



NEXGRAM HOLDINGS BERHAD
(200401021550 (660055-H))

CORPORATE OFFICE

Nexgram Holdings Berhad (200401021550 (660055-H))
11-01, Level 11, Menara MBMR 1, Jalan Syed Putra,
58000 Kuala Lumpur.
T: +603 2276 3199

SUBSIDIARIES OFFICES

Neunucleus Energy Capital Sdn Bhd (202501037523 (1638932-U))
11-01, Level 11, Menara MBMR 1, Jalan Syed Putra,
58000 Kuala Lumpur.
T: +603 2276 3199

Sensorlink Holdings Sdn Bhd (200501024218 (706350-D))
51, Jalan Kuchai Maju 1, Off Jalan Kuchai Lama,
58200 Kuala Lumpur, Wilayah Persekutuan.
T: +603 7983 7270 F: +603 7983 9330

Medic Assets Group Sdn Bhd (202001023244 (1379564-X))
11-01, Level 11, Menara MBMR 1, Jalan Syed Putra,
58000 Kuala Lumpur.
T: +603 2276 3199

Neu Nexus Data Centre Sdn Bhd (202401040949 (1586796-K))
11-01, Level 11, Menara MBMR 1, Jalan Syed Putra,
58000 Kuala Lumpur.
T: +603 2276 3199

Nexnation Datacity Sdn Bhd (201201011161 (984681-V))
11-01, Level 11, Menara MBMR 1, Jalan Syed Putra,
58000 Kuala Lumpur.
T: +603 2276 3199

www.nexgram.co



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ANNUAL REPORT 2025



ANNUAL REPORT 2025

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CORPORATE INFORMATION



BOARD OF DIRECTORS

CHEANG SOON SIANG

*Executive Director
(Appointed on 7 February 2024)*

HJ MAZRU MAT YUSOF

*Group Executive Chairman
(Resigned on 20 September 2024)*

CHUA ENG CHIN

*Independent Non-Executive Director
(Appointed on 23 April 2024)*

CHIA PENG LUN

*Independent Non-Executive Director
(Appointed on 21 September 2023)*

TAN ENG KEAT

*Independent Non-Executive Director
(Appointed on 23 April 2024)*

CHAN SIU HUA

*Independent Non-Executive Director
(Appointed on 15 October 2025)*

CHUNG KAH HAUR

*Independent Non-Executive Director
(Appointed on 21 July 2025)*

TSU SIEW KENG

*Independent Non-Executive Director
(Appointed on 21 January 2025,
Resigned on 7 October 2025)*

FARIDAH BINTI JAAFAR

*Independent Non-Executive Director
(Resigned on 30 August 2024)*

DATO' DR LIM WENG KHUAN

*Independent Non-Executive Director
(Resigned on 28 March 2025)*

AUDIT COMMITTEE

Chairman

CHUA ENG CHIN

(Appointed on 23 April 2024)

Members

CHAN SIU HUA

(Appointed on 15 October 2025)

FARIDAH BINTI JAAFAR

(Resigned on 30 August 2024)

CHIA PENG LUN

(Appointed on 21 September 2023)

DATO' DR LIM WENG KHUAN

(Resigned on 28 March 2025)

TSU SIEW KENG

*(Appointed on 21 January 2025,
Resigned on 7 October 2025)*

NOMINATION COMMITTEE

Chairman

CHAN SIU HUA

(Appointed on 15 October 2025)

FARIDAH BINTI JAAFAR

(Resigned on 30 August 2024)

TSU SIEW KENG

*(Appointed on 21 January 2025,
Resigned on 7 October 2025)*

Members

CHIA PENG LUN

(Appointed on 21 September 2023)

DATO' DR LIM WENG KHUAN

(Resigned on 28 March 2025)

TAN ENG KEAT

(Appointed on 23 April 2024)

CHUNG KAH HAUR

(Appointed on 21 July 2025)

CORPORATE INFORMATION (CONTINUED)

REMUNERATION COMMITTEE

Chairman

FARIDAH BINTI JAAFAR

(Resigned on 30 August 2024)

CHIA PENG LUN

(Appointed on 21 September 2023)

Members

DATO' DR LIM WENG KHUAN

(Resigned on 28 March 2025)

TSU SIEW KENG

*(Appointed on 21 January 2025,
Resigned on 7 October 2025)*

TAN ENG KEAT

(Appointed on 23 April 2024)

CHUNG KAH HAUR

(Appointed on 21 July 2025)

CHAN SIU HUA

(Appointed on 15 October 2025)

SHARE REGISTRAR

**TRICOR INVESTOR & ISSUING
HOUSE SERVICES SDN BHD**

Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan
Tel: +603 2783 9299
Fax: +603 2783 9222

REGISTERED OFFICE

11-01, Level 11, Menara MBMR
1, Jalan Syed Putra
58000 Kuala Lumpur
Wilayah Persekutuan
Tel: +603-2276 3199
Email: info@nexgram.co

CORPORATE OFFICE

11-01, Level 11, Menara MBMR
1, Jalan Syed Putra
58000 Kuala Lumpur
Wilayah Persekutuan
Tel: +603-2276 3199

Website: www.nexgram.co

AUDITORS

LTTH PLT (LLP0020047-LCA & AF 0071)
No. 29A, Jalan SS 22/19
Damansara Jaya, 47400 Petaling Jaya
Selangor Darul Ehsan
Tel: +603-7727 8971
Email: admin@ltthplt.com

COMPANY SECRETARY

WONG YOUN KIM

(MAICSA 7018778)
(SSM PC NO. 201908000410)

BANKERS/FINANCIAL INSTITUTION

RHB Bank Berhad
Alliance Bank (M) Berhad
Malayan Banking Berhad
AmFunds Management Berhad
OCBC Securities Private Limited

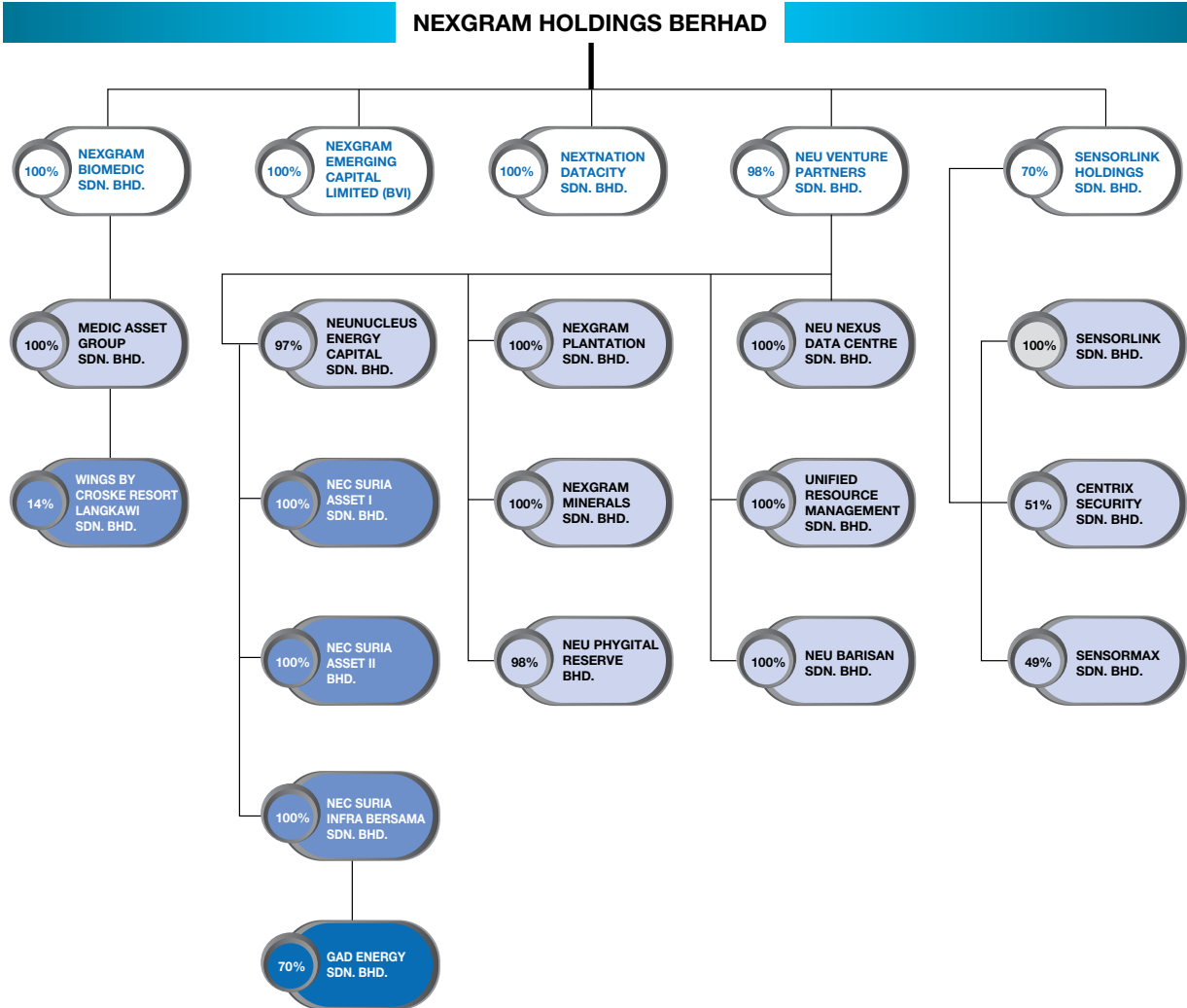
STOCK EXCHANGE LISTING

ACE Market of Bursa Malaysia Securities Berhad

Stock Name: NEXGRAM
Stock Code: 0096



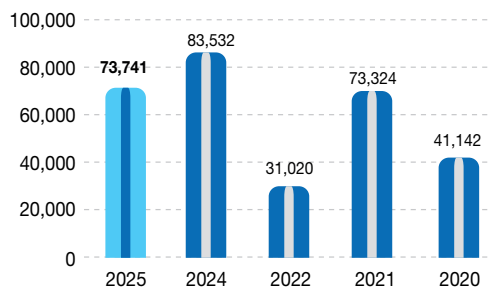
CORPORATE STRUCTURE



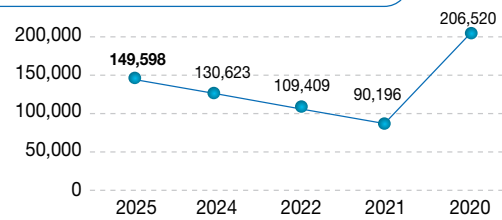
GROUP FINANCIAL HIGHLIGHTS

	18 Months Ended 31 July 2025 RM'000 2025	18 Months Ended 31 January 2024 RM'000 2024 Restated	Financial Year Ended 31 July 2022 RM'000 2022 Restated	Financial Year Ended 31 July 2021 RM'000 2021	Financial Year Ended 31 July 2020 RM'000 2020 Restated
Revenue	73,741	83,532	31,020	73,324	41,142
Profit /(Loss) before Taxation	3,904	(30,339)	(38,006)	(7,947)	(63,320)
Total Comprehensive Profit/(Loss)	2,223	(31,483)	(41,001)	(5,752)	(65,348)
Paid Up Share Capital	149,598	130,623	109,409	90,196	206,520
Shareholders' Fund	75,595	68,161	70,770	113,984	88,947
Loss Per Share (sen)	(0.11)	(4.89)	(0.84)	(0.19)	(2.97)
Net Assets Per Share (sen)	16.25	21.12	1.62	3.10	3.78

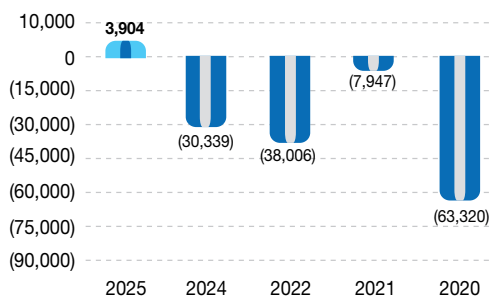
Revenue (RM'000)



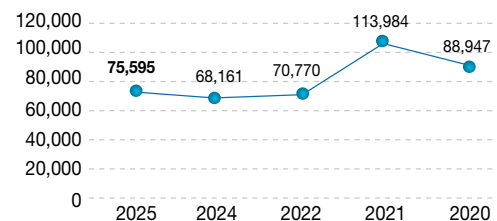
Paid Up Share Capital (RM'000)



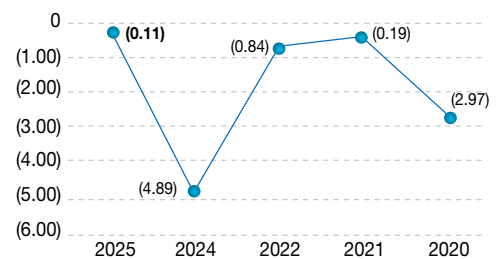
Profit /(Loss) before Taxation (RM'000)



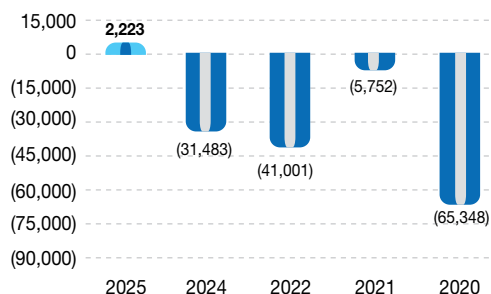
Shareholders' Fund (RM'000)



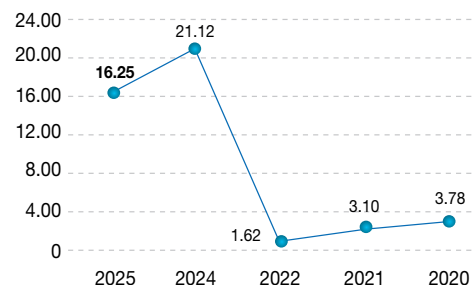
Loss Per Share (sen)



Total Comprehensive Profit/(Loss) (RM'000)



Net Assets Per Share (sen)



DIRECTORS' PROFILE



CHEANG SOON SIANG

Malaysian, Aged 57, Male
Executive Director

Mr. Cheang Soon Siang was appointed as an Executive Director of Nexgram Holdings Berhad on 7 February 2024.

He is a Registered Financial Consultant with the International Association of Registered Financial Consultants (IARFC), USA, and brings over 30 years of experience in the financial industry. His expertise spans financial advisory, corporate finance, portfolio management, and strategic business development for private wealth and institutional clients.

Mr. Cheang began his banking career in 1987 and has served in several financial institutions including Southern Bank Berhad, Orix Leasing Berhad, Oriental Bank Berhad, and EON Bank Berhad. Throughout his banking tenure, he was involved in credit evaluation, lending, risk management, project financing, cash-flow and working-capital management, as well as the restructuring and recovery of credit facilities across corporate, commercial, and consumer sectors.

He left the banking industry in 2007 to join AIA Berhad as Unit Manager and later served as Estate Planner Manager at RHB Trustees Berhad. He subsequently became a shareholder and Executive Director of Naim Indah Corporation Berhad, a property development company listed on the Main Market of Bursa Malaysia, where he served until 2017.

Over the years, he has held various leadership positions, including Chairman of TW Global Connections Sdn Bhd, Director of Savancity PMC Sdn Bhd (a project-management company for a billion-ringgit mixed development in Laos), and Associate Director of Nextleap IPO Ventures Sdn Bhd, providing pre-IPO advisory services.

Mr. Cheang is also the Principal of Sapphire Pavilion Ltd, a private fund based in Labuan managing assets of up to USD 200 million, and currently serves as the Principal Officer of Golden Touch Investment Bank Ltd, a licensed investment bank in Labuan involved in wealth management, custodian and trust services, corporate finance, and mergers & acquisitions activities.

With his extensive background in finance, corporate management, investment advisory, and strategic governance, Mr. Cheang contributes significantly to the strategic direction and sustainable growth of Nexgram Holdings Berhad.

As of the date of this report, he does not hold any ordinary shares in the Company.

He does not sit on the board of other public companies, has no family relationship with any Director and/or major shareholder of the Company, and has no convictions other than traffic offences within the past five (5) years.

DIRECTORS' PROFILE

(CONTINUED)



CHUA ENG CHIN

Malaysian, Aged 66, Male

Independent Non-Executive Director

Mr Chua Eng Chin was appointed as an Independent Non-Executive Director at Nexgram Holdings Berhad on 23 April 2024.

He is a qualified Chartered Accountant since 1984. He is a registered Fellow Member of Association of Chartered Certified Accountants (United Kingdom) and a Member of Malaysian Institute of Accountants (MIA).

He has extensive experience in auditing and consultancy. He held various key positions with some established companies, i.e. as an internal auditor in Lion Group and Berjaya Group. He also served as Senior Accountant in Berjaya Textiles Berhad and Senior Manager in Malpac Holdings Berhad. Currently, he is a Commissioned Dealer Representative with New Paradigm Securities Sdn Bhd (formerly known as PM Securities Sdn Bhd).

On 23 April 2024, he was also appointed as the Chairman of the Audit Committee of the Company.

As of the date of this report, he does not hold any ordinary shares in the Company.

He does not have any family relationship with the Director and/or major shareholder of the Company. He has no convictions other than traffic fines for the past five (5) years.

DIRECTORS' PROFILE

(CONTINUED)



MR. CHIA PENG LUN

Malaysian, Aged 34, Male

Independent Non-Executive Director

Mr. Chia Peng Lun was appointed as an Independent Non-Executive Director of Nexgram Holdings Berhad on 21 September 2023.

He holds a Bachelor of Laws (LL.B) from the University of London (Kuala Lumpur) obtained in 2014, and a Certificate of Legal Practice (CLP) from Advance Tertiary College, Kuala Lumpur in 2015. He subsequently earned a Master of Business Administration (MBA) in Global Business from Coventry University, United Kingdom, in 2022.

Mr. Chia is the Co-Managing Partner of Tam Cheng Yau & Co., a legal firm based in Kuala Lumpur. He has extensive experience in both the legal and business sectors, with particular expertise in banking and finance, including syndicated and bilateral financing transactions. His corporate practice also encompasses advisory work on asset disposals, mergers and acquisitions, joint ventures, and foreign direct investment matters, as well as regulatory compliance, business establishment, and licensing in Malaysia.

In addition to his legal practice, Mr. Chia actively contributes to professional and community development. He has been invited as a guest speaker for academic institutions, youth leadership events, real estate agencies, and financial advisory firms. He also serves as a member of the Corporate and Conveyancing Practice Committee of the Kuala Lumpur Bar, where he contributes to the advancement of corporate and conveyancing practice in Malaysia.

Within Nexgram Holdings Berhad, Mr. Chia serves as a member of the Audit Committee, Nomination Committee, and Remuneration Committee.

As of the date of this report, Mr. Chia does not hold any ordinary shares in the Company. He does not sit on the board of any other public companies, has no family relationship with any Director and/or major shareholder of the Company, and has no conflict of interest or convictions (other than traffic offences, if any) within the past five (5) years.

DIRECTORS' PROFILE

(CONTINUED)

TAN ENG KEAT, KEITH

Malaysian, Aged 40, Male

Independent Non-Executive Director



Mr Tan Eng Keat was appointed as an Independent Non-Executive Director at Nexgram Holdings Berhad on 23 April 2024.

He is an accomplished investment banker and financial strategist with over 15 years of experience across banking, capital markets, and global investment structuring. He holds a Bachelor of Science in Electrical and Electronic Engineering (2006) and a Master of Science (Hons) in Control Systems Engineering (2009), both from the University of Sheffield, United Kingdom.

Keith began his career as a management trainee at the Securities Commission Malaysia, where he gained a solid foundation in regulatory compliance, finance, and capital markets. He subsequently held key positions at Malaysian Rating Corporation Berhad (MARC) and TA Securities Holdings Berhad, contributing to major corporate exercises including IPO structuring, debt assessments, and capital market transactions.

Keith currently serves as the Chief Executive Officer of Golden Touch Investment Bank Ltd, a Labuan-licensed offshore investment bank, where he leads the firm's global banking operations, investment management, and cross-border financing activities. Under his leadership, the bank has expanded its international presence through strategic alliances, asset-backed financing solutions, and private banking services for high-net-worth clients and corporations.

In addition, he is actively involved in setting up and structuring family offices in Singapore and Hong Kong, providing bespoke wealth management, estate planning, and investment advisory services tailored to ultra-high-net-worth families. His expertise in offshore structuring, capital deployment, and regulatory navigation has positioned him as a trusted advisor in the regional wealth management ecosystem.

As of the date of this report, he does not hold any ordinary shares in the Company, nor does he have any family relationship with any Director and/or major shareholder of the Company. He has no convictions other than traffic fines for the past five (5) years.

DIRECTORS' PROFILE

(CONTINUED)



CHUNG KAH HAUR

Malaysian, Aged 35, Male

Independent Non-Executive Director

Mr Chung Kah Haur was appointed as an Independent Non-Executive Director of Nexgram Holdings Berhad on 21 July 2025.

Mr. Chung Kah Haur brings extensive experience in guiding public listed companies toward sustainable growth and strategic advancement. A seasoned corporate advisor, he has a proven record of helping businesses across manufacturing, retail, and construction industries reach their next level through strategic direction, market insight, and innovation. He is skilled in identifying growth opportunities, fostering strategic partnerships, and building strong brand architectures that drive long-term shareholder value. His pragmatic yet visionary approach combines strategic foresight with practical execution.

He currently leads business expansion initiatives at Skyview Frontier Sdn Bhd, overseeing projects across listed sectors including manufacturing, retail, construction, and wellness. His work focuses on market penetration, brand positioning, and the development of strategic alliances with wellness and lifestyle brands. Prior to this, he served at Cuffz Sdn Bhd from 2012 to 2020, where he rose from Business Development Manager to General Manager, managing retail operations for a fashion brand. During his tenure, he spearheaded store expansion, marketing campaigns, and customer experience enhancements across multiple outlets.

With his extensive background in corporate advisory and business development, Mr. Chung contributes valuable strategic insight and leadership to the Board of Nexgram Holdings Berhad.

He does not hold any directorships in other public companies. Nor does he have any family relationship with the Director and/or major shareholder of the Company. He has no convictions other than traffic fines for the past five (5) years.

DIRECTORS' PROFILE

(CONTINUED)

CHAN SIU HUA

Malaysian, Aged 51, Female
Independent Non-Executive Director



Ms Chan Siu Hua was appointed as an Independent Non-Executive Director at Nexgram Holdings Berhad on 15 October 2025.

Ms. Chan Siu Hua is an experienced business leader with over two decades of involvement in finance, administration, and entrepreneurship. With a strong foundation in accounting and corporate governance, she has supported SMEs and growing enterprises in strengthening operations, enhancing sustainability, and navigating organisational transformation.

She currently serves as Director of several private companies, including Happy Forest Sdn Bhd, Happisafe AI Sdn Bhd, and United Vision Advisory & Management. Her leadership approach integrates financial discipline with strategic foresight and human insight, enabling effective governance and long-term value creation.

Ms. Chan brings to the Board a people-oriented perspective grounded in sound financial understanding and hands-on management experience, contributing to Nexgram's strategic direction, operational efficiency, and sustainable growth.

With Nexgram Holdings Berhad, Ms. Chan serves as a Chairman of Nomination Committee, member of the Audit Committee, and Remuneration Committee.

As of the date of this report, Ms. Chan does not hold any ordinary shares in the Company. She does not sit on the board of any other public companies, has no family relationship with any Director and/or major shareholder of the Company, and has no conflict of interest or convictions (other than traffic offences, if any) within the past five (5) years.

KEY MANAGEMENT'S PROFILE

Y.M. TENGKU DATO' DR. HISHAMMUDDIN ZAIZI BIN Y.A.M TENGKU BENDAHARA AZMAN SHAH ALHAJ

Malaysian, Aged 62, Male

Chairman, Nextnation Datacity Sdn Bhd



Y.M. Tengku Dato' Dr. Hishammuddin Zaizi Bin Y.A.M Tengku Bendahara Azman Shah Alhaj is a Malaysian citizen who holds an Honours Degree in Political Science from Flinders University, South Australia, and was later conferred an Honorary Doctorate for his contributions to community development and socio-economic advancement.

He has extensive experience in business leadership, strategic management, and social entrepreneurship, with professional involvement across property development, investment management, hospitality, environmental sustainability, and philanthropy.

He currently serves as Director of iKHASAS Group, Chairman of Oriental Kopi Berhad, and President of KRU Group, where he oversees initiatives in property, hospitality, F&B, and creative industries.

Beyond his corporate roles, he is actively engaged in social and educational work. He is the Patron of Ocean Hero Conservation, advancing marine ecosystem awareness among youth, and the Chairman of Pertubuhan Amal THZ, supporting community outreach and health-related programmes. He also serves as CEO@SBE (School of Business and Economics) at Universiti Putra Malaysia, contributing to industry-academia collaboration and leadership development.

His dedication to sustainability and social impact has earned recognition both locally and internationally, including an invitation to deliver a keynote address at UNESCO Headquarters in Paris for his initiatives aligned with the United Nations Sustainable Development Goals.

He does not have any family relationship with any Director or major shareholder of Nexgram Holdings Berhad, has no conflict of interest with the Company, and has not been convicted of any offences other than traffic offences within the past five (5) years.

KEY MANAGEMENT'S PROFILE (CONTINUED)

AW MUN KONG

Malaysian, Aged 56 Male

Managing Director, Sensorlink Holdings Sdn Bhd



Mr. Aw Mun Kong is the Managing Director for Sensorlink Holdings Sdn Bhd and its subsidiaries (“Sensorlink Group”). Sensorlink Group is a 70% owned subsidiary of Nexgram Holdings Berhad, which is principally involved in the business of import and distribution of security and video surveillance equipment.

He graduated from Federal Institute of Technology (FIT) with Diploma in Electronics in 1991. He has more than 30 years hands-on experience in electronics and IT industries, which started his career as a technician in Canon Professional SLR Camera in 1991. A year later in 1992 to 1997, he worked as a sales engineer and was promoted to manager position in video surveillance CCTV company. His own business exposure started when he incorporated and became a Managing Director of Sensorlink Group in 1997.

He is also a shareholder of the Company, holding indirect interest of 13,393,333 ordinary shares and 2,678,666 Warrant D in the Company.

He does not hold any directorships in other public companies. Nor does he have any family relationship with Director and/or major shareholder of the Company. He has no convictions other than traffic fines for the past five (5) years.

KEY MANAGEMENT'S PROFILE (CONTINUED)

FOO SEH KAI, SKY

Malaysian, Aged 33, Male

Director, GAD Energy Sdn Bhd



Mr. Foo Seh Kai is the Founder and Director of GAD Energy Sdn Bhd, a renewable energy company specialising in solar power development, engineering, procurement, and construction (EPCC) solutions, as well as green investment across Malaysia and Indonesia. In addition to his role as Director of GAD Energy Sdn Bhd, Mr. Foo also serves as Director of Neunucleus Energy Capital Sdn Bhd and Nec Suria Infra Bersama Sdn Bhd, overseeing strategic alignment, project integration, and renewable energy expansion initiatives across the Group's energy portfolio.

With over a decade of experience in financial planning, renewable energy systems, and business development, he leads GAD Energy's strategic direction in delivering sustainable, high-efficiency solar solutions aimed at reducing energy costs and carbon emissions while creating long-term value for clients and investors.

Under his leadership, GAD Energy has expanded its portfolio to include industrial, commercial, and residential solar photovoltaic (PV) projects, offering end-to-end services in system design, engineering, procurement, installation, and operation and maintenance (O&M). The company also provides flexible investment models including leasing, direct purchase, and Power Purchase Agreements (PPA) to facilitate renewable energy adoption among various industries.

In addition to his role in Malaysia, Mr. Foo oversees GAD Energy's regional expansion in Indonesia, focusing on solar and battery energy storage system (BESS) integration and cross-border renewable investments. His leadership combines technical expertise with financial acumen, ensuring each project aligns with both sustainability objectives and commercial viability.

Mr. Foo is dedicated to promoting ESG and sustainability-driven energy projects, advocating for a cleaner and smarter energy future for Malaysia and the broader Southeast Asian region.

As of the date of this report, Mr. Foo does not hold any ordinary shares in the Company. He does not hold any directorships in other public companies. He has no family relationship with any Director and/or major shareholder of the Company, and has no convictions for any offences (other than traffic offences) within the past five (5) years.

