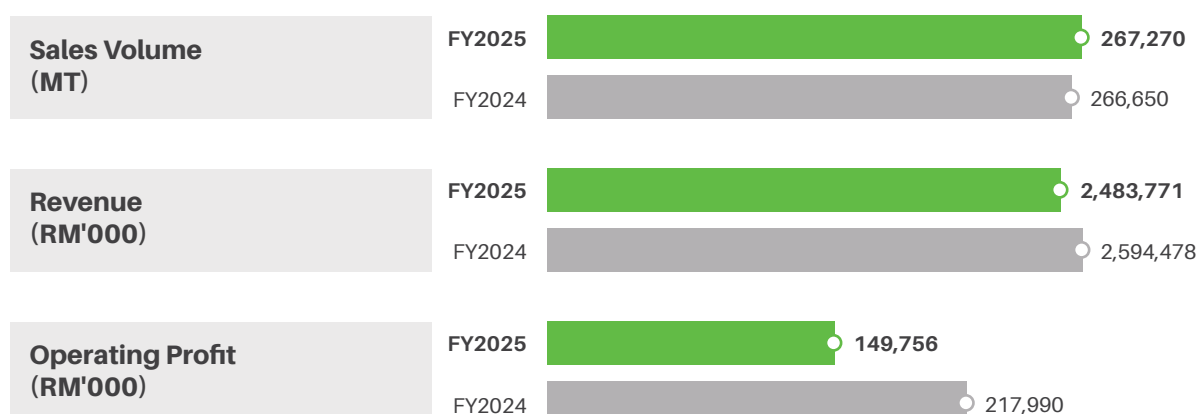


* The figures have been restated for consistency.

Operational Review > Packaging Division

SUSTAINING GROWTH AND BUILDING MOMENTUM AMIDST HEADWINDS

During FY2025, our Packaging Division demonstrated resilience amid intensified competition, cost pressures and market uncertainties. By advancing our six core operational focus areas and driving innovation across industrial and consumer packaging, we strengthened efficiency, enhanced sustainability, and reinforced our foundation for long-term growth.



FY2025 saw our Packaging Division navigate a dynamic and challenging environment, facing headwinds from global economic uncertainties and intense industry competition. Geopolitical tensions, foreign currency volatility, and inflationary pressures further contributed to soft market sentiment and cautious purchasing behaviour.

Our revenue decreased due to these prevailing challenges, while our sales volume remained steady. The heightened competitive pressure placed an additional strain on our margins, which is reflected in the lower operating profit recorded for the year.

However, in looking to the future, the long-term outlook for the packaging sector remains positive. As an integrated packaging producer with synergies in product development and economies of scale, we are well-equipped to capitalise on market opportunities, grow our presence, and navigate ongoing challenges with confidence.

Adhering to Our Operational Focus Areas

In advancing operational stability and business growth, we continue to focus on six key operational areas, identified as the primary enablers of our Drivers of Growth (refer to p. 36 for details). By concentrating on these areas, we are able to expand production capacity, optimise operational efficiency, and enhance the value of our products, thereby strengthening the fundamentals that underpin our long-term operational and financial performance.

Operational Review > Packaging Division

This operational review sets out the FY2025 performance of our Packaging Division, structured around these six focus areas.



FOCUS AREA #1: Unlocking innovation synergies as an integrated FPP producer

As an integrated packaging producer serving both industrial and consumer segments, we continue to leverage our capabilities to unlock synergies across the business. With in-house expertise to design and manufacture FPP structures – from base films to complete customised solutions – we collaborate closely with brand owners to co-develop tailored packaging that meets their functionality, quality, and sustainability requirements.

At the same time, our 'Choose and Focus' strategy sharpens operational efficiency by consolidating the production of similar products, allowing plants to specialise in selected categories. This approach strengthens economies of scale, streamlines processes, enhances cost efficiency, and improves our ability to rapidly respond to market trends.

We also maintain a robust business continuity plan, identifying backup manufacturing facilities to ensure a consistent and uninterrupted supply for our customers.

Through regular review of our operations, we optimise our portfolio by divesting non-core businesses and reallocating resources to areas with higher growth potential. In FY2025, this included ceasing operations in Myanmar, where prolonged challenges limited prospects, while increasing our stake in Hiro Food Packages Manufacturing Sdn Bhd from 30% to 70%, a move that strengthens our position in rigid packaging for the food industry.

Looking ahead, we will continue to diligently evaluate strategic investments that expand market access for our existing products and which provide proprietary technologies that complement our existing portfolio.

FOCUS AREA #2: Product innovations that address industrial and consumer market trends

Our packaging solutions are structured around two main market segments: Industrial and Consumer. In both, we prioritise innovation, developing products that address evolving customer needs while continually expanding our portfolio with industry-leading solutions. This approach strengthens our competitive edge and reinforces our position as a trusted partner in delivering high-performance packaging that meets both market demands and broader business priorities.

In FY2025, we initiated 278 R&D projects and successfully commercialised 54 innovations, demonstrating our continued commitment to advancing value-added solutions across the packaging industry.

Operational Review > Packaging Division



In FY2025, we initiated
278 R&D projects and
successfully commercialised
54 innovations

INDUSTRIAL PACKAGING PRODUCT INNOVATIONS

Our industrial packaging solutions serve a diverse range of sectors, including petrochemical, oleochemical, logistics, and warehousing. We focus on innovations that 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 is a critical component of global logistics, providing secure pallet wrapping to minimise product damage and reduce waste. Recognising the opportunity to improve sustainability in our stretch films, we continually develop solutions that reduce material usage while enhancing performance.

Nano Ultra XE exemplifies these efforts. Certified under EUMOS 40509:2020 by the European Safe Logistics Association, it meets stringent durability standards for road transport. Its highly stretchable design reduces material usage by up to 50% compared with conventional machine wrap films. Building on this innovation, we commercialised a 9-micron stretch film for high-speed wrapping machines in the last financial year, delivering both efficiency and sustainability benefits.

Beyond machine-applied films, we have also innovated in the hand roll segment with the ultra-thin 4.5-micron film featuring a reinforced edge, establishing a leading position in the market while supporting resource efficiency and operational performance for our customers.

> Innovative packaging for sensitive products

Packaging solutions for delicate products must be precisely tailored to their contents, particularly when specific properties are required to ensure protection. One of our leading innovations, VentiFlex, is a heavy-duty, sift-proof packaging solution designed for moisture-sensitive and fine

powder 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 downgauged the packaging to reduce its environmental footprint while maintaining superior performance.

Additionally, we have developed aluminium-plastic composite barrier bags that protect against oxygen, water vapour and odour, extending shelf life for delicate products. Its three-layer design, with aluminium sandwiched between PE films, provides mechanical strength across a broad temperature range, excellent barrier properties and suitability for heat-sealing.

> Industrial products with recycled resin content

We continue to advance the commercialisation of industrial packaging solutions incorporating recycled resin, working closely with our business partners to deliver solutions that meet market requirements while supporting sustainability goals.

A key milestone in previous years was the development of a sustainable coated PP strapping band made entirely from PIR resin recycled from plastic trimmings generated during our metallised and printed film production. We also introduced a low-density polyethylene ("LDPE") collation shrink film with 30% PCR content for the packing of aluminium canned drinks. Building on these achievements, FY2025 saw the commercialisation of new FPP solutions, including a plain LDPE collation shrink film incorporating 30% PIR resin for carbonated drinks in polyethylene terephthalate ("PET") bottles, developed for a leading global F&B brand.



The LDPE collation shrink film incorporating 30% PCR resin for beverages in aluminum cans

Operational Review > Packaging Division

In addition, we established a closed-loop system with our raw material supplier, whereby the FFS packaging used to deliver raw materials to us is collected, recycled, and incorporated into new packaging containing 30% PCR resin. These FFS packages are then supplied back to the supplier for use in their operations, which not only strengthens our customer-supplier relationship but also contributes meaningfully to the circular plastic economy.

CONSUMER PACKAGING PRODUCT INNOVATIONS

In consumer packaging, we fulfil the needs of leading F&B and FMCG brand owners by delivering FPP solutions that combine performance, convenience, resource efficiency, and recyclability. Guided by a strategy of being responsive to evolving market trends, we build strong partnerships with our customers to gain deep insights into their changing needs and expectations. Leveraging these insights and our expertise across the value chain, we consistently develop customised solutions – from initial concept through to final commercialisation – that align with both business objectives and sustainability goals.

> Recyclable alternatives that support our customers' sustainability agenda

As Malaysia's first mover in mono-material laminate packaging, we continue to pioneer solutions that ensure the recyclability of plastic packaging. By leveraging our in-house capabilities and close collaboration with customers, we have expanded the applications of mono-material, multi-layered laminated FPP structures across a diverse range of products, aligning innovation with our customers' sustainability goals.

In FY2025, we furthered these efforts by introducing mono-material, multi-layered laminated FPP structures with metallised properties for snacks, cereals, oats, frozen food, powdered drinks, and chocolate bars, eliminating the need for PET content. These solutions are available in multiple formats, including gusseted bags, pillow pouches, three-side seal pouches, and cold-seal bar wrappers, providing versatility for different product requirements.



A sample of our recyclable packaging solution for frozen food

These new innovations also address specific functional needs. For instance, the chocolate bar wrapper incorporates a cold-seal function, enabling pressure sealing for heat-sensitive products, while ensuring easy opening and supporting faster, more efficient packaging processes. This demonstrates our ability to deliver sustainable solutions that do not compromise performance, convenience, and quality.

> Innovative solutions tailored to customer needs

Beyond advancing sustainability, we work closely with our customers to support their broader business objectives, including cost efficiency and performance optimisation.

We have developed a cost-effective packaging film for high-speed liquid packaging machines, providing a locally sourced alternative to expensive imported films and reducing operational costs for our customers. In FY2025, we also introduced a recyclable mono-material, multi-layered laminated gusseted bag for milk powder, offering an affordable solution while maintaining product performance and sustainability.

In addition, we successfully commercialised ice cream packaging for one of the world's largest F&B manufacturers, featuring a premium decorative finish fully compatible with their packaging machinery. By leveraging our expertise and experience, we met the customer's exacting specifications within a tight deadline, demonstrating our capability to deliver innovative, high-quality solutions that align with both operational and business goals.

Operational Review > Packaging Division

 Consumer packaging with recycled resin content

Using recycled plastic as a key input remains a vital strategy for reducing reliance on virgin resin and advancing the circular plastic economy. Among our innovations, we introduced instant noodle packaging containing up to 90% resin for an Australian client. We also commercialised a kitchen towel packaging solution with 30% PCR content for a multinational brand, alongside a coffee stickpack featuring up to 90% PCR resin for one of the world's largest F&B conglomerates. These initiatives demonstrate our commitment to sustainable innovation while meeting the evolving needs of global customers.

FOCUS AREA #3: Embedding sustainability in our processes **Advancing sustainability through recycling**

Recognising the pivotal role of recycling in our operations, we continue to prioritise the recycling of plastic trimmings and rejected films, investing to expand our recycling capacity and optimise the use of recycled resin. Recent initiatives, including the relocation of our recycling machinery and the redesign of key processes, have enabled the production of higher-quality recycled resin while improving utilisation efficiency.

In FY2025, we installed an in-line recycling unit at one of our plants to capture trimmings directly during blown film extrusion, allowing same-category trimming waste to be recycled into cleaner, more homogeneous, and higher-grade resins for reuse. In the same year, we also invested in a water recycling system at one of our plants, treating wastewater and recycling it back into cooling towers. This initiative reduces freshwater withdrawals from municipal sources and minimises wastewater discharge into the environment.

Achieving and maintaining sustainability certifications remains a priority. Currently, eight of our manufacturing plants hold ISCC PLUS certification, a globally recognised system for tracing recycled materials throughout the supply chain. Furthermore, one plant has achieved Global Recycled Standard ("GRS") certification, providing independent verification of recycled material usage through chain-of-custody auditing.

 Minimising our carbon footprint

Energy efficiency is a key strategy in reducing our carbon footprint, as well as that of our supply chain. We continuously invest in energy-efficient technologies and conduct regular monitoring and maintenance to ensure our machines operate at optimal levels, reducing downtime and energy consumption.

In parallel, we expanded our renewable energy adoption, with rooftop solar PV systems installed across 10 manufacturing plants in Malaysia and our Shah Alam headquarters. In FY2025, these plants began powering our operations with renewable energy, generating a total of 18,240 MWh of electricity from renewable sources, equivalent to avoiding approximately 9,600 MT of CO₂e emissions, and bringing our total installed solar capacity for the Packaging Division to 23.4 MWp.

Harnessing renewable energy for our manufacturing activities reduces reliance on conventional electricity and lowers Scope 2 GHG emissions, while also helping our supply chain reduce its Scope 3 GHG emissions, thereby advancing sustainability across the value 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

As part of our 'Choose and Focus' strategy, we reinvest our resources in areas that align with our business strategy and market demand. This enables us to strengthen our expertise, expand our capacity and advance automation, collectively driving operational efficiency and enhancing competitiveness.

To support this, we continually invest in advanced technologies. In FY2025, we committed RM113.8 million towards new machinery, technological upgrades and factory enhancements and expansions, commissioning 14 new machines to bolster both our capacity and production capabilities.



In FY2025, we invested
RM113.8 million
towards advanced machinery
and technologies, with
14 new machines
commissioned

Operational Review > Packaging Division

These investments in FY2025 include, but are not limited to, automation, recycling, quality inspection systems, and equipment for material testing. These initiatives further support efficient production and enhanced product quality across our manufacturing operations.

We are also advancing digitalisation in FY2025 to enhance data management and operational control. We introduced an initiative that integrates customer information, delivering end-to-end visibility and strengthening customer relationships. In addition, we are upgrading our enterprise system to consolidate key data, enable paperless approvals, and enhance reporting accuracy, thereby supporting faster and more timely decision-making.

FOCUS AREA #5: Safeguarding our product quality and reliability

Ensuring product reliability and quality is a top priority, particularly for our food packaging solutions. Consequently, we have ensured that our manufacturing plants that produce packaging for food possess globally recognised certifications, including Food Safety 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 production processes are supported by advanced monitoring technologies, such as artificial intelligence camera inspection systems that accurately detect defects in FPP structures. In FY2025, we expanded the use of such inspection systems across our machinery. This included installing a bag-making inspection system at the unwinder, which identifies visual defects and automatically segregates rejected bags, as well as in-line defect inspection systems at our printing and dry lamination machines.

These measures allow us to promptly detect defects, minimise the risk of substandard products reaching customers, reduce material waste and ensure consistent product quality, further strengthening our reputation in the market.

FOCUS AREA #6: Investing in our human capital

We place strong emphasis on the safety and health of our workforce, proactively investing in technologies that reduce the risk of accidents. Past initiatives include fully automated raw material feeding systems and lifting manipulators, which reduce the physical burden on employees.

In FY2025, we prioritised upgrading equipment and improving workplace design to enhance ergonomics. Key initiatives included centralising and upgrading rubber roller racks to reduce physical strain, as well as introducing an internally developed system for bulk mixing of raw materials to minimise manual handling.

These efforts are complemented by purpose-fit training and resources on workplace safety and health best practices (refer to Occupational Safety and Health on p. 70 of our Sustainability Report 2025 for more details). We also host an annual Safety and Health Week, educating employees on key topics while providing practical support such as free basic health screenings and thematic safety and health talks.



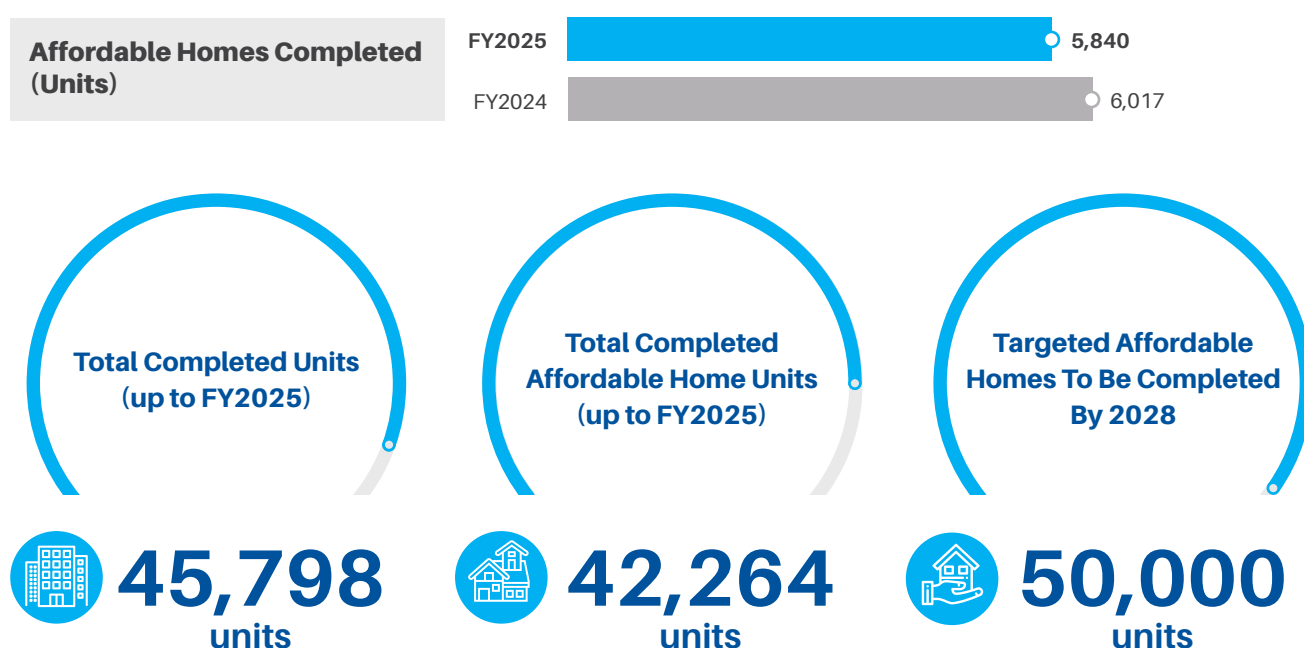
Free basic health screening offered during our Safety and Health Week

Beyond safety and health, we continually support the development of our people. A newly launched initiative in FY2025 was our Management Associate programme, designed to recruit fresh graduates and early-career professionals, preparing them for future leadership roles. We also focus on upskilling our existing employees through continuous learning and development initiatives, providing a total of 31,882 training hours in FY2025 (refer to Empowering Our People on p. 76 of our Sustainability Report 2025 for more details).

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ADVANCING OUR MISSION AMIDST FAVOURABLE CONDITIONS

The Property Division remains a key growth driver, delivering quality affordable homes and building vibrant communities across Malaysia in response to sustained demand for affordable housing and supportive government initiatives. Benefitting from a favourable landscape and armed with an expanding land bank, we are well-placed to achieve our Vision 2028 goal of completing 50,000 affordable homes.



We continue to see resilient demand for affordable housing in Malaysia, supported by government initiatives that enhance accessibility to homeownership. Demand has been particularly strong in Johor, where new launches achieved high take-up rates, while developments in other regions also recorded healthy sales, contributing to our overall performance and reinforcing future prospects across key markets.

In FY2025, we completed 5,840 affordable homes, bringing the cumulative total delivered to 42,264 units. This steady progress places us firmly on track to achieve our Vision 2028 target. As a result, divisional revenue for the year reached another record high of RM2.03 billion, representing an increase of 8.1%, and divisional operating profit also grew by 14.2%, reaching 592.3 million.

Our consistent delivery of affordable homes, guided by sustainable development principles, was recognised with multiple industry honours during the financial year, including being named among the Top 10 Developers in Malaysia at the Hubexo Asia Awards (formerly the BCI Asia Awards) for the fourth consecutive year. We also received six accolades at the StarProperty Real Estate Developer Awards 2025, comprising five awards for our Mori Residences high-rise series and one for Scientex's inclusion in The Performing Developers of 2024 - Top 10 Listed Companies, recognising our efforts for combining affordability with family-friendly and lifestyle-oriented features.

Together, these accolades underscore our commitment to creating quality, sustainable communities and strengthen our position as a trusted developer of affordable homes.

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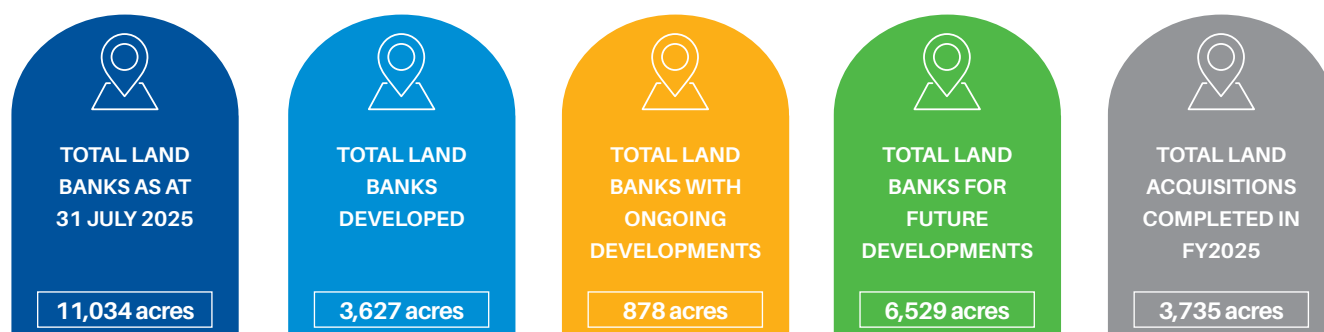


Scientex Property Chief Operating Officer, Datuk Alex Khaw (second from left), receiving The Performing Developers of 2024 - Top 10 Listed Companies award from the Minister of Housing and Local Government, Nga Kor Ming (third from left)



The Scientex team at the Hubexo Asia Awards 2025

SECURING LAND TO SUPPORT LONG-TERM GROWTH



Land Acquisitions Completed in FY2025	Acres	Total Consideration
Muar, Johor	1,094	RM1.8 billion
Pulai, Johor	350	
Bestari Jaya, Selangor	826	
Jawi, Penang	708	
Paya Rumput, Melaka	528	
SP Astana, Kedah	229	

Increasing the supply of and access to affordable homes remains a key priority for the Malaysian government. With multiple initiatives supporting this objective, the national property market for such homes continues to demonstrate resilience and growth potential. NAPIC's Property Market Report 2024 highlights that Selangor and Johor together account for over one-third of total property transactions, reflecting sustained demand in these states. In particular, rising investments and expanding job opportunities in Johor are driving population growth, further underpinning strong housing demand.