MANAGEMENT DISCUSSION AND ANALYSIS

Dear Valued Shareholders,

On behalf of the Board of Directors (“the Board”) of Nexgram Holdings Berhad (“Nexgram” or “the Company”), we are pleased to present the Annual Report and the Audited Financial Statements of the Company and its subsidiaries (“the Group”) for the financial period ended 31 July 2025 together with the Management Discussion and Analysis (“MD&A”).

The following MD&A of the operating performance and financial condition of the Group for the eighteen (18) months ended 1 February 2024 should be read in conjunction with the Audited Financial Statement for the period ended 31 July 2025 and related notes thereto.

The information presented in the MD&A, including information relating to the comparative period in 2025, is presented in accordance with the Malaysian Financial Reporting Standards (“MFRSs”), unless otherwise stated.

OVERVIEW OF BUSINESS AND OPERATIONS

Nexgram Holdings Berhad (“Nexgram” or “the Group”) is a diversified investment holding company listed on the ACE Market of Bursa Malaysia Securities Berhad under the Technology sector. As at 31 July 2025, the Company’s issued share capital consists of 888,814,808 ordinary shares, representing a paid-up capital of RM149,597,608.

The Group’s business activities span multiple sectors, including:

- Surveillance and Security Systems
- Solar Energy and Renewable Solutions
- Hospitality and Asset Management
- Data Centre and Digital Infrastructure

During the financial period under review, the Group strengthened its operational fundamentals while advancing its strategic pivot into high-growth sectors aligned with national priorities, particularly digitalisation, renewable energy development. Nexgram’s portfolio continues to be anchored by its resilient ICT, surveillance and security businesses, supported by growing opportunities in solar energy, digital finance and hyperscale data centre infrastructure.

For the financial period ended 31 July 2025 (“FPE 2025”), the Group continued streamlining its operations while prioritising its information, communication and technology (“ICT”), logistics and healthcare divisions. These businesses remain fundamental to Nexgram’s long-term growth framework. During FPE 2025, the Group recorded **revenue of RM73.74 million** and a **profit before tax of RM2.21 million**, mainly attributable to one-off adjustments and impairments recognised during the quarter. Despite macroeconomic challenges, the Board and Management remain confident that the Group’s key business segments continue to present strong growth prospects and will underpin sustainable value creation moving forward.



Revenue of
RM73.74
Million



Profit Before Tax of
RM2.21
Million

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

CORPORATE OBJECTIVE AND STRATEGIES

Sensorlink Holdings Sdn. Bhd. (“Sensorlink”), the Group’s 70%-owned subsidiary, remained a principal contributor to the Group’s revenue during the financial year. The division continued to benefit from recurring maintenance income and steady demand for surveillance systems, ICT infrastructure, and security technologies. Supported by its house-brand Centrix and various reputable third-party brands, Sensorlink supplies a comprehensive range of security and video surveillance solutions to approximately 700 customers across the commercial, retail, housing, financial, government, and individual segments.

Despite the anticipated economic and political challenges in Malaysia for 2025, the division remained resilient, driven by rising needs for digitalisation, automation, compliance, and enhanced security protection across sectors. Sensorlink continued to strengthen its foothold in the financial industry while expanding into new markets aligned with evolving technology requirements.

To sustain growth and enhance competitiveness, the Sensorlink Group is actively exploring and implementing multiple strategic initiatives, including:

- i. Maintaining strong relationships with existing customers, business partners, and key suppliers to secure recurring and referral sales.
- ii. Participating in exhibitions, seminars, and industry conferences to enhance brand presence and promote its product offerings.
- iii. Providing comprehensive product training and after-sales services, including technical support, troubleshooting, repair services, and warranty management to improve user experience and customer retention.
- iv. Collaborating with technology providers to develop innovative video surveillance applications and advanced security solutions.
- v. Expanding new sales channels to create business synergies, support cross-selling opportunities, and broaden market reach.

Through these initiatives, the Group remains committed to reinforcing its leadership in the surveillance and security systems market while positioning the division for long-term, sustainable expansion.

As of our Neunucleus Group of Companies, the Group continued to broaden its renewable energy footprint with the deployment of solar photovoltaic (PV) systems, biomass solutions, engineering, procurement, construction and commissioning (EPCC) services, AI-driven energy optimisation technologies, and energy storage systems (ESS). Growing corporate and government interest in clean energy—supported by Malaysia’s National Energy Transition Roadmap (NETR)—continues to drive strong and sustained demand in the renewable energy sector.

In line with the nation’s transition toward a low-carbon economy, the Group intends to further expand its participation in the solar renewable energy business, particularly within the commercial and industrial (C&I) segments, where energy efficiency, cost optimisation and sustainability commitments are becoming increasingly important. The Group aims to support Malaysia’s clean energy ambitions by delivering innovative, reliable, and performance-driven solar solutions tailored to commercial buildings, manufacturing facilities, and industrial operations. By strengthening strategic collaborations, enhancing technical capabilities, and leveraging AI and digital technologies, the Group is positioning itself to play a greater role in advancing Malaysia’s renewable energy landscape while creating long-term value for stakeholders.

Furthermore, hospitality operations under the Medic Asset Group focused on operational consolidation, brand enhancement and asset-upgrading initiatives. With tourism and domestic travel improving significantly, the segment is well-positioned to capture recovery-driven demand and strengthen recurring income.

Malaysia’s tourism sector continues its robust rebound, providing a favourable backdrop for our hospitality business. Looking ahead, the forthcoming Visit Malaysia 2026 campaign initiatives, promotional campaigns and large-scale travel programmes are expected to catalyse further uplift in inbound and domestic tourism. The Medic Asset Group is therefore strategically positioned to capture this momentum by leveraging upgraded hospitality assets, enhanced guest experiences and targeted marketing to both domestic and international travellers.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

CORPORATE OBJECTIVE AND STRATEGIES (CONTINUED)

In practical terms, the Group is preparing to:

- i. accelerate asset-upgrading and brand repositioning across its properties to address refreshed traveller expectations.
- ii. enhance service delivery and guest experience standards to capture rising demand from middle-income domestic travellers and premium international visitors;
- iii. capitalise on heightened tourism flows by optimising occupancy and pricing strategies during peak tourism periods;
- iv. monitor tourism policy developments, infrastructure rollouts and travel-promotion campaigns to ensure alignment of our asset-management strategy with market demand.

Overall, the positive tourism resurgence provides a strong tailwind for our hospitality and asset-management segment, supporting our objective of delivering stronger recurring cash flows and long-term value for shareholders.

For Neu Nexus Data Center Sdn. Bhd. (“NNDC”) continued to make progress in developing scalable, hyperscale-ready data centre facilities to meet rising digital requirements across Malaysia and the region. Growing demand for cloud services, AI compute capacity, high-performance workloads and enterprise digital transformation continues to underpin long-term structural growth for this segment.

Malaysia’s data centre industry outlook remains highly favourable. The country is emerging as one of Southeast Asia’s fastest-growing data centre hubs, supported by strong government policies, competitive energy costs, robust digital infrastructure and strategic geographic positioning. Several global hyperscalers and multinational cloud providers have announced expansions in Malaysia in recent years, driven by the nation’s digital economy initiatives, the New Industrial Master Plan (NIMP 2030) and the National Energy Transition Roadmap (NETR), which emphasise green, efficient and sustainable digital infrastructure.

Industry reports indicate that Malaysia’s data centre market is projected to grow strongly, benefiting from increased foreign direct investment (FDI), large-scale cloud adoption, AI-driven workloads and rising enterprise demand for secure, reliable hosting environments. The acceleration of 5G rollout, e-commerce growth, fintech expansion and AI-powered applications further drive the need for modern, hyperscale-ready facilities.

Against this backdrop, NNDC is well-positioned to capture new opportunities by:

- i. developing modular and scalable data centre infrastructure tailored for hyperscalers and enterprise customers;
- ii. leveraging green energy and renewable-powered solutions to meet sustainability requirements;
- iii. aligning application design with global standards for redundancy, security, energy efficiency and high-density compute;
- iv. strengthening partnerships with technology providers, cloud operators and energy suppliers to enhance value propositions.

With Malaysia’s digital-economy expansion and strong data centre investment momentum expected to continue, the Group anticipates robust medium-to-long-term demand for its data centre segment, supporting recurring income growth and strategic value creation.

FINANCIAL PERFORMANCE

Continuing Operations

Revenue from continuing operations amounted to RM72.39 million, mainly supported by the ICT Malaysia and security-surveillance division through recurring maintenance contracts and project-based deployments across commercial, financial, and industrial clients. The Group recorded a gross profit of RM19.06 million, translating to a gross margin of approximately 26%, reflecting the continued resilience of the core ICT and surveillance businesses. Other income increased strongly to RM55.21 million, contributed by investment-related gains and fair value adjustments which strengthened the Group’s overall financial performance for the period.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FINANCIAL PERFORMANCE (CONTINUED)

Continuing Operations (Continued)

Operating expenses rose to RM71.18 million, primarily due to one-off strategic restructuring initiatives undertaken during the financial period. These included the impairment of legacy receivables (RM2.39 million), streamlining of overlapping functions, consolidation of support divisions, and RCPS-related finance cost charges. While these expenses temporarily impacted profitability, they were purposefully executed to strengthen operational efficiency, improve internal controls, and realign the Group's structure toward higher-growth segments such as renewable energy and data centre infrastructure.

Following these strategic rationalisation efforts, the Group recorded a loss before tax of RM6.28 million and a loss after tax of RM8.06 million from continuing operations. Importantly, the loss reflects non-recurring adjustments and legacy clean-up, positioning the Group with a clearer balance sheet, a more efficient cost structure, and a stronger financial foundation moving forward.

Loss attributable to owners of the parent from continuing operations was RM0.41 million, showing a substantial improvement compared to prior periods, supported by better operational discipline and positive contributions from non-controlling interests.

Overall, the financial performance of continuing operations should be viewed within the context of a transitional year, in which the Group took deliberate steps to recalibrate its business portfolio, enhance governance structures, and prepare its strategic divisions for sustainable growth in the years ahead.

Discontinued Operations

The Group recorded a profit of RM10.19 million from discontinued operations, mainly arising from divestment-related gains and restructuring activities. This segment significantly strengthened the Group's overall profitability for the financial period.

Overall Results

After considering both continuing and discontinued operations, the Group achieved a net profit of RM2.22 million for the financial period ended 31 July 2025.

Total comprehensive income amounted to RM3.26 million, supported by favourable foreign currency translation effects and revaluation movements. Profit attributable to owners of the parent stood at RM0.63 million, while non-controlling interests contributed RM2.63 million.

Financial Position

As at 31 July 2025, the Group maintained a strengthened financial position with:

- Total Assets: RM144.42 million
- Total Equity: RM94.35 million
- Cash & Bank Balances: RM22.04 million
- Net Assets Per Share: 16.24 sen

The improvement in financial position was driven by fair value appreciation of investment properties, strategic restructuring activities, reduction in borrowings, and the settlement and conversion of RCPS instruments.

Cash Flow Review

The Group recorded healthy cash flow movements during the financial period:

- Operating Activities: +RM31.64 million (strong operating cash generation)
- Investing Activities: -RM28.47 million (primarily investment and asset enhancement)
- Financing Activities: +RM4.07 million (associated with capital management initiatives)

Overall, the Group achieved a net increase in cash of RM7.24 million, strengthening liquidity and supporting operational flexibility for future expansion.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

LIQUIDITY AND CAPITAL RESOURCES

The Group continues to practise disciplined financial management, focusing on maintaining optimal liquidity levels, strengthening working capital, and reducing financial risks.

Capital resources were improved through:

- stronger operating cash flows,
- reduction and restructuring of borrowings, and
- settlement of RCPS obligations.

The Group continues to closely monitor gearing, maintain a healthy balance sheet, and ensure adequate liquidity for operational requirements, strategic investments, and expansion plans in renewable energy, ICT and data centre infrastructure.

FORWARD LOOKING STATEMENT

The Board remains cautiously optimistic about the Group's prospects for the upcoming financial period. Despite global and domestic uncertainties, the Group is strategically positioned to benefit from Malaysia's major national agendas, including the National Energy Transition Roadmap (NETR), the Malaysia Renewable Energy Roadmap (MyRER), the Digitalisation Agenda, the Data Centre Framework, and nationwide sustainability and green-development programmes. These policy drivers collectively underpin long-term opportunities across the Group's renewable energy, data centre, surveillance technology, digital services, hospitality management, and green property development segments.

A key development enhancing the Group's future outlook is the acquisition of GAD Energy Sdn Bhd ("GAD") by the Group's wholly-owned sub-subsidiary, NEC Suria Infra Bersama Sdn Bhd ("NEC"). This transaction marks a strategic strengthening of the Group's renewable energy and infrastructure capabilities.

Strategic Purpose of the GAD Energy Acquisition

The acquisition is expected to:

- i. Establish strong in-house EPCC (Engineering, Procurement, Construction & Commissioning) capabilities, enabling the Group to execute solar photovoltaic (PV), biomass, hybrid, and energy storage system (ESS) projects more efficiently and with greater quality control.
- ii. Reduce reliance on external contractors, thereby improving project margins, strengthening technical oversight, and enhancing delivery reliability.
- iii. Unlock new engineering and turnkey project management service lines, including grid-integration design, feasibility studies, and AI-enhanced energy optimisation solutions.
- iv. Strengthen eligibility for participation in large-scale renewable energy tenders, particularly under NETR, MyRER, corporate power purchase agreements (CPPAs), government-led green infrastructure programmes, and private-sector sustainability initiatives.

To enhance earnings visibility and strengthen the Group's long-term profitability, the acquisition is supported by a joint and several profit guarantees from the vendors. Under this arrangement, GAD is committed to deliver profit after tax of RM5 million per annum for four consecutive financial years, covering the period from 1 August 2025 to 31 July 2029. This represents a minimum cumulative guaranteed profit of RM20 million over the guarantee period. The profit assurance provides the Group with a clear and dependable earnings base for the renewable energy segment, reinforcing the strategic and sustainable financial contribution of the acquisition.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

FORWARD LOOKING STATEMENT (CONTINUED)

Alignment with National Plans & Programmes

The Group's strategic direction is closely aligned with multiple national initiatives:

- i. National Energy Transition Roadmap (NETR) and Malaysia Renewable Energy Roadmap (MyRER) support the Group's solar PV, ESS, biomass and AI-driven energy optimisation initiatives, enabling participation in utility-scale, commercial and industrial (C&I), and green financing programmes.
- ii. Malaysia's Data Centre Framework and Digital Infrastructure Initiatives, which promote development of energy-efficient, AI-ready, hyperscale data centres, align strongly with the Group's Neu Nexus data centre development plans.
- iii. National Digitalisation Agenda and Cybersecurity Frameworks provide opportunities for the Group's surveillance, ICT, cybersecurity and managed-services businesses, particularly in regulated industries.
- iv. Tourism Recovery Framework and Sustainable Tourism Plan support the Group's hospitality asset management activities, with increasing demand for digital integration, upgraded facilities, and ESG-compliant tourism models.
- v. Green Building and Sustainable Property Guidelines reinforce the Group's direction in environmentally conscious property development and green infrastructure integration.

These national policies collectively create a conducive landscape for the Group to expand, diversify, and strengthen recurring revenue streams.

Overall Outlook

Supported by the strategic acquisition of GAD, the rollout of NETR and MyRER, growing momentum in Malaysia's data centre ecosystem, expanding demand for ICT and cybersecurity solutions, and the ongoing recovery in tourism and hospitality, the Group is well-positioned to deliver long-term value creation.

Barring unforeseen circumstances, the Board believes that the Group's diversified business model, enhanced technical capabilities, disciplined financial management, and alignment with national development agendas will enable Nexgram to improve shareholder value and achieve sustainable performance moving forward.

CORPORATE SOCIAL RESPONSIBILITY

The Group is committed to run our business in a responsible and sustainable manner that adds value for our stakeholders, workplace and community. Social responsibility is an integral part of the Group's business philosophy and contributes to the society.

Community

The Group is mindful of the responsibility to contribute in a direct manner to those less fortunate.

The Group has made donation of funds and kind to selected charities and societies, amongst others:

- i. World Vision Child Sponsorship

CONCLUSION

The Management expects year 2026 will be challenging but remains confident with the business opportunities identified and will act cautiously to ensure continue business growth.

Yours sincerely,

CHEANG SOON SIANG
Executive Director

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Malaysian Code of Corporate Governance defines corporate governance as: “the process and structure used to direct and manage the business and affairs of the company towards promoting business prosperity and corporate accountability with the ultimate objective of realising long-term shareholder value, whilst taking into account the interests of the other stakeholders.”

The Board of Directors of Nexgram Holdings Berhad (“the Company”) believes in upholding the standards of corporate governance in conducting the affairs of the Company and its group of companies (“the Group”) with integrity, transparency and professionalism. The Board of Directors (“the Board”) commits to ensure that a sound framework of best practices of good corporate governance as prescribed in the Malaysian Code on Corporate Governance 2021 (“MCCG 2021”), is generally implemented and in place at all levels of the Group’s businesses to protect and enhance long-term shareholders’ value and all stakeholders’ interest. This statement also serves as a compliance with Rule 15.25 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The Board is pleased to set out below the manner in which the Group has applied the three main principles in the MCCG 2021 known as Board Leadership and Effectiveness (Principal A), Effective Audit and Risk Management (Principal B) and Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders (Principal C) throughout the financial period ended 31 July 2025.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

Practice 1.1 – Board duties and responsibilities

The Board is responsible for the overall oversight and management of the Group. The Board has established clear functions reserved for the Board and those delegated to management to enhance accountability. There is a formal schedule of matters reserved to the Board for its deliberation and decision to ensure the direction and control of the Company are in its hands. Key matters reserved for the Board include inter-alia, quarterly and annual financial statements for announcement, investment and divestment, as well as monitoring of the Group’s financial statements and operating performance. Such delineation of roles is clearly set out in the Board Charter (“Charter”), which serves as a reference point for the Board activities. The Charter provides guidance for Directors and management regarding the responsibilities of the Board, its Committees and management, the requirements of Directors in carrying out their stewardship role and in discharging their duties towards the Company as well as boardroom activities. The Board is committed to take full responsibility for the overall corporate governance of the Group.

In performing its duties, the Board is guided by the Board Charter that sets out amongst others its roles, composition, responsibilities, powers, board committees and board meeting. The key elements of governance principles embedded in the Board Charter regulate the Board’s conducts and guide the business strategic initiative of the Group. The Board Charter is available on the Company’s website at www.nexgram.co.

The Board has established three (3) Board Committees, namely Audit Committee, Nomination Committee and Remuneration Committee that are delegated with specific responsibilities and authorities to assist the Board in executing its duties and to provide the Board with recommendations and advices. The delegation of authority to the Committees enables the Board to achieve operational efficiency, by empowering each Committee to review, report and make recommendations to the Board on matters relevant to their roles and responsibilities. Each Committee is governed by its own Terms of Reference which sets out its functions and duties, composition, rights and meeting procedures. These Terms of Reference are reviewed periodically in accordance with the needs of the Company and taking into account the changes in the business, governance and legal environment that may have an impact on the discharge of the Committees’ duties and responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I. Board Responsibilities (Continued)

Practice 1.2 and 1.4 – The Board Chairman

The Company does not have a Chairman. The Executive Director assumes the primary responsibility for managing the Group's operations and resources.

As one of the pioneer members of the Group, the Executive Director is able to provide effective leadership to the Board and guide the vision, strategic direction and business development of the Group, and at the same time be guided by the independent advice and views from the Independent Directors, who offer the necessary checks and balances in the decision making process of the Board.

The Executive Director instils good governance practices by ensuring that all the directors' views are heard, sufficient time for discussion of each agenda, and fair opportunity is provided to all the directors to participate actively and constructively during the meetings and discussions.

Practice 1.3 – Separation in the Roles of Chairman and Chief Executive Officer

The Company does not have Chairman and CEO, however, a Chairman will be elected amongst the Board of Directors before convening the meeting and the Executive Director of the Company is Mr Cheang Soon Siang. The Executive Director is responsible for ensuring the integrity and effectiveness of the governance process of the Board, acts as facilitator at the meetings and ensure that Board proceedings are in compliance with good conduct and best practices. Whilst the Executive Directors are responsible for making and implementing operational and corporate decision as well as developing, coordinating and implementing business and corporate strategies.

Practice 1.5 - Company Secretary

The Board is supported by Company Secretary in discharging its duties and functions who is a member of the Malaysia Institute of Chartered Secretaries & Administrators ("MAICSA"). The appointment of Company Secretary is based on the capability and proficiency as determined by the Board. The Directors have unrestricted access to the advice and services of the Company Secretary to enable the Directors to discharge their duties effectively. The Company Secretary ensures that the Board is regularly updated on their obligations under relevant regulatory requirements such as ACE Market listing Requirements ("AMLR") of Bursa, codes or new statutes issued from time to time and are fulfilled in a timely manner.

The Company Secretary also attends all Board, Board Committee and general meetings, and ensure that deliberations at the meetings are accurately minuted and kept in the minutes books and subsequently communicated to the relevant party for necessary actions. Such minutes of meetings are confirmed by the respective Board Committees and signed by the Chairman of the meeting.

All Directors have unrestricted access to the advice and services of the Company Secretary for the purposes of the Board's affairs and the business of the Group.

Practice 1.6 - Information and support for Directors

The Directors have full and timely access to information concerning the Group.

The Directors are provided with the relevant agenda and meeting papers in sufficient time prior to scheduled Board or Board Committee meetings to enable them to have an overview of matters to be discussed, or reviewed at the meetings and to seek further clarifications, if any.

The notice of the meetings is circulated to the Board members at least seven (7) days before the meeting and meeting papers include reports on the Group's financial, operational and corporate developments and proposals will be distributed to the Directors at least three (3) clear days before the meeting to allow sufficient time for the Directors to review, consider and deliberate on the matters, and where necessary, to obtain further information and explanation to facilitate informed decision making.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I. Board Responsibilities (Continued)

Practice 1.6 - Information and support for Directors (Continued)

When deemed necessary, Board members whether as a full Board or in their individual capacity may seek from senior management, company secretary and independent professional advice on specific issue at the Group's expense, to enable them to discharge their duties effectively.

The deliberations and conclusion of issues discussed at meetings are duly recorded in minutes, the draft is circulated for Director's review within a reasonable timeframe after the meeting. The minutes captured the decisions made, key deliberations, rationale for the decision made and any significant concerns or views that were raised.

The decisions made at meetings were communicated to management or relevant parties in a timely manner to ensure appropriate execution.

Practice 2.1 – Board Charter

A Board Charter was formalised to set out the composition and balance, roles and responsibilities, operation and processes of the Board and is to ensure that all Board members are aware of their duties and responsibilities as Board members.

The Board will periodically review the Board Charter and make necessary amendments to ensure it remains consistent with the Board's objectives, current law and practices. A copy of the Board Charter is available on the Company's website at www.nexgram.co.

Practice 3.1 - Code of Conduct and Ethics

The Board recognises the need for and importance of formalising and committing to ethical values through a code of conduct to ensure the implementation of appropriate internal systems to support, promote and ensure its compliance. The Code of Ethics and Conduct had been uploaded on the Company's website at www.nexgram.co.

Practice 3.2- Whistle-blowing Policy

The Board is committed to achieve and maintaining high standards of corporate governance practices across the Group. A Whistle-blowing policy is implemented to provide a channel to enable Directors, Employees, Shareholders, Vendors or any parties with a business relationship of the Group with an avenue to report suspected wrongdoings that may adversely impact the Group. It also outlines the procedures for reporting a genuine concern on any breach of conduct that are taking place, have taken place or may take place in the future. The Company treats all reports in a confidential manner and at the same time provides protection to anyone who reports such concerns in good faith.

Further details pertaining to the Whistle-blowing Policy can be found at the Company's website at www.nexgram.co.

Practice 4.1 – Responsibility for the Governance of Sustainability

The Board is responsible to oversee the Group's sustainability agenda, practices, strategies and performance supported by the Management. The Management is tasked to integrate sustainability considerations in the day-to-day operations of the Group and ensuring the effective implementation of the Group's sustainability strategies and plans.

Additionally, the Company's Sustainability Statement provides an overview of the sustainability performance for the financial period 2025, as disclosed in the Annual Report 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

I. Board Responsibilities (Continued)

Practice 4.2 – Effective Communication with Stakeholders

The Company believes in transparency and open lines of communication with all the stakeholders. Transparency and communication are fundamental components of good corporate governance and serve to build vital relationships of trust the Company maintained with its stakeholders.

The Company engages its stakeholders through various means of communication to enable them to more understand the Group's business operation and seek their feedbacks and inputs on several matters relevant to them. The Group identified them through issues which are material based on their impact to the Group's operation and the number of stakeholders affected.

A list of identified key stakeholders, key areas of concern and engagement platforms in 2025, are disclosed in the Sustainability Statement of the Annual Report 2025.

Practice 4.3 – Sustainability Issues

The Board has committed to stay abreast with the latest development in the sustainability issues relevant to the Group. The Board gains access to the sustainability issues updates via news, publications from relevant agencies to achieve sustainable long-term value.

Practice 4.4 – Performance Evaluations of the Board and Senior Management

The Nomination Committee has carried out an evaluation of the effectiveness of the Board and Board Committees and individual Directors. This includes the Role and Responsibilities of the Board, the Board composition, Information to the Board; Conduct of Board meetings, Performance Evaluation on Board and Board Committees and Directors' self-assessments. The Nomination Committee reviewed the outcome of the evaluation exercise and the areas for continuous improvement.

Management's commitment in taking into account Sustainability considerations when implementing Company strategies, business plans and risk management policies/procedures is, amongst others one of the criteria in their performance assessment. The Board's observations and Management's feedback had been consistent on the need for focus and attention in Sustainability whereby Environmental, Social and Governance practices will remain as one of the areas requiring ongoing attention for continuous improvement.

II. Board Composition

Practice 5.1 – Responsibilities of Nomination Committee

Practice 5.7 – Appointment and Reappointment of Directors

The Nomination Committee ("NC") had performed Board assessment on annual basis to ensure that the right group of people with appropriate mix of skill was appointed. The NC also conducted an assessment of Director who is seeking for re-election at the forthcoming Twentieth Annual General Meeting ("20th AGM") and concluded that Chia Peng Lun, Chung Kah Haur and Chan Siu Hua are eligible for re-election. The Board had approved and proposed the re-election of Chia Peng Lun, Chung Kah Haur and Chan Siu Hua at the forthcoming 20th AGM.

Statement Accompanying the Notice of Annual General Meeting is provided on directors seeking re-election. The Profile of Directors presented in the Annual Report provides information on Directors such as age, gender, designation and experience. The interests of Directors are also provided in the Annual Report.

The Board meets on a quarterly basis with additional meetings being convened when necessary to address urgent matters. All the Directors have complied with the minimum attendance requirements as stipulated by the ACE Market Listing Requirements of Bursa Malaysia. The Board held Eleven (11) meetings during the financial period ended 31 July 2025 and the attendance at the meetings were as follows:

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II. Board Composition (Continued)

Practice 5.1 – Responsibilities of Nomination Committee

Practice 5.7 – Appointment and Reappointment of Directors (Continued)

Name of Director	Attendance	Percentage of Attendance (%)
Cheang Soon Siang	11/11	100.0
Chia Peng Lun	11/11	100.0
Chua Eng Chin	9/9	100.0
Tan Eng Keat	9/9	100.0
Chung Kah Haur (Appointed 21 July 2025)	-	-
Chan Siu Hua (Appointed on 15 October 2025)	-	-
Dato' Yek Siew Lee (Resigned on 15 March 2024)	-	-
Chin Wei Cheng (Resigned on 4 April 2024)	-	-
Faridah Binti Jaafar (Resigned on 30 August 2024)	4/6	66.7
Hj Mazru Bin Mat Yusof (Resigned on 20 September 2024)	7/7	100.0
Dato' Dr Lim Weng Khuan (Resigned on 28 March 2025)	10/10	100.0
Tsu Siew Keng (Resigned on 7 October 2025)	2/2	100.0

Prior to each meeting, a reasonable notice of meetings and agenda are circulated to all Directors together with the draft minutes of the previous meeting, the relevant reports/papers and other board meeting reference materials such as management reports and financial reports at least seven (7) days prior to the Board meeting via e-mail so that each Director had ample time to review the papers to enable informed decision making. The deliberations and decisions at the Board and the Board Committee meetings are well documented in the minutes.