Against this backdrop, we see significant growth potential, and FY2025 marked a milestone year for strengthening our land bank, with 3,735 acres acquired across Johor, Selangor, Melaka, Penang, and Kedah. This brings our total land bank to 11,034 acres as at 31 July 2025, of which 6,529 acres are earmarked for future developments, providing a robust foundation for long-term growth.

By strategically securing land in high-growth regions, we are well-positioned to respond to emerging demand while progressing towards our Vision 2028 target of delivering 50,000 quality affordable homes. We also aim to achieve an annual delivery of 10,000 affordable homes in the near future, further supporting the government's goal of improving homeownership accessibility.

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OUR DEVELOPMENT PROJECTS

Aligned with our 'Cross Border Development Strategy', we are committed to strengthening our presence across Peninsular Malaysia and beyond, driving sustainable growth while making a meaningful impact for middle-to-lower-income home buyers.

With our strategic focus centred across Johor, Melaka, Negeri Sembilan, the Central region, and the Northern region of Peninsular Malaysia, this section highlights our FY2025 initiatives and achievements within each of these regions.

JOHOR

Total Land Banks - 3,767 Acres



Completed
2,377 Acres



Ongoing
292 Acres



Future
1,098 Acres

Affordable Homes Completed in FY2025

484 units

Total Completed Affordable Homes to Date

24,436 units

An artistic illustration of our development at Scientex Pulai 4

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Since first establishing our presence in Johor in 1995 with the development of Scientex Pasir Gudang, Scientex has grown into an established property developer within the Johor region. We have consistently strengthened and expanded our presence over the years, solidifying our leadership and deepening our roots across the state.

Our early entry has given us valuable market insights, operational scale and brand trust, which we can capitalise on as market demand for housing grows amidst landmark infrastructure investments such as the RTS Link, and the development of the JS-SEZ and SFZ special zones. To this end, Johor remains the cornerstone of our Property Division, where we have a total land bank of 3,767 acres in this region, with 1,098 acres of land earmarked for future development to cater for strong demand.

In Taman Pulai Duta, the strong reception we received during last financial year continued into FY2025 as new phases recorded encouraging results. The Sakura, comprising 215 double-storey terrace units, achieved an outstanding 99% take-up rate, while The Sakura 2, with 207 similar units, recorded a solid 97% take-up rate. Pulai Uptown, offering 105 double-storey shop offices, also saw a full take-up rate for its non-Bumiputera lots. In July 2025, we further introduced Aurora, a new phase featuring 200 double-storey cluster homes, which has begun to attract positive buyer interest.

Meanwhile, at Taman Pulai Mutiara, we launched 353 units of Rumah Mampu Milik Johor ("RMMJ") during FY2025, which received an encouraging response from the market. In the same area, Taman Pulai Mutiara 2, we delivered 175 double-storey terrace homes, 510 double-storey cluster homes, and 142 double-storey shop offices in FY2025. Additionally, at Scientex Kota Tinggi, we successfully completed 309 double-storey terrace homes.



The view of completed double-storey terrace houses at Taman Pulai Mutiara 2

Our expansion into Bandar Kulai, where we acquired land in FY2024, has also gained momentum. Supported by the opening of a new sales gallery and show house in August 2024, we rapidly introduced three phases in this location

with a total of 689 units of double-storey terrace homes. The first two phases recorded encouraging take-up rates of 76% and 95% respectively, with strong interest shown during the lot selection events. The third phase, with 244 units, also achieved a healthy take-up rate of 73%, reinforcing the positive market reception towards Scientex Bandar Kulai and its potential as a key growth driver for the Group.

In other developments within Johor, we expanded our offerings in Scientex Senai with the second phase launch of Sentries Residences, comprising 522 serviced apartment units. In the same township, we also introduced 38 factory units to support business activities and contribute to the economic vibrancy of the community.

Alongside these developments, we actively support local government initiatives to enhance housing accessibility. In partnership with Perbadanan Kemajuan Perumahan Johor ("PKPJ"), 282 RMMJ units at Taman Pulai Mutiara were opened for ballot through the public balloting event (Undian Terbuka RMMJ) during the year, where all units were successfully balloted. We also participated in the Mega J-Home One-Stop Centre ("OSC") programme, which provided a seamless platform for successful candidates to collect certificates, submit loan documents directly to bankers and check Central Credit Reference Information System ("CCRIS") reports. In addition, we took part in the Johor Property EXPO ("JPEX") 2025 organised by PKPJ, showcasing our affordable home offerings in Scientex Pulai and Scientex Bandar Kulai to the public.



The Scientex team at the JPEX 2025 event

The past year also saw our Property Division mark another milestone in our Johor expansion journey. Following the completion of our fourth land acquisition in the Pulai region, spanning 350 acres, we officially unveiled Scientex Pulai 4, with an exclusive preview of its newly upgraded sales gallery. Strategically located adjacent to our earlier developments in Pulai, Scientex Pulai 4 will provide residents with an enhanced living experience supported by the established ecosystem of mature amenities, ensuring continuity of growth and reinforcing our long-term commitment to building sustainable communities in Johor.

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MELAKA (INCLUDING NEGERI SEMBILAN AND MUAR)**Total Land Banks - 3,794 Acres**

Completed
659 Acres



Ongoing
153 Acres



Future
2,982 Acres

Affordable Homes Completed in FY2025

2,114 units

Total Completed Affordable Homes to Date

9,477 units

An artist's impression of the Scientex Muar development

Melaka remains a critical growth area for our Property Division, with our developments in Jasin playing a key role in strengthening our market presence in the state.

The Scientex Bandar Jasin township, our largest development spanning 1,357 acres, continued to progress steadily in FY2025. Multiple phases were completed across both Presint 1 and Presint 2, with new phases introduced towards the end of the financial year to sustain growth momentum. At Presint 1, we delivered 503 Rumah Mampu Milik ("RMM") units and launched a further 170 RMM units. At Presint 2, we delivered 336 double-storey terrace homes and launched an additional 333 such units and 466 RMM units.

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An artist's impression of our RMM at Bandar Jasin

Similarly, within the Scientex Jasin township, the Taman Scientex Jasin Mutiara development marked another year of robust growth, reinforcing our position as one of the leading developers in the district. We completed a total of 659 units during FY2025, comprising a mix of double-storey terrace homes and RMM units. New phases were also rolled out, featuring 281 double-storey terrace homes, 206 RMM units and 63 shop lots. The RMM units achieved an impressive 85% take-up rate within four months of launch, while the shop lots recorded a take-up rate of 83%, reflecting strong demand for both residential and commercial offerings.

Beyond Jasin, Scientex Durian Tunggal 2 marked the completion of 465 units, comprising Rumah Belia Malaysia ("RBM") homes, double-storey terraces and shop lots. Meanwhile, in Seremban, our Taman Lazuli development delivered 190 RMM homes, covering both single- and double-storey units.

To enhance customer engagement and showcase upcoming projects, we also established a sales gallery in Seremban during FY2025, setting the stage for the launch of a new high-rise residential development offering modern facilities within a secure and well-planned community.

To secure future growth in the region, our land bank was expanded through two strategic acquisitions in FY2025: 1,094 acres in Muar, Johor, and 528 acres in Paya Rumpit, Melaka. Scientex Muar, strategically located near Bukit Bakri and adjacent to the Muar Furniture Park, will be developed into an integrated township comprising affordable double-storey terrace houses, RMMJ units, and shop offices, designed to meet community needs and support job creation.

The Paya Rumpit site, on the other hand, enjoys excellent connectivity via the Alor Gajah–Melaka Tengah–Jasin ("AMJ") Highway, Sungai Udang–Paya Rumpit–Ayer Keroh ("SPA") Highway and the North–South Expressway ("NSE"), and is close to retail, education, healthcare and recreation. Its proximity to industrial zones will also support employment opportunities.

With these new acquisitions, we are well positioned to continue delivering sustainable and affordable housing developments across these regions in the years ahead.

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CENTRAL - SELANGOR**Total Land Banks - 1,530 Acres**

Completed
228 Acres



Ongoing
140 Acres



Future
1,162 Acres

Affordable Homes Completed in FY2025

1,410 units

Total Completed Affordable Homes to Date

2,893 units

An artistic rendering of Scientex Bestari Jaya

In 2017, we expanded into Selangor, Malaysia's most urbanised and populous state, with the launch of Scientex Rawang, our first project in the Klang Valley. In FY2025, we completed Mori Residences, the town's first high-rise residential development comprising 638 serviced apartments. Alongside Mori Residences 2, which was launched in 2023, both phases received provisional GreenRe certification issued by the Real Estate and Housing Developers' Association of Malaysia ("REHDA"), highlighting our commitment to environmentally responsible development.

Building on the success of the first two phases, we launched Mori Residences 3, comprising 498 serviced apartments and seven retail lots. Designed for affordable parkside living, the development integrates landscaped gardens, wellness and recreation facilities, and a co-working space, offering a serene lifestyle surrounded by nature while remaining well connected to key amenities and transport links. The project is set to be GreenRE certified, further reinforcing our sustainable development approach.

Meanwhile, our ongoing Kundang Jaya development progressed robustly in FY2025, completing 772 double-storey terrace homes and 126 2.5-storey terrace homes to significantly expand housing choices and our presence in the region.

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Following the acquisition of an additional 251 acres of land in Jenjarom completed during the last financial year, we have continued to roll out new phases at our Scientex Jenjarom development. Benefiting from its strategic location near established residential hubs and strong connectivity, the township continues to receive encouraging market response. During FY2025, we launched 566 double-storey terrace homes across two phases, with one phase achieving a 96% take-up rate, and introduced 168 double-storey cluster homes – the first of their kind in Scientex Jenjarom.



An artist's impression of the double-storey cluster houses at Scientex Jenjarom

In FY2025, we set the stage for strengthening our Selangor presence by acquiring 826 acres in Bestari Jaya for an integrated mixed township, which will offer a mix of double-storey terrace homes, Rumah Selangorku ("RSKU"), and double-storey shop offices. Strategically connected via major highways such as the Kuala Lumpur-Kuala Selangor Expressway ("LATAR") and the West Coast Expressway ("WCE"), as well as local roads, the development will provide convenient access to schools, amenities, and recreational spaces, supporting our vision of delivering affordable, high-quality living to address regional demand.

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NORTHERN - PENANG, KEDAH AND PERAK**Total Land Banks - 1,943 Acres**

Completed
363 Acres



Ongoing
293 Acres



Future
1,287 Acres

Affordable Homes Completed in FY2025

1,832 units

Total Completed Affordable Homes to Date

5,458 units

An artist's illustration of our development in Sungai Petani, Kedah

Demand for affordable housing in Penang remains strong, with the Penang government's ambitious target of delivering 220,000 affordable home units by 2030 highlighting a prevailing undersupply in the region. This situation has provided opportunities for us to continue growing our footprint in the region in alignment with the various schemes launched by the government. To this end, our ongoing developments at Tasek Gelugor and Sungai Dua progressed significantly during FY2025.

At Tasek Gelugor, our first Northern region development situated on 180 acres of prime freehold land, we delivered 367 double-storey terrace homes and 85 double-storey shop offices in FY2025, bringing our total to 2,332 units of double-storey terrace homes and 85 units of double-storey shop offices. Sales for all units were virtually sold out, underscoring strong demand in the area.

Meanwhile, at our 343-acre Sungai Dua development, located adjacent to Tasek Gelugor, we successfully completed 531 double-storey terrace homes across two phases in FY2025. Simultaneously, we introduced two new phases in December 2024 and January 2025, comprising a total of 616 double-storey terrace homes, and achieved encouraging take-up rates of 78% and 98% respectively. Building on this momentum, we subsequently rolled out a further 271 double-storey terrace

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homes, 238 double-storey semi-detached homes and 101 double-storey shop offices towards the end of FY2025, with the terrace homes recording a 48% take-up rate within less than a month.



An artist's impression of our double-storey terrace house developments in Sungai Dua, Penang

We further strengthened our Penang footprint during the year with the completed acquisition of 708 acres in Jawi, an integrated township combining residential and commercial components with comprehensive amenities. Strategically located with access to major highways, public transport, schools, healthcare, retail and recreational facilities, the development will offer quality affordable homes while fostering a vibrant, self-contained community.

Beyond Penang, our presence in Sungai Petani, Kedah, was also reinforced in FY2025 with the completion of 864 double-storey terrace homes. Additionally, 441 terrace homes were launched across two phases, achieving 100% and 87% take-up rates. Building on this success, we acquired 229 acres for our second Kedah township, Scientex SP Astana, strategically located near the Sungai Petani South and North Toll plazas on the NSE. Surrounded by schools, healthcare, retail and other amenities, the township is designed to provide connectivity, convenience and a well-rounded lifestyle.

Meanwhile, in Ipoh, our footprint was strengthened with the completion of 70 double-storey terrace homes in Scientex Meru 3, while several new phases were also launched under Scientex Ipoh, comprising 459 units across double-storey terrace and cluster homes. Market response has been encouraging, with take-up rates of 92% and 70% for two phases of terrace homes, while the newly launched cluster homes provide additional variety to meet diverse community needs.

DRIVING GROWTH THROUGH DIGITAL INNOVATION & COLLABORATIONS

The Property Division continues to harness digital technologies to improve our daily operations and support our sales and marketing strategies.

To ensure we expand our portfolio in strategic locations, we have adopted advanced M&A mapping tools to identify and assess potential land acquisitions. These tools enable informed decision-making by analysing market trends, demographic shifts, and land value projections.

In enhancing engagement with potential buyers, we offer 3D virtual house tours that provide an immersive experience and connect with a broader, more diverse audience. To further support our sales teams, our customer relationship management ("CRM") platform automates routine sales and marketing tasks – such as emails, contact management, online transactions, revenue tracking and reporting – allowing our personnel to focus on building stronger relationships and driving growth. Additionally, QR codes on sales brochures provide interested parties with instant access to property information and facilitate direct engagement with our team, while reducing reliance on printed materials in line with our sustainability efforts.

Our marketing teams continue to leverage strategic collaborations with key opinion leaders ("KOLs"), reaching diverse audiences with short, engaging videos to showcase our properties. We also partner with multiple property agencies to further broaden our reach and support sales growth.

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EXPLORING POTENTIAL BEYOND MALAYSIA

Building on our established success in Malaysia's property market, FY2023 marked our first steps into the international arena with joint ventures in Jakarta, Indonesia, and Bangkok, Thailand. These initial ventures provided an opportunity to extend our expertise in affordable and sustainable development to new markets, in collaboration with local partners.

In FY2025, we took this journey further by partnering with one of our Japanese partners to provide affordable accommodation in Osaka, Japan. Designed as simple, no-frills, budget-friendly stays, our accommodations are strategically located near public transport and key amenities, meeting the needs of Japan's rapidly rising inbound tourism market. By leveraging a low-cost operating model and our experience in delivering affordable solutions, we aim to scale this business meaningfully in the coming years.

Currently, our portfolio in Japan includes five operating affordable accommodations, with three additional properties undergoing renovation and targeted to be operational by the second quarter of FY2026.



Our Sustainability Journey

Anchored in our vision of 'Sustainable Growth, Better Tomorrow', we view sustainability as an integral part of how we plan, operate, and grow. Rather than a one-off initiative, we embed sustainable practices into our strategies and day-to-day operations to build resilience and ensure the long-term growth and stability of our business.

Through this commitment, we strive to make consistent progress across the ESG spectrum, operating and expanding our business in a manner that creates a lasting positive impact on people, communities and the planet.



OVERVIEW

The Scientex standalone Sustainability Report 2025 highlights our strategies and achievements in creating value across the ESG spectrum through various policies, initiatives and practices implemented across the Group's operations.

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 2025 is prepared with reference to the Global Reporting Initiative ("GRI")

Universe Standards 2021 and the Bursa Malaysia's Sustainability Reporting Guide (3rd edition), and adheres to the Bursa Malaysia Main Market Listing Requirements.

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 of 1 August 2024 to 31 July 2025, unless specified otherwise.

AVAILABILITY

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

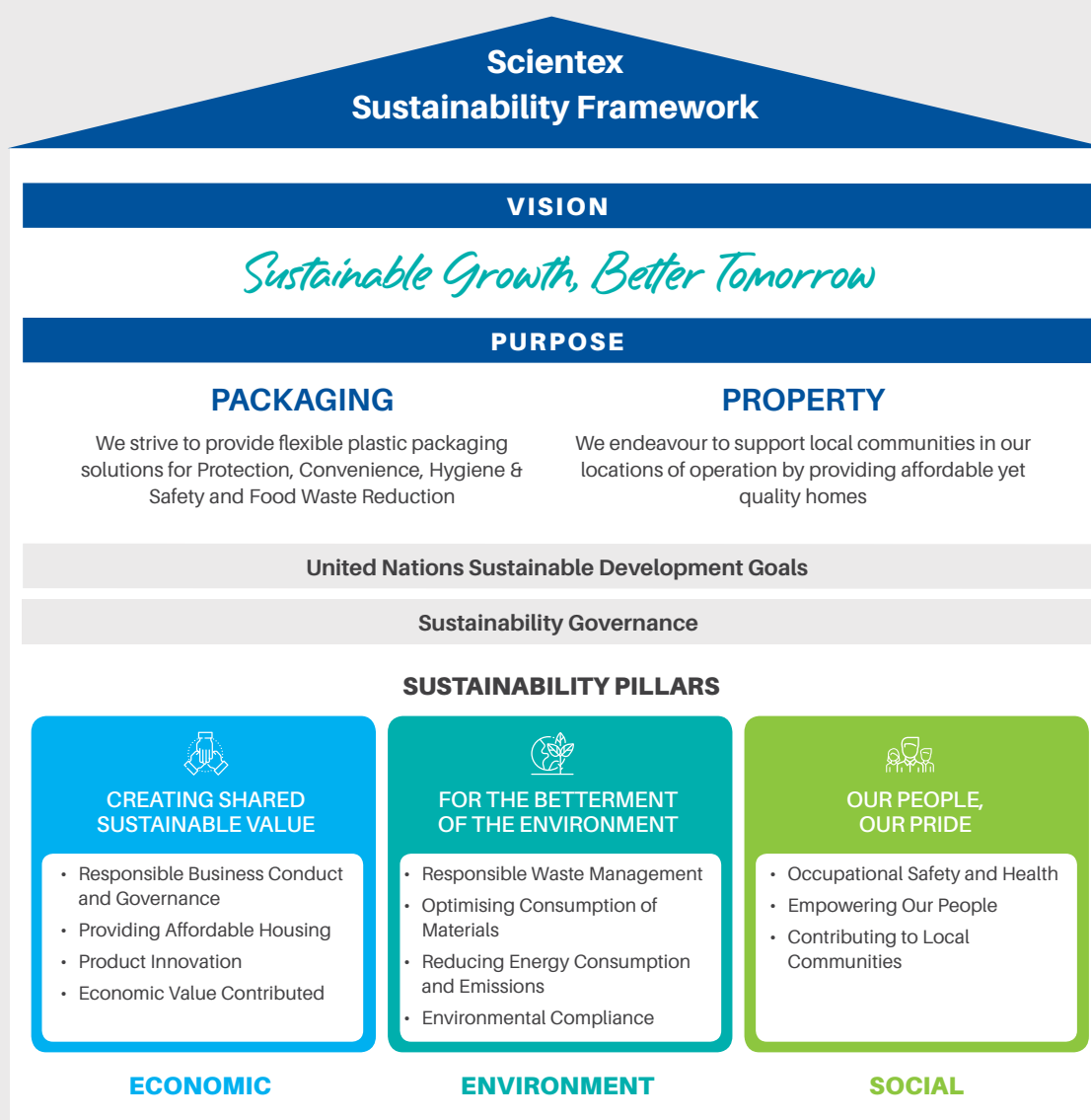
Sustainability Framework

Our Sustainability Framework is the foundation of how we approach sustainability at Scientex, outlining the interconnected roles of our business processes, governance framework and initiatives in driving growth and creating long-term value, in line with our vision of 'Sustainable Growth, Better Tomorrow'.

At the base of the framework lies our sustainability pillars: 'Creating Shared Sustainable Value', 'For the Betterment of the Environment' and 'Our People, Our Pride'. Each of these pillars house sustainability material topics that are determined and refined through ongoing stakeholder engagements and regular materiality assessments, enabling us to formulate strategies and initiatives that deliver long-term, shared value.

These strategies and initiatives are, in turn, embedded within the business processes of our dual business divisions – Packaging and Property – delivering progress against our corporate Vision and Purpose and supporting the UN SDGs we have identified as relevant to our business.

This framework is underscored by our Sustainability Governance structure, which enforces a collaborative, vigilant and informed approach to sustainability. The structure delegates responsibility for strategising, monitoring and assessing our initiatives to different teams within the Group, empowering us to maximise the positive impact of our actions.



Our Approach to Sustainability

Sustainability considerations are seamlessly integrated into the operational processes of both our business divisions, as outlined below, to maximise the overall positive impact of our activities.

PACKAGING DIVISION



DEVELOP



PROCURE



PRODUCE



SELL

SUSTAINABLE PROCESSES

- | | | | |
|---|---|---|--|
| <ul style="list-style-type: none"> • R&D of sustainable packaging solutions • Co-creating products with our customers | <ul style="list-style-type: none"> • Centralised procurement of raw materials • Sourcing of sustainable raw materials | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • Engaging with customers to understand their long-term sustainability objectives • Maintaining efficient and time-tested distribution channels and methods |
|---|---|---|--|

SUSTAINABLE OUTCOMES

- | | | | |
|--|--|--|---|
| <ul style="list-style-type: none"> • Recyclable FPP solutions • Biodegradable and compostable packaging solutions • Products with reduced material usage • Increased range of sustainable products innovated | <ul style="list-style-type: none"> • Reduced emissions from transportation due to centralised procurement • Increased accessibility of sustainable raw materials | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • 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

- | | | | |
|---|---|--|--|
| <ul style="list-style-type: none"> • Continuously expanding our presence through land bank acquisitions in Malaysia while venturing into neighbouring countries • Identifying suitable land banks at competitive prices | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • Adopting digital channels to promote our developments • Adopting systematic online procedures for property purchasing • Installing solar PV systems to power our sales galleries | <ul style="list-style-type: none"> • 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 |
|---|---|--|--|

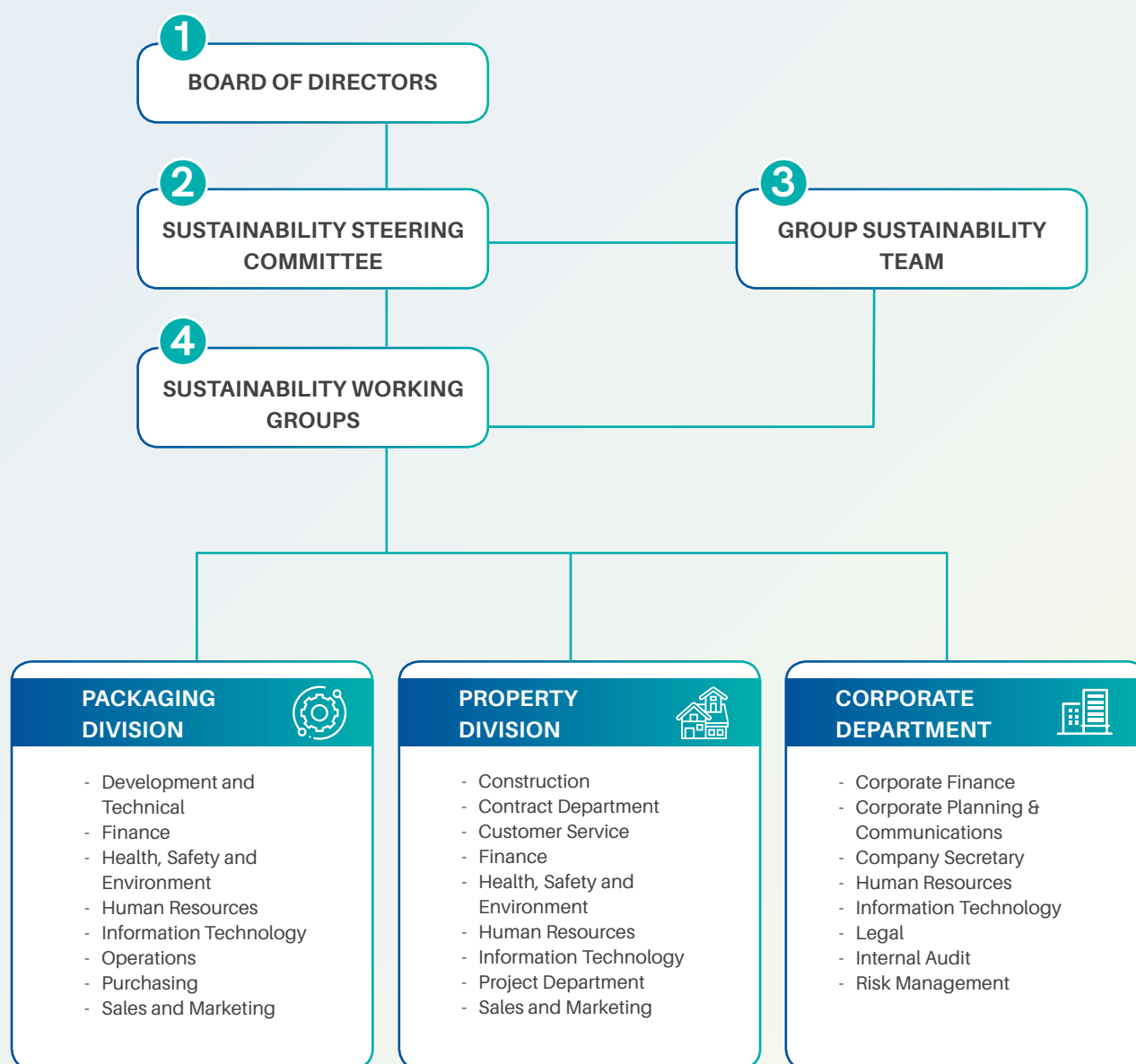
SUSTAINABLE OUTCOMES

- | | | | |
|---|--|--|--|
| <ul style="list-style-type: none"> • 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 home owners | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • 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 | <ul style="list-style-type: none"> • 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 robust governance structure ensures that sustainability matters relevant to our business are identified, addressed and managed in an effective manner.

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.



(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 identifying sustainability topics, setting objectives, and implementing policies and practices
- 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 our Managing Director/Chief Executive Officer, Mr. Lim Peng Jin
- Regularly engages with stakeholders and staff at the departmental or subsidiary level
- Identifies potential sustainability topics based on these engagements, and subsequently presents said topics to the Board for consideration
- Develops comprehensive strategies for identified sustainability topics
- Sets key performance indicators for strategies identified, involving data management systems, reporting processes and internal control mechanisms
- Creates sustainability-related policies which govern sustainability practices across the Group, and tables these policies to the Board for approval

3

Group Sustainability Team

- Led by our Chief Sustainability Officer ("CSO")
- Provides recommendations to the SSC on potential sustainability topics, and the subsequent development and execution of strategies for identified and approved sustainability topics
- Supports the SSC in the nomination of specific working groups responsible for executing strategies formulated by the SSC
- Implements strategies together with the identified Sustainability Working Groups
- Reports on the outcomes and progress of related strategies during monthly management meetings with the SSC
- Monitors sustainability initiatives, and maintains records for regular reviews of sustainability management procedures and performance
- Takes the lead in preparing and presenting sustainability-related reports, in compliance with applicable reporting requirements

4

Sustainability Working Groups

- Appointed on a topic-by-topic basis depending on the needs of the topic and its initiatives
- May include representatives from the various departments and divisions within the Group
- Works with the Group Sustainability Team to ensure the effective implementation of formulated strategies while following specific management procedures
- Maintains accurate records of actions taken and the results achieved
- Delivers comprehensive reports on related actions taken and their outcomes during monthly management meetings
- Serves as a communication channel between the Group Sustainability Team, individual departments and subsidiaries, providing an opportunity for staff members to highlight and elevate potential sustainability matters for consideration

Our Sustainability Performance

Within this section, we offer a snapshot of the key topic-level disclosures from our Sustainability Report 2025. We invite you to explore the full report for a more detailed overview of our strategies, progress and impact across the ESG spectrum.

Sustainability Topic	Why It Matters	Our Approach	Our Performance in FY2025
Responsible Business Conduct and Governance  	Maintaining responsible business conduct and a zero-tolerance stance on unethical practices is fundamental to sustaining stakeholder trust and achieving our business objectives.	- 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 employees with regular training and reviews on our codes and policies to ensure clarity of expectations - Conducting department-level corruption risk assessments to identify and mitigate potential risks - Implementing internal measures to protect personal data and defend against cyber threats - 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 to achieve our goals	100% of our employees* have received ABAC training - Organised an ABAC awareness talk for our executive-level employees - Enhanced our FTSE Russell ESG score - No material instances of corruption, bribery, unethical business conduct, data privacy breaches or human rights violations were reported or investigated <i>* Employees at executive level and above only</i>
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 and reduce construction costs, enabling us to price homes affordably for the middle-to-lower-income segment - Expanding and refining the use of IBS construction techniques to accelerate construction while enhancing quality and safety - Growing our land bank portfolio under our 'Cross Border Development Strategy' to facilitate future developments in strategic locations across Peninsular Malaysia, in support of government initiatives to increase homeownership accessibility - Uplifting local communities through the development of quality affordable homes, improved infrastructure development, and the provision of economic opportunities for local vendors	- Completed 5,840 affordable homes - A total of 42,264 affordable homes completed by our Property Division since its inception - Over 71% of the affordable homes we have completed were priced below RM300,000 - Completed the acquisition of six land parcels totalling 3,735 acres, expanding our total land bank to 11,034 acres

Our Sustainability Performance

Sustainability Topic	Why It Matters	Our Approach	Our Performance in FY2025
Product Innovation 	Innovation is essential for boosting our capacity, improving efficiency and enhancing the value of our offerings – our three Drivers of Growth that sustain our competitive advantage. It also helps us reduce resource consumption, optimise energy use, minimise waste generation and support the circular plastic economy.	- Investing consistently in new machinery, advanced technologies, factory enhancements and state-of-the-art innovation centres to power rapid R&D - Collaborating closely with customers to develop and commercialise customised packaging solutions tailored to their specific requirements - Reducing material use and environmental impact by continually downgauging our stretch films and flexible packaging structures without compromising performance - Driving advancements in the circular plastic economy by producing recyclable base films, films with PIR or PCR content, and recyclable multi-layered FPP structures for industrial and consumer applications	- Invested RM113.8 million to drive innovation across the Group 278 R&D projects were initiated 54 innovations were 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.	- Distributing the economic value generated by our business to governments, shareholders, investors, suppliers, partners and employees, reinforcing our commitment to grow responsibly and sustainably - Driving positive change in local communities through corporate social responsibility initiatives	- RM3.78 billion in economic value was distributed to suppliers, business partners, shareholders, employees and governments, including: - RM171.4 million in taxes - RM319.7 million in salaries and benefits - RM217.1 million in dividends - RM748.9 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 strategies across our operations, we aim to minimise waste generation and optimise the waste footprint of our packaging solutions.	- Upholding our Group-wide Environmental Policy and strengthening internal processes in line with the seven key focus areas of our waste management framework, while adhering to the waste management hierarchy - Reducing waste through continuous innovation, including downgauging films, developing recyclable or biodegradable packaging, and promoting the use of PCR and PIR resins - Refining production machinery and processes to minimise incidental waste - Implementing recycling and repurposing practices for plastic trimmings and other recyclable materials, including converting waste into Processed Engineered Fuel - Enhancing our effluent and scheduled waste management practices	- Total tonnage of non-hazardous plastic waste generated was 4.4% of the total tonnage of our output, of which 85.3% was recycled or converted to energy - Total scheduled (hazardous) waste generated was 1,476 MT, representing 0.6% of the total tonnage of our output in FY2025

Our Sustainability Performance

Sustainability Topic	Why It Matters	Our Approach	Our Performance in FY2025
		- Following guidelines to minimise waste at project sites, while incorporating waste-reducing construction techniques and materials - Introducing QR code scanning for sales brochures to reduce paper use and other resources tied to printed materials - Fostering a waste-conscious culture across the Group through initiatives such as our 3R programme, 'Back to Earth' composting, and fabric recycling efforts	
Optimising Consumption of Materials  	By developing resource-efficient products and embedding circular economy principles across our operations, we can reduce the environmental footprint of our production while meeting the evolving expectations of customers, consumers and industry standards.	- Adhering to guidelines outlined in our Group-wide Environmental Policy regarding the utilisation of materials and resources - Continuing to utilise PIR resin and enhance our internal recycling capabilities to reduce reliance on virgin resin and attract sustainability-focused global customers - Incorporating eco-friendly materials and processes into FPP production while continually downgauging films to optimise material use - Enhancing resource efficiency in property development by utilising IBS construction techniques, steel and aluminium formworks, and self-climbing platforms - Prioritising suppliers that demonstrate a commitment to responsible and sustainable material sourcing - Practising responsible water use by minimising wastage, recycling wastewater, implementing rainwater harvesting systems and closely monitoring consumption	- Recycled materials constituted 7.9% of total materials used in our Packaging Division - Reduced annual water consumption across the Group to 867.2 ML (11.4% year-on-year ("YoY") decrease) - Recorded a water consumption intensity of 0.0023 ML/MT of output in our Packaging Division (17.0% YoY decrease) - Recorded a water consumption intensity of 0.1371 ML/RM million of revenue in our Property Division (5.0% YoY decrease)
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, embrace renewable energy and pursue solutions to lower our emissions.	- Adhering to the energy and emissions principles set out in our Group-wide Environmental Policy - Leveraging our presence across the FPP value chain and investing in advanced technologies and energy-efficient machinery to optimise energy use - Expanding renewable energy adoption through the installation of solar PV systems at 10 manufacturing plants, our corporate headquarters and property sales gallery	309,660 MWh of total energy consumed across the Group (0.8% YoY decrease) - Our Packaging Division energy consumption intensity reduced by 1.2% to 1.17 MWh/MT - Our Property Division energy consumption intensity increased by 14.0% to 2.39 MWh/RM million 138,829 MT of CO₂e emissions (Scope 1 and 2) across the Group (9.3% YoY decrease)

Our Sustainability Performance

Sustainability Topic	Why It Matters	Our Approach	Our Performance in FY2025
		- 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 - Offsetting carbon emissions through our mangrove planting programme, with 2,000 mangroves planted since FY2022 to support long-term carbon sequestration	- Recorded a GHG emissions intensity for our Packaging Division of 0.53 MT/MT of output (9.8% YoY decrease) - Recorded a GHG emissions intensity for our Property Division of 1.11 MT/RM million of revenue (6.5% YoY increase)
Environmental Compliance 	Ensuring strict compliance with applicable environmental regulations in our operational regions, while expecting the same from our suppliers, is essential for minimising our environmental impact and maintaining our reputation as a responsible corporate entity.	- Upholding continuous compliance with our Group-wide Environmental Policy, which is built around four core pillars – energy and emissions, waste management, resource utilisation and biodiversity – and supported by the four enablers of our Environmental Compliance Framework - Ensuring full compliance with environmental laws and regulations across all our operational jurisdictions - Conducting rigorous oversight and monitoring, coupled with employee training and engagement, to foster a culture of compliance - Periodically reviewing and updating frameworks and policies to align with evolving local and global regulations - Securing globally recognised certifications that attest to our commitment to responsible practices - Conducting an EIA for larger projects to mitigate potential environmental risks, complemented by planting diverse tree species at our development sites - Expanding the use of sustainable and green construction methods to lay the foundation for high-performance green buildings and townships - Actively participating in community-led environmental initiatives and encouraging employee involvement in protecting ecosystems and biodiversity - Supporting the Ministry of Natural Resources and Environmental Sustainability ("NRES") in discussions on achieving MPSR 2021–2030 targets through participation in working groups	- Communicated our Code of Conduct for Suppliers to all suppliers with an annual supply value of more than RM50,000 - Two additional manufacturing plants received the ISCC PLUS accreditation, bringing our total to eight plants - Planted 500 additional mangroves in Teluk Panglima Garang, Selangor

Our Sustainability Performance

Sustainability Topic	Why It Matters	Our Approach	Our Performance in FY2025
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.	- Adhering to our Group-wide Safety and Health Policy, which is built on six key elements that help us maintain consistently high standards - Implementing structural safety and health management systems in line with region-specific regulations - Investing in enhancing safety and health leadership capabilities among employees, along with developing guidelines to support their physical and mental well-being - Ensuring balanced representation of employers and employees on OSHA Committees - Conducting regular inspections by internal and external parties at every worksite, overseen by OSHA Committees - Effectively managing work-related hazards and risks to improve workplace safety while proactively safeguarding employees during off-site activities - Leveraging automation and innovative process solutions to minimise risks and enhance worker safety - Promoting health and safety among employees, including through health awareness training and talks, healthcare coverage, and health and fitness activities	100% of all workplaces remain represented by OSHA Committees that include a balanced mix of employer and employee representatives - Workplace incidents recorded during FY2025: 44 minor accidents 25 major accidents - Zero fatal injuries
Empowering Our People 	Our people are key to our long-term success. By offering attractive and dynamic rewards, comprehensive benefits, and meaningful opportunities for career advancement, we can retain a dedicated, high-performing and diverse workforce that propels us towards our business and sustainability goals.	- Upholding responsible and ethical labour practices through our Group-wide Code of Ethics, promoting human rights, fairness, inclusivity, and diversity - Adhering to responsible labour practices as outlined by the Supplier Ethical Data Exchange ("SEDEX"), with six of our plants achieving membership as of FY2025 - Regularly reviewing employee remuneration and benefits to enhance talent attraction and retention, while ensuring employees' contributions are fairly recognised and rewarded - Maintaining effective and transparent communication with employees through various channels, including performance reviews and QRB dialogues with leadership teams	3,710 employees in total as of FY2025 31,882 hours of training were provided to our employees - We recorded zero incidents of non-compliance concerning employment practices

Our Sustainability Performance

Sustainability Topic	Why It Matters	Our Approach	Our Performance in FY2025
		• Practising an open-door culture and providing whistleblowing channels to empower employees to give feedback and raise concerns • Offering tailored growth and career development programmes that align with employees' needs and aspirations, nurturing future leaders and unlocking their full potential	
Contributing to Local Communities 	By uplifting local communities through employment opportunities, developing holistic yet affordable townships, and engaging in outreach initiatives that extend positive impacts beyond our business, we strengthen our reputation, foster collaboration with governments and stakeholders, and promote inclusive growth.	• Building more quality affordable homes to expand homeownership opportunities while designing developments that deliver lasting benefits to surrounding communities • Creating sustainable economic impact in local communities by prioritising the hiring of local employees and suppliers wherever possible • Contributing directly to a variety of community-based causes, including schools, NGOs and other community-driven organisations or events • Encouraging employee volunteerism through activities such as mangrove planting, fabric recycling, charity runs, and other community-driven initiatives • Conducting regular awareness campaigns to educate local communities on the importance of recycling and circular plastic practices • Generating compost internally through responsible food waste practices and donating it to nearby farmers, as well as to sustainability researchers • Offering free health screenings, health talks, and organising blood donation drives to support local blood banks • Supporting mangrove rehabilitation efforts that support the livelihoods of fishermen	• Local employees comprise 76% of our workforce • Broadened and diversified our community outreach, enhancing existing initiatives in recycling, food composting, blood donation and mangrove planting, amongst others • Our contributions amounted to RM734,000 in direct financial donations, benefiting 69 recipients and generating positive indirect impacts for the communities

Our Corporate Governance

OUR INTEGRATED GOVERNANCE STRUCTURE

As our business expands and we grow our operations across various locations, it is essential to maintain leadership cohesion and synergy throughout the Group. In doing so, we can ensure 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 facilitates this synergistic approach by consolidating top-level planning while simultaneously empowering teams from both our Packaging and Property Divisions to contribute their industry-specific insights and expertise to guide our 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 include senior decision-makers from the Packaging and Property Divisions as well as our Corporate Department.

The EXCO is responsible for steering the Group's strategic planning, resource allocation, governance, stakeholder engagement and community-building initiatives, empowering all members to work collectively in ensuring long-term growth, operational resilience and the creation of 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 meet identified growth areas
- Identifying non-performing operations while reallocating resources accordingly

Governance, Compliance and Stakeholder Engagement

- Formulating and 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 within the Group
- Formulating and overseeing robust governance and risk management frameworks, backed 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 to drive continuous professional and personal development
- Driving the implementation of best practices in sustainability across the ESG spectrum

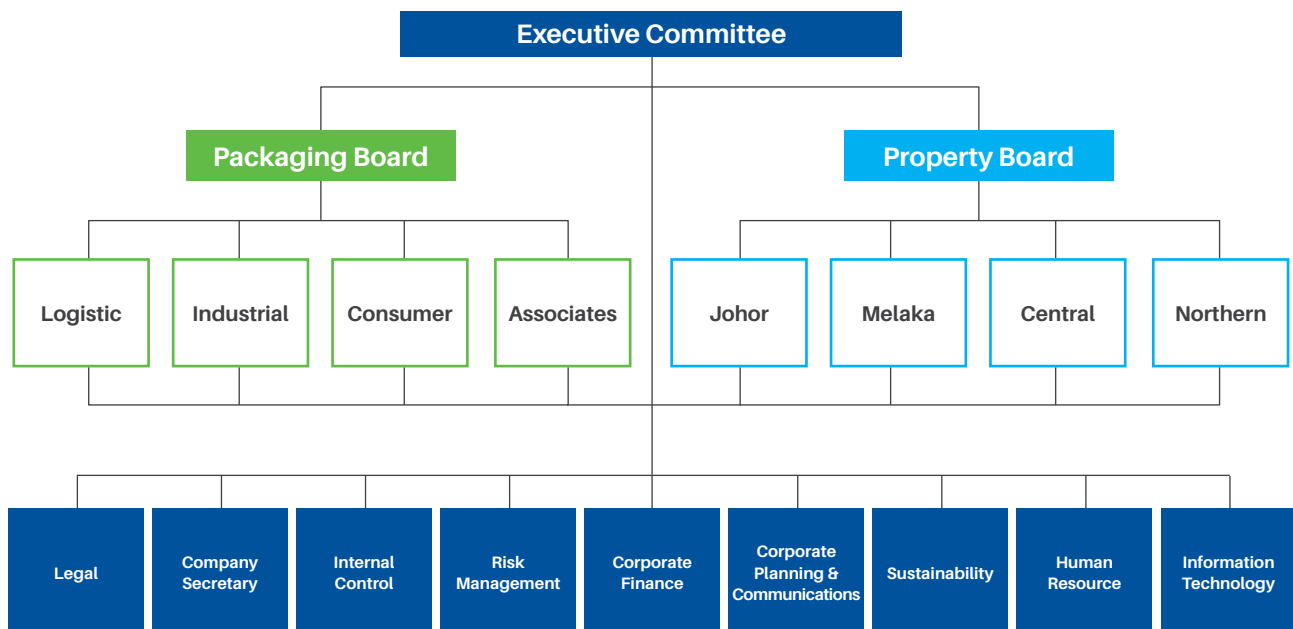
Our Integrated Governance Structure

DRIVING SYNERGY ACROSS THE GROUP

Our streamlined governance structure strengthens synergies between business units, improving communication and the overall execution of Group-wide strategies. Through our EXCO-led integrated governance model, we achieve unified and collaborative decision-making, enabling faster resource optimisation, sharper execution and greater operational efficiency.