Practice 5.2, 5.3 and Step Up 5.4 – Independent Directors

The Board currently consists of six (6) members, five (5) of whom are Independent Non-Executive Director as follows: -

- 1) Chia Peng Lun
- 2) Chua Eng Chin
- 3) Tan Eng Keat
- 4) Chung Kah Haur
- 5) Chan Siu Hua

All the five (5) Independent Non-Executive Directors satisfy the independence test under the AMLR of Bursa Securities.

In line with the recommendation of the Code, the tenure of an Independent Director of the Company shall not exceed a cumulative term of nine (9) years. An Independent Director may continue to serve the Board subject to re-designation of the Independent Director as a Non-Independent Director. In the event the Board intends to retain the Independent Director as an Independent Director after serving a cumulative term of nine (9) years, shareholders' approval will be sought.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II. Board Composition (Continued)

Practice 5.5 and 5.6 – Diversity on Board and in Senior Management & Sourcing of Directors

The Board and the Nomination Committee take into account the current diversity in the skills, experience, age, race/ethnicity (cultural background) and nationality of the existing Board in seeking potential candidate(s).

The Board strongly views that diversity of the Board's composition is important to facilitate optimal decision-making by harnessing different insights and perspectives. The Committee has the responsibility to ensure that the Board comprises suitably qualified members that demonstrate appropriate qualities and experience that contribute to the effective oversight and stewardship.

The Directors' Fit and Proper Policy adopted on 29 June 2022 by the Board will serve as a guide for the Nomination Committee and the Board in their review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking for re-election.

Appointments of new Directors are undertaken by the Board as a whole after considering the recommendations of the Nomination Committee. Potential candidates may be proposed by any current Board member, shareholder or by utilising independent sources such as recruitment firms or through industry associations. In considering potential candidates for appointment, the Nomination Committee undertakes a thorough review of the candidate's criteria, amongst others, qualifications, skills, knowledge, expertise, experience, personal attributes and the capability to devote the necessary time and commitment to the role. As part of the recruitment exercise, the Nomination Committee will utilise various independent sources to ensure that it is able to identify the most suitable candidates.

Practice 5.8 – Nomination Committee

The Nomination Committee conducted an assessment of the performance of the Board, as a whole, the Audit Committee, Nomination Committee and Remuneration Committee and individual Directors, based on a self and peer assessment approach. From the results of the assessment, including the mix of skills and experience possessed by Directors, the Board considered and approved the recommendations on the re-election and re-appointment of Directors at the Company's forthcoming Annual General Meeting.

Full details of the Nomination Committee's duties and responsibilities are stated in its Term of Reference which is available on the Company's website.

The Nomination Committee consists of four (4) Independent Non-Executive Directors, one of whom fulfilled the requirement of a Nomination Committee member in accordance with Paragraph 15.08A(1) of the Listing Requirements of Bursa Securities. The Committee meets as and when required, at least once a year. During the financial period, five (5) meetings was carried out, with attendance as follows:

Name of Directors	Designation	No. of Meetings Attended
Ms. Chan Siu Hua <i>(Appointed on 15 October 2025)</i>	(Chairman)	-
Chia Peng Lun	(Member)	5/5
Tan Eng Keat <i>(Appointed on 28 March 2025)</i>	(Member)	1/1
Chung Kah Haur <i>(Appointed on 21 July 2025)</i>	(Member)	-
Faridah Binti Jaafar <i>(Resigned on 30 August 2024)</i>	(Chairman)	3/3
Dato' Dr Lim Weng Khuan <i>(Resigned on 28 March 2025)</i>	(Member)	3/3
Chin Wei Cheng <i>(Resigned on 4 April 2024)</i>	(Member)	1/1
Madam Tsu Siew Keng <i>(Resigned on 7 October 2025)</i>	(Member)	1/1

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II. Board Composition (Continued)

Practice 5.8 – Nomination Committee (Continued)

During the financial period, the Nomination Committee had carried out the following activities:

The responsibilities and duties of the Committee are as follows:

- i. Review Board and Senior Management succession plans;
- ii. Review Board and Gender diversity;
- iii. Review the training needs/training programs for the Board and facilitate Board induction and training programs;
- iv. Implement an annual assessment on the effectiveness and performance of the Board as a whole, the committees of the Board, as well as the contribution/performance of each individual Director, including Non-Executive Directors and Executive Director(s);
- v. Review of the proposed 'Directors Fit and Proper Policy' for adoption by the Board;
- vi. Review the required mix of skills and experience and other qualities including core competencies which Non-Executive Directors should bring to the Board; and

Recruitment Process and Annual Assessment of Directors

The Nomination Committee is responsible to assess the contribution of each individual Director and overall effectiveness of the Board on an on-going basis. Having conducted a detailed review of each Director's personal/professional profile, attendance record, training activities, character and attitude, and participation in Board meetings as well as Group functions for the year, the Nomination Committee concluded that the Directors have the requisite competence to serve on the Board and had demonstrated their commitment to the Group in terms of participation and dialogue during the year under review.

The Board, through the Nomination Committee, had conducted the annual assessment to evaluate the performance of the Board, its Board Committees and each individual Director. Based on the findings from the Board evaluation, the Board and Board Committees, as well as the individual Directors have discharged their roles and responsibilities effectively with commitment and professionalism in accordance with their respective charters and Terms of Reference. The Nomination Committee was satisfied with the existing composition of the Board and its Committees, and was of the view that with the current mix of skills, knowledge, experience and strength of the Directors, the Board and its Board Committees were able to discharge their duties effectively. The Nomination Committee also agreed that the Board has performed well in these challenging times and were satisfied with its overall performance, with some areas identified for improvements.

The Nomination Committee practices a clear and transparent nomination process which includes the identification of candidates, evaluation of suitability of candidates, meeting up with candidates, deliberation by Nomination Committee and recommendation to the Board.

In accordance with the Company's Constitution, all Directors who are appointed by the Board are subject to re-election by shareholders at the next AGM immediately after their appointment. In accordance with the Constitution, one-third (1/3) of the Directors, including the Managing Director, is required to submit themselves for re-election by rotation at each AGM. All the Directors are subject to retirement at an interval of at least once in every three (3) years. The Directors who are standing for re-election at the forthcoming AGM are disclosed in the notice of AGM.

In order to ensure a person to be appointed or elected/re-elected as Director possesses the necessary quality and character as well as integrity, competency and commitment, the Board has adopted a Directors' Fit and Proper Policy. This policy serves as a guide for the Nomination Committee and the Board in their review and assessment of candidates that are to be appointed as well as Directors who are seeking for re-election. The policy is accessible on the Company's website at www.nexgram.co.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II. Board Composition (Continued)

Practice 5.9 – Gender Diversity

The Board currently has one woman Director on Board, which represents 16.7% of the total number of board members.

The Board acknowledges the call by the Government and MCGG for boards to comprise at least 30% woman on the board.

The Board is mindful that any gender representation should be in the best interest of the Company. Although the Company has not reached the 30% woman representation target at Board level as required, the Board is putting its effort in getting other suitable women who could meet the objective criteria, merit and with due regard for diversity in skills, experience, age to join the Board.

Practice 5.10 – Policy on Gender Diversity

The Company has no specific policy on gender, age and ethnicity for candidates to be appointed to the Board. The evaluation of the suitability of candidates is based on the candidates' competency, character, time commitment, integrity and experience in meeting the needs of the Company.

The Nomination Committee, will however continue to take steps to ensure that gender, age and ethnicity of the candidates will be taken into consideration as part of its recruitment exercise.

Practice 6.1 – Evaluation for Board, Board Committees and Individual Directors

The Nomination Committee annually performs an assessment of the effectiveness and performance of the Board, Board Committees and individual Directors, in order to verify that the Board is functioning appropriately as a whole. Each Director had completed a detailed questionnaires in the Directors' Performance Evaluation which covered matters relevant to the Board performance, amongst others, contribution to interaction, quality of input, understanding of role and personal developments. An evaluation of each Board Committee was done by assessing the structure, roles and responsibilities, performance of the respective Chairman, as well as Committee's performance against its Terms of Reference. The assessment was internally facilitated, whereby results of the assessments had been compiled, documented and reported to the Board accordingly, as part of the Company's ongoing corporate governance practices.

Based on the results of the assessment for the financial period ended 31 July 2025 it was concluded that the composition of the Board and its Committees corresponding to its oversight duties and the developments of the Company. Overall, the Board was satisfied with the performance of individual Director, Board and Board Committees for the financial year under review, including the character, experience, integrity, competencies and time commitment to effectively discharge their roles as Director of the Company.

In order to ensure a person to be appointed or elected/re-elected as Director possesses the necessary quality and character as well as integrity, competency and commitment, the Board has adopted a Directors' Fit and Proper Policy. This policy serves as a guide for the Nomination Committee and the Board in their review and assessment of candidates that are to be appointed as well as Directors who are seeking for re-election. The policy is accessible on the Company's website at www.nexgram.co.

The Board is mindful of the importance for its members to undergo continuous training to be apprised on changes to regulatory requirements and the impact of such regulatory requirements have on the Group. The Board will continue to evaluate and determine the training needs of its Directors on the on-going basis.

The Company Secretary circulates the relevant guidelines on statutory and regulatory requirements from time to time for the Board's reference and brief the Board on these updates, where applicable. The Accountant and External Auditors also brief the Board members on any changes to the Financial Reporting Standards that affect the Group's financial statement during the financial period under review. The Directors continue to undergo relevant training programmes to further enhance their skills and knowledge in the discharge of their stewardship role.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

II. Board Composition (Continued)

Practice 6.1 – Evaluation for Board, Board Committees and Individual Directors (Continued)

During the financial period, all the Directors had participated in various training programs. Particulars of the seminars and courses attended are as follows:

Name of Directors	Date	Seminar/Training Course Title
Cheang Soon Siang	18 to 19 June 2025	Mandatory Accreditation Program Part II: Leading for Impact (LIP)
Chia Peng Lun	1 to 2 July 2025	Mandatory Accreditation Program Part II: Leading for Impact (LIP)
Chua Eng Chin	9 to 10 April 2025	Mandatory Accreditation Program Part II: Leading for Impact (LIP)
Tan Eng Keat	9 to 10 April 2025	Mandatory Accreditation Program Part II: Leading for Impact (LIP)

III. Remuneration

Practice 7.1 – Remuneration Policy

The Company aims to set remuneration at levels which are sufficient to attract and retain the Directors needed to run the Company successfully, taking into consideration all relevant factors including the function, workload and responsibilities involved, but without paying more than is necessary to achieve these goals.

The level of remuneration for the Executive Directors is determined by the Remuneration Committee after giving due consideration to the compensation levels for comparable positions among other similar industry. The Director concerned shall abstain from deliberation and voting on his/her own remuneration.

The terms relating to the Directors' remuneration are available in Clause 7 of the Board Charter on the Company's website www.nexgram.co. The remuneration structure and its details are available in the Corporate Governance Overview Statement for 2025.

Practice 7.2 - Remuneration Committee

The Remuneration Committee, established by the Board, is responsible for setting the policy framework and recommending to the Board the remuneration of Directors so as to ensure that the Company is able to attract and retain its Directors needed to run the Group successfully. The components of Directors' remuneration are structured so as to link rewards to corporate and individual performance in the case of executive Directors. In the case of non-executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken by the individual non-executive Director concerned. Directors do not participate in discussion of their individual remuneration.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

III. Remuneration (Continued)

Practice 7.2 - Remuneration Committee (Continued)

All the Remuneration Committee Members are Independent Non-Executive Directors. During the financial period, one (1) meeting was carried out with attendance as follows:

Name of Directors	Designation	No. of Meetings Attended
Chia Peng Lun	(Chairman)	1/1
Chan Siu Hua <i>(Appointed on 15 October 2025)</i>	(Member)	-
Tan Eng Keat <i>(Appointed on 28 March 2025)</i>	(Member)	-
Chung Kah Haur <i>(Appointed on 21 July 2025)</i>	(Member)	-
Faridah Binti Jaafar <i>(Resigned on 30 August 2024)</i>	(Chairman)	1/1
Dato' Yek Siew Lee <i>(Resigned on 15 March 2024)</i>	(Member)	-
Dato' Dr Lim Weng Khuan <i>(Resigned on 28 March 2025)</i>	(Member)	1/1
Tsu Siew Keng <i>(Resigned on 7 October 2025)</i>	(Member)	-

The responsibilities of Remuneration Committee are as follows: -

- (i) Support the Board in actively overseeing the design and operation of the Company's remuneration system;
- (ii) Review and recommend to the Board on the remuneration of non-executive Directors, particularly on whether the remuneration remains appropriate to each Director's contribution, by taking into account the level of expertise, commitment and responsibilities undertaken;
- (iii) Review and recommend to the Board on the total individual remuneration package for Executive Directors and senior management personnel including, where appropriate, bonuses and incentive payments within the terms of the agreed remuneration policy and based on individual performance;
- (iv) Oversee the qualitative and quantitative disclosures of remuneration made in the annual report and notice to general meetings; and
- (v) Provide clarification to shareholders during general meetings on matters pertaining to remuneration of Directors and senior management as well as the overall remuneration framework of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

III. Remuneration (Continued)

Practice 8.1 – Disclosure of Remuneration of Directors

The objective of the Company's policy on Directors' remuneration is to ensure the level of remuneration is sufficient to attract and retain the Directors to run the Company successfully. The aggregate remuneration paid or payable to all Directors of the Company for the financial period ended 31 July 2025 is as follows:

Group Level

Name of Directors	Fees/ Salaries and other emoluments	Bonus	Benefit-in-kind	EPF and SOCSO	Total
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Non-Executive Directors					
Chua Eng Chin	34.3	-	-	-	34.3
Chia Peng Lun	58.8	-	-	-	58.8
Tan Eng Keat	32.3	-	-	-	32.3
Chung Kah Haur ⁽¹⁾	0.7	-	-	-	0.7
Chan Siu Hua ⁽²⁾	-	-	-	-	-
Dato' Yek Siew Lee ⁽³⁾	15.0	-	-	-	15.0
Chin Wei Cheng ⁽⁴⁾	6.4	-	-	-	6.4
Faridah Binti Jaafar ⁽⁵⁾	23.0	-	-	-	23.0
Dato' Dr Lim Weng Khuan ⁽⁶⁾	31.3	-	-	-	31.3
Tsu Siew Keng ⁽⁷⁾	13.7	-	-	-	13.7
Executive Directors					
Cheang Soon Siang	55.5	-	-	-	55.5

⁽¹⁾ Appointed on 21 July 2025

⁽²⁾ Appointed on 15 October 2025

⁽³⁾ Resigned on 15 March 2024

⁽⁴⁾ Resigned on 4 April 2024

⁽⁵⁾ Resigned on 30 August 2024

⁽⁶⁾ Resigned on 28 March 2025

⁽⁷⁾ Resigned on 7 October 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT
(CONTINUED)**PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)****III. Remuneration (Continued)****Practice 8.1 – Disclosure of Remuneration of Directors (Continued)****Company Level**

Name of Directors	Fees/ Salaries and other emoluments	Bonus	Benefit-in-kind	EPF and SOCSO	Total
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Non-Executive Directors					
Chua Eng Chin	34.3	-	-	-	34.3
Chia Peng Lun	58.8	-	-	-	58.8
Tan Eng Keat	32.3	-	-	-	32.3
Chung Kah Haur ⁽¹⁾	0.7	-	-	-	0.7
Chan Siu Hua ⁽²⁾	-	-	-	-	-
Dato' Yek Siew Lee ⁽³⁾	15.0	-	-	-	15.0
Chin Wei Cheng ⁽⁴⁾	6.4	-	-	-	6.4
Faridah Binti Jaafar ⁽⁵⁾	23.0	-	-	-	23.0
Dato' Dr Lim Weng Khuan ⁽⁶⁾	31.3	-	-	-	31.3
Tsu Siew Keng ⁽⁷⁾	13.7	-	-	-	13.7
Executive Directors					
Cheang Soon Siang	55.5	-	-	-	55.5

⁽¹⁾ Appointed on 21 July 2025⁽²⁾ Appointed on 15 October 2025⁽³⁾ Resigned on 15 March 2024⁽⁴⁾ Resigned on 4 April 2024⁽⁵⁾ Resigned on 30 August 2024⁽⁶⁾ Resigned on 28 March 2025⁽⁷⁾ Resigned on 7 October 2025

The details of the remuneration of the Key Senior Personnel (including salary, bonus, benefit in kind and other emoluments) in each successive bands of RM100,000.00 during the financial period ended 31 July 2025 are as follows:-

Range of Remuneration	Designation
RM100,000 and below	12
RM100,001 – RM200,000	2
RM200,001 – RM300,000	-
RM300,001 – RM400,000	1
RM400,001 – RM500,000	-
RM500,001 – RM600,000	1
RM600,001 – RM700,000	1
Total	17

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

Practice 9.1 and Step Up 9.4 and 9.5 – Audit Committee

The Audit Committee comprises wholly of Independent Non- Executive Directors, one of whom fulfilled the requirement of an Audit Committee member in accordance with Paragraph 15.09(1) of the Listing Requirements of Bursa Securities. During the financial period, eleven (11) meetings was carried out with attendance as follows:

Name of Director	Designation	No. of Meetings Attended
Chua Eng Chin <i>(Appointed on 23 April 2024)</i>	(Chairman)	10/10
Chin Wei Cheng <i>(Resigned on 4 April 2024)</i>	(Chairman)	-
Chia Peng Lun	(Member)	11/11
Chan Siu Hua <i>(Appointed on 15 October 2025)</i>	(Member)	-
Faridah Binti Jaafar <i>(Resigned on 30 August 2024)</i>	(Member)	4/5
Dato' Dr Lim Weng Khuan <i>(Resigned on 28 March 2025)</i>	(Member)	8/8
Tsu Siew Keng <i>(Resigned on 7 October 2025)</i>	(Member)	3/4

The Audit Committee assists and supports the Board in fulfilling its fiduciary responsibilities relating to the Group's financial reporting practices, accounting policies, internal controls, business ethics policies and the independence of the Group's external and internal auditors. The Terms of Reference and activities during the financial year of the Audit Committee are presented in the Audit Committee Report of this Annual Report.

Practice 9.2 and 9.3 Oversight of External Auditors

In assessing the independence of external auditors, the Audit Committee requires written assurance by the external auditors, confirming that they are, and have been, independent throughout the conduct of the audit engagement with the Company in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants.

The Audit Committee reviewed the suitability and independence of the external auditors and recommended their re-appointment to the Board for the ensuing financial period. The external auditors confirmed their independence to the Audit Committee that they were and had been independent throughout the conduct of the audit engagement during the financial period ended 31 July 2025 in accordance with the By-laws (on professional ethics, Conduct and practice) of the Malaysian Institute of Accountants ("MIA By-laws").

The Board, on the recommendation of the Audit Committee, is of the view that the declaration of independence, integrity and objectivity made by the external auditors in their audit report for each financial period under review would suffice to serve as a written assurance from the external auditors on their independence and integrity throughout the conduct of the audit engagement in accordance with the MIA By-laws.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

I. Audit Committee (Continued)

Practice 9.2 and 9.3 Oversight of External Auditors (Continued)

Details of the audit and non-audit fees paid to the External Auditor for the financial period ended 31 July 2025 are as follows :-

	Company RM	Group RM
Statutory audit fees paid to the External Auditor	380,000	480,000
Non-audit fees paid to the External Auditor	10,000	10,000

The full details of the role of the Audit Committee in relation to the External Auditors is set out in the Audit Committee Report of this Annual Report.

II. Risk Management and Internal Control Framework

Practice 10.1 and 10.2 – Board Responsibility on Risk Management and Internal Control

The Board is committed to establishing and maintaining a sound, effective and efficient system of risk management and internal control to safeguard shareholders' investment and the Group's assets. There is an on-going review process undertaken by the Board to ensure adequacy and integrity of the system mentioned.

The system of risk management and internal control is designed to identify and manage the Group's risk within the acceptable risk tolerance, rather than to eliminate the risk of failure in achieving the Group's corporate objective in accordance with the Group's strategy.

The Board regards risk management as an integral part of all business operations. Hence, the Board explicitly assumes the responsibility of identifying principal risks and ensures the implementation of a dynamic system to manage risk exposure within the acceptable level of tolerance.

A Risk Management Framework was established to provide the overall guideline and approach to the Group's risk management. The Statement on Risk Management and Internal Control of the Group which provides an overview of the state of internal control within the Group, is set out in Annual Report 2025.

The features of the Group's risk management and internal control framework, as well as the adequacy and effectiveness of the framework are described in the Statement of Risk Management and Internal Control (contained in the Annual Report 2025).

Key functions undertaken by those entrusted with risk management and internal control responsibilities as well as the measures being put in place to manage risks are also articulated in the said statement.

The Internal Audit reports are tabled at Audit Committee meetings for review.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

II. Risk Management and Internal Control Framework (Continued)

Practice 11.1 and 11.2 – Internal Audit function

The Group's internal audit function is carried out by an outsourced internal audit firm which is independent of the activities the Internal Auditors audit. The Audit Committee ("AC") was satisfied with the quality of audit review through the financial period.

In performing its duties, the Internal Auditors has free and unfettered access to information and to meet with any of the department heads or persons-in-charge. The identified audit issues are followed up by the Internal Auditors and the status is reported to the AC.

During the financial year under review, the Internal Auditors carried out periodic internal audit reviews in accordance with the approved internal audit plan to monitor compliance with the Group's procedures and to review the adequacy and effectiveness of the Group's system of risk management and internal control.

The results of these reviews have been presented to the AC at their scheduled meetings. Follow up reviews were also conducted to ensure that the recommendations for improvement have been implemented by Management on a timely basis.

The Group's internal audit function is carried out by an outsourced internal audit firm, namely, GovernanceAdvisory.com Sdn Bhd who is independent of the activities the Internal Auditors audit. The Head of the Internal Auditors is a member of Institute of Internal Auditors Malaysia and is competent to conduct the internal audit activities according to the standards and code of ethics set by the body.

The Internal auditors are free from any relationships or conflicts of interest, which could impair their objective and independence.

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

I. Engagement with Stakeholders

Practice 12.1 – Communication with Stakeholders

The Board acknowledges that timely, complete and accurate disclosure is important to an orderly and fair market for the trading of securities. The Company is guided by the Corporate Disclosure Policy issued by the Bursa Securities and the Board adheres strictly to the disclosure framework to provide investors and the public with accurate and complete information on a timely basis.

The Board ensures that confidential information is handled properly by authorised personnel to avoid leakage and improper use of such information.

While the Board endeavours to keep all its shareholders as much informed as possible, the Group as mentioned earlier, has always been abided by the legal and regulatory framework governing the release of materials and price-sensitive information.

The Company's website at www.nexgram.co also provides easy access to the investors and general public on up-to-date corporate announcements, quarterly financial results, annual reports and where appropriate, circulars and press releases and other information pertaining to the Group.

Corporate Disclosure Policy

The Board has adopted a corporate disclosure policy to provide effective communication to its shareholders and general public regarding the business, operations and financial performance within the Group and where necessary, information filed with regulators is in accordance with all applicable legal and regulatory requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONTINUED)

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

I. Engagement with Stakeholders (Continued)

Practice 12.2 Integrated Reporting

The nature and pace of change in businesses today have evolved over time and stakeholders are now placing greater emphasis on the future performance and non-financial information of a company. In tandem with the growing demand, the Company would consider adopting integrated reporting in the near future, as such integrated reporting is still new in the current market. The Company will adopt integrated reporting based on a globally recognised framework in the near future.

II. Conduct of General Meetings

Practice 13.1 – Notice of general meeting

The Board recognises the rights of shareholders. In order to continue encouraging shareholders participation in the general meetings, the Board would ensure that the Notice of AGM is sent to shareholders at least twenty-eight (28) days ahead of the date of general meeting and to provide sufficient time and opportunities for shareholders to seek clarifications during general meetings on any matters pertaining to the issues in the Annual Report, corporate developments in the Group, the resolutions being proposed and the operational and financial performance of the Company.

Practice 13.2 – Attendance of Directors at General Meetings

The General Meetings is the key element of the Company's dialogue with its shareholders. During the AGM, shareholders are encouraged to ask questions about the resolutions being proposed, about the Company's operations in general or about the annual reports of the Company and of the Group. The Executive Directors, Senior Management and External Auditors are available in the Annual General Meeting to provide responses to questions from the shareholders. The Board acknowledges its responsibility to engage shareholders' participation at the general meetings and provide meaningful responses to their concerns and queries. The Chairman plays a vital role in fostering constructive dialogue between the Board and the shareholders. All the members of the Board and the respective chairman of the Board's Committees are present at the meetings to address queries raised by the shareholders which are relevant to their areas of responsibility.

Practice 13.3 – Voting

The Company's general meetings are held in the city area accessible via public transport. As an alternative to the recommended practice, shareholders who are unable to attend general meetings are allowed to appoint their respective proxies to participate, speak and vote on their behalf at all general meetings the Company. Moving forward, the Company will consider leveraging on technology to facilitate greater shareholders' participation in general meeting.

Practice 13.4 – General Meetings

The Chairman of the Company has always been cognisant of the importance in ensuring the General Meeting supports meaningful engagement between the Board, management and shareholders. The Chairman encouraged the participation of shareholders and proxies in the general meetings. The Executive Directors were present to provide clarifications, if any, to queries raised by the shareholders and proxies.

COMPLIANCE STATEMENT

The Board is satisfied that the Group has substantially complied with the majority of the practices of the Malaysian Code on Corporate Governance throughout the financial period. In pursuit of safeguarding the interest of the shareholders and other stakeholders, the Board is committed and will continue to strengthen its application of the best practices in corporate governance.

This Corporate Governance Overview Statement is made in accordance with the resolution of the Board of Directors on 26 November 2025.

AUDIT COMMITTEE REPORT

COMPOSITION

The Audit Committee (“AC”) shall be appointed by the Board from amongst the directors and shall consist of not less than three (3) members, with a majority of them being independent directors.

The members of the AC shall elect a Chairman from among their members who shall be an Independent Director. No alternate director shall be appointed as a member of the Audit Committee.

At least one (1) member of the Audit Committee:-

- a) must be a member of the Malaysian Institute of Accountants; or
- b) if he/she is not a member of the Malaysian Institute of Accountants, he/she must have at least three (3) years’ working experience and:
 - he/ she must have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or
 - he/ she must be a member of one (1) of the association of accountants specified in Part II of the First Schedule of the Accountants Act, 1967; or
 - fulfils such other requirement as prescribed by Bursa Malaysia Securities Berhad (“Bursa Securities”).

The AC of the Group comprises the following members:

The AC of Nexgram Holdings Berhad (“Nexgram” or “the Company”) is chaired by an Independent Director, comprises of three (3) members, all of whom are Independent Non-Executive Directors. The current composition meets the requirement of Rule 15.09 and 15.10 of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“BMSB”). The Audit Committee currently comprises the following Non-Executive Directors, namely:

Chairman	Members
Chua Eng Chin <i>Independent Non-Executive Director</i>	Chia Peng Lun <i>Independent Non-Executive Director</i>
Chin Wei Cheng <i>Independent Non-Executive Director</i> <i>(Resigned on 4 April 2024)</i>	Chan Siu Hua <i>Independent Non-Executive Director</i> <i>(Appointed on 15 October 2025)</i>
	Tsu Siew Keng <i>Independent Non-Executive Director</i> <i>(Resigned on 7 October 2025)</i>
	Dato’ Dr Lim Weng Khuan <i>Independent Non-Executive Director</i> <i>(Resigned on 28 March 2025)</i>
	Faridah Binti Jaafar <i>Independent Non-Executive Director</i> <i>(Resigned on 30 August 2024)</i>

The Audit Committee of Nexgram was established with the objective of assisting the Board of Directors of Nexgram in the areas of corporate governance, systems of internal controls, risk management and financial reporting of the Group to:

- (i) evaluate the quality of the audits performed by the internal and external auditors;
- (ii) provide assurance that the financial information presented by the management is relevant, reliable and timely;
- (iii) overseeing compliance with laws and regulations and observance of a proper code of conduct; and
- (iv) determine the quality, adequacy and effectiveness of the Group’s control environment.