This approach empowers our teams to respond swiftly to changing business conditions, foster innovation, enhance productivity and secure competitive advantages in their respective markets.

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 ensure effective oversight and diligent fulfilment of its duties.

During FY2025, the Board was supported by three Board Committees, with the roles and leadership of each committee outlined below:



For more comprehensive information about the specific responsibilities of each 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 in this Report (p. 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 the 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 are continuously presented in its Sustainability Reports, 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") to provide stakeholders with an overview of the application of the principles set out in the Malaysian Code on Corporate Governance 2021 ("MCCG 2021") under the leadership of the Board during the financial year ended 31 July 2025 ("FY2025"). This Statement is to be read together with the CG Report 2025 of the Company ("CG Report") which discloses the application of all practices set out in the MCCG 2021 during FY2025. The prescribed 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 delivery of sustainable values to its stakeholders. The Board, together with Management takes responsibility for the governance of sustainability in the Group, including setting the Group's sustainability strategies, priorities and targets. The Board takes into account sustainability considerations when exercising its duties, including, among others, the development and implementation of the Group's strategic plans and direction, while overseeing the conduct of the business, risk management and succession planning of the Board and Senior Management. The Board is also responsible for implementing investor relations programmes and ensuring the systems of internal controls and management information are in place and working effectively. The Board formulates overall objectives, short- and medium-term plans, policies and business strategies on an on-going basis to respond to rapid changes in the external business environment whilst ensuring that the Group's overall objectives and plan are adhered to.

 [Read more](#)

 [Our Sustainability Governance > p. 81](#)

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 has also developed codes and policies to support the Group's corporate culture/values and commitment 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/.

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 also have the advice and services of the suitably qualified and experienced Company Secretary and Senior Management staff 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

Corporate Governance Overview Statement

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 meets 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. Mr Wong Chin Mun was appointed as the Senior INED of the Company on 6 October 2017 and he 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. Each of the Board Committees 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 each of the Board Committees, which is accessible at www.scientex.com.my/corporate-governance/.

The Board, through the NRC, has conducted the annual peer and self-assessments on the effectiveness of the Board and Board Committees, evaluation of the individual performances of Directors, as well as reviewed the independence of INEDs and the following matters via questionnaires. The Board will engage an independent expert to facilitate objective and candid Board effectiveness evaluations 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 INED would be able to 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 of the 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. With regard to the mix of skills, experiences, competencies, 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 AC, 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 AC. The NRC also, through the AC, reviewed the objectivity, independence, competency, professionalism and resource capacity of the external and internal auditors.

Corporate Governance Overview Statement

(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 is of the view that the current Directors' fees of RM130,000 for the Chairman and RM120,000 for other Directors are sufficient to attract and retain calibre Directors to serve on the Board. The total proposed Directors' fees of RM730,000 for FY2025 will be tabled at the forthcoming Fifty-Seventh Annual General Meeting ("AGM") of the Company ("57th 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 Jin and Mr Wong Chin Mun, who are subject to rotation pursuant to Regulation 81 of the Company's Constitution at the forthcoming 57th AGM, had indicated their intentions to seek for re-election. The Directors who were appointed during the year, Ms Chang Siew Sian and Puan Sabarina Binti Harun, who are subject to re-election pursuant to Regulation 87 of the Company's Constitution at the forthcoming 57th AGM, had also indicated their intentions 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, and 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 57th AGM.

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

At the beginning of the year, the Board and Board Committees will 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, if applicable. 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 the 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 FY2025 were as follows: -

Corporate Governance Overview Statement

Name of Director	No. of Meetings Attended/ Total No. of Meetings Held			
	Board	AC	NRC	RMC
Lim Peng Cheong (Chairman) (Redesignated as Chairman and resigned as member of NRC on 12 March 2025)	4/4*	N/A	2/2	N/A
Lim Peng Jin (Managing Director/Chief Executive Officer) (Resigned as member of RMC on 12 March 2025)	4/4	N/A	N/A	2/2
Wong Chin Mun (Senior Independent Non-Executive Director)	4/4	5/5*	3/3	N/A
Dato' Noorizah Binti Hj Abd Hamid (Independent Non-Executive Director) (Appointed as member of NRC on 12 March 2025)	4/4	5/5	1/1	2/2*
Chin Lam Choong (Independent Non-Executive Director)	4/4	5/5	3/3*	2/2
Chang Siew Sian (Executive Director) (Appointed as Executive Director and member of RMC on 12 March 2025)	1/1	N/A	N/A	N/A
Tan Sri Dato' Mohd Sheriff Bin Mohd Kassim (Chairman) (Retired on 12 March 2025)	2/3*	N/A	N/A	N/A

Remarks:

* Chairperson of the Board/Board Committees

N/A - Not applicable/not the member of the respective Board Committees

The Board observes the requirements related to the Mandatory Accreditation Programme ("MAP") prescribed by Bursa Securities and is mindful that 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 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, amendments to the Malaysian Financial Reporting Standards, the Companies Act 2016, Listing Requirements, publications from Securities Commission Malaysia, sustainability reporting frameworks, and additional disclosures and reporting requirements arising thereto.

During FY2025, the Directors 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	- Governance and Risk Management Programme for Directors and Senior Management of Intermediaries - The New Technologies: Elevating Cyber Resilience Against Emerging Threats - Future - Proofing Governance & Risk: Strategies for a Disruptive Era Programme

Corporate Governance Overview Statement

Directors	Title of Training Programmes/Seminars/Conferences/Forums
Lim Peng Jin	- Sustainability Development Updates: ESG, Sustainability and Tech-Mega Trends - Future-Proofing Your Business with AI: Strategies for Sustainable Success - Vistage's New Strategic Planning Tool for Member as Value Add to Vistage Community - Angela Duckworth: GRIT = Passion & Perseverance - Understanding the 7 Malay Consumer Segment - Mandatory Accreditation Programme Part II: Leading for Impact
Chang Siew Sian	- Mandatory Accreditation Programme Part I - Global Minimum Tax - Pillar Two - Managing the Transition to Self-Assessment Stamp Duty Regime in Malaysia - Combatting Bribery and Corruption Risk in the Business Organisation - Navigating the National Sustainability Reporting Framework and Latest Bursa Listing Requirements
Wong Chin Mun	- CEO Summit: (1) Four Decades of Uninterrupted Growth; (2) CEO's AI Success Stories Curated by Microsoft; (3) CEO Panel – Billions of Ringgit of Wisdom - Global, Regional and Malaysian Economic Updates + Mega Trends - Future-Proofing Your Business with AI: Strategies for Sustainable Success - Angela Duckworth: GRIT = Passion & Perseverance - Understanding the 7 Malay Consumer Segment
Dato' Noorizah Binti Hj Abd Hamid	- Executive Talk on AMLATPUAA 2001 (Money Laundering Offences, Investigation & Prosecution) (MACC) - E-Invoicing Training by Crowe KL Tax Sdn Bhd - Artificial Intelligence & Technology Advancement for Board Decisions by Invictus Leader - E-Invoicing Workshop by Deloitte Tax Consultants
Chin Lam Choong	- Embracing a Corporate Governance Culture in a Newly Listed Company

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.

In the case of Non-Executive Directors, the level of remuneration shall be 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 FY2025 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 FY2025.

Corporate Governance Overview Statement

	Company					Group				
	Salaries	Fees*	Bonuses and Allowances and Other Emoluments	EPF Contribution by Employer	Total	Salaries	Fees*	Bonuses and Allowances and Other Emoluments	EPF Contribution by Employer	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Executive Director</u> Lim Peng Jin	-	120	-	-	120	5,260	120	3,500	1,577	10,457
Chang Siew Sian (Appointed on 12 March 2025)	-	45	-	-	45	472	45	237	128	882
<u>Non-Executive Directors</u> Lim Peng Cheong (Redesignated as Chairman on 12 March 2025)	-	124	-	-	124	-	124	-	-	124
Wong Chin Mun	-	120	-	-	120	-	120	-	-	120
Dato' Noorizah Binti Hj Abd Hamid	-	120	-	-	120	-	120	-	-	120
Chin Lam Choong	-	120	-	-	120	-	120	-	-	120
Tan Sri Dato' Mohd Sheriff Bin Mohd Kassim (Retired as Chairman on 12 March 2025)	-	81	-	-	81	-	81	-	-	81

* Subject to the approval of shareholders at the 57th AGM.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE

The AC is led by a Senior INED who is not the Chairman of the Board. Members of the AC comprises one (1) Senior INED and two (2) INEDs, each satisfying the "independence" requirements set out in the Listing Requirements. All AC members are financially literate, with extensive corporate experiences and equipped with the required business skills. The profile of the AC members is stated in the Integrated Annual Report 2025 and is accessible at www.scientex.com.my/board-of-directors/.

The summary of activities carried out by AC in discharging its function and duties for FY2025 is disclosed in the 'Audit Committee Report' of this Integrated Annual Report on page 103.

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.

Corporate Governance Overview Statement

The Board is guided by the RMC and the AC in overseeing the overall risk management and internal control systems of the Group. The RMC reviews risks identified by Business Owners and considers its potential impact to the Company and the Group as well as raises issues of concern and provides feedback for Management's actions. Risk-related matters which warrant the attention of the Board are highlighted by the RMC to the Board and matters or decisions made within the RMC's purview are escalated to the Board for its notation. The Internal Audit Department supports the AC and the Board to review, monitor, and ensure 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 executives from both the Packaging and Property Divisions of the Group. The EXCO initiating the Board's policies and procedures on risk management by identifying and evaluating the associated risks, and initiate recommendations which are designed to manage, control and mitigate such risks, whilst continuously monitoring and reviewing its impact to the Group.

Read more

 [Key Risks and Mitigation > p. 49](#)

 [Statement on Risk Management and Internal Control > p. 100](#)

 [Audit Committee Report > p. 103](#)

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 of 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 AC reviews the Group's quarterly financial results and annual Audited Financial Statements to ensure accuracy, adequacy and completeness prior to presentation to the Board for its approval. The AC and the Board are required to 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.

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/.

Corporate Governance Overview Statement

By engaging constructively with 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' on page 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. 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. Notice of the 57th AGM and the administrative notes of the AGM will be issued at least 28 days before the AGM date. The notice and administrative notes of the meeting are published on the Company's corporate website and accessible at www.scientex.com.my/investor-relations/agm-egm/. The notice of general meeting is also 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 the resolutions set out in the notice of general meetings and appointed at least one (1) independent scrutineer to validate the votes cast at general meetings. The Company has leveraged 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 outcome of the general meetings, including the poll voting results, will be announced to Bursa Securities on the same day after the meetings are concluded 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 and is 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.

In year 2024, the Company conducted its 56th AGM virtually through live streaming and online voting using the Remote Participation and Voting ("RPV") facilities provided by a reputable service provider. The virtual meeting had enabled shareholders to participate remotely and safely from wherever they were. Shareholders who were not able to participate in the AGM were given the option of appointing a proxy to participate remotely and vote online on his/her behalf. Shareholders are allowed to send pre-meeting questions prior to the AGM or type questions in the text box provided during the virtual meeting. Responses to the pre-meeting questions were shown on screen for shareholders' reference.

The Company will ensure the service provider handling the general meetings have sufficient controls in place to protect data privacy and to prevent cyber threats during the conduct of general meetings.

CURRENT KEY FOCUS AREAS AND FUTURE PRIORITIES

The Group delivered a resilient performance in 2025, supported by strategic investments, sustainability initiatives, and strong partnerships. With a clear vision of 'Sustainable Growth, Better Tomorrow', we are advancing circular packaging solutions, expanding affordable housing, and embedding ESG across our businesses. By optimising our portfolio, strengthening governance, and empowering our people, we are positioning the Company for long-term growth while creating shared value for all stakeholders.

 [Read more](#)

 [Chairman's Statement > p. 18](#)

 [Sustainability Report 2025](#)

This CG Overview Statement was approved in accordance with the resolution of the Board on 13 October 2025.

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 which outlines the nature and scope of risk management and internal control system of the Group during the financial year.

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. However, due to the inherent limitations in any system of risk management and internal control, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives. Thus, the internal control system put in place can only provide reasonable but not absolute assurance against material misstatements or loss. The significant areas covered by the Group's risk management and internal control system are financial, organisational, operational, compliance and information technology.

RISK MANAGEMENT

The Board understands that all aspects of the Group's operations 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 Risk Management Committee ("RMC") and the Audit Committee ("AC") in overseeing the overall risk management and internal control regime of the Group and supported by Scientex Executive Committee ("EXCO"). The EXCO is chaired by the Managing Director/Chief Executive Officer and comprise of Senior Management Executives from both Packaging and Property Divisions of the Group. The EXCO establish the Board's policies and procedures on risk management by identifying and evaluating the associated risks, and initiate recommendations which designed to manage, control and mitigate the risks, whilst continuously monitor and review its impact to the Group.

 [Read more](#)

 [Key Risks and Mitigation > p. 49](#)

INTERNAL AUDIT FUNCTION

The Group maintains an Internal Audit Department ("IAD") that provides support to the AC and the Board. The Head of IAD reports to the AC quarterly. The Group's IAD conduct audit review on the Group's operations from both Packaging and Property Divisions as mandated by the AC. IAD reviews, monitors, and ensure compliance with the Group's policies and procedures, while also assessing the adequacy and effectiveness of the internal control system in place. The IAD highlights notable non-compliance subjects to the Board through AC and follow-up with Management on implementing of the agreed action plans.

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 daily operational matters and the overall risk management of the principal areas affecting the Group, 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 of the external market and business environment, whilst ensuring that the Group's objectives, policies and procedures are adhered. Operational matters and areas of improvement raised for deliberation and discussion in EXCO meetings and adequately addressed with appropriate actions taken. The EXCO meets at least once a month and when required, depending on the urgency and circumstances, for immediate response and actions, to ensure the interests of the Group are protected at all times.

Statement On Risk Management And Internal Control

- The RMC is led by an Independent Non-Executive Director who is not the Chairman of the Board. The RMC comprises two (2) Independent Non-Executive Directors and the Executive Director of the Company. The fundamental role of the RMC is to update the Board on material risk matters and periodically review the risk management framework and structure for timely identification, evaluation and management of significant risks that may potentially impact the Group. The RMC is facilitated by the Risk Management Department to establish and implement an effective risk management framework, policies and processes across the Group, as well as to oversee the risk management approach of the Group to identify, assess, evaluate, respond, monitor, and update any significant risk to the RMC. The respective business owners are responsible for their corresponding risks registers and updating newly identified risks and the progress of action plans to the RMC. The RM department meets when necessary and works closely with the EXCO to ascertain that ongoing monitoring processes are in place to manage the risks.
- The Managing Director/Chief Executive Officer conducts regular management meetings with the respective Management Teams from the Packaging and Property divisions/business units, to review financial and operational reports to monitor the performance of the business and other operational matters including internal control aspects and risk management concerns of the respective divisions/ business units.
- The Group has clearly defined the delegation of responsibilities to the relevant committees of the Board and the Management, including an effective organisational integrated structure and the authority of approved matrix. For more details, please refer to the Board Charter and terms of reference of respective board committees at www.scientex.com.my/corporate-governance/.
- Policies and codes of conduct have been developed to guide conducting business sustainably by adhering to the applicable laws and regulations with high ethical principles. These documents define the Group's commitments towards the applicable issues and are periodically reviewed, to preserve relevance and applicability.
- The operations control framework has been documented in the Internal Control Guidelines of the Packaging and Property Divisions, has specifically set out the key controls and process guidelines across all functions. The Internal Control Guidelines serve as a reference for management on the Group's policies and procedures, and as a tool for managing business risks that may hinder the achievement of the Group's business objectives. It is updated, when necessary, to reflect the changing risk profiles in accordance to the changes in the business environment, strategies, and operational activities gradually.
- An annual budgeting process established, mandating all key operating subsidiaries of the Group will prepare budgets and business plans for the upcoming financial year. The Group practices Quarterly Rolling Budget ("QRB") system covering all the key divisions/ business units of the Group. For effective monitoring and review of performance, the actual monthly and quarterly performance are duly compared with budgets. Major variances are required to be addressed and remedial actions taken, by Management.
- The Board and Management receive quarterly performance reports that provide comprehensive insight of financial results and key business indicators for effective monitoring.
- 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 in the adequacy and effectiveness of the Group's risk management and internal control system. All internal control gaps identified and reported to the AC have been addressed, or are in the process of being addressed. No material losses were incurred due to any shortcomings of the Group's risk management and internal control system that required 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 functioning adequately and effectively in all material respects. Accordingly, the Board is of the opinion that the current risk management practices and internal control framework

Statement On Risk Management And Internal Control

implemented across the Group are 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 environment and processes.

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 13 October 2025.

AUDIT COMMITTEE REPORT

The Board of Directors ("Board") is pleased to present the report of the Audit Committee ("AC") for the financial year ended 31 July 2025 ("FY2025").

AC MEMBERS

The AC is led by the Senior Independent Non-Executive Director who is not the Chairman of the Board. The AC 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 AC meets the requirements of Paragraph 15.09 of the Listing Requirements.

Members	Position
Wong Chin Mun	Chairman (Senior Independent Non-Executive Director)
Dato' Noorizah Binti Hj Abd Hamid	Member (Independent Non-Executive Director)
Chin Lam Choong	Member (Independent Non-Executive Director)

AC MEETINGS AND ATTENDANCE

The AC convened a total of five (5) meetings during FY2025. These meetings were held on 24 September 2024, 17 October 2024, 18 December 2024, 12 March 2025 and 18 June 2025 respectively. The details of attendance of each member who served the AC during FY2025 are as follows: -

AC Members	Number of Meetings Attended / Total Number of Meetings Held	Percentage of Attendance (%)
Wong Chin Mun	5/5	100
Dato' Noorizah Binti Hj Abd Hamid	5/5	100
Chin Lam Choong	5/5	100

The Executive Directors, Senior Managements, 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 AC

The functions and duties of the AC 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 AC has undertaken the following activities during FY2025: -

(i) Financial Reporting and Regulatory Requirements

The AC monitored the financial reporting processes of the Group, included 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 AC 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 AC 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 AC 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 AC assessed the external auditors annually via questionnaire.

Audit Committee Report

For FY2025, the AC has reviewed the independence and suitability of the external auditors, namely Deloitte Malaysia PLT (formerly known as Deloitte 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 AC noted that Deloitte had established policies, safeguard and procedures to ensure there is no threat to its independence and objectivity. Furthermore, Deloitte provided independence assurance for their audit works for FY2025 and rotated the audit engagement partner commencing with the FY2025 audit. The AC had an interview with the new audit engagement partner to assess his independence, experience and competencies. Pursuant thereto, the AC 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 AC had private discussions with the external auditors during the review of the audited financial statements for both FY2024 and FY2025 respectively 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 Auditors

The AC has reviewed and approved the internal audit plan for year 2025 to ensure that the scope and coverage of the internal audit 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 auditors presented the internal audit reports, covering the reviews of quality assurance, engineering store, inventory, revenue cycle, maintenance store of Packaging Division and project operations and receivables cycle of Property Division during the AC meetings held in FY2025. The AC considered the findings highlighted by the internal auditors and the responses from Management. There were no major controls weaknesses noted from the said reports.

The AC assessed the objectivity, independence, competency and resource capacity of the internal auditors annually via questionnaire.

(iv) Others

In addition to the above activities, the AC: -

- 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 AC 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 Department reports directly to the AC 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 Department 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

Audit Committee Report

recorded in the final internal audit reports before tabling at the AC meetings. The AC reviews and deliberates the internal audit plan and internal audit reports. The AC Chairman then updates the Board on the matters deliberated in the AC meetings. Additionally, the internal auditors reviewed the Internal Control Guidelines of the Packaging and Property Divisions and made necessary updates to reflect current business practices and environment. The internal auditors also performed regular reviews on the environmental management performance of the subsidiaries to strengthen the oversight and monitoring of the environmental practices across the Group.

The cost incurred by the Group's internal audit function for FY2025 amounted to RM890,000.

This AC Report is made in accordance with the resolution of the Board on 13 October 2025.

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 (formerly known as Deloitte PLT) ("Deloitte"), and its affiliate corporations for the audit and non-audit services rendered to the Company and the Group for FY2025 are as follows: -

Type of Services / External Auditors		Fees (RM'000)	
		Company	Group
Audit	: Deloitte	42	913
	: Deloitte's Affiliates	-	-
	: Other Auditors	-	175
Total Audit Fees		42	1,088
Non-Audit	: Deloitte	9	90
	: Deloitte's Affiliates	5	622
Total Audit and Non-Audit Fees		56	1,800

The non-audit services include the following :

- i) tax compliance and advisory services; and
- ii) review on the Statements on Risk Management and Internal Control of the Group and a listed subsidiary.

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 FY2025.

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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 2025.

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 19 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	565,103	267,367
Profit for the year attributable to:		
Owners of the Company	530,750	267,367
Non-controlling interests	34,353	-
	565,103	267,367

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
<u>In respect of the year ended 31 July 2024:</u>	
Single tier final dividend of 6 sen per ordinary share declared on 18 December 2024 and paid on 17 January 2025	93,376
<u>In respect of the year ended 31 July 2025:</u>	
Single tier interim dividend of 6 sen per ordinary share declared on 18 June 2025 and paid on 18 July 2025	93,376
	<u>186,752</u>

On 17 September 2025, the directors proposed a single tier final dividend of 6 sen per ordinary share amounting to approximately RM93,376,000 in respect of the year ended 31 July 2025. 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 2026.

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 1,551,268,367 ordinary shares to 1,556,268,391 ordinary shares by way of issuance of 5,000,024 new ordinary shares pursuant to the exercise of 5,000,024 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 27 to the financial statements.

As at 31 July 2025, the total number of issued shares of the Company was 1,556,268,391 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 2025, the Company held a total of 100 ordinary shares as treasury shares out of its 1,556,268,391 issued ordinary shares. Such treasury shares are held at a carrying amount of RM720. Further relevant details are disclosed in Note 28(c) to the financial statements.

ISSUE OF WARRANTS

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

As at 31 July 2025, the total number of unexercised warrants was 98,285,003. The salient terms and movements of the warrants of the Company are disclosed in Note 27(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 had satisfied themselves that there were no known bad debts to be 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 require the writing off of bad debts or render 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
 Dato' Noorizah Binti Hj Abd Hamid
 Wong Chin Mun
 Chin Lam Choong
 Chang Siew Sian (Appointed on 12 March 2025)
 Sabarina Binti Harun (Appointed on 17 September 2025)
 Tan Sri Dato' Mohd Sheriff Bin Mohd Kassim (Retired on 12 March 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
 Gan Kok Khye
 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
 Cham Chean Fong @ Sian Chean Fong
 Tan Hong Koon
 Tin Jie Qi
 Lim Kah Fan
 Koh Huey Min
 Megat Rozlan Bin Abdul Rahman
 Nazri Bin Hassanah Bashry
 Munsir
 Dato' Azman Bin Mahmud
 Tan Chee Teong
 Lim Hong Yee
 Yukinori Kitagawa
 Wong Min Heng*
 Toshihiko Muneyoshi*
 Masanobu Kamiyama*
 Keith Ling Ang Kuong*
 Choo Yung Siong*
 Goh Chee Hong*
 Chih Chien May (Chi Jingmei)#
 Beh Chun Chong^
 Saravanan A/L Perumal^
 Datuk Ichiro Suzuki~
 Kwan Yew Chee~

Continued

DIRECTORS (CONT'D)

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

^ Resigned or deceased during the year and up to the date of this report.

Existing director of a subsidiary of the Company who remained in office until the completion of the striking off.

~ Existing director of a newly acquired subsidiary of the Company who remained in office upon the completion of the acquisition.

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 1.8.2024/ Date of appointment	Acquired/ Transfer in	Disposed/ Transfer out	As at 31.7.2025
Shares in the Company				
Direct interests				
Lim Peng Cheong	1,480,000	340,000	-	1,820,000
Lim Peng Jin	7,312,032	-	-	7,312,032
Wong Chin Mun	243,000	57,000	-	300,000
Chin Lam Choong	200,000	-	(200,000)	-
Chang Siew Sian	5,910,000	-	-	5,910,000
Deemed/Indirect interests				
Lim Peng Cheong	853,182,550	16,645,000 *	-	869,827,550
Lim Peng Jin	893,496,634	16,500,000 *	-	909,996,634
Chin Lam Choong	10,000	-	-	10,000

* Included conversion of warrants of Scientex Berhad into ordinary shares during the year.

	Number of warrants		
	As at 1.8.2024	Acquired	Disposed/ Converted
Warrants in the Company			
Direct interests			
Lim Peng Cheong	10,000	-	-
Lim Peng Jin	482,904	-	-
Wong Chin Mun	16,200	-	-
Deemed/Indirect interests			
Lim Peng Cheong	54,763,073	-	(5,100,000)
Lim Peng Jin	57,437,713	-	(5,000,000)

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 2025 RM'000	The Company 2025 RM'000
Directors of the Company		
Executive:		
Salaries and other emoluments	9,470	-
Defined contribution plan	1,704	-
Fees	165	165
	11,339	165
Non-executive:		
Fees	565	565
	11,904	730

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 2025 amounting to RM1,088,000 and RM42,000 respectively.

Continued

AUDITORS

The auditors, Deloitte Malaysia PLT (formerly known as Deloitte 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
13 October 2025

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 2025 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 117 to 183.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 July 2025, and of their financial performance and their cash flows for the 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"), 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 contents of this report.

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

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

13 October 2025

Statements of Profit or Loss

For the year ended 31 July 2025

	Note(s)	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	5	4,517,709	4,475,599	267,965	151,939
Cost of sales	6	(3,461,341)	(3,466,724)	-	-
Gross profit		1,056,368	1,008,875	267,965	151,939
Other income		19,294	21,509	1,203	9,771
Selling and distribution expenses		(125,467)	(116,253)	-	-
Administration expenses		(206,614)	(174,219)	(1,876)	(2,125)
Other expenses		(1,517)	(3,378)	-	-
Finance costs	7	(22,490)	(22,598)	-	(23)
Share of results of joint venture and associate	18 & 19	15,680	14,947	-	-
Profit before tax	8	735,254	728,883	267,292	159,562
Income tax (expense)/credit	11	(170,151)	(159,698)	75	73
Profit for the year		565,103	569,185	267,367	159,635
Profit for the year attributable to:					
Owners of the Company		530,750	545,209	267,367	159,635
Non-controlling interests		34,353	23,976	-	-
		565,103	569,185	267,367	159,635
Earnings per share					
Basic and diluted (sen per share)	12	34.13	35.15		

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

Statements of Other Comprehensive Income

For the year ended 31 July 2025

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit for the year		565,103	569,185	267,367	159,635
Other comprehensive (loss)/ income, net of income tax:					
<u>Item that will not be reclassified subsequently to profit or loss:</u>					
Revaluation of land and buildings		10,543	11,418	2,107	-
Fair value loss arising from other investment		(1,286)	(905)	(383)	(337)
<u>Item that may be reclassified subsequently to profit or loss:</u>					
Foreign currency translation of foreign operations		(37,949)	1,718	-	-
Total other comprehensive (loss)/income for the year, net of income tax		(28,692)	12,231	1,724	(337)
Total comprehensive income for the year, net of income tax		536,411	581,416	269,091	159,298
Total comprehensive income for the year attributable to:					
Owners of the Company		512,959	553,881	269,091	159,298
Non-controlling interests	16	23,452	27,535	-	-
		536,411	581,416	269,091	159,298

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

Statements of Financial Position

As at 31 July 2025

		The Group		The Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
ASSETS					
Non-Current Assets					
Property, plant and equipment	13	1,637,244	1,524,044	42,951	40,742
Right-of-use assets	14	3,853	4,358	-	-
Investment property	15	4,970	-	-	-
Investment in subsidiaries	16	-	-	1,113,435	1,013,435
Land held for property development	17	3,413,998	1,765,614	-	-
Investment in associates	19	102,722	109,627	3,000	3,000
Other investments	20	33,142	29,365	25,271	24,619
Deferred tax assets	32	19,679	16,955	-	-
Goodwill	21	305,022	305,022	-	-
		5,520,630	3,754,985	1,184,657	1,081,796
Current Assets					
Property development costs	17	633,863	511,593	-	-
Inventories	22	329,853	347,603	-	-
Trade receivables	23	812,471	811,015	-	-
Other receivables, deposits and prepaid expenses	24	183,745	246,556	72	74
Tax recoverable		3,515	5,233	-	-
Contract assets	25	139,266	224,286	-	-
Cash and cash equivalents	26	445,614	252,358	2,661	1,214
		2,548,327	2,398,644	2,733	1,288
TOTAL ASSETS		8,068,957	6,153,629	1,187,390	1,083,084

Statements of Financial Position

As at 31 July 2025 - continued

		The Group		The Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	27	727,244	705,744	727,244	705,744
Reserves	28	3,396,658	3,070,451	451,039	368,700
Equity attributable to owners of the Company		4,123,902	3,776,195	1,178,283	1,074,444
Non-controlling interests	16	261,158	235,044	-	-
Total Equity		4,385,060	4,011,239	1,178,283	1,074,444
Non-Current Liabilities					
Borrowings	29	1,060,000	70,000	-	-
Lease liabilities	30	1,532	2,443	-	-
Retirement benefits obligations	31	52,830	50,428	-	-
Deferred tax liabilities	32	106,593	102,595	8,128	7,566
		1,220,955	225,466	8,128	7,566
Current liabilities					
Borrowings	29	1,380,197	863,029	-	-
Lease liabilities	30	2,368	5,548	-	-
Trade payables	33	638,622	608,018	-	-
Other payables and accrued expenses	34	264,929	234,828	972	1,069
Contract liabilities	25	117,826	145,126	-	-
Tax liabilities		59,000	60,375	7	5
		2,462,942	1,916,924	979	1,074
Total Liabilities		3,683,897	2,142,390	9,107	8,640
TOTAL EQUITY AND LIABILITIES		8,068,957	6,153,629	1,187,390	1,083,084

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

Statements of Changes In Equity

For the year ended 31 July 2025

	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
The Group									
As at 1 August 2023	705,009	(1)	90,719	18,369	486	2,577,636	3,392,218	214,127	3,606,345
Profit for the year	-	-	-	-	-	545,209	545,209	23,976	569,185
Other comprehensive income/(loss) for the year	-	-	8,208	1,369	(905)	-	8,672	3,559	12,231
Total comprehensive income for the year	-	-	8,208	1,369	(905)	545,209	553,881	27,535	581,416
Capital injection in an existing subsidiary by non-controlling interest	-	-	-	-	-	-	-	14,970	14,970
Issuance of ordinary shares pursuant to:									
Share Grant Plan (Note 27)	729	-	-	-	-	-	729	-	729
Exercise of warrants (Note 27)	6	-	-	-	-	-	6	-	6
Dividends (Note 35)	-	-	-	-	-	(170,639)	(170,639)	(21,588)	(192,227)
As at 31 July 2024	705,744	(1)	98,927	19,738	(419)	2,952,206	3,776,195	235,044	4,011,239
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 (Note 16(a))	-	-	-	-	-	-	-	18,024	18,024
Capital injection in a subsidiary by non-controlling interest (Note 16)	-	-	-	-	-	-	-	15,000	15,000
Issuance of ordinary shares pursuant to exercise of warrants (Note 27)	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

Statements of Changes In Equity

For the year ended 31 July 2025 - continued

The Company	Non-distributable reserves				Distributable reserve	
	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 2023	705,009	(1)	26,089	68	353,885	1,085,050
Profit for the year	-	-	-	-	159,635	159,635
Other comprehensive loss for the year	-	-	-	(337)	-	(337)
Total comprehensive income for the year	-	-	-	(337)	159,635	159,298
Issuance of ordinary shares pursuant to:						
Share Grant Plan (Note 27)	729	-	-	-	-	729
Exercise of warrants (Note 27)	6	-	-	-	-	6
Dividends (Note 35)	-	-	-	-	(170,639)	(170,639)
As at 31 July 2024	705,744	(1)	26,089	(269)	342,881	1,074,444
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 27)	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

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

Statements of Cash Flows

For the year ended 31 July 2025

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM/(USED IN)				
OPERATING ACTIVITIES				
Profit before tax	735,254	728,883	267,292	159,562
Adjustments for:				
Depreciation of:				
Property, plant and equipment	134,277	128,542	564	564
Right-of-use assets	3,604	3,533	-	-
Finance costs	22,490	22,598	-	23
Unrealised (gain)/loss on foreign exchange	(5,065)	6,888	-	-
Increase in liability for defined benefit plan	6,445	6,549	-	-
Write off/(Write back) of inventories	2,822	(2,119)	-	-
Fair value gain on other investments	(1,035)	(316)	(1,035)	(316)
Share Grant Plan expense	-	729	-	-
Impairment loss on trade receivables	277	169	-	-
Property, plant and equipment written off	1,358	596	-	-
Gain on lease modification	(114)	(21)	-	-
Dividend income	(204)	(338)	(267,845)	(151,819)
Reversal of impairment loss on trade receivables	(468)	(279)	-	-
Loss/(Gain) on disposal of property, plant and equipment	134	(800)	-	-
Fair value gain on money market deposits	(667)	(1,087)	(189)	(20)
Interest income	(6,636)	(5,222)	(10)	(71)
Share of results of associates and joint venture	(15,680)	(14,947)	-	-
Gain on disposal of investment in joint venture	-	(8,969)	-	(9,334)
Write back of bad debts	(5)	(39)	-	-
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	871,360	864,350	(1,223)	(1,411)
Movement in working capital:				
Decrease/(Increase) in:				
Inventories	28,435	31,571	-	-
Property development costs	146,444	189,085	-	-
Receivables	46,897	(208,211)	-	1
(Decrease)/Increase in payables	(9,660)	113,899	(95)	20
Cash Generated From/(Used In) Operations	1,083,476	990,694	(1,318)	(1,390)
Income tax paid	(172,520)	(132,466)	(26)	(26)
Income tax refunded	2,087	5,443	-	3
Retirement benefits obligations paid	(3,962)	(4,541)	-	-
Net Cash From/(Used In) Operating Activities	909,081	859,130	(1,344)	(1,413)

Statements of Cash Flows

For the year ended 31 July 2025 - continued

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CASH FLOWS FROM/(USED IN)				
INVESTING ACTIVITIES				
Interest received	7,303	6,309	198	91
Proceeds from disposal of property, plant and equipment	3,958	12,331	-	-
Acquisition of a subsidiary, net of cash and cash equivalents acquired (Note 16(a))	(11,749)	-	-	-
Deposit refund from termination of purchase of land	-	54,765	-	-
Additional investment in subsidiary	-	-	(100,000)	-
Purchase of other investment	(3,894)	-	-	-
Proceeds from capital injection in a subsidiary by non-controlling interest	15,000	14,970	-	-
Dividend income received	4,238	8,408	267,845	151,819
Proceeds from disposal of investment in joint venture	-	17,261	-	17,261
Purchase of property, plant and equipment (Note 40(a))	(203,485)	(85,536)	-	-
Deposit paid for purchase of plant and equipment	(30,282)	(6,122)	-	-
Purchase of land held for property development (Note 40(b))	(1,742,232)	(524,506)	-	-
Deposit paid for purchase of land held for property development	-	(137,961)	-	-
Net Cash (Used In)/From Investing Activities	(1,961,143)	(640,081)	168,043	169,171
CASH FLOWS FROM/(USED IN)				
FINANCING ACTIVITIES				
Net drawdown of short-term borrowings	514,578	93,194	-	-
Dividends paid to:				
Shareholders of the Company	(186,752)	(170,639)	(186,752)	(170,639)
Non-controlling shareholders of subsidiaries	(30,362)	(21,588)	-	-
Proceeds from exercise of warrants in the Company	21,500	6	21,500	6
Repayment of lease liabilities	(3,449)	(3,227)	-	-
Finance costs paid	(60,197)	(30,848)	-	(23)
Issuance of Sukuk	990,000	-	-	-
Proceeds from subsidiaries in respect of Share Grant Plan	-	-	-	729
Net Cash From/(Used In) Financing Activities	1,245,318	(133,102)	(165,252)	(169,927)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	193,256	85,947	1,447	(2,169)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	252,358	166,411	1,214	3,383
CASH AND CASH EQUIVALENTS AT END OF YEAR (NOTE 26)	445,614	252,358	2,661	1,214

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

Notes to The Financial Statements

For the year ended 31 July 2025

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 19 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 13 October 2025.

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 MFRSs

In the current year, the Group and the Company have applied a number of 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 2025:

Amendments to:

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

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 MFRSs 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 ³
MFRS 19	Subsidiaries without Public Accountability: Disclosures ³
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to MFRS 121	Lack of Exchangeability ¹
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to MFRSs	Annual improvements to MFRS Accounting Standards - Volume 11 ²

¹ Effective for annual periods beginning on or after 1 January 2025, with earlier application permitted.

² Effective for annual periods beginning on or after 1 January 2026, with earlier application permitted.

³ Effective for annual periods beginning on or after 1 January 2027, 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 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 the Company in the period of initial application, except for the adoption of MFRS 18.

Continued

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

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 will replace MFRS 101 *Presentation of Financial Statements* upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into three defined categories: "operating", "investing" and "financing" and introduces two new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The potential impact of the new standard on the financial statements of the Group and the Company has yet to be assessed.

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 share-based payment transactions that are within the scope of MFRS 2 *Share-based Payment*, 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.

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.

Continued

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Subsidiaries and Basis of Consolidation (cont'd)

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.

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.

Continued

3. MATERIAL ACCOUNTING POLICIES (CONT'D)**Revenue Recognition (cont'd)****(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
- (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.

Continued

3. MATERIAL ACCOUNTING POLICIES (CONT'D)

Foreign Currencies (cont'd)

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 difference 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.

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.

Continued

3. MATERIAL ACCOUNTING POLICIES (CONT'D)**Investment Properties (cont'd)**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 every year.

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.

InventoriesMaterials 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. These costs are assigned on a weighted average basis.
- 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 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 23.

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 2025, the Group recognised revenue of RM2,003,130,000 (2024: RM1,823,864,000) and cost of RM1,261,866,000 (2024: RM1,179,764,000), 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 21.

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 22.

Continued

5. REVENUE

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue from contracts with customers:				
Sale of goods	2,483,771	2,594,478	-	-
Property development:				
Sale of properties under development	2,003,130	1,823,864	-	-
Sale of completed properties	20,037	56,815	-	-
Affordable accommodations	10,449	-	-	-
Management fees from associate	120	120	120	120
	4,517,507	4,475,277	120	120
Revenue from other sources:				
Gross dividends from:				
Subsidiaries	-	-	264,806	144,624
Joint venture	-	-	-	5,000
Associates	-	-	2,837	1,873
Unquoted shares outside Malaysia	202	322	202	322
	202	322	267,845	151,819
	4,517,709	4,475,599	267,965	151,939
<u>Timing of revenue recognition</u>				
Revenue from contracts with customers:				
At a point in time	2,514,257	2,651,293	-	-
Over time	2,003,250	1,823,984	120	120
	4,517,507	4,475,277	120	120

6. COST OF SALES

	The Group	
	2025 RM'000	2024 RM'000
Cost of inventories sold:		
Manufacturing	2,172,886	2,229,140
Completed properties	11,630	30,094
Property development costs (Note 17(b))	1,261,866	1,179,764
Affordable accommodations	8,292	-
Contract cost assets	17,852	6,435
(Reversal)/Provision for foreseeable losses	(11,185)	21,291
	3,461,341	3,466,724

Continued

7. FINANCE COSTS

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Interest expenses on:				
Sukuk Murabahah	14,364	2,745	-	-
Sukuk Wakalah	8,128	-	-	-
Term loan	125	-	-	-
Revolving credits	30,256	21,886	-	23
Trade loans	7,086	5,921	-	-
Lease interest	238	296	-	-
	60,197	30,848	-	23
Less: Amount capitalised in land held for property development (Note 17(a))	(37,707)	(8,250)	-	-
Total finance costs	22,490	22,598	-	23

8. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting) the following:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Loss/(Gain) on foreign exchange:				
Realised	6,118	(3,510)	31	(21)
Unrealised	(5,065)	6,888	-	-
Rental of:				
Buildings	3,048	1,353	-	-
Machinery and equipment	1,647	1,394	-	-
Auditors' remuneration:				
Statutory audit	1,088	1,071	42	42
Other services	90	80	9	9
Remuneration for other professional services rendered by affiliates of auditors	622	843	5	8
Write back of bad debts	(5)	(39)	-	-
Property, plant and equipment written off	1,358	596	-	-
Write off/(Write back) of inventories	2,822	(2,119)	-	-
Interest income	(6,636)	(5,222)	(10)	(71)
Rental income	(4,190)	(3,737)	-	-
Dividend income	(2)	(16)	-	(10)
Fair value gain on other investments	(1,035)	(316)	(1,035)	(316)
Fair value gain on investment property	(4,167)	-	-	-
Gain on previously held equity interest of investment in an associate	(1,724)	-	-	-
Fair value gain on money market deposits	(667)	(1,087)	(189)	(20)
Impairment loss on property, plant and equipment	464	-	-	-
Gain on disposal of investment in joint venture	-	(8,969)	-	(9,334)
Loss/(Gain) on disposal of property, plant and equipment	134	(800)	-	-
Gain on lease modification	(114)	(21)	-	-

Continued

9. EMPLOYEE BENEFITS EXPENSE

	The Group	
	2025 RM'000	2024 RM'000
Wages, salaries and other emoluments	272,480	261,364
Contributions to defined contribution plan	24,530	22,662
Increase in liability for defined benefit plan (Note 31)	6,445	6,549
Share Grant Plan	-	729
Social security contributions	2,939	2,789
	306,394	294,093

The Company does not have any employees since it is an investment holding company and the directors' remuneration is disclosed in Note 10.

In previous year, the Company granted and vested 203,400 new ordinary shares to eligible employees of the Group under the Scientex Berhad Share Grant Plan as disclosed in Note 27(c).

10. DIRECTORS' REMUNERATION

The details of remuneration receivable by directors of the Company during the year are as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors of the Company				
Executive:				
Salaries and other emoluments	9,470	8,258	-	-
Defined contribution plan	1,704	1,486	-	-
Fees	165	120	165	120
	11,339	9,864	165	120
Non-executive:				
Fees	565	655	565	655
	11,904	10,519	730	775

Continued

11. INCOME TAX EXPENSE/(CREDIT)

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Income tax expense:				
Malaysian income tax	167,104	156,386	29	31
Foreign tax	4,631	5,391	-	-
Real property gain tax	-	310	-	-
Withholding tax	296	1,009	-	-
(Over)/Under provision in prior years	(667)	1,084	-	-
	171,364	164,180	29	31
Deferred tax (Note 32):				
Current year	(1,949)	(1,010)	(104)	(104)
Under/(Over) provision in prior years	736	(3,472)	-	-
	(1,213)	(4,482)	(104)	(104)
	170,151	159,698	(75)	(73)

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024: 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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit before tax	735,254	728,883	267,292	159,562
Tax at statutory tax rate of 24% (2024: 24%)	176,461	174,932	64,150	38,295
Tax effects of:				
Non-taxable income	(3,320)	(4,512)	(64,571)	(38,779)
Different tax rates in other countries	172	(1,160)	-	-
Share of results of associates and joint venture	(3,763)	(3,587)	-	-
Non-deductible expenses	5,659	2,485	346	411
Recognition of deferred tax arising from reinvestment allowances/tax incentive	-	(5,604)	-	-
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	(876)	(5,920)	-	-
Deferred tax assets not recognised	246	4,133	-	-
Real property gain tax	-	310	-	-
Withholding tax	296	1,009	-	-
(Over)/Under provision in prior years:				
Income tax	(667)	1,084	-	-
Deferred tax	736	(3,472)	-	-
	170,151	159,698	(75)	(73)

Continued

11. INCOME TAX EXPENSE/(CREDIT) (CONT'D)**Factors that may affect future tax charges**

The OECD's Pillar Two Model Rules, introducing a global minimum effective tax rate of 15% for multinational enterprise ("MNE") groups with consolidated revenue of at least €750 million, have been implemented in several jurisdictions in which the Group operates.