AUDIT COMMITTEE REPORT (CONTINUED)

MEETINGS

During the financial period, the Audit Committee conducted eleven (11) meetings of which all were duly convened with sufficient notices given to all AC members together with the agenda, report and proposals for deliberation at the meetings. The Executives were invited to all AC meetings to facilitate direct communication as well as to provide clarification on audit issues and the operations of the Group.

Representatives from the External Auditors and Internal Auditors, as the case may be, were in attendance to present the relevant reports and proposals to the AC at the meetings which included inter alia, the Auditors' audit plans, audit reports and the audited financial statements for the financial period ended 31 July 2025.

In the AC meetings, the external auditors were given opportunities to raise any matters and unrestricted access to contact members of the AC at any time should they become aware of incidents or matters during the course of their audits or reviews. Minutes of the AC meetings were tabled for confirmation at the following AC meetings and subsequently presented to the Board for notation.

Details of attendance of the AC members at the AC meetings are as follows:

Committee Members	Meeting Attendance
Chua Eng Chin	10/10
Chia Peng Lun	11/11
Chan Siu Hua (Appointed on 15 October 2025)	-
Chin Wei Cheng (Resigned on 4 April 2024)	-
Faridah Binti Jaafar (Resigned on 30 August 2024)	4/5
Dato' Dr Lim Weng Khuan (Resigned on 28 March 2025)	8/8
Tsu Siew Keng (Resigned on 7 October 2025)	3/4

DUTIES AND RESPONSIBILITIES

In fulfilling its primary objectives, the AC undertakes, amongst others, the following responsibilities and duties:-

- a. to consider the appointment, resignation and dismissal of the External Auditors and the audit fees;
- b. to review the nature and scope of the audit with Internal and External Auditors before the audit commences;
- c. to review the quarterly and annual financial statements before submission to the Board;
- d. to review any related party transactions and conflict of interest situations that may arise;
- e. to discuss problems and reservations arising from the interim and final audits and any matter the Auditors may wish to discuss;
- f. to review the audit reports by the Internal and External Auditors, the major findings and management's responses thereto;
- g. to review the effectiveness and efficiency of risk management internal control systems; and
- h. to consider other matters relating to audit;
- i. to review the term of reference of AC; and
- j. to promptly report to Bursa Securities if it is of the view that a matter reported by it to the Board has not been satisfactorily resolved resulting in a breach of the MMLR.

AUDIT COMMITTEE REPORT (CONTINUED)

SUMMARY OF ACTIVITIES

The Audit Committees' activities during the financial year under review comprised the following:

Quarterly Financial Statements and Audited Financial Statements

- reviewed the quarterly unaudited financial results before recommending them for Board's approval, focusing particularly on:
 - Any change in accounting policies
 - Significant adjustments arising from audit reviews
 - Compliance with accounting standards and other legal requirements
- reviewed the audited financial statements of the Company prior to submission to the Directors for their perusal and approval. This was to ensure compliance of the financial statements with the provisions of the Companies Act, 2016 and the applicable approved accounting standards as per Malaysian Accounting Standards Board.

External Auditors

- reviewed the external audit planning memorandum, outlining the audit scope, audit process and areas of emphasis based on the external auditors' presentation of audit plan;
- reviewed the external audit committee memorandum and the response from the Management;
- consideration and recommendation to the Board for approval of the audit fees payable to the external auditors;
- reviewed the performance and effectiveness of the external auditors in the provision of statutory audit services and recommend to the Board for approval on the re-Appointed of external auditors; and
- reviewed and evaluated the factors relating to the independence of the external auditors.

Internal Auditors

The Group outsources its Internal Audit Function to a professional firm. The Internal Auditors were engaged to conduct regular review and appraisals of the effectiveness of the governance, risk management and internal control process within the Company and the Group.

The Internal Auditors report directly to the AC. The appointed Internal Auditors are given full access to all the documents relating to the Company's and Group's governance, financial statements and operations.

Internal Control and Risk Management

The internal control and risk management activities carried out during the financial year are as follows:-

- reviewed the internal audit plan for adequacy scope and coverage and risk areas;
- reviewed risk management report and internal audit reports;
- reviewed the effectiveness and adequacy of risk management, operational and compliance processes;
- reviewed the adequacy and effectiveness of corrective actions taken by the Management on all significant matters raised; and
- monitored and reviewed fraud cases.

AUDIT COMMITTEE REPORT (CONTINUED)

INTERNAL AUDIT FUNCTION

The Audit Committee is aware of the fact that an adequately resourced Internal Audit Function is essential to provide independent and objective advice on the effectiveness of the Group's internal controls to the Audit Committee and thereafter to the Management.

The Group has outsourced the internal audit. The audit was performed and reviewed all operating units within the Group, with emphasis on principal risks areas. Risk based approach was adopted towards planning and conducts of audits which are partly guided by the Corporate Risk Management framework. The scope of work is as follows:-

- to evaluate the system of internal control based upon the Group's standard operational manuals and put forward recommendations to the Audit Committee and senior management;
- to assess the Group's Risk Management Framework and Corporate Governance Policy;
- to establish an overview of the adequacy and effectiveness of the system of Internal Control within the Group in order to provide reasonable assurance regarding the effectiveness and efficiency of operations and compliance with established policies, procedures, applicable laws and regulations;
- to address issues or concerns as requested by Audit Committee or Senior Management and review existing operations or internal audit programs to determine whether they are consistent with the Audit Committee's and/or Senior Management's expectation; and
- to review new system of internal controls implemented by the Group so as to determine the progress of the said system is consistent with the goals and objectives of the Group.

Further details of the activities of the internal audit function are set out in the Statement on Risk Management and Internal Control in this Annual Report.

For the financial period ended 31 July 2025, the cost incurred for the internal audit function was RM17,000.00 (2024: RM15,000.00)

RELATED PARTY TRANSACTION AND CONFLICT OF INTEREST

At each quarterly meeting, the Audit Committee reviewed the recurrent related party transactions ("RRPT") and conflict of interest situation that may arise within the Company and the Group including any transaction, procedure or course of conduct that raise questions on Management's integrity.

The Audit Committee reviewed the RRPT and conflict of interest situation presented by the Management prior to the Company entering into such transaction. The Audit Committee also ensured that adequate oversight over the controls on the identification of the interested parties and possible conflict of interest situation before entering into transactions.

TERMS OF REFERENCE OF AC

The Terms of Reference of AC is made available on the Company's website at www.nexgram.co.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors of Nexgram Holdings Berhad are pleased to present the Statement on Risk Management and Internal Control (“SORMIC”) of the Group in accordance with Rule 15.26 (b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and in accordance with the Principles and Best Practices provisions relating to risk management and internal controls provided in the Malaysian Code on Corporate Governance (“MCCG”). This Statement has been prepared in accordance with the Statement on Risk Management and Internal Control: Guideline for Directors of Listed Issuers issued by the Task Force with the support and endorsement of Bursa Securities.

ROLES AND RESPONSIBILITIES

Board of Directors

The Board of Directors (“BOD”) recognises and affirms its overall responsibility in maintaining a sound system of Group’s internal control and the need to regularly review its adequacy and integrity. The system covers not only financial controls but also operational and compliance controls. In view of the limitations inherent in any internal control system, the Group’s system of internal control put in place by the Management can only manage risk within tolerable levels, rather than eliminate the risk of failure to achieve business objectives. Hence, such system by its nature can only provide reasonable and not absolute assurance against material misstatement, error or losses.

Audit, Nomination and Remuneration Committee

Board committees such as Audit Committee, Nominating Committee and Remuneration Committee are established by the BOD, and they are governed by clearly defined terms of reference and authority for areas within their scope.

RISK MANAGEMENT FRAMEWORK

The Board also acknowledges that the Group’s business activities involve some degree of risk that may affect the achievement of its business objectives and an effective risk management should be an integral part of the Group’s daily operations.

It is the responsibility of Key Management Personnel which is the head of subsidiary companies to identify, evaluate and manage risks faced by the Group on an on-going basis within defined parameters. The deliberation of risks and related mitigating responses are carried out at regular management meetings attended by the Executive Directors and key management staffs. Significant risks are communicated to the Board at the quarterly scheduled meetings. The practices and initiatives by Management serve as an on-going process adopted by the Group to continuously review, identify, evaluate and manage risks faced by the Group.

INTERNAL CONTROL SYSTEM

The Board regularly reviews internal control issues identified by internal auditors, management and evaluates the adequacy and effectiveness of the Group’s risk management and internal control system on an on-going basis. The Group’s key elements of internal control are as follows:

1. Clearly defined delegation of responsibilities to management and operating units, including authorisation levels for key aspects of the business.
2. Clearly documented internal policies, guidelines, procedures and manuals, which are updated from time to time.
3. Regular meetings are held at operational and management levels to identify and resolve business, financial, operational and management issues and address weaknesses and improve efficiency.
4. Engage and appoint solicitors, financial advisors and other competent professionals as may be required in respect of any corporate exercise undertaken by the Group.
5. Financial results are reviewed on a quarterly basis by the Board and Audit Committee.
6. Informal Board and management meetings at operational level are held during the financial year in order to assess performance and controls.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONTINUED)

INTERNAL AUDIT FUNCTIONS

The Board acknowledges the importance of the internal audit function and has outsourced its internal audit function to an independent business consulting firm as part of its efforts to provide adequate and effective internal control systems. The internal audit function adopts a risk-based approach in addition to an independent and objective reporting on the state of the Group's internal control system.

The Internal Auditors has performed the observation on Standard Operating Policies & Procedures ("SOPP"), risk and financial assessment of Sensorlink Holdings Sdn Bhd, the 70% owned subsidiary.

Through the reviewed, assessed and commented on the effectiveness and adequacy of the existing control policies and procedures and provide recommendations for the improvement of the control policies and procedures. The Board continues to take measures to strengthen the control environment. In the financial year under review, there were no material losses incurred as a result of weakness in the internal control that would require disclosure in this Annual Report.

The Board will continue to improve and enhance the existing system of internal control to ensure its adequacy and relevance in safeguarding the shareholders' interests and the Group's assets.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITOR

Pursuant to Rule 15.23 of the Listing Requirement of Bursa Malaysia Securities Berhad, the External Auditor has reviewed this SORMIC for inclusion in the Annual Report of the Group for the financial period ended 31 July 2025. The External Auditor has reported to the Board that nothing has come to their attention that causes them to believe that this Statement is inconsistent with their understanding of the processes adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

CONCLUSION

The Board is satisfied that during the year under review, there is a process to manage the Group's system of internal controls to mitigate any significant risk faced by the Group so as to safeguard shareholders' interest and Group's asset.

The Board has approved this statement for issuance as at 28 November 2025.

DIRECTORS' RESPONSIBILITY STATEMENT IN RELATION TO THE FINANCIAL STATEMENTS

The Directors are required to take reasonable steps in ensuring that the financial statements of the Group and of the Company are properly drawn up in accordance with the provisions of the Companies Act, 2016, applicable financial reporting standards and approved accounting standards in Malaysia so to give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of the results and the cash flows of the Group and of the Company for that year ended.

The Directors consider that in preparing the financial statements for the financial period ended 31 July 2025:

- The Group and the Company have adopted the appropriate accounting policies and applied them consistently;
- reasonable and prudent judgements and estimates have been made;
- all applicable approved accounting standards in Malaysia have been followed; and
- the financial statements have been prepared on a going concern basis.

The Directors are also responsible for ensuring that the Group and of the Company maintain proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company, to enable them to ensure that the financial statements comply with the Companies Act, 2016.

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

ADDITIONAL COMPLIANCE INFORMATION

OTHER DISCLOSURES

STATUS OF CORPORATE PROPOSALS

On 3 July 2024, the Company through its advisor, Malacca Securities Sdn Bhd (“Malacca Securities”), had announced that the Company proposes to undertake:

- i) proposed bonus issue of up to 433,497,316 free warrants in Nexgram (“Warrant(s) E”) on the basis of 4 free Warrants E for every 9 existing ordinary shares in Nexgram (“Nexgram Share(s)” or “Share(s)”) held by the shareholders whose name appear in the Record of Depositors of the Company on an entitlement date to be determined later (“Entitlement Date”) (“Entitled Shareholder(s)”) (“Proposed Bonus Issue of Warrants E”);
- ii) proposed part settlement of redeemable convertible preference shares (“RCPS”) in Medic Asset Group Sdn Bhd, a wholly-owned subsidiary of Nexgram (“MAGSB”), via the issuance of 555,120,000 new Shares (“RCPS Settlement Share(s)”) to Wings By Croske Resort Langkawi Sdn Bhd (“Wings”) at an issue price of RM0.025 per RCPS Settlement Share together with 246,720,000 free Warrants E on the basis of 4 free Warrants E for every 9 RCPS Settlement Shares for the redemption of 154,200 units of RCPS for a total consideration value of RM13,878,000 (“Proposed Part Settlement of RCPS”);
- iii) proposed settlement proposed settlement of debts owing to Weststar Invest Holdings Ltd (“Weststar”) and RFC Holdings Sdn Bhd (“RFC”) (collectively referred to as the “Creditors”) in aggregate sum of RM11,614,804.19 (“Settlement Sum”) to be fully satisfied via the issuance of 464,592,120 new Shares (“Debt Settlement Share(s)”) at an issue price of RM0.025 per Debt Settlement Share together with 206,485,386 free Warrants E on the basis of 4 free Warrants E for every 9 Debt Settlement Shares (“Proposed Debt Settlement”); and
- iv) proposed diversification of the existing business of Nexgram and its subsidiaries (“Nexgram Group” or “Group”) to include the provision of hotel service management (“Hotel Service Management Business”) (“Proposed Diversification”).

(Collectively referred to as “Proposals”)

On 7 August 2024, the Company through its advisor, Malacca Securities, had announced that the Company, Weststar and RFC had mutually agreed to terminate the debt settlement agreements dated 3 July 2024 in relation to the Proposed Debt Settlement. Subsequently, the Company, Weststar and RFC had entered into revised debt settlement agreements dated 7 August 2024.

On 4 October 2024, the Company through its advisor, Malacca Securities, had announced that the Company has submitted the listing application in relation to the Proposals to Bursa Securities.

On 27 March 2025, the Company through its advisor, Malacca Securities, had announced that the listing application in relation to the Proposals have been withdrawn.

On 14 August 2025, the Company through its advisor, Malacca Securities, had announced that the listing application in relation to the Proposals has been submitted to Bursa Securities on 13 August 2025.

On 14 November 2025, the Company through its advisor, Malacca Securities, had announced that the listing application in relation to the Proposals have been withdrawn. A revised listing application in relation to the Proposals will be submitted and announced after the completion of the Company’s private placement exercise which expected to be completed in December 2025.

CHANGE IN FINANCIAL YEAR END

On 27 March 2025, the Company had announced that it has changed its financial year end from 31 January to 31 July. Therefore, the Group’s current financial reporting period shall be eighteen (18) months commencing from 1 February 2024 to 31 July 2025.

ADDITIONAL COMPLIANCE INFORMATION

(CONTINUED)

SHARE BUYBACK

There was no share buyback exercise undertaken by the Company during the financial period 31 July 2025.

OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

There was no other exercise or grant of options, warrants or convertible securities in issue during the financial period under review.

DEPOSITORY RECEIPT PROGRAMME

The Company has not sponsored any depository receipt program during the financial period under review.

IMPOSITION OF SANCTIONS AND/OR PENALTIES

There were no public sanctions and/or penalties imposed on the Company and/or its subsidiaries, Directors or management by any regulatory bodies during the financial period under review.

NON-AUDIT FEE PAID TO EXTERNAL AUDITORS

There was a non-audit fee paid to the external auditors for the financial period under review amounting to RM10,000.00.

VARIANCE IN RESULTS

The Company did not make any public release on profit estimate, forecast or projection for the financial period under review.

There was no deviation of 10% or more in the profit after tax and minority interest between the audited and the unaudited results announced for the financial period ended 31 July 2025.

PROFIT GUARANTEE

There was a profit guarantee given by the Company during the financial period under review amounting to RM10,000,000.00.

MATERIAL CONTRACTS INVOLVING DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

There were no material contracts or loans entered into by the Company and its subsidiaries involving the interests of the Directors and major shareholders during the financial period under review.

CONTRACTS RELATING TO LOAN WITH DIRECTORS AND/OR MAJOR SHAREHOLDERS

Save for the advances from the Executive Directors to the Company, there were no other contracts relating to a loan involving Directors and/or major shareholders during the financial period under review.

SUSTAINABILITY STATEMENT

The Board of Directors are responsible for the Group's sustainability strategies and performance and are supported by the Group's management to identify sustainability matters, oversee the implementation and monitor its progress. The Group continuously reviews its sustainability practices and efforts to ensure they remain relevant as best practices.

STAKEHOLDER ENGAGEMENT

We place great value on our diverse stakeholders and by engaging with them regularly, we are able to better understand their viewpoints and align their needs in our business decisions.

Stakeholders	Engagement channels	Frequency of engagement	Topics
Investors	<ul style="list-style-type: none"> General meetings Corporate announcements Website 	<ul style="list-style-type: none"> Annual Quarterly As and when required 	<ul style="list-style-type: none"> Long term value creation Corporate governance and sustainability practices
Customers	<ul style="list-style-type: none"> Email Phone Website 	<ul style="list-style-type: none"> As and when required 	<ul style="list-style-type: none"> Affordable product and solution Product and service quality
Suppliers/ Contractors/ Consultants	<ul style="list-style-type: none"> Formal meetings Assessments and reviews Written communication 	<ul style="list-style-type: none"> As and when required 	<ul style="list-style-type: none"> Timely payments Product quality
Employees	<ul style="list-style-type: none"> Management meetings Performance appraisals Employee engagement activities Training and development E-communications and memo 	<ul style="list-style-type: none"> Weekly Bi-annual Annual Regular 	<ul style="list-style-type: none"> Welfare and benefits Career development
Regulators/ Government agencies/ Local authorities	<ul style="list-style-type: none"> Formal meetings Written communication 	<ul style="list-style-type: none"> As and when required 	<ul style="list-style-type: none"> Compliance

SUSTAINABILITY STATEMENT (CONTINUED)

MATERIAL SUSTAINABILITY MATTERS

The Sustainability Statement covers the areas – Economic, Environment and Social that we plan to focus our attention in immediate future.

(a) Economic

We ensure that our sustainability practices are extended to all of our stakeholders and are well being taken care of. As part of the Group's mission, we strive to deliver sustainable quality products and services to our customers. As such, we place emphasis on the procurement of materials and products to ensure the suppliers are reputable, able to deliver quality products that are free from defects and in a timely manner whilst being most cost efficient so as to ensure our branding remains affordable to the customers and to build their confidence and trust. By having a majority of our suppliers being locally based, this will in turn help build the local economy. Besides, we committed to recover our financial position and enhance our competitiveness through adopting good and ethical business practices, corporate governance as well as effective capital management.

(b) Environment

The Group recognises the impact of its day-to-day business on the environment. As such, the Group is committed by implementing environmentally-friendly work processes while raising the environmental awareness among its staff.

(c) Social

(i) Employee Retention, Development and Engagement

a) Employee Welfare

The Group continues to ensure that the reward packages remain competitive to attract, retain and motivate the right talent with the relevant working performance, qualification and experience. The Group believes that in engaging our employees promote cohesion and strengthen the relationship between peers. We continued our endeavours to bring closer ties among the employees which promote understanding between each other in order to create harmony and peace in workplace. At Nexgram, recruitment of dynamic individuals includes from internship, fresh graduates to experienced hires and they are given equal opportunities to achieve their full potential.

b) Training and Development

We aspire to grow with our people and we invest in both their work-related and personal development. In general, we continuously monitor our employees and offer training and upskilling opportunities to their areas of work, positions, talents and interests. We provide both external trainings particularly in technical and management skills. Our established appraisal guidelines also enable us to identify and implement development programmes for our employees.

c) Community Contributions and Development

We believe delivering sustainable growth is a social obligation not only for the Group, but for the people and the surrounding communities. Kindly refer to Management Discussion and Analysis at page 14 on CSR. As our business will continue to strive in future, we will continue our effort to be a responsible corporate citizen and will create corporate culture that will inculcate responsible and caring mentality across the Group and to transform corporate giving efforts into strategies for community development and improvement.

d) Workforce Diversity

The Group does not discriminate any of its employees/ potential employees in terms of age, gender, physical disability or religion where the evaluation of the suitability of candidates for filling of casual vacancy is solely based in the candidates' competency, character, time commitment, integrity and experience in meeting the needs of the Company.

SUSTAINABILITY STATEMENT

(CONTINUED)

MATERIAL SUSTAINABILITY MATTERS (CONTINUED)

(c) Social (Continued)

(ii) Occupational Health and Safety

We believe that providing employees with a safe and healthy working environment is essential for ensuring long term business sustainability. We have complied the best of our ability to adhere to the existing standards, laws and regulations which are relevant to the operation. The Group is continuously making improvements to our safety-related efforts to achieve an injury-free and safe workplace.

CONCLUSION

We acknowledge that there remains room for improvement in our sustainability initiatives and targets. As we move forward, we remain committed to building a sustainable business for the future while strengthening our strategies to mitigate and recover from the effects of the pandemic. We will continue to stay informed of developments within our operating environment, maintain active engagement with our stakeholders, and build on our existing foundation to further advance sustainable practices and initiatives across our organisation.

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DIRECTORS' REPORT

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

CHANGE OF FINANCIAL YEAR END

On 27 March 2025, the Company changed its financial year end from 31 January to 31 July. Therefore, the financial period covered in these financial statements is for a period of eighteen (18) months from 1 February 2024 to 31 July 2025. The comparative figures are for the previous eighteen (18) months from 1 August 2022 to 31 January 2024.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and provision of corporate and management services to the Group.

The principal activities of the subsidiaries are as disclosed in Note 8 to the financial statements.

There have been no significant changes to the nature of these principal activities during the financial period.

RESULTS

	Group RM	Company RM
Net profit/loss for the financial period	2,223,465	(32,609,429)
Other comprehensive income, net of tax	1,037,176	-
Total comprehensive income/(expenses) for the financial period	<u>3,260,641</u>	<u>(32,609,429)</u>
Attributable to:-		
Owners of the parent	626,143	(32,609,429)
Non-controlling interests	2,634,498	-
Total comprehensive income/(expenses) for the financial period	<u>3,260,641</u>	<u>(32,609,429)</u>

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial period.

The directors do not recommend the payment of any dividends in respect of the financial period ended 31 July 2025.

DIRECTORS' REPORT (CONTINUED)

RESERVES AND PROVISIONS

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

BAD AND DOUBTFUL DEBTS

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

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

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

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

VALUATION METHODS

Other than as disclosed in Note 2.1 to the financial statements, at the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial period which secures the liabilities of any other person; and
- (ii) any contingent liabilities in respect of the Group or of the Company which has arisen since the end of the financial period.

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

DIRECTORS' REPORT (CONTINUED)

CHANGE OF CIRCUMSTANCES

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

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

- (i) the results of the operations of the Group and of the Company for the financial period were not substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in the financial statements; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial period and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial period in which this report is made except for matters disclosed in Note 41 to the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial period, the issued and paid-up share capital of the Company has increased by RM18,974,618/- from RM130,622,990/- to RM149,597,608/- by way of issuance of:-

- (i) 50,371,900 new ordinary shares via private placement at the issue price of RM0.0290 per ordinary shares;
- (ii) conversion of 4,828,750 Irredeemable Convertible Preference Share ("ICPS") to 2,414,375 new ordinary shares on a basis of two (2) ICPS for every one (1) ordinary share as disclosed in Note 20 (f) to the financial statements; and
- (iii) conversion of 172,723,950 to new ordinary shares on a basis of one (1) ICPS together with the payment of RM0.05 for every one (1) ordinary share as disclosed in Note 20 (f) to the financial statements.

During the financial period, no new issue of debentures were made by the Company.

TREASURE SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirement of Section 127 of the Companies Act, 2016 in Malaysia.

As of 31 July 2025, the Company held a total of 243,000 (31.01.2024: 243,000) issued and paid-up ordinary shares as treasury shares. The treasury shares are held at a carrying amount of RM245,000/-. The details of the treasury shares are disclosed in Note 20(d) to the financial statements.

DIRECTORS' REPORT (CONTINUED)**WARRANTS D (WARRANTS 2022/2032)**

The Company's issuance of new warrants via a Bonus Issue of 882,847,640 warrants on the basis of one (1) Warrant D for every five (5) existing ordinary shares in the Company were listed on the Bursa Malaysia Securities Berhad on 10 March 2022.

The salient features and details of the Warrants D were disclosed in Note 20(a)(i) to the financial statements.

The movement of the Warrants D (Warrants 2022/2032) during the financial period is as follows:-

	/----- Number of Warrants D -----/		
	At 01.02.2024	Exercised	At 31.07.2025
Warrants D	88,284,764	-	88,284,764

DIRECTORS

The directors in office during the financial period and during the period from the end of the financial period to the date of report are:-

CHEANG SOON SIANG ⁽¹⁾	(Appointed on 7 February 2024)
HJ MAZRU MAT YUSOF	(Resigned on 20 September 2024)
CHUA ENG CHIN	(Appointed on 23 April 2024)
CHIA PENG LUN	(Appointed on 21 September 2023)
TAN ENG KEAT	(Appointed on 23 April 2024)
CHAN SIU HUA	(Appointed on 15 October 2025)
CHUNG KAH HAUR	(Appointed on 21 July 2025)
TSU SIEW KENG	(Appointed on 21 January 2025 and resigned on 7 October 2025)
FARIDAH BINTI JAAFAR	(Resigned on 30 August 2024)
DATO' DR LIM WENG KHUAN	(Appointed on 7 February 2024 and resigned on 28 March 2025)
DATO' YEK SIEW LEE	(Resigned on 15 March 2024)
CHIN WEI CHENG	(Resigned on 4 April 2024)

⁽¹⁾ Director of the Company and certain subsidiaries

DIRECTORS' REPORT (CONTINUED)**DIRECTORS OF SUBSIDIARIES**

Pursuant to Section 253(2) of the Companies Act, 2016 in Malaysia, the directors who held office in the subsidiaries of the Company during the financial period and during the period from the end of the financial period to the date of this report, not including those directors mentioned above, are:-

AW MUN KONG
OW MEE ENG
SYED BABA BIN MOHD GOUS
WONG KIN CHOONG

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act, 2016 in Malaysia, the interests of directors in office at the end of the financial period in shares in the Company and its related corporations during the financial period ended 31 July 2025 were as follows:-

	/----- Number of ordinary shares-----/		
	At 01.02.2024	Addition	At 31.07.2025
The Company			
<u>Indirect interests</u>			
CHEANG SOON SIANG ⁽¹⁾	-	10,000,000	10,000,000

⁽¹⁾ Indirect interest pursuant to Section 8 of the Companies Act, 2016 by virtue of his shareholding in Sapphire Pavilion Limited.

Other than as stated above, none of the other directors in office at the end of the financial period had any interest in ordinary shares or warrants of the Company and its related corporations during the financial period.

DIRECTORS' BENEFITS

Since the end of the previous financial period, no director of the Company has received or become entitled to receive any benefit (other than benefits as shown under Directors' Remunerations) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interest as disclosed in Note 35(c) to the financial statements.

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

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' REMUNERATIONS

The details of the directors' remunerations for the financial period ended 31 July 2025 are set out as below:-

	Group RM	Company RM
Directors' remunerations		
- Fees, salaries, allowances and bonuses	1,382,329	271,126

INDEMNIFYING DIRECTORS, OFFICERS AND AUDITORS

No indemnities have been given or insurance premium paid, during or since the end of the financial period, for any person who is or has been the director, officer or auditor of the Company.

AUDITORS' REMUNERATIONS

The amounts paid and payable as remunerations of the auditors of the Group and of the Company for the financial period ended 31 July 2025 are as below:-

	Group RM	Company RM
Audit fees:-		
- Auditors of the Company	480,000	380,000
- Other auditors	44,000	-
	<u>524,000</u>	<u>380,000</u>

SUBSIDIARIES

Details of the Company's subsidiaries are disclosed in Note 8 to the financial statements.

SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

Details of the significant events are disclosed in Note 43 to the financial statements.