- In Malaysia, the Multinational Top-up Tax ("MTT") and Domestic Top-up Tax ("DTT") are effective for years beginning on or after 1 January 2025. Accordingly, the Group's year ended 31 July 2025 is not affected by these rules in Malaysia.
- In Vietnam and Australia, Pillar Two legislation is effective for years beginning on or after 1 January 2024. The Group, with its year beginning on 1 August 2024, falls within the scope of Pillar Two in these jurisdictions for the current year.
- In Japan, Indonesia, Singapore, United States, Myanmar and New Zealand, Pillar Two rules have either only recently been legislated or are not yet effective for the Group's year ended 31 July 2025. Management continues to monitor developments in these jurisdictions.

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.

For Vietnam and Australia, the management has performed the Transitional Safe Harbour (TSH) assessment. Based on the assessment, Vietnam and Australia are expected to qualify for the TSH. Accordingly, no Pillar Two top-up tax is expected for the year ended 31 July 2025.

The management will continue to monitor developments in Malaysia and other jurisdictions, 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	
	2025 RM'000	2024 RM'000
Profit for the year attributable to owners of the Company	530,750	545,209
	The Group	
	2025 Units '000	2024 Units '000
Weighted average number of ordinary shares in issue	1,554,857	1,551,199
	The Group	
	2025	2024
Basic EPS (sen)	34.13	35.15

Diluted earnings per share

Diluted earnings per ordinary share is not presented as the warrants are anti-dilutive where the average market price of ordinary shares during the current year does not exceed the exercise price of the warrants.

Continued

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 2023	199,721	159,323	385,382	2,049	2,041,446	111,091	21,523	13,604	2,934,139
Additions	-	-	1,554	-	80,369	5,287	1,801	550	89,561
Disposals	-	-	(1,955)	-	(21,615)	(190)	(2,840)	-	(26,600)
Written off	-	-	(43)	-	(22,674)	(763)	-	-	(23,480)
Reclassification	-	-	-	-	13,604	-	-	(13,604)	-
Revaluation	3,900	9,986	419	-	-	-	-	-	14,305
Elimination of accumulated depreciation on revaluation	-	(1,611)	(15,327)	-	-	-	-	-	(16,938)
Exchange differences	78	95	662	-	3,079	88	11	(11)	4,002
As at 31 July 2024	203,699	167,793	370,692	2,049	2,094,209	115,513	20,495	539	2,974,989
Accumulated depreciation and impairment									
As at 1 August 2023	5,983	9,213	52,704	605	1,212,419	77,086	17,927	-	1,375,937
Charge for the year	-	2,330	12,097	39	107,361	5,244	1,471	-	128,542
Disposals	-	-	(594)	-	(11,708)	(29)	(2,738)	-	(15,069)
Written off	-	-	(22)	-	(22,535)	(327)	-	-	(22,884)
Elimination of accumulated depreciation on revaluation	-	(1,611)	(15,327)	-	-	-	-	-	(16,938)
Exchange differences	-	42	136	-	1,131	40	8	-	1,357
As at 31 July 2024	5,983	9,974	48,994	644	1,286,668	82,014	16,668	-	1,450,945

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 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
Net book value									
As at 31 July 2024	197,716	157,819	321,698	1,405	807,541	33,499	3,827	539	1,524,044
As at 31 July 2025	268,809	163,670	366,106	1,366	767,016	34,799	5,479	29,999	1,637,244

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 2023/31 July 2024	42,700	481	1,006	44,187
Accumulated depreciation				
As at 1 August 2023	1,663	212	1,006	2,881
Charge for the year	554	10	-	564
As at 31 July 2024	2,217	222	1,006	3,445
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
Net book value				
As at 31 July 2024	40,483	259	-	40,742
As at 31 July 2025	42,700	251	-	42,951

(a) If the land and buildings were measured using the cost model, the carrying amounts would have been as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Freehold land	255,636	189,085	-	-
Long-term leasehold land	47,266	48,311	668	683
Buildings	363,987	320,830	-	-
	666,889	558,226	668	683

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	
	2025	2024
Long-term leasehold land	31 to 77 years	31 to 77 years
Buildings	2% - 20%	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 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 RM71,192,000 have been charged as security for borrowing as disclosed in Note 29(c)(ii).

Continued

14. RIGHT-OF-USE ASSETS

The Group	Buildings RM'000	Machineries RM'000	Total RM'000
Cost			
At 1 August 2023	5,914	4,471	10,385
Additions	1,864	1,617	3,481
Modification of lease contract	(762)	(259)	(1,021)
Written off	(411)	(759)	(1,170)
Exchange differences	(8)	-	(8)
At 31 July 2024/1 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)
As at 31 July 2025	5,563	4,970	10,533
Accumulated Depreciation			
At 1 August 2023	2,908	2,460	5,368
Depreciation for the year	1,924	1,609	3,533
Modification of lease contract	(276)	(131)	(407)
Written off	(411)	(759)	(1,170)
Exchange differences	(15)	-	(15)
At 31 July 2024/1 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)
As at 31 July 2025	3,721	2,959	6,680
Carrying amounts			
As at 31 July 2024	2,467	1,891	4,358
As at 31 July 2025	1,842	2,011	3,853

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:

	2025	2024
Buildings	10% - 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	4,970

Continued

15. INVESTMENT PROPERTY (CONT'D)

During the 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 valuer based on comparison and cost method. The fair value is categorised as Level 3 of the fair value hierarchy with no transfer between Levels 1 and 2 during the year.

Qualitative information about fair value measurement of investment property performed using significant unobservable inputs (Level 3):

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 (2024: Nil).

Direct operating expenses arising from the investment property amounted to RM21,000 (2024: Nil).

16. INVESTMENT IN SUBSIDIARIES

	The Company	
	2025 RM'000	2024 RM'000
Unquoted shares, at cost:		
At beginning of year	556,106	556,106
Additions	100,000	-
At end of year	656,106	556,106
Quoted shares, at cost:		
At beginning/end of year	457,329	457,329
	1,113,435	1,013,435

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		Principal Activities
		2025 %	2024 %	
Scientex Quatari Sdn. Bhd. ("SQSB") ¹	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") ^{5*}	Vietnam	60	60	Manufacturing of polypropylene ("PP") woven bags, fabrics, bulk bags and polyethylene tying tapes
Scientex Packaging (Ayer Keroh) Berhad ("SPAK")	Malaysia	71.89	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. Bhd.	Malaysia	90	90	Property development
Scientex (Skudai) Sdn. Bhd. ("SKSB")	Malaysia	100	100	Property development
Amber Land Berhad ("ALB")	Malaysia	100	100	Property development
Scientex Contract Sdn. Bhd. ("SCSB")	Malaysia	100	100	Property construction
Scientex Lestari Sdn. Bhd. ("SLSB") ⁴	Malaysia	70	70	Property development
Subsidiaries of SPSB				
Scientex Jenjarom Sdn. Bhd. ("JJSB")	Malaysia	70	70	Property development
Scientex Creed Japan Co., Ltd ("SCJ") ²	Japan	50.001	-	Affordable accommodations

Continued

16. INVESTMENT IN SUBSIDIARIES (CONT'D)

Details of the Company's subsidiaries are as follows:

		Proportion of ownership interest and voting power held by the Group		
Name of Subsidiaries	Country of Incorporation	2025 %	2024 %	Principal Activities
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
Scientex International (S) Pte. Ltd.	Singapore	-	100	Struck off
Hiro Food Packages Manufacturing Sdn. Bhd. ("HIRO") ³	Malaysia	70	N/A	Manufacturing of plastic packaging products
Subsidiary of SMSB				
KC Contract Sdn. Bhd.	Malaysia	65	65	Property construction
Subsidiaries of SPAK				
Scientex Packaging (Teluk Emas) Sdn. Bhd. ("SPTE")	Malaysia	71.89	71.89	Manufacturing and marketing of flexible packaging materials
Scientex Packaging (Australia) Pty. Ltd. ("SPAU")*	Australia	71.89	71.89	Marketing of flexible packaging materials

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		Principal Activities
		2025 %	2024 %	
Subsidiaries of SPAK (cont'd)				
Scientex Packaging (New Zealand) Limited ("SPNZ")**	New Zealand	71.89	71.89	Marketing of flexible packaging materials
Scientex Packaging Management Sdn. Bhd. ("SPMSB")	Malaysia	71.89	71.89	Investment holding
Scientex Land Sdn. Bhd.	Malaysia	71.89	71.89	Dormant
Subsidiary of SPMSB				
Daibochi Packaging (Myanmar) Company Limited ("DPM")5*	Myanmar	43.13	43.13	Manufacturing and marketing of flexible packaging materials. The company has ceased operations since June 2025

* Audited by other auditors.

** Exempted from statutory audit under the rules and regulations of the respective countries of incorporation.

1 On 18 February 2025, the Company subscribed for additional 2,500,000 ordinary shares in SQSB at the issue price of RM40 per ordinary share.

2 On 24 September 2024 and 26 September 2024, SPSB subscribed a total of 50,001 ordinary shares and 200,000 Class A shares in SCJ for JPY2,500,010,000. SCJ is a 50.001% owned subsidiary of SPSB.

3 On 19 November 2024, SPF acquired an additional 40% equity interest in an associate, HIRO from an existing shareholder of HIRO for a total consideration of RM21,781,000. Subsequent to the acquisition, the shareholding of SPF in HIRO increased from 30% to 70%. The fair value of the previously held interest of 30%, amounting to RM20,275,000, was included in determining the total deemed consideration for the acquisition of HIRO as a subsidiary. Accordingly, HIRO became a subsidiary of SPF.

4 On 26 March 2025, SQSB subscribed for additional 40,000,000 ordinary shares in SLNB at the issue price of RM1 per ordinary share.

5 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)**(a) Fair Value of assets and liabilities assumed at the date of acquisition of HIRO**

The Group completed the purchase price allocation exercise with the assistance of an external professional advisor to determine the fair values of the identifiable assets and liabilities of HIRO as at the date of acquisition pursuant to the requirement of MFRS 3 *Business Combinations*.

	RM'000
Assets	
Property, plant and equipment	46,087
Other investments	134
Inventories	13,507
Trade and other receivables	8,310
Cash and cash equivalents	10,032
	78,070
Liabilities	
Trade and other payables	(9,905)
Borrowings	(8,085)
	(17,990)
Non-controlling interests	60,080 (18,024)
Net identified assets acquired	42,056
Cash outflow on acquisition was as follows:	
Consideration paid in cash	21,781
Cash and cash equivalents of subsidiary acquired	(10,032)
Net cash outflow of the Group	11,749

From the date of acquisition, HIRO has contributed approximately RM25,445,000 of revenue and net profit of RM976,000 to the Group for the year ended 31 July 2025.

(b) Non-controlling interests in subsidiaries

The table below shows details on non-wholly owned subsidiaries of the Group that have material non-controlling interests.

Name of Subsidiaries	Proportion of ownership interest and voting rights held by non-controlling interests		Total comprehensive income/(loss) allocated to non-controlling interests for the year		Non-controlling interests	
	2025 %	2024 %	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
SPAK and its subsidiaries	28.11	28.11	(1,483)	13,916	115,031	124,867
SGW	10	10	952	2,287	44,297	43,345
Others			23,983	11,332	101,830	66,832
			23,452	27,535	261,158	235,044

Continued

16. INVESTMENT IN SUBSIDIARIES (CONT'D)**(b) Non-controlling interests in subsidiaries (cont'd)**

Summarised information of subsidiaries with non-controlling interests that are 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.

	2025 RM'000	2024 RM'000
SPAK and its subsidiaries		
Summarised statement of financial position		
Non-current assets	335,958	348,075
Current assets	248,823	263,554
Non-current liabilities	(39,843)	(37,353)
Current liabilities	(142,454)	(154,896)
Net assets	402,484	419,380
Summarised statement of profit or loss and other comprehensive income		
Revenue	712,195	713,510
Profit for the year	26,500	33,992
Total comprehensive income for the year	10,362	45,480
Total comprehensive (loss)/income for the year attributable to non-controlling interests	(6,115)	1,574
Summarised cash flows information		
Net cash from operating activities	56,774	57,489
Net cash used in investing activities	(19,556)	(10,375)
Net cash used in financing activities	(44,031)	(29,941)
Net cash (outflows)/inflows	(6,813)	17,173
SGW		
Summarised statement of financial position		
Non-current assets	482,252	494,606
Current assets	107,749	122,419
Non-current liabilities	(11,264)	(9,811)
Current liabilities	(135,764)	(173,759)
Net assets	442,973	433,455
Summarised statement of profit or loss and other comprehensive income		
Revenue	511,898	569,283
Profit for the year	6,260	22,866
Total comprehensive income for the year	9,519	22,866
Summarised cash flows information		
Net cash from operating activities	39,890	89,132
Net cash used in investing activities	(27,845)	(22,965)
Net cash used in financing activities	(16,509)	(63,409)
Net cash (outflows)/inflows	(4,464)	2,758

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 2023	1,345,390	62,325	12,516	1,420,231
Acquisition of land	575,246	-	-	575,246
Costs incurred during the year	194,994	1,800	26,155	222,949
Transfer to property development costs (Note 17(b))	(437,231)	(6,219)	(9,362)	(452,812)
As at 31 July 2024	1,678,399	57,906	29,309	1,765,614
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

During the year, the Group acquired the following freehold lands through its subsidiaries:

- (i) SHSB acquired a piece of land measuring approximately 1,094 acres in Mukim of Parit Jawa, District of Muar, State of Johor for a total purchase consideration (inclusive of associated administrative costs for the acquisition) of RM208,527,000.
- (ii) SPSB acquired a piece of land measuring approximately 826 acres in Mukim of Batang Berjuntai, District of Kuala Selangor, State of Selangor for a total purchase consideration (inclusive of associated administrative costs for the acquisition) of RM349,313,000.
- (iii) SKSB acquired a piece of land measuring approximately 229 acres in Bandar Sungai Petani, District of Kuala Muda, State of Kedah for a total purchase consideration (inclusive of associated administrative costs for the acquisition) of RM94,144,000.
- (iv) SQSB acquired a piece of land measuring approximately 351 acres in Mukim of Pulau, District of Johor Bahru, State of Johor for a total purchase consideration (inclusive of associated administrative costs for the acquisition) of RM397,416,000.
- (v) SKSB acquired a piece of land measuring approximately 708 acres in District of Seberang Perai Selatan, State of Pulau Pinang for a total purchase consideration (inclusive of associated administrative costs for the acquisition) of RM482,852,000.
- (vi) SHSB acquired a piece of land measuring approximately 528 acres in Mukim of Paya Rumpit, District of Melaka Tengah, State of Melaka for a total purchase consideration (inclusive of associated administrative costs for the acquisition) of RM347,941,000.

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 2023	804,357	68,173	827,930	1,700,460
Costs incurred during the year	-	-	778,094	778,094
Transfer from land held for property development (Note 17(a))	437,231	6,219	9,362	452,812
Reversal of completed projects	(412,459)	(30,328)	(668,624)	(1,111,411)
Unsold units transferred to inventories	(434)	(354)	(1,326)	(2,114)
As at 31 July 2024	828,695	43,710	945,436	1,817,841
Cumulative costs recognised in profit or loss				
As at 1 August 2023	(668,148)	(55,872)	(513,875)	(1,237,895)
Recognised during the year (Note 6)	(308,792)	(15,963)	(855,009)	(1,179,764)
Reversal of completed projects	412,459	30,328	668,624	1,111,411
As at 31 July 2024	(564,481)	(41,507)	(700,260)	(1,306,248)
Property development costs as at 31 July 2024	264,214	2,203	245,176	511,593
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

The freehold and leasehold lands under land held for property development with a carrying amount of RM641,500,000 (2024: RM109,500,000) have been charged as a security for borrowings (Note 29(c)(i)).

Included in the land held for development is interest capitalised of RM37,707,000 (2024: RM8,250,000) (Note 7).

The transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at 31 July 2025 is RM1,843,000,000 (2024: RM1,705,000,000), where the Group expects to recognise it as revenue over the next 1 to 3 years (2024: 1 to 4 years).

Continued

18. INVESTMENT IN JOINT VENTURE

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
In Malaysia:				
Unquoted shares, at cost	-	10,000	-	10,000
Share of post-acquisition reserves	-	-	-	-
Disposal	-	(8,292)	-	(7,927)
Transfer to other investment	-	(1,708)	-	(2,073)
	-	-	-	-
Share of post-acquisition reserves:				
At beginning of year	-	6,826	-	-
Share of results	-	(1,461)	-	-
Dividend received	-	(5,000)	-	-
Transfer	-	(365)	-	-
At end of year	-	-	-	-

Details of the joint venture are as follows:

Name of Joint Venture	Country of Incorporation	Proportion of ownership interest and voting power held by the Group		Principal Activities
		2025 %	2024 %	
MCTI Scientex Solar Sdn. Bhd. ("MSS")	Malaysia	N/A	N/A	Manufacturing and distribution of ethylene-vinyl acetate (EVA) and polyolefin (ASCE) encapsulating materials for photovoltaic solar modules

In previous year, the Company disposed of 40% equity interest in MSS for a consideration of RM17,261,000. Subsequent to the disposal, the shareholding percentage of the Company in MSS reduced from 50% to 10%. Accordingly, MSS ceased to be a joint venture and has been classified as other investment of the Company.

19. INVESTMENT IN ASSOCIATES

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unquoted shares, at cost	32,848	32,848	3,000	3,000
Reclassified to investment in subsidiary	(18,551)	-	-	-
Share of post-acquisition reserves	88,425	76,779	-	-
	102,722	109,627	3,000	3,000
Share of post-acquisition reserves:				
At beginning of year	76,779	63,338	-	-
Share of results	15,680	16,511	-	-
Dividend received	(4,034)	(3,070)	-	-
At end of year	88,425	76,779	-	-

Continued

19. INVESTMENT IN ASSOCIATES (CONT'D)

Details of the associates are as follows:

Name of Associates	Country of Incorporation	Proportion of ownership interest and voting power held by the Group		Principal Activities
		2025 %	2024 %	
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	24.60	24.60	Manufacturing and trading of paper products
Hiro Food Packages Manufacturing Sdn. Bhd. ("HIRO")	Malaysia	N/A	30	Manufacturing of plastic packaging products

* Audited by other auditors.

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 2025 have been used.

On 19 November 2024, 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.

Summarised financial information in respect of the Group's material associate is as follows:

MCS	2025 RM'000	2024 RM'000
Assets and Liabilities		
Current assets	234,023	202,843
Non-current assets	66,407	74,476
Total assets	300,430	277,319
Current liabilities	(29,187)	(34,262)
Non-current liabilities	(5,683)	(7,925)
Total liabilities	(34,870)	(42,187)
Results		
Revenue	266,668	258,742
Profit for the year	39,886	45,761

Continued

20. OTHER INVESTMENTS

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At fair value:				
Unquoted equity instruments outside Malaysia	30,609	26,583	23,781	22,746
Unquoted equity instruments in Malaysia	1,353	1,736	1,353	1,736
Quoted equity instruments in Malaysia	667	667	-	-
Corporate memberships	513	379	137	137
	33,142	29,365	25,271	24,619

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.

21. GOODWILL

	The Group	
	2025 RM'000	2024 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	
	2025 RM'000	2024 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.

Continued

21. GOODWILL (CONT'D)**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 five CGUs:

	2025 (%)	2024 (%)
Key assumptions		
Revenue Compounded Annual Growth Rate ("CAGR")	2.0 - 3.6	2.0 - 5.2
Pre-tax discount rate	8.5 - 11.8	10.1 - 11.7
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.

22. INVENTORIES

	The Group	
	2025 RM'000	2024 RM'000
At cost:		
Raw materials and consumables	190,869	191,296
Unsold completed property units	28,622	37,726
Finished products	84,344	94,957
Work-in-progress	22,542	21,229
	326,377	345,208
At net realisable value:		
Unsold completed property units	1,795	1,795
Raw materials	696	346
Finished products	985	254
	3,476	2,395
	329,853	347,603

For the current year, the amount of inventories recognised as expenses in the cost of sales of the Group was RM1,705,326,000 (2024: RM1,762,210,000).

Continued

23. TRADE RECEIVABLES

	The Group	
	2025 RM'000	2024 RM'000
Third parties	813,860	812,618
Associates	104	145
Less: Impairment losses	813,964 (1,493)	812,763 (1,748)
Trade receivables, net	812,471	811,015

Trade receivables are non-interest bearing. The credit terms for trade receivables of the Group range from 7 to 120 days (2024: 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 (2024: 60 days).

Included in trade receivables are retention sums on property development activities amounting to RM124,882,000 (2024: RM92,088,000).

The table below is an analysis of trade receivables at the end of the reporting date:

	The Group	
	2025 RM'000	2024 RM'000
Neither past due nor impaired	773,779	767,407
Past due but not impaired	38,692	43,608
Past due and impaired	1,493	1,748
	813,964	812,763
<u>Ageing of past due but not impaired</u>		
1 to 30 days	24,467	32,730
31 to 60 days	9,779	7,613
61 to 90 days	2,099	1,734
More than 90 days	2,347	1,531
	38,692	43,608
<u>Ageing of past due and impaired</u>		
More than 120 days	1,493	1,748

Continued

23. TRADE RECEIVABLES (CONT'D)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	
	2025 RM'000	2024 RM'000
At beginning of year	1,748	1,899
Impairment loss	277	169
Reversal of impairment loss	(468)	(279)
Foreign exchange differences	(64)	(41)
At end of year	1,493	1,748

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 RM38,692,000 (2024: RM43,608,000) 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.