SUBSEQUENT EVENTS

Details of the subsequent events are disclosed in Note 44 to the financial statements.

DIRECTORS' REPORT (CONTINUED)**AUDITORS**

The auditors, **Messrs LTTH PLT**, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors,

CHEANG SOON SIANG
Director

CHUA ENG CHIN
Director

Petaling Jaya, Selangor Darul Ehsan

Date

STATEMENT BY DIRECTORS

(PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016 IN MALAYSIA)

STATEMENT BY DIRECTORS

(Pursuant to Section 251(2) of the Companies Act, 2016 in Malaysia)

We, **CHEANG SOON SIANG** and **CHUA ENG CHIN** being the Directors of **NEXGRAM HOLDINGS BERHAD**, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 68 to 219 properly drawn up in accordance with the 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 their financial performance and cash flows for the financial period then ended.

Signed on behalf of the Board of Directors,

CHEANG SOON SIANG
Director

CHUA ENG CHIN
Director

Petaling Jaya, Selangor Darul Ehsan

Date:

STATUTORY DECLARATION

(PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT, 2016 IN MALAYSIA)

I, **CHEANG SOON SIANG**, (I/C No.: **680302-10-6241**) being the Director primarily responsible for the financial management of **NEXGRAM HOLDINGS BERHAD**, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 68 to 219 are 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.

CHEANG SOON SIANG

Director

Subscribed and solemnly declared by the abovenamed at Petaling Jaya in the state of Selangor Darul Ehsan on

Before me,

Commissioner for Oat

INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **NEXGRAM HOLDINGS 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 and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the period then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 68 to 219.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, 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 period 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 Qualified Opinion

The Group's statement of financial position as at 31 July 2025 includes, through its subsidiary Medic Asset Group Sdn. Bhd. (MAG), the following balances in respect of Wings By Croske Resort Langkawi Sdn. Bhd. (Wings).

- Prepayment for hotel management rights RM11,301,537 - Note 14, Trade and other receivables
- Equity investment in Wings RM23,864,911 - Note 10, Other investments

Management performed an impairment assessment using a value-in-use model (VIU) over a 20-year explicit forecast period. We were unable to obtain sufficient appropriate audit evidence to support the recoverable amount of the balances in Wings for the following reasons. The hotel management rights have not legally vested and will only vest upon full redemption of the 250,000 redeemable convertible preference shares (RCPS) issued by MAG on 10 April 2023 maturing on 10 June 2026. As at 31 July 2025, RM13,878,000 of the RCPS remain unredeemed. The State lease remains registered in the name of Langkawi Airport Hotel Sdn. Bhd. (LAHSB), the registered lessee of the State lease with no endorsement or transfer to Wings. Any termination of the transfer agreement by LAHSB would render the management rights void and the investment in Wings irrecoverable. Management's VIU model assumes uninterrupted legal control and revenue generation for 20-years. These assumptions are not sustainable in the absence of legal title and vested rights. The explicit forecast period of 20-years does not comply with MFRS 136 which states that detailed projections must not exceed five years unless a longer period is justified by reasonable and supportable information. No entity-specific evidence of long-term forecasting reliability has been provided.

INDEPENDENT AUDITORS' REPORT

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

Basis for Qualified Opinion (Cont'd)

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 qualified 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.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the *Basis for Qualified Opinion* section above, we were unable to conclude whether or not that the other information is materially misstated with respect to that matter.

INDEPENDENT AUDITORS' REPORT

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

Key Audit Matters

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

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

INDEPENDENT AUDITORS' REPORT

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

Key Audit Matters (Cont'd)

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

INDEPENDENT AUDITORS' REPORT

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

Key Audit Matters (Cont'd)

Key audit matters	How our audit addressed the key audit matters										
<p>Revenue recognition</p> <p>to material accounting policy information in Note 3.11 and the disclosure in Note 27 to the financial statements.</p> <p>For the financial period ended 31 July 2025, the Group recognised RM72,364,694 of revenue. Revenue is derived from the following segments:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="text-align: right;">RM</th> </tr> </thead> <tbody> <tr> <td>Sales of goods</td> <td style="text-align: right;">71,596,220/-</td> </tr> <tr> <td>Services rendered</td> <td style="text-align: right;">170,874/-</td> </tr> <tr> <td>Other income</td> <td style="text-align: right;">597,600/-</td> </tr> <tr> <td></td> <td style="text-align: right;">72,364,694/-</td> </tr> </tbody> </table> <p>We identified the revenue recognition as a key audit matter because revenue is the primary focus of the Group's stakeholders.</p>		RM	Sales of goods	71,596,220/-	Services rendered	170,874/-	Other income	597,600/-		72,364,694/-	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Discussed with the management to obtain an understanding of the entity and consideration of the composition of the revenue and its attributes, identify specific risks associated with revenue recognition under MFRS 15 <i>Revenue from Contracts with Customers</i>; • Performed walkthrough test over sales cycle to understand the business and identify management's control procedures in the key operating cycle. Tested the internal controls over the sales cycle; • Performed vouching to respective supporting documents on a higher risk sampling basis; • Performed cut-off tests related to sales to ascertain the completeness of the sales; and • Reviewed journal entries for significant unusual revenue transactions near or after period-end, including post-closing journal transactions.
	RM										
Sales of goods	71,596,220/-										
Services rendered	170,874/-										
Other income	597,600/-										
	72,364,694/-										

INDEPENDENT AUDITORS' REPORT

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

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:

INDEPENDENT AUDITORS' REPORT

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

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

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

- 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.
- 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.

INDEPENDENT AUDITORS' REPORT

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

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

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 in our opinion:

- (a) the accounting and other records for the matter as described in the *Basis for Qualified Opinion* section have not been properly kept by the Company in accordance with the provision of the Act.
- (b) in our opinion, we have not obtained all the information and explanations that we required.

INDEPENDENT AUDITORS' REPORT

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

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report. The financial statements of the Group and of the Company for the financial period ended 31 January 2024 are audited by another firm of chartered accountants whose report dated 31 May 2024 express an unqualified opinion on these statements.

LTTH PLT

201906001236 (LLP0020047-LCA) & AF 0071
Chartered Accountants

Petaling Jaya

Date: 28 November 2025

LIM LIP CHIN

01931/02/2027 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 31 JULY 2025

	Note	Group			Company		
		31.07.2025 RM	31.01.2024 RM Restated	31.07.2022 RM Restated	31.07.2025 RM	31.01.2024 RM	31.07.2022 RM
ASSETS							
Non-current assets							
Plant and equipment	5	668,101	1,145,781	10,188,695	-	-	-
Right-of-use assets	6	7,928,505	8,437,720	15,167,403	-	-	-
Investment properties	7	47,100,000	7,500,000	46,100,000	-	-	-
Investments in subsidiaries	8	-	-	-	24,887,667	24,786,667	26,428,399
Investment in associate	9	1,340,015	1,612,024	1,019,674	-	-	-
Other investments	10	30,045,939	6,665,628	7,740,049	237,117	711,352	750,871
Intangible assets	11	-	-	78,676	-	-	-
Goodwill on consolidation	12	7,533,466	7,519,264	16,771,187	-	-	-
Total non-current assets		94,616,026	32,880,417	97,065,684	25,124,784	25,498,019	27,179,270
Current assets							
Investment properties	7	-	38,500,000	-	-	-	-
Inventories	13	6,737,986	5,298,074	5,612,706	-	-	-
Trade and other receivables	14	20,708,353	52,329,626	8,276,255	131,932	69,492	-
Amount owing by subsidiaries	15	-	-	-	932,077	12,821,226	4,848,984
Amount owing by associate	16	321,213	-	-	-	-	-
Fixed deposits with licensed banks	17	18,408,584	8,308,733	14,823,593	-	-	-
Cash and bank balances	18	3,632,629	2,596,603	4,058,307	4,240	5,671	240,088
Tax recoverable		-	183,089	131,169	-	-	-
Total current assets		49,808,765	107,216,125	32,902,030	1,068,249	12,896,389	5,089,072
TOTAL ASSETS		144,424,791	140,096,542	129,967,714	26,193,033	38,394,408	32,268,342

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 JULY 2025 (CONTINUED)

	Note	31.07.2025 RM	Group 31.01.2024 RM Restated	31.07.2022 RM Restated	31.07.2025 RM	Company 31.01.2024 RM	31.07.2022 RM
EQUITY							
Share capital	19	149,597,608	130,622,990	109,408,507	149,597,608	130,622,990	109,408,507
Reserves	20	(3,444,651)	7,843,110	788,770	(245,000)	8,632,635	1,658,140
Accumulated losses		(70,557,624)	(70,304,905)	(39,864,637)	(137,299,246)	(104,689,817)	(90,582,078)
		75,595,333	68,161,195	70,332,640	12,053,362	34,565,808	20,484,569
Non-controlling interests	8	18,752,151	10,431,101	3,166,510	-	-	-
TOTAL EQUITY		94,347,484	78,592,296	73,499,150	12,053,362	34,565,808	20,484,569
LIABILITIES							
Non-current liabilities							
Loans and borrowings	21	2,464,933	3,324,974	8,973,242	-	-	-
Deferred tax liabilities	22	2,948,827	1,293,650	2,783,911	-	-	-
Provision	23	-	-	23,653	-	-	-
Redeemable convertible preferences shares	26	-	14,032,410	-	-	-	-
Lease liabilities	6	-	98,586	3,769,955	-	-	-
Total non-current liabilities		5,413,760	18,749,620	15,550,761	-	-	-
Current liabilities							
Trade and other payables	24	20,560,604	21,455,168	27,548,709	13,955,846	2,340,563	4,155,971
Amount owing to directors	25	-	5,419,741	3,531,369	-	975,900	169,016
Amount owing to subsidiaries	15	-	-	-	183,825	512,137	7,458,786
Redeemable convertible preferences shares	26	14,032,410	3,658,175	-	-	-	-
Loans and borrowings	21	9,605,927	9,920,144	6,030,680	-	-	-
Provision	23	-	24,927	-	-	-	-
Lease liabilities	6	-	105,690	3,525,523	-	-	-
Tax payables		464,606	572,204	281,522	-	-	-
Deferred tax liabilities	22	-	1,598,577	-	-	-	-
Total current liabilities		44,663,547	42,754,626	40,917,803	14,139,671	3,828,600	11,783,773
TOTAL LIABILITIES		50,077,307	61,504,246	56,468,564	14,139,671	3,828,600	11,783,773
TOTAL EQUITY AND LIABILITIES		144,424,791	140,096,542	129,967,714	26,193,033	38,394,408	32,268,342

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025

	Note	Group		Company	
		01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM Restated	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
Continuing operations					
Revenue	27	72,364,694	83,531,701	30,000	-
- Cost of sales		(53,068,884)	(66,005,123)	-	-
Gross profit		19,295,810	17,526,578	30,000	-
Other income		55,213,135	1,900,671	15,800,132	35,666,710
Administrative and other operating expenses		(71,176,115)	(41,955,795)	(30,642,078)	(51,677,589)
Impairment on other receivable		(2,390,000)	(2,400,000)	-	-
Impairment on other investment		(2,675,000)	-	-	-
Impairment on intercompany		-	-	(17,797,483)	-
Operating loss	28	(1,732,170)	(24,928,546)	(32,609,429)	(16,010,879)
Finance costs	30	(4,282,241)	(6,002,970)	-	-
Share of result of an associate	9	(272,009)	592,350	-	-
Loss before taxation		(6,286,420)	(30,339,166)	(32,609,429)	(16,010,879)
Taxation	31	(1,681,143)	(1,509,958)	-	-
Loss from continuing operations		(7,967,563)	(31,849,124)	(32,609,429)	(16,010,879)
Discontinued operation					
Profit from discontinued operation, net of tax		10,191,028	-	-	-
Profit/(loss) for the financial period		2,223,465	(31,849,124)	(32,609,429)	(16,010,879)
Other comprehensive income for the financial period:-					
Revaluation gain/(loss) on leasehold land and building		(120,318)	568,106	-	-
Loss on fair value changes of other investment		(17,165)	(592,881)	-	-
Transfer of revaluation reserves to retained earnings		120,318	-	-	-
Foreign currency translation		1,016,345	488,925	-	-
Effects of tax		37,996	(98,942)	-	-
		1,037,176	365,208	-	-
Total comprehensive income/(expenses)for the financial period		3,260,641	(31,483,916)	(32,609,429)	(16,010,879)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

	Note	Group		Company	
		01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM Restated	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
Profit/(loss) attributable to:-					
Owners of the parent		(411,033)	(32,452,496)	(32,609,429)	(16,010,879)
Non-controlling interests		2,634,498	603,372	-	-
		<u>2,223,465</u>	<u>(31,849,124)</u>	<u>(32,609,429)</u>	<u>(16,010,879)</u>
Total comprehensive income/(expenses) attributable to:-					
Owners of the parent		626,143	(32,263,563)	(32,609,429)	(16,010,879)
Non-controlling interests		2,634,498	779,647	-	-
		<u>3,260,641</u>	<u>(31,483,916)</u>	<u>(32,609,429)</u>	<u>(16,010,879)</u>
Basic loss per share from continuing operation (sen)	32	<u>(0.13)</u>	<u>(6.75)</u>		
Diluted loss per share from continuing operation (sen)	32	<u>(0.11)</u>	<u>(5.83)</u>		
Basic profit per share from discontinued operation (sen)	32	<u>0.08</u>	<u>-</u>		
Diluted loss per share from discontinued operation (sen)	32	<u>0.07</u>	<u>-</u>		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025

Attributable to Owners of the Company												
Non-distributable											Non-controlling interest	
	Share capital	Warrants reserve	Fair value reserve	Revaluation reserve	Treasury shares	Translation reserve	Irredeemable convertible preference shares	Redeemable convertible preference shares	Accumulated losses	Total		
Note	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM
Group												
At 1 February 2024, previously stated	130,622,990	-	(2,491,060)	2,374,133	(245,000)	(3,984,895)	8,877,635	25,812,297	(44,489,235)	116,476,865	3,946,159	
Prior year adjustments	-	-	-	-	-	-	-	(22,500,000)	(25,815,670)	(48,315,670)	6,484,944	
At 1 February 2024, restated	130,622,990	-	(2,491,060)	2,374,133	(245,000)	(3,984,895)	8,877,635	3,312,297	(70,304,905)	68,161,195	10,431,101	
Total comprehensive income for the financial period:-												
Profit/ (loss) for the financial period	-	-	-	-	-	-	-	-	(411,033)	(411,033)	2,634,498	
Other comprehensive income for the financial period	-	-	(17,165)	(120,318)	-	1,016,345	-	-	158,314	1,037,176	-	
Total comprehensive income	-	-	(17,165)	(120,318)	-	1,016,345	-	-	(252,719)	626,143	2,634,498	
Transactions with owners:-												
Redemption of RCPS	8,632,117	-	-	-	-	-	-	-	-	8,632,117	(2,485,031)	
Conversion of ICPS	8,877,635	-	-	-	-	(8,877,635)	-	-	-	-	-	
Issuance of new shares	1,464,866	-	-	-	-	-	-	-	-	1,464,866	214,282	
Effect of disposal of subsidiaries	-	-	-	-	-	23,309	-	(3,312,297)	-	(3,288,988)	7,957,301	
Total transaction with owners	18,974,618	-	-	-	-	23,309	(8,877,635)	(3,312,297)	-	6,807,995	5,686,552	
At 31 July 2025	149,957,608	-	(2,508,225)	2,253,815	(245,000)	(2,945,241)	-	-	(70,557,624)	75,595,333	18,752,151	

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

Group	Share capital	Warrants reserve	Fair value reserve	Revaluation reserve	Treasury shares	Translation reserve	Irredeemable convertible preference shares		Accumulated losses	Total	Non-controlling interest	Total equity
							RM	RM				
At 31 July 2022, previously stated	109,408,507	1,903,140	(1,898,179)	2,144,074	(245,000)	(4,473,820)	-	3,312,297	(18,260,589)	91,890,430	3,268,168	95,158,598
Prior year adjustments	-	-	-	46,258	-	-	-	-	(21,604,048)	(21,557,790)	(101,658)	(21,659,448)
At 31 July 2022, restated	109,408,507	1,903,140	(1,898,179)	2,190,332	(245,000)	(4,473,820)	-	3,312,297	(39,864,637)	70,332,640	3,166,510	73,499,150
Total comprehensive (deficit)/income for the financial period:-	-	-	-	-	-	-	-	-	(32,452,496)	(32,452,496)	603,372	(31,849,124)
Loss for the financial year	-	-	(592,881)	183,801	-	488,925	-	-	109,088	188,933	176,275	365,208
Other comprehensive deficit for the financial year	-	-	(592,881)	183,801	-	488,925	-	-	(32,343,408)	(32,263,559)	779,647	(31,483,916)
Total comprehensive deficit	-	-	(592,881)	183,801	-	488,925	-	-	(32,343,408)	(32,263,559)	779,647	(31,483,916)
Transactions with owners:-	-	-	-	-	-	-	-	-	-	-	6,484,944	6,484,944
Issuance of RCPS	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of ICPS	21,214,483	-	-	-	-	-	8,877,635	-	-	8,877,635	-	8,877,635
Issuance of shares	-	(1,903,140)	-	-	-	-	-	-	-	21,214,485	-	21,214,483
Expiry of warrants	-	-	-	-	-	-	-	-	1,903,140	-	-	-
Total transaction with owners	21,214,483	(1,903,140)	-	-	-	-	8,877,635	-	1,903,140	30,092,120	6,484,944	36,577,062
At 31 January 2024	130,622,990	-	(2,491,060)	2,374,133	(245,000)	(3,984,895)	8,877,635	3,312,297	(70,304,905)	68,161,195	10,431,101	78,592,296

/-----/ Atributable to Owners of the Company -----/ /-----/ Non-distributable -----/

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

		Attributable to Owners of the Company		Non-distributable		Irredeemable convertible preference shares ("ICPS")		Accumulated losses		Total	
		RM		RM		RM		RM		RM	
Company											
At 31 July 2022		109,408,507	1,903,140	(245,000)	-	(90,582,078)	-	20,484,569			
Total comprehensive deficit for the financial period		-	-	-	-	(16,010,879)	-	(16,010,879)			
Transactions with owners:-											
Issuance of ICPS		-	-	-	8,877,635	-	-	8,877,635			
Issuance of shares		21,214,483	-	-	-	-	-	21,214,483			
Expiry of warrants		-	(1,903,140)	-	-	-	1,903,140	-			
Total transaction with owners		21,214,483	(1,903,140)	-	8,877,635	1,903,140	-	30,092,118			
At 31 January 2024		130,622,990	-	(245,000)	8,877,635	(104,689,817)	-	34,565,808			

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

		Attributable to Owners of the Company		Non-distributable			
		/-----/		/-----/			
		Share capital	Warrants reserve	Treasury shares	Irredeemable convertible preference shares ("ICPS")	Accumulated losses	Total
		RM	RM	RM	RM	RM	RM
Company							
	At 31 January 2024	130,622,990	-	(245,000)	8,877,635	(104,689,817)	34,565,808
	Total comprehensive deficit for the financial period						
	Transactions with owners:-						
	Redemption of RCPS	8,632,117	-	-	-	-	8,632,117
	Conversion of ICPS	8,877,635	-	-	(8,877,635)	-	-
	Issuance of shares	1,464,866	-	-	-	-	1,464,866
	Total transaction with owners	18,974,618	-	-	(8,877,635)	-	10,096,983
	At 31 July 2025	149,597,608	-	(245,000)	-	(137,299,246)	12,053,362

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025

	Group		Company	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM Restated	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES:-				
Profit/(loss) before taxation				
- continued operations	(6,286,420)	(30,339,166)	(32,609,429)	(16,010,879)
- discontinued operations	10,191,028	-	-	-
	3,904,608	(30,339,166)	(32,609,429)	(16,010,879)
Adjustments for:-				
Amortisation of:-				
- intangible assets	-	228,160	-	-
- right-of-use assets	376,329	2,058,562	-	-
Depreciation of plant and equipment	560,407	1,332,203	-	-
Fair value loss/(gain) on:-				
- investment in quoted shares	-	39,520	1,474,235	39,520
- investment properties	(1,100,000)	100,000	-	-
(Gain)/Loss on unrealised foreign exchange	-	77,884	(10,626)	(12,802,964)
Interest income	(567,246)	(466,622)	(123)	(152)
Interest expense	2,166,941	4,327,441	-	-
Impairment losses/ (Reversal of impairment) on:-				
- other investments	2,675,000	-	-	-
- investment in a subsidiary	-	-	-	1,641,732
- receivables	(5,212,932)	10,014,573	(3,154,704)	-
- amount owing by subsidiaries	-	-	17,797,483	(22,834,527)
- goodwill on consolidation	-	9,251,923	-	-
Gain on disposal of:-				
- investment in quoted shares	-	(57,900)	-	-
- plant and equipment	-	(47,535)	-	-
- subsidiaries	(31,198,663)	-	-	-
Gain on lease modification	-	(129,287)	-	-
Operating loss before working capital changes and balance carried forward	(28,395,556)	(3,610,244)	(16,503,164)	(49,967,270)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

	Group		Company	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM Restated	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES:-				
(Continued)				
Operating loss before working capital changes and balance brought forward	(28,395,556)	(3,610,244)	(16,503,164)	(49,967,270)
Adjustments for:- (Continued)				
(Reversal of provision)/				
Provision for slow moving inventories	-	(824,866)	-	-
Share of result of an associate	272,009	(592,350)		
Waiver of:-				
- amount owing to subsidiaries	-	-	-	(29,000)
- debts	-	(114,416)	(517,000)	-
- deposits	-	(255,000)	-	-
Written-off of:-				
- amount owing by subsidiaries	-	-	8,911,446	43,740,489
- intangible assets	-	911,916	-	-
- inventories	-	1,087,959	-	-
- plant and equipment	-	225,904	-	-
- bad debts - trade receivables	-	110,508	-	-
- bad debts - other receivables	-	82,896	13,956,845	-
- deposits	-	512,649	-	-
Changes in working capital:-				
Inventories	(1,459,161)	51,539	-	-
Trade and other receivables	27,675,263	(15,958,239)	(13,969,764)	(69,492)
Trade and other payables	34,830,843	21,076,096	-	(1,815,408)
	32,923,398	2,704,352	(8,121,637)	(8,140,681)
Tax paid	(1,283,174)	(1,261,822)	-	-
Net cash generated from/(used in) operating activities	31,640,224	(3,966,174)	(8,121,637)	(8,140,681)

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

	Group		Company	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM Restated	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
CASH FLOWS FROM INVESTING ACTIVITIES:-				
Advances to subsidiaries	-	-	-	6,599,254
Addition of intangible assets	-	(1,061,400)	-	-
Purchase of other investments	(26,072,476)	-	(1,001,000)	-
Interest received	567,246	466,622	123	152
(Placement)/Withdrawal of fixed deposits with licensed banks	(3,332,673)	(258,841)	-	-
Proceeds from disposal of:-				
- other investments	-	499,920	-	-
- plant and equipment	2,801	100,896	-	-
Purchase of plant and equipment	(830,869)	(124,547)	-	-
Cashflow from:-				
- disposal of subsidiaries	986,336	-	-	-
- acquisition of subsidiaries	210,078	-	-	-
Net cash (used in)/generated from investing activities	(28,469,557)	(377,350)	(1,000,877)	6,599,406

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

	Group		Company	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM Restated	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
CASH FLOWS FROM FINANCING ACTIVITIES:-				
Proceeds from issuance of ordinary shares	10,096,983	499,974	10,096,983	499,974
Advances from/ (Repayment to) directors	-	1,888,372	(975,900)	806,884
Interest paid	(2,166,941)	(3,287,661)	-	-
Conversion of ICPS	-	-	-	-
Proceeds from lease/finance lease	682,277	-	-	-
Redemption of RCPS	(6,143,204)	-	-	-
Drawdown of short-term borrowings	1,784,032	1,020,692	-	-
Repayment of:-				
- short-term borrowings	-	(585,749)	-	-
- hire purchase payables, net	-	(587,875)	-	-
- term loans, net	-	(1,162,413)	-	-
Payment of lease liabilities	(187,000)	(1,722,688)	-	-
Net cash (used in)/generated from financing activities	4,066,147	(3,937,348)	9,121,083	1,306,858

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

	Group		Company	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM Restated	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
NET CHANGE IN CASH AND CASH EQUIVALENTS	7,236,814	(8,280,872)	(1,431)	(234,417)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES				
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL PERIOD	1,054,341	488,926	-	-
	2,108,652	9,900,598	5,671	240,088
CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL PERIOD	10,399,807	2,108,652	4,240	5,671
ANALYSIS OF CASH AND CASH EQUIVALENTS:-				
Fixed deposits placed with licensed banks	18,408,584	8,308,733	-	-
Cash and bank balances	3,632,629	2,596,603	4,240	5,671
Bank overdrafts	-	(487,951)	-	-
	22,041,213	10,417,385	4,240	5,671
Less: Fixed deposits pledged with banks	(2,919,885)	(2,782,733)	-	-
Fixed deposits with tenure more than three months	(8,721,521)	(5,526,000)	-	-
	10,399,807	2,108,652	4,240	5,671

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

	Note	Group		Company	
		01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM Restated	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
Included in net cash from operating activities					
Payment relating to short-term leases	28	-	21,900	-	-
Interest paid in relation to lease liabilities	30	-	232,862	-	-
Included in net cash from financing activities					
Payment of lease liabilities		-	1,722,688	-	-
Total cash outflows for leases		-	1,977,450	-	-

Reconciliation of movements of liabilities to cash flows arising from financing activities:-

	Short-term borrowings RM	Hire purchase payables RM	Term loans RM	Lease liabilities RM
Group				
At 1 August 2022	3,263,150	899,035	9,910,327	7,295,478
Net changes from financing cash flows	(585,749)	(587,875)	(1,162,413)	(1,722,688)
Reclassification	(2,677,401)	-	2,677,401	-
Drawdown of short-term borrowings	1,020,692	-	-	-
Acquisition of new leases	-	-	-	267,536
Derecognition of lease liabilities	-	-	-	(5,636,050)
At 31 January 2024	1,020,692	311,160	11,425,315	204,276
Net changes from financing cash flows	-	(311,160)	585,820	-
Reclassification	-	-	-	-
Drawdown of short-term borrowings	2,618,674	-	-	-
Acquisition of new leases	-	-	-	-
Derecognition of lease liabilities	-	-	-	(204,276)
At 31 July 2025	3,639,366	-	12,011,135	-

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025

1. GENERAL INFORMATION

The Company is principally engaged in investment holding and provision of corporate and management services to the Group. The principal activity of the subsidiaries is disclosed in Note 8 to the financial statements. There have been no significant changes to the nature of these principal activities during the financial period.

On 27 March 2025, the Company changed its financial year end from 31 January to 31 July. Therefore, the financial period covered in these financial statements is for a period of eighteen (18) months from 1 February 2024 to 31 July 2025. The comparative figures are for the previous eighteen (18) months from 1 August 2022 to 31 January 2024.

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

The registered office and principal place of business of the Company are located at 11-01, Level 11, Menara MBMR, 1, Jalan Syed Putra, 58000 Kuala Lumpur Wilayah Persekutuan, Malaysia.

The financial statements are expressed in Ringgit Malaysia.

The financial statements of the Group and of the Company have been authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 November 2025.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The consolidated financial statements of the Group “Group” and separate financial statements of the Company “Company” comply with Malaysian Financial Reporting Standards (MFRSs), International Financial Reporting Standards (IFRSs) and the requirements of the Companies Act 2016 in Malaysia. These financial statements also comply with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.2 Amendments to MFRSs ('Standards') that are effective for current financial year

The following Standards are applicable to the Group and the Company, which are effective for current financial year:-

Effective for financial periods beginning on or after 1 January 2024

- | | |
|------------------------------|---|
| • Amendments to MFRS 7 & 107 | Supplier Finance Arrangements |
| • Amendments to MFRS 16 | Lease Liability in a Sale and Leaseback |
| • Amendments to MFRS 101 | Non-current Liabilities with Covenants |

The adoption of the above amendments/improvements to MFRSs did not have any significant effect on the financial statements of the Group and of the Company and did not result in significant changes to the Group's and the Company's existing accounting policies.

2.3 New MFRSs, Amendments to MFRSs, and Annual Improvements to MFRSs ('Standards') that are yet to be effective for current financial year

No early adoption is made by the Group and the Company on the following Standards that are expected to have an application to the Group and the Company's operations. These Standards have been issued by the MASB, but yet to be effective:-

Effective for financial periods beginning on or after 1 January 2026

- | | |
|--|---|
| • Amendments to MFRS 7 & 9 | Amendments to the Classification and Measurement of Financial Instruments |
| • Amendments to MFRS 7 & 9 | Contracts Referencing Nature-dependent Electricity |
| • Annual Improvements to MFRS Accounting Standards – Volume 11 | |

Effective for financial periods beginning on or after 1 January 2027

- | | |
|-----------|---|
| • MFRS 18 | Presentation and Disclosure in Financial Statements |
| • MFRS 19 | Subsidiaries without Public Accountability: Disclosures |

Effective date to be announced

- | | |
|------------------------------------|---|
| • Amendments to MFRS 10 & MFRS 128 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture |
|------------------------------------|---|

The initial application of these Standards is expected to have an immaterial impact on the Group's and the Company's financial statements except the following:

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRSs, Amendments to MFRSs, and Annual Improvements to MFRSs ('Standards') that are yet to be effective for current financial year (continued)

MFRS 18 Presentation and Disclosure of Financial Statements

MFRS 18 'Presentation and Disclosure in Financial Statements' replaces MFRS 101 'Presentation of Financial Statements' upon its adoption. The new standard sets out new requirements for presentation and disclosures such as:

- introduces new categories and subtotals in the statement of profit or loss;
- requires disclosures of management-defined performance measures; and
- includes new requirements for the location, aggregation, and disaggregation of financial information.

The new standard will change the presentation and disclosure of the Group's and the Company's primary financial statements and notes. The Group and the Company are assessing the effects of the initial application of MFRS 18 on presentation and disclosure.

2.4 Basis of measurement

The financial statements of the Group and of the Company have been prepared under the historical cost basis, unless otherwise indicated in the following material accounting policy information.

2.5 Use of estimates and judgement

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 to the financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies have been applied consistently to the periods presented in these financial statements and have been applied consistently by the Group and the Company, unless otherwise stated.

3.1 Basis of consolidation

(a) Subsidiary and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date. When the acquired set of activities meets the definition of a business and control is transferred to the Group.

(b) Accounting for non-controlling interest

The Group accounts for all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against the Group's reserve.

(c) Associates

The Group accounted for the investment in associates in the consolidated financial statements of the Group using equity method.

(d) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

3.2 Goodwill on consolidation

Goodwill is measured as the excess of consideration transferred, any non-controlling interests and the acquisition-date fair value of any previously held equity interest over the fair value of the Group's share of the identifiable net assets acquired. Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired is allocated, from the acquisition date to each of the Group's cash-generating units ("CGU") that are expected to benefit from the synergies of the business combination.

The CGU to which goodwill has been allocated is tested for impairment annually and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the allocated goodwill, with the recoverable amount of the CGU. Where the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised in the profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

Where goodwill forms part of a CGU and part of the operation within that CGU is disposed of the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 Goodwill on consolidation (continued)

disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the CGU retained.

3.3 Financial instruments

Financial assets – subsequent measurement and gains and losses

Financial assets at fair value through profit or loss

The Group and the Company subsequently measure these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt instruments at fair value through other comprehensive income

The Group and the Company subsequently measure these assets at fair value. Interest income calculated under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Equity instruments at fair value through other comprehensive income

The Group and the Company subsequently measure all equity investments at fair value. Upon initial recognition, the Group and the Company have made an irrevocable election to classify its equity investments that are not held for trading as equity instruments designated at fair value through other comprehensive income. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are not recycled to profit or loss. Dividend are recognised as other income in the profit or loss when the right of payment has been established, except when the Group and the Company benefit from such proceeds as a recovery of part of the cost of the financial assets, in which case, such gains are recorded in other comprehensive income. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

Financial liabilities – subsequent measurement and gains and losses

The Group and the Company classify the financial liabilities at amortised cost or fair value through profit or loss. Financial liabilities are classified as fair value through profit or loss if it is classified as held for trading, it is a derivative, it is contingent consideration of an acquirer in a business combination or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.3 Financial instruments (Continued)

The Group and the Company subsequently measure other financial liabilities at amortised cost under the effective interest method. Interest expenses and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Regular way purchase or sale of financial assets

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting (i.e. the date the Group and the Company commit themselves to purchase or sell an asset). Generally, interest does not start to accrue on the asset and corresponding liability until the settlement date when title passed.

3.4 Plant and equipment and depreciation

Plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Assets under construction included in plant and equipment are not depreciated as these assets are not yet available for use.

Freehold land is not depreciated. All other plant and equipment (other than right-of-use assets as disclosed in Note 3.5) are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

	Rate
Office equipment	10% - 12%
Computer and software	10% - 40%
Demo and medical equipment	20% - 40%
Electrical, furniture and fittings	10% - 20%
Plant and machineries	20%
Motor vehicles	20%
Renovation	10% - 20%

3.5 Leases

(a) Lessee accounting

The Group presents right-of-use assets that do not meet the definition of investment property in Note 6 to the financial statements.

Short-term leases and leases of low value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.5 Leases (Continued)

(a) Lessee accounting (Continued)

Right-of-use assets

The right-of-use assets are measured at cost less accumulated amortisation and any accumulated impairment losses and adjust for any remeasurement of the lease liabilities. The right-of-use assets are amortised using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of lease term.

Leasehold lands and buildings are amortised on a straight-line basis over the remaining lease term of 78 and 81 years and remaining useful live of 33 and 35 years respectively.

Leasehold land and building are revalued periodically, at least once in every five (5) years. Surpluses arising from revaluation are recognised in other comprehensive income and accumulated in equity under revaluation reserve to the extent that it reserves a revaluation deficit of the same asset previously recognised in profit or loss. Deficits arising from the revaluation to the extent that they are not supporting by any previous revaluation surpluses, are recognised in profit or loss.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing date.

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(b) Lessor accounting

The Group recognised lease payment received from investment properties under operating leases as income on a straight-line basis over the lease term as part of revenue. Rental income from sublease properties which recognise as other income.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.6 Impairment

(a) Impairment of financial assets

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets and lease receivables. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue 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 including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of debt investments measured at fair value through other comprehensive income is recognised in profit or loss and the allowance account is recognised in other comprehensive income.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.6 Impairment (Continued)

(a) Impairment of financial assets (Continued)

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group or the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's or the Company's procedures for recovery amounts due.

(b) Impairment of other assets

The carrying amounts of other assets (except for inventories, contract assets, deferred tax asset and investment properties measured at fair value) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a pro rata basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.6 Impairment (Continued)

(b) Impairment of other assets (Continued)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial period in which the reversals are recognised.

3.7 Investment properties

Investment properties are measured at fair value with gains and losses arising from changes in the fair values of investment properties recognised in profit or loss for the period in which they arise.

3.8 Intangible assets

Intangible assets, other than goodwill and licenses, which are acquired by the Group and the Company, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

3.9 Inventories

The Group measures the inventories at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted as purchase costs on a first-in-first-out basis.

3.10 Preference shares

Preference share capital is classified as equity if it is non-redeemable, or is redeemable but only at the Company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity.

Redeemable convertible preference shares ("RCPS") are regarded as compound instruments, consisting of a liability component and an equity component. The component of RCPS that exhibits characteristics of a liability is recognised as a financial liability in the statements of financial position.

On issuance of the RCPS, the fair value of the liability component is determined using a market rate for an equivalent non-convertible debt and this amount is carried as a financial liability. The residual amount, after deducting the fair value of the liability component, is recognised and included in shareholders' equity, net of transaction costs.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.11 Revenue and other income

Revenue from contracts with customers is recognised by reference to each distinct performance obligation in the contract with customer. Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group and the Company expect to be entitled in exchange for transferring promised goods or services to a customer, net of goods and service tax, returns, rebates and discounts. Transaction price is allocated to each performance obligation on the basis of the relative standalone selling prices of each distinct good or services promised in the contract. Depending on the substance of the contract, revenue is recognised when the performance obligation is satisfied, which may be at a point in time or over time.

(a) Sale of goods

The Group determines that the transfer of control of promised goods generally coincides with the transfer of risks and rewards of ownership. Accordingly, revenue from the sale of goods is recognised at a point in time when the significant risks and rewards of ownership have been transferred to the customer upon delivery.

(b) Rendering of services

The Group determines that the transfer of control of promised services generally coincides with the Group's performance as the customer simultaneously receives and consumes the benefits of the performance as the Group performs. Accordingly, revenue from the rendering of services is recognised over time when the services are performed. The Group measures the progress towards complete satisfaction of the performance obligation using an output method, i.e. time elapsed or milestones reached.

(c) Rental income

Rental income from investment properties is recognised on a straight-line basis over the term of the lease. Lease incentive granted is recognised as an integral part of the total rental income, over the term of the lease.

(d) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(e) Dividend income

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than the following:-

(a) Fair value of properties

The Group carries its properties at fair value, with changes in fair value being recognised in other comprehensive income or profit or loss. The Group engaged an independent valuation specialist to assess the fair value of the properties. Fair value is arrived at using comparison method and the key assumptions used to determine the fair value of the properties and sensitivity analysis are disclosed in Note 6 and Note 7 to the financial statements respectively.

(b) Impairment assessment of financial assets

The Group and the Company assess the credit risk at each reporting date, whether there have been significant increases in credit risk since initial recognition on an individual basis. To determine whether there is a significant increase in credit risk, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is significant increase in credit risk, the Group and the Company determine the lifetime expected credit loss by considering the loss given default and the probability of default assigned to each counterparty customer. The financial assets are written off either partially or full when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-offs.

The carrying amounts of the trade and other receivables and amount owing by subsidiaries are disclosed in Note 14 and Note 15 respectively to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

(c) Impairment assessment of goodwill

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy disclosed in Note 3.6(b) on impairment of other assets. Impairment is measured by comparing the carrying amount of goodwill with its recoverable amount of the cash-generating units (“CGU”). The measurement of the recoverable amount of CGUs is determined based on the value-in-use method, incorporating the present value of estimated future cash flows expected to arise from the respective CGU’s ongoing operations.

Management estimates and judgements are used in the determination of the assumptions made, particularly the cash flow projections, discount rates and the growth rates used as disclosed in Note 12 to the financial statements.

(d) Impairment assessment of plant and equipment

The Group assesses whether there is any indication that plant and equipment are impaired at the end of each reporting date. Impairment is measured by comparing the carrying amount of an asset with its recoverable amount. Recoverable amount is measured at the higher of the fair value less cost to sell for that asset and its value-in-use. The value-in-use is the net present value of the projected future cash flow derived from that asset discounted at an appropriate discount rate.

Projected future cash flows are based on the Group’s estimates calculated based on historical, sector and industry trends, general market and economic conditions and other available information.

Management estimates and judgements are used in the determination of the assumptions made, particularly the cash flow projections, discount rates and the growth rates used as disclosed in Note 5 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

5. PLANT AND EQUIPMENT

	Office equipment RM	Computer and software RM	Demo and medical equipment RM	Electrical furniture and fittings RM	Plant and machineries RM	Motor vehicles RM	Renovation RM	Total RM
Group Cost								
At 1 February 2024, restated	617,836	741,993	-	122,744	492,690	3,136,240	792,518	5,904,021
Addition	9,000	32,200	-	31,505	30,199	721,515	6,450	830,869
Disposals	(2,881)	(7,099)	-	-	-	(707,651)	-	(717,631)
In respect of disposal of subsidiaries	(622,367)	(179,437)	-	-	(522,889)	(1,975,870)	(104,919)	(3,405,482)
Transfer	-	-	-	332,576	-	-	-	332,576
At 31 July 2025	1,588	587,657	-	486,825	-	1,174,234	694,049	2,944,353
Accumulated depreciation								
At 1 February 2024, restated	442,451	584,263	-	107,765	264,845	2,594,765	756,416	4,750,505
Charge for the financial period	13,644	89,170	-	43,313	82,013	322,727	9,540	560,407
Disposals	(2,448)	(4,733)	-	-	-	(707,649)	-	(714,830)
In respects of disposal of subsidiaries	(452,589)	(132,131)	-	-	(346,858)	(1,549,783)	(77,562)	(2,558,923)
Transfer	-	-	-	239,093	-	-	-	239,093
At 31 July 2025	1,018	536,569	-	390,171	-	660,060	688,394	2,276,252
Accumulated impairment loss								
At 1 February 2024	7,735	-	-	-	-	-	-	7,735
In respects of disposal of subsidiaries	(7,735)	-	-	-	-	-	-	(7,735)
At 31 July 2025	-	-	-	-	-	-	-	-
Carrying amount								
At 31 July 2025	570	51,088	-	96,654	-	514,174	5,655	668,101

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

5. PLANT AND EQUIPMENT (CONTINUED)

Group Cost	Office equipment	Computer and software	Demo and medical equipment	Electrical furniture and fittings	Plant and machineries	Motor vehicles	Renovation	Total
	RM	RM	RM	RM	RM	RM	RM	RM
At 1 August 2022	1,133,506	659,275	301,361	118,561	531,731	3,539,565	8,298,853	14,582,852
Previously restated	16,671	103,693	-	4,183	-	-	-	124,547
Additions	(14,467)	(20,975)	(4,100)	-	-	(403,325)	(7,506,335)	(7,949,202)
Disposals	(517,874)	-	(297,261)	-	(39,041)	-	-	(854,176)
Written off	617,836	741,993	-	122,744	492,690	3,136,240	792,518	5,904,021
At 31 January 2024	800,627	504,553	41,830	98,005	130,192	2,416,976	394,239	4,386,422
Charge for the financial period	131,229	90,926	90,067	9,760	147,588	500,456	362,177	1,332,203
Disposals	(4,638)	(11,216)	(1,327)	-	-	(322,667)	-	(339,848)
Written off	(484,767)	-	(130,570)	-	(12,935)	-	-	(628,272)
At 31 January 2024	442,451	584,263	-	107,765	264,845	2,594,765	756,416	4,750,505
Accumulated impairment losses								
At 1 August 2022/ 31 January 2024	7,735	-	-	-	-	-	-	7,735
Carrying amount								
At 31 January 2024	167,650	157,730	-	14,979	227,845	541,475	36,102	1,145,781

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

5. PLANT AND EQUIPMENT (CONTINUED)

(a) Assets pledged as security

The plant and equipment of the Group acquired under hire purchase terms are as follows:-

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Motor vehicles	397,872	460,601	854,590

The carrying amount of motor vehicles are pledged to licensed banks to secure the loans and borrowings granted to the Group as disclosed in Note 21(d) to the financial statements.

(b) Cash disbursed for the purchase of plant and equipment

The cash disbursed for the purchase of plant and equipment is as follows:-

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Cost of plant and equipment purchased	830,869	124,547	9,083,015
Amount financed through hire purchase	-	-	-
Cash disbursed for purchase of plant and equipment	830,869	124,547	9,083,015

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

5. PLANT AND EQUIPMENT (CONTINUED)

(c) Impairment of plant and equipment

Current financial period

During the financial period, the Group disposed of the subsidiaries that previously held the majority of its plant and equipment. Following the disposal, the plant and equipment remaining in the Group consist mainly of minor office and operating assets.

Management reviewed these assets for impairment indicators in accordance with *MFRS 136 Impairment of Assets*. No indicators of impairment were identified as the assets are still in use, there were no adverse changes in the Group's operations, and the assets continue to generate economic benefits in line with their intended use. In addition, the carrying amounts of these assets are insignificant after depreciation, and therefore no detailed impairment assessment (such as value-in-use calculations) was considered necessary. The carrying amounts are considered to approximate their recoverable amounts.

Previous financial period

In the previous financial period, the plant and equipment of the Group were tested for impairment due to impairment indicators arise. Management had undertaken an assessment of the recoverable amount of these assets during the financial year. Recoverable amount is defined as the higher of value-in-use and fair value less costs of disposal and determined at the CGU of each asset.

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.

- | | | | |
|-------|-----------------------|---|--|
| (i) | Budgeted revenue | - | Revenue is based on the average price per room per night. |
| (ii) | Budgeted gross margin | - | Gross margin is based on average values achieved in prior years preceding the start of the budget period. The anticipated growth rate for gross margin is projected to be minimal. |
| (iii) | Growth rates | - | Based on industry outlook for that segment, historical information and management's estimate of the industry trends, the growth rate is assumed to be at 0%. |
| (iv) | Pre-tax discount rate | - | Pre-tax discount rate of 11% represents the weighted average cost of capital of the CGU. |

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

6.1 Right-of-use assets

	Leasehold land and building RM	Office RM Restated	Equipment RM	Storage RM	Total RM
Group					
At 31 July 2022, previously stated	-	7,679,301	332,764	-	8,012,065
At cost	8,150,000	-	-	-	8,150,000
At valuation	8,150,000	7,679,301	332,764	-	16,162,065
Prior year adjustments	-	18,954	-	-	18,954
At 31 July 2022, restated	8,150,000	7,698,255	332,764	-	16,181,019
Additions	-	230,177	-	37,359	267,536
Derecognition ⁽¹⁾	-	(7,502,292)	(332,764)	-	(7,835,056)
Revaluation	350,000	-	-	-	350,000
At 31 January 2024	8,500,000	426,140	-	37,359	8,963,499
In respect of disposal of subsidiaries	-	(426,140)	-	(37,359)	(463,499)
At 31 July 2025	8,500,000	-	-	-	8,500,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

6.1 Right-of-use assets (Continued)

Group	Note	Leasehold land and building RM	Office RM	Equipment RM	Storage RM	Total RM
Accumulated amortisation						
At 31 July 2022, previously stated		121,668	717,361	55,460	-	894,489
Prior year adjustments	40	103,964	15,163	-	-	119,127
At 31 July 2022, restated		225,632	732,524	55,460	-	1,013,616
Charge for the financial year, restated		252,383	1,791,651	-	14,528	2,058,562
Derecognition ⁽¹⁾		-	(2,272,833)	(55,460)	-	(2,328,293)
Revaluation		(218,106)	-	-	-	(218,106)
At 31 January 2024		259,909	251,342	-	14,528	525,779
Charge for the financial period		311,586	64,743	-	-	376,329
In respect of disposal of subsidiaries		-	(316,085)	-	(14,528)	(330,613)
At 31 July 2025		571,495	-	-	-	571,495

⁽¹⁾ Derecognition of the right-of-use assets during previous financial period is as a result of termination of lease.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

6.1 Right-of-use assets (Continued)

Group	Leasehold land and building RM	Office RM	Equipment RM	Storage RM	Total RM
Carrying amount					
At 31 July 2022, restated					
At cost	-	6,965,731	277,304	-	7,243,035
At valuation	7,924,368	-	-	-	7,924,368
	<u>7,924,368</u>	<u>6,965,731</u>	<u>277,304</u>	<u>-</u>	<u>15,167,403</u>
At 31 January 2024					
At cost	-	174,798	-	22,831	197,629
At valuation	8,240,091	-	-	-	8,240,091
	<u>8,240,091</u>	<u>174,798</u>	<u>-</u>	<u>-</u>	<u>8,437,720</u>
At 31 July 2025					
At cost	-	-	-	-	-
At valuation	7,928,505	-	-	-	7,928,505
	<u>7,928,505</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,928,505</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

6.1 Right-of-use assets (Continued)

The following are recognised in profit or loss in respect of right-of-use assets:-

	Group	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
Interest on lease liabilities	16,079	232,862
Expenses relating to short-term leases	54,250	21,900

The Group has entered into non-cancellable operating lease agreements for the use of land and buildings, with no renewal or purchase option included in the agreement. The leases do not allow the Group to assign, transfer or sublease or create any charge, lien or trust in respect of or dispose of the whole or any part of the land. A tenancy is, however, allowed with the consent of the lessor.

Certain leasehold land and building of the Group with carrying amount of RM4,000,000/- (31.01.2024: RM4,000,000/- and 31.07.2022: RM3,528,332/-) are pledged to licensed banks to secure the loans and borrowings granted to the Group as disclosed in Note 21(e) to the financial statements.

The Group leases office, equipment and storage that runs for 2 years, with an option to renew the lease after that date.

The right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liabilities adjusted for any lease payments made at or before the commencement date of the leases.

After initial recognition, right-of-use assets are stated at cost less accumulated amortisation and accumulated impairment losses, if any, and adjusted for any re-measurement of the lease liabilities.

The right-of-use assets are amortised on a straight-line basis over the earlier of the estimated useful lives of the right-of-use assets or the end of the lease term.

Extension options

In previous year, some leases of office, equipment and storage contain extension options exercisable by the Group up to two (2) years before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether they are reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

6.1 Right-of-use assets (Continued)

Revaluation of leasehold land and building

The fair value of the leasehold land and building was determined using the market comparable method. The valuations have been performed by the valuers and are based on proprietary databases of prices of transactions for properties of similar nature, location and condition. The fair values are based on valuations performed by accredited independent external valuers.

The following table provides the fair value measurement hierarchy of the Group's leasehold land and building.

	Fair value measurement using significant unobservable input (Level 3)		
	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Leasehold land and building	8,500,000	8,500,000	8,150,000

Leasehold land and building valued using the comparison method are categorised as Level 3 in the fair value hierarchy.

Description of valuation techniques and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Comparison approach:- Sales price of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.	Price per square foot	The estimated fair value would increase/(decrease) if the price per square foot is higher/(lower).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

6.1 Right-of-use assets (Continued)

Revaluation of leasehold land and building (Continued)

Reconciliation of carrying amount:-

	Leasehold land and building RM
Carrying amount at 1 August 2022	7,924,368
Level 3 revaluation gain as at 31 January 2024	568,106
Depreciation charges for the financial year	<u>(252,383)</u>
Carrying amount at 31 January 2024	8,240,091
Depreciation charges for the financial period	(311,586)
Level 3 revaluation gain as at 31 January 2025	<u>-</u>
Total	<u>7,928,505</u>

The net carrying amount of the land and buildings that would have been included in the financial statements of the Group, if the revaluated leasehold land and building had been carried at historical cost less accumulated depreciation are as follows:-

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Leasehold land and building			
Cost	2,200,000	2,200,000	2,200,000
Accumulated depreciation	(721,098)	(708,496)	(652,088)
Net carrying amount	<u>1,478,902</u>	<u>1,491,504</u>	<u>1,547,912</u>

6.2 Lease liabilities

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Non-current liabilities	-	98,586	3,769,955
Current liabilities	-	105,690	3,525,523
Total lease liabilities	<u>-</u>	<u>204,276</u>	<u>7,295,478</u>

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the Group's weighted average incremental borrowing rates of Nil (31.01.2024: 3.71% to 7.67% and 31.07.2022: 3.71% to 7.67%).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES (CONTINUED)

6.3 Lease liabilities (Continued)

After initial recognition, lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

The Group determines the lease term of a lease as the non-cancellable period of the lease, together with periods covered by an option to extend or to terminate the lease if the Group is reasonably certain to exercise the relevant options. Management has considered the relevant facts and circumstances that create an economic incentive for the Group to either exercise the option to extend the lease, or to exercise the option to terminate the lease. Any differences in expectations from the original estimates would impact the carrying amounts of the lease liabilities of the Group.

The Group has recognised the lease payments associated with short term leases and low value assets on a straight-line basis over the lease terms and recognised as rental expenses as disclosed in Note 28 to the financial statements.

7. INVESTMENT PROPERTIES

	Note	Group RM
At fair value		
At 1 August 2022		46,100,000
Changes in fair value		(100,000)
At 31 January 2024		46,000,000
Changes in fair value		1,100,000
At 31 July 2025		47,100,000

Investment properties of the Group with carrying amount of RM47,100,000/- (31.01.2024: RM46,000,000/- and 31.07.2022: RM46,100,000/-) are pledged to financial institutions for loans and borrowings granted to the Group as disclosed in Note 21(e) to the financial statements.

As disclosed in Note 41(b) to the financial statements, Nextnation Datacity Sdn. Bhd., a wholly-owned subsidiary, was previously served with a winding-up court order on 26 February 2024 by the High Court, and a liquidator was appointed on 20 March 2024. Consequently, the investment property was classified as a current asset at its forced sale value of RM38.5 million.

During the current financial period, the winding-up proceedings were dissolved. Accordingly, the subsidiary's financial statements have resumed being prepared on a going-concern basis, and the investment property has been reclassified from current assets to non-current assets.

The investment property amounting RM39,600,000 (31.01.2024: RM38,500,000/- and 31.07.2022: RM38,600,000/-) is currently subject to a caveat lodged by the external third party in relation to the term loan facility, as disclosed in Note 21(e). The caveat serves to secure the lender's interest over the property until the loan obligations are fully settled.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

7. INVESTMENT PROPERTIES (CONTINUED)

The investment properties consist of the following:-

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
At fair value			
Freehold land and building	47,100,000	46,000,000	46,100,000
At fair value			
Non-current assets	47,100,000	7,500,000	46,100,000
Current assets	-	38,500,000	-
	<u>47,100,000</u>	<u>46,000,000</u>	<u>46,100,000</u>

The leasehold land and building of the Group have lease terms of 99 years.

The following are recognised in profit or loss in respect of investment properties:-

	/----- Group -----/	
	01.02.2024	31.07.2022
	to	to
	31.07.2025	31.01.2024
	RM	RM
Revenue	<u>435,600</u>	<u>413,600</u>

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at fair value, which reflects market conditions at the end of the reporting period and changes in fair value are recognised in profit or loss.

External valuers are involved for valuation of significant assets. Selection criteria of external valuers include market knowledge, reputation, independence and whether professional standards are maintained. Management decides, after discussions with the external valuers of the Group, which valuation techniques and inputs to use for each case and compares changes in fair value with relevant external sources to determine whether the change is reasonable. Management also verifies major inputs by agreeing information in the valuation to contracts and other relevant documents.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

7. INVESTMENT PROPERTIES (CONTINUED)

The Group uses assumptions that are mainly based on market conditions existing at the end of each reporting period. Fair value is determined using Level 3 inputs (defined as unobservable inputs for asset or liability) in the fair value hierarchy of MFRS 13: *Fair Value Measurement*. Changes in fair value are recognised in profit or loss during the reporting period in which they are reviewed.

Method of valuation

(a) Comparison method

The comparison/cost method of valuation entails separate valuations of the land and buildings to arrive at the market value of the subject property.

Under the comparison method, a property's fair value is estimated based on comparable transactions. This approach is based upon the principle of substitution under which a potential buyer would not pay more for the property than it would cost to buy a comparable substitute property. In theory, the best comparable sale would be an exact duplicate of the subject property and would indicate, by the known selling price of the duplicate, the price for which the subject property could be sold.

The land is valued by reference to transactions of similar lands in surrounding with adjustments made for differences in location, terrain, size and shape of the land, tenure, title restrictions, if any and other relevant characteristics.

Completed buildings are valued by reference to the current estimates on constructional costs to erect equivalent buildings, taking into consideration of similar accommodation in terms of size, construction, finishes contractors' overheads, fees and profits. Appropriate adjustments are then made for the factors of obsolescence and existing physical condition of the building.

All investment properties valued using the comparison method are categorised as Level 3 in the fair value hierarchy.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

7. INVESTMENT PROPERTIES (CONTINUED)

Method of valuation (Continued)

(a) Comparison method (Continued)

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the significant unobservable inputs used in the valuation models:-

Description of valuation techniques and inputs used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Comparison approach:-		
Sales price of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.	Price per square foot	The estimated fair value would increase/(decrease) if the price per square foot is higher/(lower).