The currency profile of trade receivables of the Group is as follows:

	The Group	
	2025 RM'000	2024 RM'000
Ringgit Malaysia	647,123	621,827
United States Dollar	107,197	129,374
Other currencies	59,644	61,562
	813,964	812,763

Continued

24. OTHER RECEIVABLES, DEPOSITS AND PREPAID EXPENSES

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Other receivables	21,013	9,703	-	-
Deposit on purchase of land held for property development	-	137,961	-	-
Deposit on purchase of property, plant and equipment	33,556	6,594	-	-
Other refundable deposits	45,788	35,545	10	10
Other assets (i)	53,810	36,630	-	-
Prepaid expenses	14,571	13,301	62	64
Contract cost assets (ii)	14,992	6,807	-	-
Amounts due from associates	15	15	-	-
	183,745	246,556	72	74

- (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	
	2025 RM'000	2024 RM'000
At beginning of year	6,807	4,173
Addition	30,567	9,069
Cost charged to profit or loss	(22,382)	(6,435)
At end of year	14,992	6,807

25. 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	
	2025 RM'000	2024 RM'000
Contract assets	139,266	224,286
Contract liabilities	(117,826)	(145,126)
	21,440	79,160

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 year arose as a result of the timing differences between billing to property purchasers and the recognition of property development revenue.

Continued

25. CONTRACT ASSETS AND CONTRACT LIABILITIES (CONT'D)

	The Group	
	2025 RM'000	2024 RM'000
At beginning of year	79,160	97,162
Revenue recognised during the year (Note 5)	2,023,167	1,880,679
Consideration payable to customers	(3,075)	34
Less: Progress billing during the year	(2,077,812)	(1,898,715)
At end of year	21,440	79,160

26. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and bank balances	130,112	184,969	160	642
Short-term deposits with:				
Other financial institutions	295,238	48,026	2,501	572
Licensed banks	20,264	19,363	-	-
	445,614	252,358	2,661	1,214

The Housing Development Accounts are maintained in accordance with Section 7(A) of the Housing Developers (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 RM11,611,000 (2024: RM24,015,000) 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 2025 for the Group and the Company is 3.53% (2024: 3.50%) per annum.

Short-term deposits with licensed banks of the Group have weighted average effective interest rate of 3.47% (2024: 4.49%) per annum. The average maturities of short-term deposits with licensed banks of the Group as at the end of the reporting date were 85 days (2024: 80 days).

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	
	2025 RM'000	2024 RM'000
Ringgit Malaysia	350,282	135,230
United States Dollar	78,854	88,892
Other currencies	16,478	28,236
	445,614	252,358

Cash and cash equivalents of the Company are denominated in Ringgit Malaysia.

Continued

27. SHARE CAPITAL

	The Group and The Company			
	Number of ordinary shares		Amount	
	2025 '000	2024 '000	2025 RM'000	2024 RM'000
Issued and fully paid up shares with no par value classified as equity instrument:				
At beginning of year	1,551,268	1,551,064	705,744	705,009
Issued pursuant to the SGP	-	203	-	729
Issued pursuant to exercise of warrants	5,000	1	21,500	6
At end of year	1,556,268	1,551,268	727,244	705,744

(a) Share capital

During the year, the Company issued and allotted 5,000,024 (2024: 1,300) new ordinary shares pursuant to the exercise of 5,000,024 (2024: 1,300) warrants at the exercise price of RM4.30 (2024: 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 2025, the total number of issued shares of the Company was 1,556,268,391 (2024: 1,551,268,367) 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 Issue date	Expiry date	Exercise Price (RM)
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 5,000,024 (2024: 1,300) ordinary shares pursuant to the exercise of 5,000,024 (2024: 1,300) warrants at the exercise price of RM4.30 per warrant. As at 31 July 2025, the total number of unexercised warrants was 98,285,003 (2024: 103,285,027).

Continued

27. SHARE CAPITAL (CONT'D)**(c) Share Grant Plan**

The SGP was approved by the shareholders on 17 December 2013 and is administered by the SGP Committee which is appointed by the Board of Directors, in accordance with the SGP By-Laws. The SGP shall be in force for a period of 5 years from the effective date of 21 January 2014 to 20 January 2019. During the year ended 31 July 2019, the Company has extended its SGP which expired on 20 January 2019 for another 5 years from 21 January 2019 to 20 January 2024 in accordance with the terms and conditions of the SGP By-Laws.

The salient features, terms and conditions of the SGP are as follows:

- (i) The total number of shares which may be awarded to the selected eligible employees under the SGP shall not exceed in aggregate 5% of the total number of issued shares of the Company (excluding treasury shares) at any point of time during the duration of the SGP.
- (ii) The total number of shares that may be awarded under the SGP shall be determined at the sole and absolute discretion of the SGP Committee after taking into consideration the employees performance, contribution, employment grade and the fulfilment of the yearly performance targets or such other matters as the SGP Committee may deem fit and shall be subject to the following:
 - the number of new shares made available under SGP shall not exceed the amount stipulated in (i) above;
 - the allocation to an eligible employee, who either singly or collectively, through persons connected with the eligible employee, holds 20% or more of the issued shares of the Company (excluding treasury shares), must not exceed 10% of the total number of shares to be issued under the SGP; and
 - not more than 50% of the shares to be issued under the SGP shall be allocated to the eligible employees who are the senior management of the Group.
- (iii) The SGP Committee has the discretion in determining whether the shares available for vesting under the SGP shall be staggered over the duration of the SGP.
- (iv) The shares will be vested with the grantee at no cost to the grantee on the vesting date(s).

In previous year, the Group granted and vested 203,400 new ordinary shares to the eligible employees of the Company and its subsidiaries under the SGP. The issue share price as at the date of granting was RM3.585 per ordinary share.

28. RESERVES

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-distributable reserves:				
Property revaluation surplus	109,144	98,927	28,196	26,089
Foreign currency translation reserve	(6,984)	19,738	-	-
Other reserves	(1,705)	(419)	(652)	(269)
Treasury shares	(1)	(1)	(1)	(1)
	100,454	118,245	27,543	25,819
Distributable reserve:				
Retained earnings	3,296,204	2,952,206	423,496	342,881
	3,296,204	2,952,206	423,496	342,881
	3,396,658	3,070,451	451,039	368,700

Continued

28. RESERVES (CONT'D)**(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 2025, the Company held 100 (2024: 100) ordinary shares as treasury shares. Such treasury shares are recorded at a carrying amount of RM720 (2024: RM720).

(d) Retained earnings

The Company is able to distribute dividends out of its entire retained earnings as at 31 July 2025 under the single tier system.

29. BORROWINGS

	The Group	
	2025 RM'000	2024 RM'000
Current - at amortised cost		
Secured:		
Foreign currency revolving credits	26,100	-
Unsecured:		
Revolving credits	1,074,583	629,598
Trade loans	160,527	143,590
Foreign currency revolving credits	118,987	89,841
	1,380,197	863,029
Non-current - at amortised cost		
Secured:		
Sukuk Murabahah	500,000	70,000
Sukuk Wakalah	560,000	-
	1,060,000	70,000
	2,440,197	933,029

Continued

29. BORROWINGS (CONT'D)**Borrowings are repayable as follows:**

	The Group	
	2025 RM'000	2024 RM'000
Current	1,380,197	863,029
Non-current:		
More than 1 year and less than 2 years	-	-
More than 2 years and less than 5 years	330,000	70,000
More than 5 years	730,000	-
	2,440,197	933,029

The weighted average interest/profit rates per annum of the borrowings at the reporting date are as follows:

	The Group	
	2025 %	2024 %
Sukuk Murabahah	3.65	3.65
Sukuk Wakalah	3.70	-
Revolving credits	3.39	3.60
Trade loans	3.17	3.40
Foreign currency revolving credits	1.25	0.57

(a) Sukuk Murabahah Programme

In 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 2025, the total amount issued of unrated Sukuk Murabahah stood at 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 multi-currency Islamic medium-term notes of up to RM1.5 billion (or its equivalent in other currencies) in nominal value at any point in time. On 10 and 19 February 2025, 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 2025, the total amount issued of unrated Sukuk Wakalah stood at 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.

Continued

29. BORROWINGS (CONT'D)

- (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 RM641,500,000 (2024: RM109,500,000) 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 RM71,192,000 (2024: Nil) 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	
	2025 RM'000	2024 RM'000
Ringgit Malaysia	2,295,110	843,188
Japanese Yen	145,087	89,841
	2,440,197	933,029

30. LEASE LIABILITIES

	The Group	
	2025 RM'000	2024 RM'000
Non-current	1,532	2,443
Current	2,368	5,548
	3,900	7,991
Minimum lease payment:		
Not later than 1 year	2,472	5,463
Later than 1 year but not later than 5 years	1,571	2,971
	4,043	8,434
Less: Unexpired finance charges	(143)	(443)
	3,900	7,991
Present value of lease liabilities:		
Not later than 1 year	2,368	5,548
Later than 1 year but not later than 5 years	1,532	2,443
	3,900	7,991

The Group discounted the lease liabilities by using the Group's incremental borrowing rates ranging from 3.0% to 14% (2024: 3.0% to 14%) per annum.

During the year, the Group recognised RM4,329,000 and RM366,000 (2024: RM2,374,000 and RM373,000) respectively of short-term leases and leases of low value assets on a straight-line basis as expenses.

Continued

31. RETIREMENT BENEFITS OBLIGATIONS

	The Group	
	2025 RM'000	2024 RM'000
At beginning of year	50,428	48,415
Current and past service cost (Note 9)	6,445	6,549
Paid during the year	(3,962)	(4,541)
Foreign exchange differences	(81)	5
At end of year	52,830	50,428

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 (2024: 60). The plan is applicable to employees who have a minimum 5 years of service to the Group.

The amounts recognised in the statements of profit or loss are as follows:

	The Group	
	2025 RM'000	2024 RM'000
Cost of sales	1,998	1,923
Administrative expenses	3,926	3,690
Selling and distribution expenses	521	936
	6,445	6,549

The principal assumptions are as follows:

	The Group	
	2025 %	2024 %
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.

Continued

32. DEFERRED TAX (ASSETS)/LIABILITIES

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At beginning of year	85,640	87,221	7,566	7,670
Recognised in profit or loss (Note 11)	(1,213)	(4,482)	(104)	(104)
Recognised in equity	2,492	2,887	666	-
Foreign exchange differences	(5)	14	-	-
At end of year	86,914	85,640	8,128	7,566
Deferred tax assets	(19,679)	(16,955)	-	-
Deferred tax liabilities	106,593	102,595	8,128	7,566
	86,914	85,640	8,128	7,566

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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deferred tax assets (before offsetting):				
Unabsorbed reinvestment allowances	(57,176)	(65,841)	-	-
Unutilised tax losses and unabsorbed capital allowances	(5,675)	(553)	-	-
Others	(28,484)	(27,138)	-	-
Offsetting	(91,335) 71,656	(93,532) 76,577	- -	- -
Deferred tax assets (after offsetting)	(19,679)	(16,955)	-	-
Deferred tax liabilities (before offsetting):				
Temporary differences arising from:				
Property, plant and equipment	137,433	142,025	591	604
Revaluation of land and buildings	40,752	37,083	7,537	6,962
Others	64	64	-	-
Offsetting	178,249 (71,656)	179,172 (76,577)	8,128 -	7,566 -
Deferred tax liabilities (after offsetting)	106,593	102,595	8,128	7,566

Continued

32. DEFERRED TAX (ASSETS)/LIABILITIES (CONT'D)

As mentioned in Note 3, the tax effects of unutilised tax losses, unabsorbed capital allowances, unused tax credit 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 2025, 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	
	2025 RM'000	2024 RM'000
Unutilised tax losses	29,314	53,780
Unabsorbed capital allowances	3,531	2,556
Unabsorbed reinvestment allowances	23,268	23,268
Deductible temporary differences	704	677
	56,817	80,281

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	
	2025 RM'000	2024 RM'000
Year of assessment 2031	6,112	6,112
Year of assessment 2030	8,991	8,991
Year of assessment 2029	13,565	13,565
Year of assessment 2028	464	464
	29,132	29,132

33. TRADE PAYABLES

	The Group	
	2025 RM'000	2024 RM'000
Third parties	600,954	568,787
Associates	37,668	39,231
	638,622	608,018

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group range from 14 to 120 days (2024: 14 to 120 days). The amount due to associates is unsecured, non-interest bearing and has credit terms of 30 to 120 days (2024: 30 to 120 days). Included in the trade payables of the Group is an amount of RM53,990,000 (2024: RM37,242,000) representing retention amount.

Continued

33. TRADE PAYABLES (CONT'D)

The currency profile of trade payables is as follows:

	The Group	
	2025 RM'000	2024 RM'000
Ringgit Malaysia	402,683	371,187
United States Dollar	227,943	232,218
Other currencies	7,996	4,613
	638,622	608,018

34. OTHER PAYABLES AND ACCRUED EXPENSES

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Accrued expenses	127,102	112,898	972	1,069
Other payables	85,565	75,573	-	-
Other liabilities	49,858	44,930	-	-
Deposits	2,404	1,427	-	-
	264,929	234,828	972	1,069

Included in other payables of the Group is advance payments received from customers of RM7,948,000 (2024: RM5,677,000) 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	
	2025 RM'000	2024 RM'000
In respect of the year ended 31 July 2023:		
Single tier final dividend of 5 sen per ordinary share on 1,551,266,967 ordinary shares	-	77,563
In respect of the year ended 31 July 2024:		
Single tier interim dividend of 6 sen per ordinary share on 1,551,268,267 ordinary shares	-	93,076
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	-
	186,752	170,639

On 17 September 2025, the directors proposed a single tier final dividend of 6 sen per ordinary share amounting to approximately RM93,376,000 in respect of the year ended 31 July 2025. 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 2026.

Continued

36. CAPITAL COMMITMENTS

At the end of the reporting date, the Group has the following capital commitments in respect of the acquisition of land held for property development and property, plant and machinery.

	The Group	
	2025 RM'000	2024 RM'000
Approved and contracted for:		
Purchase of property, plant and machinery	38,507	90,438
Balance payment for purchase of land held for property development	-	1,242,076
	38,507	1,332,514

37. RELATED PARTY TRANSACTIONS

Amounts owing by/(to) associates and joint venture which arose mainly from trade transactions and expenses paid on behalf have a credit period range from 30 to 120 days (2024: 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	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Associates:					
Sales	(i)	(610)	(613)	-	-
Purchases	(ii)	166,418	176,320	-	-
Management fees income	(iii)	(120)	(120)	(120)	(120)
Rental income	(iv)	(557)	(557)	-	-
Dividend income		-	-	(2,837)	(1,873)
Joint venture:					
Sales	(i)	-	(59)	-	-
Purchases	(ii)	-	18	-	-
Rental income	(iv)	-	(463)	-	-
Dividend income		-	-	-	(5,000)
Subsidiaries:					
Dividend income		-	-	(264,806)	(144,624)

- (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 (2024: 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 (2024: 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 (2024: 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 (2024: 30 days).

Continued

37. RELATED PARTY TRANSACTIONS (CONT'D)

(b) Compensation of key management personnel is as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Wages, salaries and other emoluments	29,681	26,911	-	-
Contribution to defined contribution plans	5,314	4,830	-	-
Share Grant Plan	-	146	-	-
Fees	245	200	165	120
	35,240	32,087	165	120

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 RM11,339,000 and RM165,000 (2024: RM9,864,000 and RM120,000) 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
2025				
Revenue		2,483,771	2,033,938	4,517,709
Results				
Interest income		2,095	4,541	6,636
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
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
2024				
Revenue		2,594,478	1,881,121	4,475,599
Results				
Interest income		1,602	3,620	5,222
Finance costs		17,034	5,564	22,598
Depreciation of property, plant and equipment		124,640	3,902	128,542
Depreciation of right-of-use assets		3,345	188	3,533
Share of results of associates and joint venture		14,947	-	14,947
Other non-cash expenses	(ii)	4,423	(2,035)	2,388
Segment profit	(i)	217,990	518,544	736,534

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		2,635,079	3,386,735	6,021,814
Investment in associates		109,627	-	109,627
Tax recoverable		5,233	-	5,233
Deferred tax assets		505	16,450	16,955
Consolidated total assets				6,153,629
Liabilities				
Segment liabilities		847,333	1,132,087	1,979,420
Tax liabilities		8,361	52,014	60,375
Deferred tax liabilities		97,301	5,294	102,595
Consolidated total liabilities				2,142,390

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:

	2025 RM'000	2024 RM'000
Segment profit	742,064	736,534
Finance costs (Note 7)	(22,490)	(22,598)
Share of results of associates and joint venture	15,680	14,947
Profit before tax	735,254	728,883

- (ii) Other material non-cash (income)/expenses consist of the following items as presented in the respective notes to the financial statements:

	2025 RM'000	2024 RM'000
Increase in liability for defined benefit plan	6,445	6,549
Net unrealised (gain)/loss on foreign exchange	(5,065)	6,888
Share Grant Plan expense	-	729
Impairment loss on trade receivables	277	169
Impairment loss on property, plant and equipment	464	-
Write back of bad debts	(5)	(39)
Property, plant and equipment written off	1,358	596
Fair value gain on other investments	(1,035)	(316)
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	(468)	(279)
Gain on disposal of investment in joint venture	-	(8,969)
Loss/(Gain) on disposal of property, plant and equipment	134	(800)
Gain on lease modification	(114)	(21)
Write off/(Write back) of inventories	2,822	(2,119)
	(1,078)	2,388

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
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
2024			
Property, plant and equipment	85,287	4,274	89,561
Right-of-use assets	3,279	202	3,481
Land held for property development	-	575,246	575,246

(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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Malaysia	2,920,643	2,749,016	5,315,262	3,640,651
Japan	346,344	382,583	107,875	-
Australia	262,663	282,119	279	412
Thailand	153,600	128,611	-	-
Korea	148,978	173,630	-	-
Indonesia	148,501	159,272	554	593
Singapore	114,673	143,682	-	-
United States of America	110,795	96,666	85,406	95,321
Philippines	105,557	98,038	-	-
Europe	99,814	118,405	-	-
New Zealand	22,741	19,649	-	-
The Socialist Republic of Vietnam	11,167	10,802	11,254	13,733
Myanmar	9,646	33,114	-	4,275
Others	62,587	80,012	-	-
Consolidated	4,517,709	4,475,599	5,520,630	3,754,985

Revenue from one major customer amounted to RM257,541,000 (2024: RM292,231,000), 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.

	2025 RM'000	2024 RM'000
Property, plant and equipment	1,637,244	1,524,044
Right-of-use assets	3,853	4,358
Land held for property development	3,413,998	1,765,614
Investment Property	4,970	-
Investment in associates	102,722	109,627
Other investments	33,142	29,365
Deferred tax assets	19,679	16,955
Goodwill	305,022	305,022
	5,520,630	3,754,985

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 shareholder's 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 2025 and 31 July 2024.

Gearing Ratio

The gearing ratio at end of the reporting date was as follows:

		The Group	
		2025 RM'000	2024 RM'000
Debt	(i)	2,440,197	933,029
Less: Cash and cash equivalents		(445,614)	(252,358)
Net debt		1,994,583	680,671
Equity attributable to owners of the Company	(ii)	4,123,902	3,776,195
Net debt to equity ratio		0.48	0.18

(i) Debt is defined as long-term and short-term borrowings as disclosed in Note 29.

(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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Financial assets				
At amortised cost:				
Trade receivables	812,471	811,015	-	-
Other receivables and deposits	66,816	45,263	10	10
Deposits, cash and bank balances	150,376	204,332	160	642
At FVTPL:				
Other investments	24,294	23,125	23,918	22,883
Short-term deposits with other financial institutions	295,238	48,026	2,501	572
At FVTOCI:				
Other investments	8,848	6,240	1,353	1,736
	1,358,043	1,138,001	27,942	25,843

Continued

39. FINANCIAL INSTRUMENTS (CONT'D)**Categories of financial instruments (cont'd)**

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Financial liabilities				
At amortised cost:				
Trade payables	638,622	608,018	-	-
Other payables and accrued expenses	256,981	229,151	972	1,069
Borrowings	2,440,197	933,029	-	-
Lease liabilities	3,900	7,991	-	-
	3,339,700	1,778,189	972	1,069

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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
United States Dollar	137,800	164,810	196,023	198,546
Japanese Yen	4,874	1,915	122,200	93,365

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	
	2025 RM'000	2024 RM'000
United States Dollar	1,747	1,012
Japanese Yen	3,520	2,744

- (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 2025 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	
	2025 RM'000	2024 RM'000
United States Dollar	2,505	5,383
Japanese Yen	998	1,127

- (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 2025, 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	
	2025 RM'000	2024 RM'000
United States Dollar	(758)	(4,371)
Japanese Yen	2,522	1,617
	1,764	(2,754)

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 29.

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 2025 would decrease or increase by RM3,265,000 (2024: RM1,511,000).

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 2025, 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 23. 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 23.

Credit risk concentration profile

As at 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 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.

	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
The Group					
2025					
Financial liabilities					
Non-interest bearing:					
Trade payables		638,622	-	-	638,622
Other payables and accrued expenses		264,929	-	-	264,929
		903,551	-	-	903,551
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		2,325,190	470,242	752,662	3,548,094

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
2024					
Financial liabilities					
Non-interest bearing:					
Trade payables		608,018	-	-	608,018
Other payables and accrued expenses		234,828	-	-	234,828
		842,846	-	-	842,846
Interest bearing:					
Borrowings	0.6% - 3.7%	865,584	78,517	-	944,101
Lease liabilities	3.0% - 14.0%	5,463	2,971	-	8,434
		871,047	81,488	-	952,535
Total undiscounted financial liabilities		1,713,893	81,488	-	1,795,381
The Company					
			Carrying Amount RM'000	Less than 1 year RM'000	Total RM'000
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
2024					
Financial liabilities					
Non-interest bearing:					
Other payables and accrued expenses			1,069	1,069	1,069
Total undiscounted financial liabilities			1,069	1,069	1,069
Financial guarantees			Nil	1,236,008	1,236,008

Continued

39. FINANCIAL INSTRUMENTS (CONT'D)**Liquidity risk management (cont'd)****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 RM2,805,960,000 (2024: RM1,236,008,000) 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 have 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, 20 and 26 respectively.