8. INVESTMENT IN SUBSIDIARIES

	Unquoted shares RM
Company	
Cost	
At 1 August 2022/ 31 January 2024	113,112,769
Addition	305,000
Disposal	(87,704,008)
At 31 July 2025	<u>25,713,761</u>
Accumulated impairment losses	
At 1 August 2022	86,684,370
Impairment losses recognised during the financial period	1,641,732
At 31 January 2024	<u>88,326,102</u>
Addition of impairment losses recognised during the financial period	-
Reversal of impairment losses recognised during the financial period	(87,500,008)
At 31 July 2025	<u>826,094</u>
Carrying amount	
At 31 July 2022	<u>26,428,399</u>
At 31 January 2024	<u>24,786,667</u>
At 31 July 2025	<u>24,887,667</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows:-

Name of companies <u>Direct subsidiaries</u>	Effective equity interest		Country of incorporation	Principal activity
	31.07.2025 %	31.01.2024 %		
Transeaways Shipping Sdn. Bhd. ⁽¹⁾	-	51	Malaysia	Shipping and logistics services
Coconut Three Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Property development and property investment
Nexgram Minerals Sdn. Bhd. ⁽⁴⁾	-	100	Malaysia	Dormant
Nexgram Development Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Activities of holding companies; buying, selling, renting and operating of self-owned or leased real estate - residential buildings; and renting and operational leasing construction and civil-engineering machinery and equipment without operator
Nexgram Emerging Capital Limited ⁽²⁾	100	100	British Virgin	Investment holding
Nexgram Biomedic Sdn. Bhd. ⁽⁵⁾	100	-	Malaysia	General, drug and vaccine research and development manufacturing, sale and distribution of pharmaceutical products and medical instruments

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows:- (Continued)

Name of companies <u>Direct subsidiaries (Continued)</u>	Effective equity interest		Country of incorporation	Principal activity
	31.07.2025 %	31.01.2024 %		
Nextnation Datacity Sdn. Bhd.	100	100	Malaysia	Property development and property investment
Netnovation Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Providing computer consultancy R&D and auxiliary to finance
Nexgram Plantation Sdn. Bhd. ⁽⁴⁾	-	100	Malaysia	Dormant
Intra Binaraya Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Construction and wholesales of variety of goods without any particular specialisation
Nexgram Industries Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Investment holding
Sensorlink Holdings Sdn. Bhd.	70	70	Malaysia	Investment holding and import and distribution of security and video surveillance equipment
Neu Venture Partners Sdn Bhd	98	-	Malaysia	Investment holding

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows:- (Continued)

Name of companies	Effective equity interest		Country of incorporation and place of business	Principal activity
	31.07.2025 %	31.07.2022 %		
<u>Indirect subsidiaries</u>				
<u>Held through Nexgram Industries Sdn. Bhd.</u>				
Tri-G Technologies Sdn. Bhd. ⁽¹⁾	-	51	Malaysia	Dealer in medical equipment and related products or services
NEG Auto Group Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Dormant
Nexgram Biomedic Sdn. Bhd. ⁽⁵⁾	-	100	Malaysia	General, drug and vaccine research and development manufacturing, sale and distribution of pharmaceutical products and medical instruments

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows:- (Continued)

Name of companies	Effective equity interest		Country of incorporation and place of business	Principal activity
	31.07.2025 %	31.01.2024 %		
Indirect subsidiaries (Continued)				
<i>Held through Nexgram Biomedic Sdn. Bhd.</i>				
Medical Brands Inc ⁽¹⁾	-	100	British Virgin Island	Investment holding
Medic Asset Group Sdn. Bhd.	100	100	Malaysia	Property investment, development trading and medic asset
NMED Life Science Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Investment trading, marketing of medic solution and services
NMED Industries Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Investment holding
Medic Data Science Ptd. Ltd. ⁽¹⁾	-	100	Singapore	Retail sales of pharmaceutical and medical goods NEC, research and development on biotechnology, life and medical science
NMED Bioscience Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Investment trading, contract production, distribute medic devices, drug, vaccination distribute medic devices, drug, vaccination

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows:- (Continued)

Name of companies <u>Indirect subsidiaries (Continued)</u>	Effective equity interest		Country of incorporation	Principal activity
	31.07.2025 %	31.01.2024 %		
<u>Held through NMED Industries Sdn. Bhd.</u> Glove Alliance Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Dormant
<u>Held through Medic Data Science Ptd Ltd</u> MDS Data Science (M) Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Investment holding company research and development on biotechnology life and medical science, manage, monitor and supervise mandatory comprehensive health and medical programme for foreign workers employed
<u>Held through NMED Bioscience Sdn. Bhd.</u> Associate Partners Laboratories Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Provide medical laboratory testing and analysis services, research and development on biotechnology life and medical science, investment holding company
Vaccines Lab Sdn. Bhd. ⁽¹⁾	-	100	Malaysia	Dormant

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows:- (Continued)

Name of companies	Effective equity interest		Country of incorporation	Principal activity
	31.07.2025	31.01.2024		
	%	%		
Indirect subsidiaries (Continued)				
<u>Held through Sensorlink Holdings Sdn. Bhd.</u>				
Sensorlink Sdn. Bhd.	70	70	Malaysia	Dealer in all kind of security system and protection equipment
Centrix Security Sdn. Bhd. ⁽³⁾	35.7	35.7	Malaysia	Dealer in all kind of security system and protection equipment
<u>Held through Neu Venture Partners Sdn Bhd</u>				
Neu Phygital Reserve Bhd.	96	-	Malaysia	Dormant
Neu Nexus Data Centre Sdn Bhd	98	-	Malaysia	Dormant
Unified Resource Management Sdn Bhd	98	-	Malaysia	Dormant
Neu Barisan Sdn Bhd	98	-	Malaysia	Dormant
Nexgram Plantation Sdn. Bhd.	98	-	Malaysia	Dormant
Nexgram Minerals Sdn. Bhd.	98	-	Malaysia	Dormant

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows:- (Continued)

- (1) Disposed of during the financial period as part of an internal restructuring exercise undertaken to streamline the Group's structure.
- (2) This subsidiary was consolidated based on its unaudited management accounts as at 31 July 2025. The audited financial statements and auditor's report for the financial period was not available as it is not mandatory for British Virgin Islands incorporated companies to be audited. However, the financial statements of this subsidiary used for consolidation purposes were reviewed by LTTH PLT.
- (3) In accordance with MFRS 10 "Consolidated Financial Statements", the Company was deemed to have a de-facto control on Centrix Security Sdn. Bhd. ("Centrix") even though it has less than 50% of effective equity interest in Centrix.
- (4) These subsidiaries previously presented as direct subsidiaries of the Company were reclassified as indirect subsidiaries. The reclassification arose following an internal restructuring of the Group's shareholding structure, whereby the Company transferred its equity interests in these subsidiaries to another subsidiary within the Group.
- (5) This subsidiary previously presented as indirect subsidiary of the Company were reclassified as direct subsidiary. The reclassification arose following an internal restructuring of the Group's shareholding structure, whereby the Company acquired the equity interest in this subsidiary from another subsidiary within the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Impairment loss on investment in subsidiaries

At each reporting date, the Company conducts an impairment review of its investment in subsidiaries, principally based on the Company's recoverable amount in the subsidiary company, which represents the directors' estimation of fair value less costs to sell of the subsidiary company.

During the period, the review gave rise to the recognition of impairment losses of investment in subsidiaries of RM204,000/- (31.01.2024: RM1,641,732/-) as disclosed in Note 28 to the financial statements. The impairment losses arose mainly because the subsidiary's recoverable amount is less than the carrying amount.

Non-controlling interests in subsidiaries

The material non-controlling interests of the Group at present and in the previous financial period are arising from:-

- Sensorlink Holdings Sdn. Bhd. and its subsidiaries ("SHSB Group")
- Transeaways Shipping Sdn. Bhd. ("TSSB")
- Tri-G Technologies Sdn. Bhd. ("TRI-G")
- Neu Venture Partners Sdn. Bhd. ("NVPSB Group")

The amount of NCI consolidated statement of financial position, profit or loss allocated to NCI during the financial period are from SHSB Group, TSSB and TRI-G.

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:-

Name of company	Ownership interest		
	31.07.2025	31.01.2024	31.07.2022
	%	%	%
		Restated	
SHSB Group	30	30	30
TSSB	-	49	49
TRI-G	-	49	49
NVPSB Group	2	-	-
	RM	RM	RM
Carrying amount of NCI	14,752,238	3,946,157	3,166,510
RCPS	3,999,913	6,484,944	-
Total NCI	<u>18,752,151</u>	<u>10,431,101</u>	<u>3,166,510</u>
Profit/ (loss) allocation to NCI	<u>2,634,498</u>	<u>779,647</u>	<u>(3,515,238)</u>

In the previous financial period, one of the subsidiaries issued Redeemable Convertible Preference Shares ("RCPS") to an external third party. Although the RCPS do not carry rights to participate in the subsidiary's current-period profits, they represent a residual equity interest in the net assets of the subsidiary upon conversion or redemption. As the RCPS are not held by the Group, they are classified as part of non-controlling interests ("NCI") in the consolidated financial statements in accordance with the requirements of MFRS 10 *Consolidated Financial Statements*, which defines NCI as equity in a subsidiary not attributable, directly or indirectly, to the parent. Accordingly, the carrying amount of NCI includes the equity component of the RCPS amounting to RM3,999,913/- (31.01.2024: RM6,484,944/-; 31.07.2022: Nil), while profit or loss

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Non-controlling interests in subsidiaries (Continued)

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

	SHSB Group RM	TSSB RM	TRI-G RM
Summarised statement of financial position			
As at 31 January 2024			
Non-current assets	18,383,426	383,049	99,448
Current assets	32,856,291	336,617	566,833
Non-current liabilities	(4,147,337)	(200,158)	(655,905)
Current liabilities	(8,081,227)	(9,989,538)	(9,092,454)
Net assets/(liabilities)	<u>39,011,153</u>	<u>(9,470,030)</u>	<u>(9,082,078)</u>
Summarised statement of comprehensive income			
Financial period ended 31 January 2024			
Revenue	74,010,536	7,679,973	122,008
Profit/(Loss) for the financial period	3,820,139	(1,050,136)	(1,239,242)
Total comprehensive income/(deficit)	<u>485,113</u>	<u>(1,050,136)</u>	<u>(1,239,242)</u>
Summarised cash flow information			
Financial period ended 31 January 2024			
Cash flows from operating activities	(4,901,295)	(443,501)	1,117,571
Cash flows from investing activities	4,851,907	153,056	702,263
Cash flows from financing activities	(701,925)	520,855	(1,846,619)
Net changes in cash and cash equivalents	<u>(751,313)</u>	<u>230,410</u>	<u>(26,785)</u>

Acquisition of subsidiaries

i) Acquisition of 100% equity interest in Nexgram Biomedic Sdn Bhd ("NBIOMEDIC")

On 11 September 2024, the Company has entered into a Share Sale Agreement ("SSA") with Nexgram Industries Sdn Bhd to acquire 100% equity investment in NBIOMEDIC for a total consideration of RM1,000/-.

NBIOMEDIC is a holding company for Medic Asset Group Sdn Bhd which hold the investment and management rights on the hotel in Langkawi.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Disposal of subsidiaries

i) Disposal of subsidiaries

During the financial period, the Company disposed of several direct and indirect subsidiaries as part of an internal restructuring exercise undertaken to streamline the Group's structure. The disposals aimed to eliminate dormant and inactive entities that no longer served operational or strategic purposes, as well as to divest from a business segment in which the Group no longer plans to be involved.

The subsidiaries disposed of during the financial period are as follows:

Direct subsidiaries:

- i. Nexgram Development Sdn. Bhd.
- ii. Coconut Three Sdn. Bhd.
- iii. Transeaways Shipping Sdn. Bhd.
- iv. Nexgram Industries Sdn. Bhd.
- v. Netnovation Sdn. Bhd.
- vi. Intra Binaraya Sdn. Bhd.

Indirect subsidiaries:

- i. Medical Brands Inc
- ii. NMED Life Science Sdn. Bhd.
- iii. NMED Industries Sdn. Bhd.
- iv. Medic Data Science Ptd. Ltd.
- v. NMED Bioscience Sdn. Bhd.
- vi. Tri-G Technologies Sdn. Bhd.
- vii. NEG Auto Group Sdn. Bhd.
- viii. Nexgram Zhida New Energy Development Sdn. Bhd.
- ix. Associate Partners Laboratories Sdn. Bhd.
- x. Vaccines Lab Sdn. Bhd.
- xi. Glove Alliance Sdn. Bhd.
- xii. MDS Data Science (M) Sdn Bhd.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Disposal of subsidiaries (continued)

The effects of the disposal on the financial position of the Group, details of the assets and liabilities derecognised and cash flows arising from the disposal were as follows:

a) Summary of the effects of disposal of direct and indirect:

	Note	Direct Subsidiaries RM	Indirect Subsidiaries RM	Total RM
Recognised:				
Fair value of investment consideration		1,003,000	1,501	1,004,501
Derecognised:				
Fair value of identifiable net assets at disposal date				
- Property, plant and equipment	5	537,927	207,413	745,340
- Right of use assets	6	117,438	15,449	132,887
- Subsidiaries		-	100,000	100,000
- Inventories		-	19,249	19,249
- Receivables		488,753	8,658,976	9,147,729
- Cash and cash equivalents		10,754	7,411	18,165
- Non-controlling interest		3,524,892	4,432,409	7,957,301
- Redeemable convertible preference shares		(2,040,000)	(1,272,297)	(3,312,297)
- Payables		(15,081,312)	(26,508,763)	(41,590,075)
- Bank borrowings		-	(2,557,006)	(2,557,006)
- Finance & lease liabilities		(554,441)	(58,445)	(612,886)
- Current tax liabilities		(92,002)	(157,076)	(249,078)
- Deferred tax liabilities		(16,800)	-	(16,800)
- Translation reserves		-	23,309	23,309
Net assets disposed of		(13,104,791)	(17,089,371)	(30,194,162)
Gain on disposal		14,107,791	17,090,872	31,198,663

b) Effects of disposal on cash flows:

	Direct Subsidiaries RM	Indirect Subsidiaries RM	Total RM
Recognised:			
Fair value of investment consideration	1,003,000	1,501	1,004,501
Less: Cash & cash equivalent disposed of	(10,754)	(7,411)	(18,165)
Cash flow on disposal, net of cash disposed of	992,246	(5,910)	986,336

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Disposal of subsidiaries (continued)

The effects of the disposal on the financial results of the Group during the year were as follows:-

	Direct Subsidiaries RM	Indirect Subsidiaries RM	Total RM
Revenue	1,345,474	700	1,346,174
Cost of sales	(266,924)	(2,223)	(269,147)
Other operating income	1,060,432	18,909,176	19,969,608
Operating expenses	(1,609,343)	(9,243,901)	(10,853,244)
Operating profit/loss	529,639	9,663,752	10,193,391
Finance costs	(2,363)	-	(2,363)
Profit/ loss before taxation	527,276	9,663,752	10,191,028
Taxation	-	-	-
Profit/loss for the year	527,276	9,663,752	10,191,028
Increase in Group profit	527,276	9,663,752	10,191,028

Incorporation of subsidiaries

i) **Incorporation of one wholly-owned subsidiary, Neu Venture Partners Sdn Bhd (“NVPSB”)**

On 9 August 2024, the Company incorporated one wholly-owned subsidiary, NVPSB by way of issuance of 1,000,000,000 ordinary shares of RM0.0001 each, representing 100% equity interest in NVPSB for a total purchase consideration of RM100,000.

On 10 August 2024, NVPSB issued Golden Shares to Weststar Invest Holdings Ltd with the issuance of 20,400,000 Golden Shares of RM0.0001 each, representing 2% equity interest in NVPSB for a total consideration of RM2,040. Therefore, the Company current equity interest in NVPSB is now at 98%.

ii) **Incorporation of one wholly-owned subsidiary, Neu Phygital Reserve Berhad (“NPRB”)**

On 19 August 2024, NVPSB, a wholly-owned subsidiary of the Company incorporated one wholly-owned subsidiary, NPRB by way of issuance of 1,000,000,000 ordinary shares of RM0.0001 each, representing 100% equity interest in NPRB for a total purchase consideration of RM100,000.

On 20 August 2024, NPRB issued Golden Shares to Weststar Invest Holdings Ltd with the issuance of 20,400,000 Golden Shares of RM0.0001 each, representing 2% equity interest in NPRBB for a total consideration of RM2,040. Therefore, NVPSB current equity interest in NPRB is now at 98%.

The Golden Shares are a class of shares with enhanced voting rights limited to specific “Reserved Matters” as defined in Schedule A of the Shareholders’ Agreement dated 9 August 2024. For ordinary business matters (including day-to-day operations and general meetings not involving Reserved Matters), each Golden Share carries 1 vote per share. For Reserved Matters, each Golden Share carries 10,000 votes per share, equivalent to 95% of total voting rights for such matters only. The Reserved Matters include among other.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

8. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Incorporation of subsidiaries (continued)

- (a) Changes to company's core business:
- (b) Disposal or acquisition of assets exceeding 25% of total assets:
- (c) Amendments to company's Constitution:
- (d) Issuance of new shares altering Golden shareholding percentage:
- (e) Passing of any resolution for the winding up liquidation of company:
- (f) Entry into any merger, consolidation, or acquisition:

The legal opinion has confirmed that the Golden share's enhanced voting rights do not extend to the daily management or operations of the Company, Nexgram Holdings Bhd retains majority voting control and management authority over ordinary affairs.

Both classes of shares are entitled to dividends at the same rate declared for ordinary shares in any financial year, subject to veto by Golden Shares. Any variation of Golden Share class rights requires affirmative vote or written consent of the Golden Shareholders.

iii) **Incorporation of two wholly-owned subsidiary, Neu Nexus Data Centre Sdn Bhd ("NNDCSB") and Unified Resource Management Sdn Bhd ("URMSB")**

On 1 October 2024, NVPSB, a wholly-owned subsidiary of the Company incorporated two wholly-owned subsidiary, NNDCSB and URMSB by way of issuance of 10,000,000 ordinary shares of RM0.01 each and 1,000,000 ordinary shares of RM0.01 each respectively, representing 100% equity interest each in NNDCSB and URMSB for a total purchase consideration of RM100,000 and RM10,000 respectively.

iv) **Incorporation of one wholly-owned subsidiary, Neu Barisan Sdn Bhd ("NBSB")**

On 19 May 2025, NVPSB, a wholly-owned subsidiary of the Company incorporated one wholly-owned subsidiary, NBSB by way of issuance of 1,000,000,000 ordinary shares of RM0.0001 each, representing 100% equity interest in NPRB for a total purchase consideration of RM100,000.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

9. INVESTMENT IN AN ASSOCIATE

	/----- Group -----/		
	31.07.2025 RM	31.01.2024 RM Restated	31.07.2022 RM Restated
At cost			
Unquoted shares	677,998	677,998	677,998
Share of post-acquisition changes in net assets	662,017	934,026	341,676
	1,340,015	1,612,024	1,019,674

Details of the associate are as follows:-

Name of company	Effective equity interest			Country of incorporation and place of business	Principal activity
	31.07.2025 %	31.01.2024 %	31.07.2022 %		
<i>Held through Sensorlink Holdings Sdn.Bhd.</i>					
Sensormax Sdn. Bhd.	34.3%	34.3%	34.3%	Malaysia	Dealer in all kind of security system and protection equipment

(a) Summarised financial information of an associate

The following table summarises the information of the Group's material associate, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in the associate: -

	31.07.2025 RM	31.01.2024 RM	31.07.2022 RM
Summarised statement of financial position			
Non-current assets	386,466	630,241	98,886
Current assets	4,839,546	5,844,541	3,524,681
Non-current liabilities	(655)	(311,984)	-
Current liabilities	(1,318,607)	(1,463,020)	(650,756)
Net assets	3,906,750	4,699,778	2,972,811

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

9. INVESTMENT IN AN ASSOCIATE (CONTINUED)

(a) Summarised financial information of an associate (Continued)

	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM Restated	01.08.2021 to 31.07.2022 RM Restated
Summarised statement of comprehensive income			
Revenue	10,727,826	20,594,277	5,319,041
Cost of sales	(7,370,911)	(14,416,330)	(3,579,179)
Gross profit	<u>3,356,915</u>	<u>6,177,947</u>	<u>1,739,862</u>
Other income	69,756	59,981	73,936
Administrative and other expenses	(3,937,321)	(3,851,006)	(1,646,800)
Finance costs	(14,473)	(6,159)	(2,359)
Profit before taxation	<u>(525,123)</u>	<u>2,380,763</u>	<u>164,639</u>
Taxation	(265,709)	(653,796)	(39,135)
Profit for the financial period	<u>(790,832)</u>	<u>1,726,967</u>	<u>125,504</u>
Group's share of results of an associate	<u>(272,009)</u>	<u>592,350</u>	<u>43,048</u>

The reconciliation of above summarised financial information to the carrying amount of the investment in an associate is as follows:-

	/----- Group -----/ 31.07.2025 RM	31.01.2024 RM Restated	31.07.2022 RM Restated
Net assets	3,906,750	4,699,778	2,972,811
Effective ownership interest	34.3%	34.3%	34.3%
Share of net assets	<u>1,340,015</u>	<u>1,612,024</u>	<u>1,019,674</u>
Carrying amount	<u>1,340,015</u>	<u>1,612,024</u>	<u>1,019,674</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

10. OTHER INVESTMENTS

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
At cost:			
Quoted shares:			
- At fair value through profit & loss	237,117	711,352	750,871
- At fair value through other comprehensive income	5,943,911	5,954,276	6,989,178
	6,181,028	6,665,628	7,740,049
Unquoted shares in Malaysia:			
- At fair value through other comprehensive income	23,864,911	-	-
- At fair value through profit and loss	2,675,000		
(-) impairment losses recognised	(2,675,000)	-	-
	23,864,911	-	-
Total other investments	30,045,939	6,665,628	7,740,049

	/----- Company -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
At fair value through profit or loss			
Quoted shares	237,117	711,352	750,871

During the financial period, the two subsidiaries have designated new investments at fair value through other comprehensive income because of the following terms and condition:

(i) Redeemable convertible preference shares (“RCPS”)

The subsidiary acquired redeemable conversion preference shares with the following terms:

- The RCPS is non-redeemable, convertible into ordinary shares of the investee at the option of the holder.
- Dividends are discretionary, subject to the declaration by the investee’s board.
- The investment is considered strategic and long-term in nature.

(ii) Equity interest in a hotel company incorporated in Malaysia

The subsidiary acquired an equity interest in a hotel company incorporated in Malaysia for a total consideration of RM23,864,911. The investment comprises unquoted ordinary shares and is held for strategic and long-term purposes.

In accordance with MFRS 9 Financial Instruments, the Company has irrevocably elected to designate this investment at fair value through other comprehensive income (FVOCI) upon initial recognition, as the investment is not held for trading and is intended to be retained for the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

10. OTHER INVESTMENTS (CONTINUED)

Fair value hierarchy

(i) Quoted shares

Quoted ordinary shares of the Group and of the Company are categorised as Level 1 in the fair value hierarchy respectively. The fair value of quoted ordinary shares that are actively traded in an active market is derived from quoted and observable market prices.

(ii) Unquoted shares

Redeemable convertible preference shares (“RCPS”)

The investment in RCPS is categorised within Level 3 of the fair value hierarchy as it is not quoted in an active market and its fair value is determined using unobservable inputs.

The fair value of the RCPS has been assessed to approximate its cost at the date of acquisition, as the instrument was newly issued during the financial year and the issue price reflects an arm’s-length transaction between unrelated parties. There have been no significant changes in the investee’s financial position or market conditions since issuance.

The RCPS has been impaired during the financial period.

Equity interest in a hotel company incorporated in Malaysia

The Group via its subsidiary Medic Asset Group Sdn. Bhd has an equity investment in Wings By Croske Resort Langkawi Sdn. Bhd. (Wings), a hotel company incorporated in Malaysia, is carried at RM23,864,911 as at 31 July 2025.

The investment is categorised under Level 3 of the fair value hierarchy as it is based on significant unobservable inputs. The fair value was determined using a discounted cash flow (DCF) value-in-use (VIU) model prepared by management, which estimated the recoverable amount of the underlying hotel asset owned by Wings. Key assumptions in the DCF VIU model include 20 years forecast period with revenue growth of 7.24%, terminal growth rate of 2%, EBITDA margin of 32%, and a discount rate of 8%. The Group’s proportionate interest in Wings was applied to the VIU to derive the fair value of the investment as at the reporting date.

The fair value measurement and impairment assessment of the unquoted investment will continue to be reviewed at each reporting date based on Wings’ financial performance, legal status of the management rights and lease title transfer, and other relevant valuation inputs.

These risks highlight the inherent uncertainties in the Wings investment and related balances, which arise from the dependence on third-party approvals, legal transfers, and contractual fulfilment.

The hotel management rights have not vested, as they are contingent upon full redemption of the RCPS (RM13,878,000 remains unredeemed). The State lease for the land remains registered in the name of Langkawi Airport Hotel Sdn. Bhd. (LAHSB), with no endorsement or transfer to Wings. However, the management are of the opinion that any termination of the Sale and Purchase Agreement by LAHSB would not render the rights void and the investment irrecoverable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

10. OTHER INVESTMENTS (CONTINUED)

(ii) Unquoted shares (continued)

Management is actively seeking investors and potential buyers for the Wings investment as an exit strategy to mitigate ongoing risks and recover value.

The fair value measurement of the unquoted investment will continue to be reviewed at each reporting date based on the investee's financial performance and other relevant valuation inputs.

The currency exposure profile of other investments is as follows:-

	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Group			
Ringgit Malaysia	24,102,028	711,352	750,871
Indonesian Rupiah	5,943,911	5,954,276	6,989,178
	<u>30,045,939</u>	<u>6,665,628</u>	<u>7,740,049</u>
Company			
Ringgit Malaysia	237,117	711,352	750,871
	<u>237,117</u>	<u>711,352</u>	<u>750,871</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

11. INTANGIBLE ASSETS

	Development cost RM
Group	
At cost	
At 1 August 2022	93,900
Addition	1,061,400
Written off	(1,155,300)
At 31 January 2024	<u>-</u>
Accumulated amortisation	
At 1 August 2022	15,224
Charge during the financial period	228,160
Written off	(243,384)
At 31 January 2024	<u>-</u>
Carrying amount	
At 31 July 2022	<u>78,676</u>
At 31 January 2024	<u>-</u>

Development cost principally comprises expenditure on the development of mobile application related to Coronavirus (COVID-19). In previous financial period, the Group write off the development cost of RM911,916/- as the mobile application is discontinued.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

12. GOODWILL ON CONSOLIDATION

	Group RM
At cost:	
At 1 August 2022/ 31 January 2024	51,530,734
Addition	14,202
In respect of disposal of subsidiaries	<u>(41,511,470)</u>
At 31 July 2025	<u>10,033,466</u>
Accumulated impairment losses:	
At 1 July 2022	34,759,547
Impairment losses recognised during the period	<u>9,251,923</u>
At 31 January 2024	44,011,470
In respect of disposal of subsidiaries	<u>(41,511,470)</u>
At 31 July 2025	<u>2,500,000</u>
Carrying amount:	
At August 2022	<u>16,771,187</u>
At 31 January 2024	<u>7,519,264</u>
At 31 July 2025	<u>7,533,466</u>

Impairment of goodwill

Goodwill arising from business combination has been allocated to a cash-generating unit (“CGU”) for impairment testing purposes.

The recoverable amount of the CGUs has been determined based on value-in-use calculations using cash flows projection from financial budgets and forecast approved by management covering a five-year period. The same method was also been used in the previous financial year.

The calculation of value in use for this CGU is most sensitive to the following assumptions:-

- (i) Budgeted revenue - Revenue is based on the sale of security and video surveillance equipment.
- (ii) Budgeted gross margin - Gross margin is based on average values achieved in prior years preceding the start of the budget period. The anticipated growth rate for gross margin is projected to be minimal.
- (iii) Growth rates - Based on industry outlook for that segment, historical information and management’s estimate of the industry trends.
- (iv) Pre-tax discount rate - Discount rate of 9.98% represents the weighted average cost of capital of the CGU.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

12. GOODWILL ON CONSOLIDATION (CONTINUED)

Impairment of goodwill (Continued)

The value assigned to the key assumptions represents the Group's assessment of future trends in the trading related business based on both external sources and internal sources.

In previous financial period, the impairment loss of RM9,251,923/- was mainly because the recoverable amount of Transeaways Shipping Sdn. Bhd.'s CGU is lower than its carrying amount.

During the current financial period, the Group recognised a reversal of impairment loss of RM41,511,470/-, which primarily arose from the disposal of certain subsidiaries.

Sensitivity to changes in assumptions

The Group believes that no reasonable possible changes in any of the key assumptions above will cause the carrying values of the CGU to materially exceed its recoverable amount.