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	
	2025 RM'000	2024 RM'000
Additions to property, plant and equipment	207,189	89,561
Less: Deposits paid in prior year	(3,012)	(9,437)
Less: Amount outstanding as other payables	(5,353)	(4,026)
Add: Amount paid in current year from other payables	4,661	9,438
Cash outflows	203,485	85,536

(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	
	2025 RM'000	2024 RM'000
Additions to land held for property development	1,880,193	575,246
Less: Deposits paid in prior year	(137,961)	(50,740)
Cash outflows	1,742,232	524,506

Continued

40. NOTE TO THE STATEMENTS OF CASH FLOWS (CONT'D)

(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	Repayment RM'000	As at 31 July RM'000
2025							
Borrowings	29	933,029	8,085	(5,495)	1,504,578	-	2,440,197
Lease liabilities	30	7,991	-	(642)	-	(3,449)	3,900
		941,020	8,085	(6,137)	1,504,578	(3,449)	2,444,097
2024							
Borrowings	29	836,840	-	2,995	93,194	-	933,029
Lease liabilities	30	7,012	-	4,206	-	(3,227)	7,991
		843,852	-	7,201	93,194	(3,227)	941,020

41. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE YEAR

- (i) On 5 February 2024, the Company announced that SHSB, a wholly-owned subsidiary of the Company entered into a Sale and Purchase Agreement ("SPA") with Guan Hong Plantation Private Limited for the proposed acquisition of 24 parcels of freehold land, all situated in Mukim of Parit Jawa, District of Muar, State of Johor, measuring in aggregate an approximate area of 442.7566 hectares for a total purchase consideration of RM200 million. On 4 July 2024, the Company announced that all conditions precedent of the SPA have been satisfied. Accordingly, the SPA has become unconditional. The full payment of the balance purchase price has been made to the vendor on 27 September 2024, hence marking the completion of the proposed acquisition.
- (ii) On 8 March 2024, the Company announced that SPSB, a wholly-owned subsidiary of the Company entered into a SPA with Metalplex Plantation Sdn Bhd for the proposed acquisition of a freehold land, situated in Mukim of Batang Berjuntai, District of Kuala Selangor, State of Selangor, measuring an approximate area of 826 acres for a purchase consideration of RM335.7 million. On 11 September 2024, the Company announced that all conditions precedent of the SPA has been satisfied. Accordingly, the SPA has become unconditional. The full payment of the balance purchase price has been made to the vendor's solicitors on 10 December 2024, hence marking the completion of the proposed acquisition.
- (iii) On 24 May 2024, the Company announced that SKSB, a wholly-owned subsidiary of the Company entered into a SPA with Land Capacity Sdn Bhd for the proposed acquisition of 37 pieces of freehold land, all situated in District of Seberang Perai Selatan, State of Pulau Pinang, measuring in aggregate an approximate area of 708.477 acres for a total purchase consideration of RM462.5 million.

On 19 July 2024, the Company announced that the approval of the Estate Land Board ("ELB Approval") is not required for the proposed acquisition pursuant to a letter dated 5 July 2024 issued by Pejabat Tanah dan Galian Negeri Pulau Pinang. In view that ELB Approval is no longer a pre-requisite under the SPA, the vendor and SKSB have entered into a Supplemental Agreement to vary certain clauses of the SPA, among others, to pay the balance purchase price no later than 9 October 2024 or subject to payment of agreed interest by 9 November 2024. Additionally, the balance purchase price shall be released to the vendor in accordance to the SPA and upon the due registration of all 37 lots in favour of SKSB as proprietor of the lands free from encumbrances. On 9 October 2024, the Company announced that the full payment of the balance purchase price has been made to the vendor's solicitors in accordance to the SPA and the Supplemental Agreement dated 19 July 2024. Accordingly, the proposed acquisition was marked complete on 9 October 2024.

Continued

41. SIGNIFICANT EVENTS DURING AND SUBSEQUENT TO THE YEAR (CONT'D)

- (iv) On 10 June 2024, the Company announced that SQSB, a wholly-owned subsidiary of the Company entered into a SPA with Lee Pineapple Company (Pte) Limited for the proposed acquisition of 14 parcels of freehold land, all situated in Mukim of Pulau, District of Johor Bahru, State of Johor, measuring in aggregate an approximate area of 350.2568 acres for a total purchase consideration of RM381.4 million. On 21 November 2024, the Company announced that the condition precedent of the SPA has been satisfied. Accordingly, the SPA has become unconditional. On 19 February 2025, the full payment of the balance purchase price has been made to the vendor which marked the completion of the proposed acquisition.
- (v) On 24 January 2025, the Company announced that SHSB, a wholly-owned subsidiary of the Company entered into 2 conditional SPAs with the following vendors:
- a) A SPA entered with Genting Plantations (WM) Sdn Bhd ("GPWM") as the registered and beneficial owner, for the acquisition of 2 pieces of freehold land, both situated in Mukim of Paya Rumpit, District of Melaka Tengah, State of Melaka, measuring in aggregate an approximate area of 423.397 acres for a total purchase consideration of RM267.4 million only ("CSPA 1").
- b) A SPA entered with GPWM as the registered owner and Genting Property Sdn Bhd as the beneficial owner, for the acquisition of a piece of freehold land, situated in Mukim of Paya Rumpit, District of Melaka Tengah, State of Melaka, measuring in area of 105.091 acres for a purchase consideration of RM66.4 million only ("CSPA 2").

The CSPA 1 and CSPA 2 shall be collectively referred to as the "Proposed Acquisitions" hereinafter. The total purchase consideration of the Proposed Acquisitions amounted to RM333.8 million only. On 3 April 2025, the Company announced that the conditions precedent of CSPA 1 and CSPA 2 have been satisfied. Accordingly, the SPAs have become unconditional on 3 April 2025. On 19 May 2025, the full payment of the balance purchase price of CSPA 1 and CSPA 2 have been made to the respective vendors which marked the completion of the Proposed Acquisitions.

- (vi) On 12 September 2025, the Company announced that it has 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 Offer Letter") ("Proposed SCR").

Under the Proposed SCR, all shareholders of SPAK, other than the Company which acted as the Non-Entitled Shareholder under this exercise, whose names appear in the record of depositors of SPAK as at the close of business on an entitlement date to be determined and announced later by the board of SPAK ("Entitled Shareholders") will receive a cash repayment of RM1.50 for each ordinary share in SPAK ("SPAK Share(s)"). The Proposed SCR will result in the cancellation of the existing SPAK Shares held by the Entitled Shareholders. The remaining SPAK Shares which are not cancelled will continue to be held by the Company. Accordingly, the Company will own 100% equity interest in SPAK (excluding treasury shares) upon completion of the Proposed SCR, and in turn, SPAK will become a wholly-owned subsidiary of the Company. For the avoidance of doubt, the existing 550,100 treasury shares held by SPAK will be cancelled after the completion of the Proposed SCR.

On 24 September 2025, on behalf of SPAK's Board, UOB Kay Hian (M) Sdn. Bhd. (formerly known as UOB Kay Hian Securities (M) Sdn. Bhd.) announced that the SPAK's board (save for the interested directors) has appointed MainStreet Advisers Sdn. Bhd. as the Independent Adviser of SPAK and resolved to table the Proposed SCR to the Entitled Shareholders for their consideration and approval.

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 2025 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
13 October 2025

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 13th day of October 2025.

Before me,
KHATIJAH BINTI KAMARUDDIN (W739)
Commissioner for Oaths
Kuala Lumpur
Wilayah Persekutuan

List of Properties Held by The Group

As at 31 July 2025

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: 37 Titles) Daerah Seberang Perai Selatan, Pulau Pinang	Mixed development	Freehold	708.5	-	495,281	2025
Mukim Pulau (Total: 14 Titles) Daerah Johor Bahru, Johor Darul Takzim	Mixed development	Freehold	350.3	-	409,713	2025
GRN 33134 Lot 314 Mukim Batang Berjuntai, Daerah Kuala Selangor, Selangor Darul Ehsan	Mixed development	Freehold	811.2	-	359,218	2025
GRN 10580 Lot 75 GRN 10581 Lot 244 GRN 10582 Lot 245 Mukim Paya Rumpit, Daerah Melaka Tengah, Melaka	Mixed development	Freehold	528.5	-	350,192	2025
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	455.6	-	299,811	2024
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	1,138.6	-	246,046	2021
Mukim Parit Jawa (Total: 24 Titles) Daerah Muar, Johor Darul Takzim	Mixed development	Freehold	1,094.1	-	213,925	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	95.7	-	147,909	2024
GRN 38309 Lot 1608 Mukim Rawang, Daerah Gombak, Selangor Darul Ehsan	Factory, office and warehouse for industrial use (Age: 14 - 27 years)	Freehold	28.7	508,452	120,795	2025 *
GRN 57798 Lot 4358 GRN 19398 Lot 249 GM 288 Lot 248 Mukim 12, Daerah Seberang Perai Utara, Pulau Pinang	Mixed development	Freehold	142.4	-	114,873	2022

Analysis of Shareholdings

As at 17 October 2025

Type of Shares	-	Ordinary Shares
Voting Rights	-	One vote per ordinary share
No. of Shareholders	-	11,387

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares Held *	% *
Less than 100	250	2.20	6,288	0.00 [^]
100 - 1,000	2,905	25.51	1,849,085	0.12
1,001 - 10,000	4,994	43.86	20,985,040	1.35
10,001 - 100,000	2,572	22.59	81,453,261	5.23
100,001 to less than 5% of issued shares	662	5.81	718,981,795	46.20
5% and above of issued shares	4	0.03	732,992,822	47.10
Total	11,387	100.00	1,556,268,291	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	Direct Interest	No. of Shares Held		
		% *	Deemed Interest	% *
1 Lim Peng Jin	7,312,032	0.47	909,904,834 ^A	58.47
2 Lim Peng Cheong	1,820,000	0.12	863,769,702 ^B	55.50
3 Scientex Holdings Sdn Berhad	325,546,872	20.92	141,477,612 ^C	9.09
4 Scientex Infinity Sdn Bhd	181,915,968	11.69	551,076,854 ^D	35.41
5 Scientex Leasing Sdn Bhd	141,477,612	9.09	-	-
6 TM Lim Sdn Bhd	84,052,370	5.40	-	-
7 Sim Swee Tin Sdn Bhd	72,930,600	4.69	84,052,370 ^E	5.40

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 and Paradox Corporation 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	Direct Interest	No. of Shares Held		
		% *	Deemed/ Indirect Interest	% *
1 Lim Peng Cheong	1,820,000	0.12	869,827,550 ^a	55.89
2 Lim Peng Jin	7,312,032	0.47	909,996,634 ^b	58.47
3 Chang Siew Sian	5,910,000	0.38	-	-
4 Wong Chin Mun	300,000	0.02	-	-
5 Dato' Noorizah Binti Hj Abd Hamid	-	-	-	-
6 Chin Lam Choong	-	-	10,000 ^c	0.00 [^]
7 Sabarina Binti Harun	-	-	-	-

Analysis of Shareholdings

Lim Peng Jin and Lim Peng Cheong by virtue of their interests in the shares of the Company are also deemed to have interest 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.

Notes:-

* *Excluding a total of 100 ordinary shares purchased by the Company and retained as treasury shares.*

^ *Less than 0.01%.*

^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, 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.*

^c *Indirect interest through Teh Ai Yim.*

Analysis of Shareholdings

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	181,915,968	11.69
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	49,708,000	3.19
7	Progress Innovations Sdn Bhd	48,615,300	3.12
8	Lim Koy Peng	15,048,913	0.97
9	UOBM Nominees (Tempatan) Sdn Bhd - <i>Pledged Securities Account for Malacca Securities Sdn Bhd</i>	14,621,000	0.94
10	LG & L Pty Ltd	14,610,496	0.94
11	Malaysia Nominees (Tempatan) Sendirian Berhad - <i>Pledged Securities Account for Malacca Securities Sdn Bhd (35-00334-000)</i>	12,900,000	0.83
12	Saw Soon Lin	11,801,064	0.76
13	HLB Nominees (Tempatan) Sdn Bhd - <i>Pledged Securities Account for Malacca Securities Sdn Bhd (PJCAC)</i>	11,579,000	0.74
14	DB (Malaysia) Nominee (Asing) Sdn Bhd - <i>Exempt an for State Street Bank & Trust Company (West CLT OD67)</i>	10,127,900	0.65
15	CIMB Group Nominees (Tempatan) Sdn Bhd - <i>Pledged Securities Account for Malacca Securities Sdn Bhd (NBFI-FIG)</i>	9,760,000	0.63
16	HSBC Nominees (Asing) Sdn Bhd - <i>JPMCB NA for Vanguard Total International Stock Index Fund</i>	8,778,724	0.56
17	Cartaban Nominees (Asing) Sdn Bhd - <i>BBH and Co Boston for Fidelity Low-Priced Stock Fund</i>	8,648,200	0.56
18	Wong Mook Weng @ Wong Tsap Loy	8,579,728	0.55
19	HSBC Nominees (Asing) Sdn Bhd - <i>JPMCB NA for Vanguard Emerging Markets Stock Index Fund</i>	8,079,900	0.52
20	Maybank Investment Bank Berhad - <i>IVT (10) ECD D1-H</i>	7,909,600	0.51
21	Yatee & Sons Sdn Bhd	7,444,698	0.48
22	Lim Peng Jin	7,312,032	0.47
23	HSBC Nominees (Tempatan) Sdn Bhd - <i>HSBC (M) Trustee Bhd for Singular Value Fund</i>	6,613,500	0.43
24	IFAST Nominees (Tempatan) Sdn Bhd - <i>Global Success Network Sdn Bhd</i>	6,293,000	0.40
25	Chua Ah Nee	6,013,849	0.39
26	Chang Siew Sian	5,910,000	0.38
27	Cartaban Nominees (Asing) Sdn Bhd - <i>BBH (LUX) SCA for Fidelity Funds Asean</i>	5,879,700	0.38
28	HSBC Nominees (Asing) Sdn Bhd - <i>BBH and Co Boston for Fidelity Global Value Advance Equity Mother Fund (Nomura TB)</i>	5,858,200	0.38
29	Amanah Raya Berhad - <i>Kumpulan Wang Bersama Syariah</i>	5,800,900	0.37
30	Loh Hoay Chye & Sons Sdn Bhd	5,376,000	0.35
Total		1,109,193,126	71.27

Notes:-

* Excluding a total of 100 ordinary shares purchased by the Company and retained as treasury shares.

Analysis of Warrantholdings

As at 17 October 2025

Exercise price per warrant	-	RM4.30
Expiry date of warrant	-	14 January 2026

DISTRIBUTION OF WARRANTHOLDINGS

Size of Warrantholdings	No. of Warrantholders	%	No. of Warrants Held	%
Less than 100	1,319	27.05	45,997	0.04
100 - 1,000	1,907	39.10	793,061	0.81
1,001 - 10,000	1,205	24.71	4,021,001	4.09
10,001 - 100,000	357	7.32	12,753,378	12.98
100,001 to less than 5% of issued warrants	86	1.76	40,278,231	40.98
5% and above of issued warrants	3	0.06	40,393,335	41.10
Total	4,877	100.00	98,285,003	100.00

DIRECTORS' WARRANTHOLDINGS

Name	No. of Warrants Held			
	Direct Interest	%	Deemed/ Indirect Interest	%
1 Lim Peng Cheong	10,000	0.01	49,663,073 ^a	50.53
2 Lim Peng Jin	482,904	0.49	52,437,713 ^b	53.35
3 Chang Siew Sian	-	-	-	-
4 Wong Chin Mun	16,200	0.02	-	-
5 Dato' Noorizah Binti Hj Abd Hamid	-	-	-	-
6 Chin Lam Choong	-	-	-	-
7 Sabarina Binti Harun	-	-	-	-

Lim Peng Jin and Lim Peng Cheong by virtue of their interests in the warrants of the Company are also deemed to have interests in the warrants 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 warrants of the Company and its related corporations as at the date of the Analysis of Warrantholdings.

Notes:-

^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, 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.

Analysis of Warrantholdings

LIST OF THIRTY (30) LARGEST WARRANTHOLDERS

(Without Aggregating Warrants from Different Securities Accounts Belonging to the Same Person)

No.	Names	No. of Warrants Held	%
1	Scientex Holdings Sdn Berhad	21,703,124	22.08
2	Scientex Leasing Sdn Bhd	9,431,840	9.60
3	Scientex Infinity Sdn Bhd	9,258,371	9.42
4	Sim Swee Tin Sdn Bhd	4,832,000	4.92
5	Malacca Securities Sdn Bhd - <i>IVT(001) Team MK02</i>	3,303,080	3.36
6	Progress Innovations Sdn Bhd	3,241,020	3.30
7	Siau Kon Lin	2,504,800	2.55
8	RHB Nominees (Tempatan) Sdn Bhd - <i>Pledged Securities Account for Wong Yee Hui</i>	2,037,900	2.07
9	Kek Teck Sing	1,575,000	1.60
10	LG & L Pty Ltd	1,274,646	1.30
11	Goh Kah Hian	910,000	0.93
12	Manzhur Hisham Bin Abdul Kadir	909,800	0.93
13	Yeo Soo Jeng	896,400	0.91
14	Yeo Shay Fern	805,200	0.82
15	Lee Rong Sean	771,000	0.78
16	Lim Koy Peng	602,594	0.61
17	Wong Mook Weng @ Wong Tsap Loy	564,315	0.57
18	Lam Chee Wei	534,600	0.54
19	Seow Ming Huey	523,900	0.53
20	Mohd Faiza Bin Muhamad Hanafiah	519,000	0.53
21	Lim Peng Jin	482,904	0.49
22	Chua Ah Nee	465,256	0.47
23	Chang Siew Yen	416,100	0.42
24	RHB Capital Nominees (Tempatan) Sdn Bhd - <i>Pledged Securities Account for Wong Yee Hui</i>	412,100	0.42
25	Syed Aris Bin Syed Akmal Beg	400,000	0.41
26	Loh Hoay Chye & Sons Sdn Bhd	358,400	0.37
27	Yong Sook Lan	339,134	0.35
28	Chai Ming Swee	330,000	0.34
29	Choo Seng Hong	313,000	0.32
30	Wong Soon Lim	312,195	0.32
Total		70,027,679	71.25

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Fifty-Seventh Annual General Meeting ("57th 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 **Wednesday, 17 December 2025 at 11.30 a.m.** for the following purposes: -

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 July 2025 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 2025. **(Resolution 1)**
3. To re-elect the following Directors who retire by rotation in accordance with Regulation 81 of the Company's Constitution and being eligible, have offered themselves for re-election: -
 - (a) Mr Lim Peng Jin **(Resolution 2)**
 - (b) Mr Wong Chin Mun **(Resolution 3)**
4. To re-elect the following Directors who retire by rotation in accordance with Regulation 87 of the Company's Constitution and being eligible, have offered themselves for re-election: -
 - (a) Ms Chang Siew Sian **(Resolution 4)**
 - (b) Puan Sabarina Binti Harun **(Resolution 5)**
5. To approve the payment of Directors' fees of RM730,000 for the financial year ended 31 July 2025. **(Resolution 6)**
6. To re-appoint Deloitte Malaysia PLT (formerly known as Deloitte PLT) as the Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

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 8)

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 9)

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 maximum number of Scientex Shares which may be purchased and/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 2025, the audited retained earnings of the Company was RM423,496,000; 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 10)

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 23 January 2026 to shareholders whose names appeared in the Record of Depositors of the Company on 8 January 2026.

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 8 January 2026;
- (b) Shares deposited into the depositor’s securities account before 12.30 p.m. on 7 January 2026 (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 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

18 November 2025

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 57th 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 5 December 2025 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 57th 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 through the Nomination and Remuneration Committee. Dato' Noorizah Binti Hj Abd Hamid, after having served on the Board of Directors of the Company for 9 years since her appointment as an Independent Non-Executive Director of the Company ("INED") on 7 November 2016, did not seek for the retention as an INED at the 57th AGM. Hence, she will retain office until the close of the 57th 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 basis of fees payable to Directors remains unchanged for the financial year 2025. Further information of the Directors' Fees/Remuneration is set out in the Corporate Governance Overview Statement of the Company's Integrated Annual Report 2025.

5. Explanatory Notes on Special Business:-**(i) Authority to Directors to Allot and Issue Shares Pursuant to the Companies Act 2016**

Resolution 8, 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 18 December 2024 and which will lapse at the conclusion of the 57th 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 fund raising 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 9, 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 18 December 2024, the authority of which will lapse at the conclusion of the 57th AGM.

(iii) Proposed Renewal of Share Buy-Back Authority

Resolution 10, 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 18 November 2025.

6. Poll Voting

Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the 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-Seventh 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 18 November 2025 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-Seventh Annual General Meeting ("57th 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 **Wednesday, 17 December 2025** 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 Jin as a Director of the Company.				
3.	To re-elect Wong Chin Mun as a Director of the Company.				
4.	To re-elect Chang Siew Sian as a Director of the Company.				
5.	To re-elect Sabarina Binti Harun as a Director of the Company.				
6.	To approve the payment of Directors' fees of RM730,000.				
7.	To re-appoint Deloitte Malaysia PLT (formerly known as Deloitte PLT) as the Auditors of the Company and to authorise the Directors to fix their remuneration.				
8.	To authorise the Directors to allot and issue shares pursuant to the Companies Act 2016.				
9.	To approve the Proposed Renewal of Authority to allot and issue new ordinary shares under the Company's Dividend Reinvestment Plan.				
10.	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 _____ 2025.

Signature of Member(s)

Notes:-

- 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.
- 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 57th 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.
- 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.
- 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.
- In respect of deposited securities, only members whose names appear in our Record of Depositors as at 5 December 2025 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.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the 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