13. INVENTORIES

	Note	/----- Group -----/		
		31.07.2025 RM	31.01.2024 RM	31.07.2022 RM
Current				
At cost:-				
Finished goods	(a)	6,737,986	6,447,228	6,498,767
Less: Written off		-	(1,087,959)	-
Less: Provision for slow-moving inventories	(b)	-	(61,195)	(886,061)
Finished goods, net		6,737,986	5,298,074	5,612,706
Total inventories		6,737,986	5,298,074	5,612,706

During the financial period, the cost of inventories recognised as an expense in the Group and the Company amounted to RM50,592,793/- (31.01.2024: RM56,502,751/-) and (31.07.2022: RM 18,949,634/-).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

13. INVENTORIES (CONTINUED)

(a) Finished goods

The details of the finished goods of the Group are as:-

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
At cost			
IT products and accessories	6,737,986	5,031,026	5,480,661
Goods-in-transit	-	275,586	-
Medical equipment and related products	-	1,140,616	1,018,016
	6,737,986	6,447,228	6,498,767

(b) Provision for slow-moving inventories

The reconciliation of inventories' movements in provision for slow-moving inventories of the Group is as follows:-

	Group
	RM
At 1 August 2022	886,061
Addition	(824,866)
At 31 January 2024	61,195
Reversal	(61,195)
31 July 2025	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

14. TRADE AND OTHER RECEIVABLES

Note	Group		Company	
	31.07.2025 RM	31.01.2024 RM Restated	31.07.2025 RM	31.01.2024 RM
Trade receivables	9,334,897	25,350,890	-	-
Less: Accumulated for impairment losses	(324,683)	(8,483,672)	-	-
Less: Bad debts written off	-	(110,508)	-	-
Trade receivables, net	9,010,214	16,756,710	-	-
	(a)	6,376,893	-	-
Other receivables	15,122,419	42,333,147	132,932	3,837,950
Less: Accumulated for impairment losses	(14,628,816)	(27,166,279)	(1,000)	(3,768,468)
Less: Bad debts written off	(210,214)	(82,896)	-	-
Other receivables, net	283,389	15,083,972	131,932	69,482
Prepayments	22,513,045	22,756,475	-	10
Less: Accumulated for impairment losses	(11,211,508)	(2,400,000)	-	-
Prepayment, net	11,301,537	20,356,475	-	-
Deposits	113,213	132,469	-	-
Total	20,708,353	52,329,626	131,932	69,492

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

14. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables

The Group's credit period granted ranges from 30 to 60 days (31.01.2024: 30 to 60 days and 31.07.2022: 30 to 60 days). Other credit terms are assessed and approved on a case by case basis.

The currency exposure profile of trade receivables is as follows:-

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Ringgit Malaysia	9,010,214	16,756,122	6,360,400
United States Dollar	-	588	16,493
	9,010,214	16,756,710	6,376,893

The ageing analysis of the Group's trade receivables is as follows:-

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Neither past due nor impaired	4,103,688	1,429,303	1,846,871
Past due not impaired			
1 to 30 days	2,562,333	5,952,779	1,161,216
31 to 60 days	943,988	2,460,012	517,341
61 to 90 days	1,146,683	3,781,002	2,762,610
More than 90 days	578,205	11,617,286	7,314,940
	5,231,209	23,811,079	11,756,107
Impaired	(324,683)	(8,483,672)	(7,226,085)
	9,010,214	16,756,710	6,376,893

Impairment of trade receivables

The Group determines that a trade receivable is credit-impaired when the customer is experiencing significant financial difficulty and has defaulted in payments. Unless otherwise demonstrated, the Group generally considers a default to have occurred when the trade receivable is more than 90 days past due. The gross carrying amount of a credit-impaired trade receivable is directly written off when there is no reasonable expectation of recovery. This normally occurs when there is reasonable proof of customer insolvency.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

14. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (Continued)

Impairment of trade receivables (Continued)

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses using the simplified approach in accordance with MFRS 9 *Financial Instruments*. Such lifetime expected credit losses are calculated using a provision matrix based on historically observed default rates (adjusted for forward-looking estimates). The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished among the diversity of customer base.

The average credit loss rates were based on the payment profile of revenue over a period of 12 months and the corresponding historical credit losses experienced during the period. The rates were adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The reconciliation of trade receivables' movements accumulated impairment losses of the Group is as follows:-

	Group RM
At 1 August 2022	7,226,085
Impairment loss during the year	1,257,587
At 31 January 2024	8,483,672
Impairment loss during the year	202,753
Reversal of impairment loss during the period	(8,361,742)
At 31 July 2025	<u>324,683</u>

(b) Other receivables

Other receivables are unsecured and non-interest bearing. The currency exposure profile of other receivables is entirely in Ringgit Malaysia.

Other receivables include RM35,813,168 (31.01.2024:RM35,813,168; 31.07.2022: RM21,949,084) in advances to Wings By Croske Resort Langkawi Sdn. Bhd. (Wings), which are unsecured and non-interest bearing.

These advances are financial assets measured at amortised cost and are subject to the expected credit loss (ECL) requirements of MFRS 9. Due to significant uncertainties regarding the vesting of hotel management rights, transfer of the State lease title, and recoverability (as disclosed in Note 10), a significant increase in credit risk has occurred, requiring recognition of lifetime ECL. The advances had been impaired during the period.

The advances were previously misclassified as property, plant and equipment in the comparative period and has been reclassified as financial assets in Note 40 Prior Year Adjustment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

14. TRADE AND OTHER RECEIVABLES (CONTINUED)

(b) Other receivables (Continued)

The reconciliation of other receivables' movements in accumulated impairment losses of the Group and the Company are as follows: -

	Group RM	Company RM
At 1 August 2022	27,230,801	3,768,468
Reversal of impairment loss during the period	(64,522)	-
At 31 January 2024	27,166,279	3,768,468
Reversal of impairment loss during the period	(12,537,463)	(3,767,468)
At 31 July 2025	14,628,816	1,000

(c) Prepayments

Included in prepayments of the Group is an amount of RM22,500,000 (31 January 2024: RM22,500,000) in relation to the acquisition of the rights to manage a hotel as disclosed in Note 40(b) to the financial statements.

The status of the hotel management rights remains uncertain pending the finalisation of the relevant agreements and fulfilment of required conditions, including full redemption of the RCPS and transfer of the State lease title. The management rights vest only upon full redemption of the RCPS (RM13,878,000 remains unredeemed as at 31 July 2025). The State lease for the land remains registered in the name of Langkawi Airport Hotel Sdn. Bhd. (LAHSB), with no endorsement or transfer to Wings. Any termination of the Sale and Purchase Agreement by LAHSB would render the management rights void and the prepayment irrecoverable.

An impairment loss of RM11,211,508 (31 January 2024: RM2,400,000) has been recognised due to the significant uncertainties that existed as at 31 January 2024 and continue to persist as at 31 July 2025.

In accordance with MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors, a prior year adjustment has been made to recognise the impairment of RM8,821,508 in the comparative period ended 31 January 2024. This adjustment reflects the significant uncertainties that existed at that date requiring correction to present the comparative figures fairly. The adjustment has been applied retrospectively, in Note 40 Prior Year Adjustment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

15. AMOUNT OWING BY/ (TO) SUBSIDIARIES

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

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

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

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

16. AMOUNT DUE FROM ASSOCIATES

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

17. FIXED DEPOSIT WITH LICENSED BANKS

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

17. FIXED DEPOSIT WITH LICENSED BANKS (CONTINUED)

The fixed deposit with a licensed bank of the Group at the end of the reporting period bore effective interest rates of 1.82% to 3.70% (31.01.2024: 1.75% to 3.70% and 31.07.2022: 1.00% to 2.56%) per annum.

Included in the fixed deposits with licensed banks of the Group is an amount of RM2,919,885/- (31.01.2024: RM2,782,733/- and 31.07.2022: RM3,142,816/-) being fixed deposits pledged with licensed banks as security for banking facilities granted to the Group as disclosed in Note 21(a), Note 21(b) and Note 21(c) to the financial statements.

18. CASH AND BANK BALANCES

	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Group			
Cash on hand	7,979	12,675	27,031
Cash at banks	3,624,650	2,583,928	4,031,276
Total cash and bank balances	<u>3,632,629</u>	<u>2,596,603</u>	<u>4,058,307</u>
Company			
Cash on hand	4,240	-	632
Cash at banks	-	5,671	239,456
Total cash and bank balances	<u>4,240</u>	<u>5,671</u>	<u>240,088</u>

The currency exposure profile of cash and bank balances is as follows:-

	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Group			
Ringgit Malaysia	3,631,857	2,594,895	4,058,307
Vietnamese Dong	526	526	-
Indonesian Rupiah	79	-	-
United Arab Emirates Dirham	167	-	-
United States Dollar	-	1,182	-
	<u>3,632,629</u>	<u>2,596,603</u>	<u>4,058,307</u>
Company			
Ringgit Malaysia	<u>4,240</u>	<u>5,671</u>	<u>240,088</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

19. SHARE CAPITAL

	Group and Company	
	Number of shares Unit	Amount RM
Ordinary shares		
Issued and fully paid:-		
At 1 August 2022	4,416,680,945	109,408,507
Share consolidation	(3,975,012,851)	-
Issuance of new ordinary shares	221,637,090	21,214,483
At 31 January 2024	663,305,184	130,622,990
Conversion of ICPS	175,138,325	17,513,833
Issuance of new ordinary shares	50,371,900	1,460,785
At 31 July 2025	888,815,409	149,597,608

On 14 September 2022, the Company had proposed the consolidation of every 10 existing ordinary shares into 1 ordinary share. The share consolidation was completed on 25 November 2022, and 4,416,680,945 ordinary shares have been consolidated into 441,668,094 consolidated ordinary shares.

During the financial period, the share capital of the Company has increased by RM18,974,618/- from RM130,622,990/- to RM149,597,608/- by way of issuance of:-

- 50,371,900 new ordinary shares via private placement at the issue price of RM0.0290 per ordinary shares;
- conversion of 4,828,750 Irredeemable Convertible Preference Share ("ICPS") to 2,414,375 new ordinary shares on a basis of two (2) ICPS for every one (1) ordinary share as disclosed in Note 20(f) to the financial statements; and
- conversion of 172,723,950 to 172,723,950 new ordinary shares on a basis of one (1) ICPS together with the payment of RM0.05 for every one (1) ordinary share as disclosed in Note 20(f) to the financial statements.

All ordinary shares carry one vote per share without restrictions and rank equally with regards to the Company's residual assets.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

20. RESERVES

Note	Group		Company	
	31.07.2025 RM	31.01.2024 RM Restated	31.07.2025 RM	31.01.2024 RM
				31.07.2022 RM
(a)	-	-	-	1,903,140
(b)	(2,508,225)	(2,491,060)	-	-
(c)	2,253,815	2,374,133	-	-
(d)	(245,000)	(245,000)	(245,000)	(245,000)
(e)	(2,945,241)	(3,984,895)	-	-
(f)	-	8,877,635	-	8,877,635
(g)	-	3,312,297	-	-
	(3,444,651)	7,843,110	(245,000)	8,632,635
				1,658,140

Warrant reserve

Fair value reserve

Revaluation reserve

Treasury shares

Translation reserve

Irredeemable convertible preference shares ("ICPS")

Redeemable convertible preference shares ("RCPS")

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

20. RESERVES (CONTINUED)

a. Warrant reserve

Warrants reserve represents the proceeds from issuance of warrants which are non-distributable. The warrants reserve is transferred to the share capital account upon exercise of warrants and the warrants reserve in relation to the unexercised warrants at the expiry of the warrants will be transferred to retained earnings.

The details of warrants are as follows:-

Warrants	Issued date	Maturity date	Exercise price RM	Revised exercise price RM	Balance of fair value at 31.07.2025 RM	Balance of fair value at 31.01.2024 RM
Warrants D 2022/2032	02.03.2022	10.03.2032	0.02	0.20	-	-

Warrants 2022/2032 (“Warrants D”) constituted under the deed poll dated 11 February 2022 (“Deed Poll D”).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

20. RESERVES (CONTINUED)

(a) Warrant reserve (Continued)

i. Warrants D 2022/2032

The Company's issuance of new warrants via a Bonus Issue of 882,847,640 warrants 2022/2032 on the basis of one (1) Warrant D for every five (5) existing ordinary shares in the Company were listed on the Bursa Malaysia Securities Berhad on 10 March 2022. The exercise price of the warrants is subject to the adjustments in accordance with the provision of the Deed Poll dated 11 February 2022. On 24 November 2022, the exercise price was adjusted to RM0.20 each.

The issue date of Bonus Issue of 882,847,640 warrants was 2 March 2022. The warrants will expire on 1 March 2032. The exercise period for Warrants D is ten (10) years commencing from and inclusive of the date of issue of Warrants D. Warrants D which are not exercised during the exercise period shall thereafter lapse and cease to be valid.

The movement of Warrants D is as follows:-

	Group and Company	
	Units	RM
At 1 August 2022	882,847,640	-
Warrant consolidation	(794,562,876)	-
At 31 January 2024/ 31 July 2025	88,284,764	-

(b) Fair value reserve

Fair value reserve represents the cumulative fair financial asset until they are disposed or impaired value changes of equity investment

(c) Revaluation reserve

The revaluation reserve arose from revaluation of the Group's leasehold land and building.

	Group
	RM
At 1 February 2024	2,374,133
Realisation of revaluation reserve	(120,318)
31 July 2025	2,253,815

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

20. RESERVES (CONTINUED)

(d) Treasury shares

Treasury shares relate to ordinary shares of the Company that are held by the Company. The amount as stated represents acquisition costs of the treasury shares.

	Group and Company	
	Number of shares Unit	Amount RM
At 31 January 2024/ 31 July 2025	243,000	245,000

(e) Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statement of foreign operation whose functional currencies are different from that of the Group's presentation currency.

(f) Irredeemable convertible preference shares ("ICPS")

The details movement of the ICPS are as follows:-

	Group and Company RM
At 1 August 2022	-
Issuance of new ICPS during the period	8,877,635
At 31 January 2024	8,877,635
Conversion during the period	(8,877,635)
31 July 2025	-

During the previous financial period, the Company had undertaken an aggregate sum of RM29,592,144/- ("The Said Sum") debt settlement with Dato' Yek Siew Lee, Roman, Travix Design & Renovation Sdn. Bhd. and Midland Sands Sdn. Bhd.. The Said Sum was fully settled through the issuance of new 177,552,700 ICPS at the issue price of RM0.05 per ICPS ("New ICPS") and 207,145,090 new ordinary shares at an issue price of RM0.10 per ordinary shares as disclosed in Note 19 to the financial statements.

The salient terms of the New ICPS are as follows:-

(i) Tenure

Five (5) years commencing from and including the issue date of New ICPS.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

20. RESERVES (CONTINUED)

(f) Irredeemable convertible preference shares (“ICPS”) (Continued)

The salient terms of the New ICPS are as follows:- (Continued)

(ii) Maturity Date

The date immediately preceding the fifth (5th) anniversary of the issue date of the New ICPS. If the maturity date is not a market day, then it shall fall on the market day immediately preceding the market day.

(iii) Dividend

The Company shall have the discretion to decide whether to declare any dividend as well as the quantum of such dividend. No dividend shall be payable to the ICPS holders if no dividend is declared to the Company’s shareholders for the same financial year/period.

Dividend if declared shall be a non-cumulative preferential dividend in priority over all ordinary shares of the Company.

The right to receive the non-cumulative preferential dividends, including dividends in arrears, shall cease once the New ICPS are converted into Nexgram Share (including where the New ICPS are mandatorily or automatically converted in accordance with the terms of the New ICPS).

(iv) Form and Denomination

The New ICPS will be issued in registered form and constituted by the Company’s Constitution.

(v) Conversion Right

The registered New ICPS holders shall have the right at any time during the Conversion Period to convert such amount of New ICPS held into Conversion Shares at the Conversion Price by completing the conversion notice and delivering the same to the Company together with the share certificates in respect of such New ICPS or such other documents or evidence (if any) as the Directors may require to prove the title and claim of the person exercising such right. A conversion notice once given may not be withdrawn without the consent in writing of the Company.

No adjustment to the Conversion Price shall be made for any declared and unpaid dividends on the New ICPS surrendered for conversion.

Any outstanding New ICPS not converted at the end of the Conversion Period shall be mandatorily and automatically be converted into fully paid-up Conversion Shares at the Conversion Mode 1 (as defined below) on the Maturity Date.

Any fractional Conversion Shares (if any) arising from the mandatory conversion of the New ICPS on the Maturity Date shall be disregarded and be dealt with by the Board, as it may deem fit and expedient in the best interest of the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)**20. RESERVES (CONTINUED)****(f) Irredeemable convertible preference shares (“ICPS”) (Continued)**

The salient terms of the New ICPS are as follows:- (Continued)

(vi) Conversion Price

RM0.10 for the New ICPS to be converted into 1 new Nexgram Share, based on the Conversion Mode.

(vii) Conversion Period

The New ICPS shall be convertible into Nexgram Share on any market day commencing on and including the issue date of the New ICPS up to and including the maturity date.

(viii) Conversion Mode

The New ICPS may be converted into Conversion Share in the following manner at the Conversion Price:

1. by surrendering for cancellation 2 New ICPS to be converted into every 1 Nexgram Share (“Conversion Mode 1”); or
2. by surrendering for cancellation 1 New ICPS to be converted and paying in cash RM0.05 (being the difference between the nominal value of New ICPS surrendered and the Conversion Price), for every 1 Nexgram Share (“Conversion Mode 2”),

subject to the Adjustment Clause as provided herein.

(ix) Ranking of the New ICPS

The New ICPS shall rank equally amongst themselves. In the event of liquidation, dissolution, winding-up or other repayment of capital:-

1. with the exception of holders of redeemable convertible preference shares (if any), the New ICPS shall confer on the holders the right to receive in priority to the holders of other classes of shares in the Company, cash repayment in full value of that New ICPS (including the amount of any dividend that has been declared and remaining in arrears) of that New ICPS provided that there shall be no further right to participate in any surplus capital or surplus profits of the Company; and
2. in the event that the Company has insufficient assets to permit payment of the full value to the New ICPS holders, the assets of the Company shall be distributed pro rata on an equal priority, to the New ICPS holders in proportion to the amount that each New ICPS holder would otherwise be entitled to receive.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)**20. RESERVES (CONTINUED)****(f) Irredeemable convertible preference shares (“ICPS”) (Continued)**

The salient terms of the New ICPS are as follows:- (Continued)

(x) Ranking of Conversion Shares arising from the conversion of the New ICPS

The Conversion Shares to be issued upon the conversion of the New ICPS shall rank equally in all respects with the then existing Nexgram ordinary shares except that such Conversion Shares will not be entitled to any dividends, rights, allotments and/or distributions, that may be declared, made or paid prior to the date of allotment and issuance of such Conversion Shares.

(xi) Adjustment to Conversion Price (“Adjustment Clause”)

The Conversion Price will be adjusted, at the determination of the Company, in all or any of the following cases:-

1. a bonus issue of ordinary shares by the Company; or
2. a capital distribution to shareholders made by the Company whether on a reduction of capital or otherwise, but excluding any cancellation of capital which is lost or unrepresented by assets; or
3. a rights issue of ordinary shares or convertible securities by the Company; or
4. any other circumstances deemed necessary by the Board.

No adjustment to the Conversion Price will be made unless the computation has been certified by the auditors of the Company.

(xii) Rights of the New ICPS holders

The New ICPS holders are not entitled to any voting rights or participation in any rights, allotments and/or other distributions in the Company except in the following circumstances until and unless such holder converts his/ its New ICPS into Conversion Shares:-

- (i) on a proposal for the winding-up, liquidation, compromise and/or arrangement of the Company for the winding-up, liquidation, compromise and/or arrangement of the Company and during the winding-up, liquidation, compromise and/or arrangement of the Company;
- (ii) any resolution which varies or is deemed to vary the rights and privileges attached to the New ICPS;
- (iii) any resolution to reduce the share capital of the Company;
- (iv) any resolution for the purposes of sanctioning the disposal of the whole or a substantial part (as defined in Section 223 of the Companies Act, 2016) of the property, business or undertaking of the Company; and

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

20. RESERVES (CONTINUED)

(v) other circumstances may be provided under law and applicable to preference shares and/or preference shareholders from time to time.

(f) Irredeemable convertible preference shares (“ICPS”) (Continued)

The salient terms of the New ICPS are as follows:- (Continued)

(xiv) Transfer

The New ICPS shall be transferable only by an instrument in writing in the usual or common form or such other form as the Board or the relevant authorities may approve.

(xv) Modification of Rights

The Company may from time to time with the consent or sanction of all the New ICPS holders make modifications to the terms of which in the opinion of the Company are not materially prejudicial to the interest of the New ICPS holders or are to correct a manifest error or to comply with mandatory provisions of the laws of Malaysia and the relevant regulations.

(xvi) Listing Status

The New ICPS will not be listed or quoted on the ACE Market of Bursa Securities. However, the Conversion Shares to be issued arising from the conversion of the New ICPS shall be listed and quoted on the ACE Market of Bursa Securities.

(g) Redeemable convertible preference shares (“RCPS”)

The details movement of the RCPS are as follows:-

	Group RM
At 1 August 2022	3,312,297
Redemption during the year	-
At 31 January 2024 (restated)	<u>3,312,297</u>
In respect of disposal of subsidiaries	<u>(3,312,297)</u>
31 January 2024	<u><u>-</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

21. LOANS AND BORROWINGS

	Note	/----- Group -----/		
		31.07.2025	31.01.2024	31.07.2022
		RM	RM	RM
Current				
Secured:-				
Bank overdrafts	(a)	-	487,951	931,410
Bankers' acceptances	(b)	-	-	2,677,401
Trust receipts	(c)	-	936,181	585,749
Other bank facility		-	84,511	-
Hire purchase payables	(d)	141,412	125,344	313,889
Term loans	(e)	9,464,515	8,286,157	1,522,231
		9,605,927	9,920,144	6,030,680
Non-current				
Secured:-				
Hire purchase payables	(d)	256,460	185,816	585,146
Term loans	(e)	2,208,473	3,139,158	8,388,096
		2,464,933	3,324,974	8,973,242
Total		12,070,860	13,245,118	15,003,922

a. Bank overdrafts

Interest rates on bank overdrafts of the Group at the end of the reporting period is Nil (31.01.2024: 7.42% to 11.67% and 31.07.2022: 6.25% to 8.76%) per annum. The bank overdrafts are secured by way of:-

- i. joint and several guarantee by third party;
- ii. pledged of fixed deposits as disclosed in Note 17 to the financial statements; and
- iii. first legal charge over right-of-use assets of the Group as disclosed in Note 6.1 to the financial statements.

b. Bankers' acceptances

Interest rates on bankers' acceptances of the Group at the end of the reporting period are Nil (31.01.2024: Nil and 31.07.2022: 3.61% to 3.71%) per annum. The bankers' acceptances are secured by way of:-

- i. corporate guarantee by the Company;
- ii. guarantee by a director of the Group;
- iii. pledged of fixed deposits as disclosed in Note 17
- iv. to the financial statements; and
- v. first legal charge over right-of-use assets of the Group as disclosed in Note 6.1 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

21. LOANS AND BORROWINGS (CONTINUED)

c. Trust receipts

Interest rates of trust receipts of the Group at end of the reporting is Nil (31.1.2024: 7.17% to 8.17% and 31.07.2022: 6.92%) per annum. The trust receipts are secured by way of:-

- i. guarantee by directors of the Group; and
- ii. pledged of fixed deposits as disclosed in Note 16 to the financial statements.

d. Hire purchase payables

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Minimum hire purchase payments:-			
- not later than one year	141,412	133,316	378,010
- later than one year but not later than five years	297,159	205,715	554,057
- later than five years	-	-	38,610
	438,571	339,031	970,677
Less: Future finance charges	(40,699)	(27,871)	(71,642)
	397,872	311,160	899,035
Analysis of present value of hire purchases payables:-			
Current			
Within the next twelve months	141,412	125,344	313,889
Non-current			
After the next twelve months			
- later than one year but not later than five years	256,460	185,816	547,253
- later than five years	-	-	37,893
	256,460	185,816	585,146
Total hire purchase payables	397,872	311,160	899,035

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

21. LOANS AND BORROWINGS (CONTINUED)

d. Hire purchase payables (Continued)

Interest rates on the hire purchase payables of the Group at end of the reporting period ranged from 3.36% to 4.03% (31.01.2024: 2.43% to 3.46% and 31.07.2022: 2.26% to 4.52%). The hire purchase payables are secured by way of charge over the leased assets as disclosed in Note 5(a) to the financial statements.

e. Term loans

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
Current			
Within the next twelve months	9,464,515	8,286,157	1,522,231
Non-current			
After the next twelve months			
- later than one year but not later than five years	1,316,195	1,726,286	6,205,909
- later than five years	892,278	1,412,872	2,182,187
	2,208,473	3,139,158	8,388,096
Total term loans	<u>11,672,988</u>	<u>11,425,315</u>	<u>9,910,327</u>

Interest rates on term loans of the Group at the end of the reporting period ranged from 4.03% to 13.93% (31.01.2024 and 31.07.2022: 3.67% to 7.85%) per annum. The term loans are secured by way of:-

- i. corporate guarantee by the Company;
- ii. guarantee by directors of the Group; and
- iii. first legal charge over right-of-use assets and investment properties of the Group as disclosed in Note 7 respectively to the financial statements.

In previous financial period, as disclosed in Note 42(b) to the financial statements, Nextnation Datacity Sdn. Bhd., a wholly-owned subsidiary, was served a winding-up court order on 26 February 2024 by High Court, and a liquidator was appointed on 20 March 2024. The total term loan balance of RM6.1 million had been classified as current liabilities.

Subsequently, on 29 November 2024, the Company obtained a loan from a third party to fully settle the outstanding loan with CIMB Bank. The new loan bears interest at 13.93% per annum and is secured by a legal charge/caveat over the investment property as well as a corporate guarantee.

In previous financial period, as disclosed in Note 42(c) to the financial statements, Tri-G Technologies Sdn. Bhd., a 51% owned subsidiary, was served a letter of demand on 18 August 2023 by Maybank Islamic Berhad. The total term loan balance of RM1.6 million had been classified as current liabilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

22. DEFERRED TAX LIABILITIES

Deferred tax relates to the followings:-

Group	Plant and equipment RM	Revaluation on investment properties RM	Revaluation on leasehold land and building RM	Other RM	Total RM
Deferred tax liabilities/(assets)					
At 31 July 2022, previously stated	7,393	1,785,051	930,537	(412)	2,722,569
Prior year adjustments	-	-	61,342	-	61,342
At 1 August 2022, restated	7,393	1,785,051	991,879	(412)	2,783,911
Recognised in other comprehensive income	-	-	98,943	-	98,943
Recognised in profit or loss	9,407	-	-	(34)	9,373
At 31 January 2024	16,800	1,785,051	1,090,822	(446)	2,892,227
At 31 January 2024	16,800	1,785,051	1,090,822	(446)	2,892,227
Recognised in other comprehensive income	-	(10,635)	(27,362)	-	(37,997)
Recognised in profit or loss	(16,800)	110,000	-	1,397	94,597
At 31 July 2025	-	1,884,416	1,063,460	951	2,948,827
Presented after appropriate offsetting as follows:-					
Deferred tax liabilities	-	1,884,416	1,063,460	951	2,948,827

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

22. DEFERRED TAX LIABILITIES (CONTINUED)

	/----- Group -----/		
	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
		Restated	Restated
Non-current liabilities	2,948,827	1,293,650	2,783,911
Current liabilities	-	1,598,577	-
Total deferred tax liabilities	<u>2,948,827</u>	<u>2,892,227</u>	<u>2,783,911</u>

In previous financial period as disclosed in Note 41(b) to the financial statements, Nextnation Datacity Sdn. Bhd., a wholly- owned subsidiary, was served a winding-up court order on 26 February 2024 by High Court, and a liquidator was appointed on 20 March 2024. The financial statement of the subsidiary has been prepared on a break-up basis. The total deferred tax liabilities balance of RM1.6 million had been classified as current liabilities.

During the current financial period, the court proceedings were dissolved, and the winding-up process was discontinued. As a result, the deferred tax liabilities previously classified as current have been reclassified back to non-current liabilities.

23. PROVISION

	Note	Office restoration cost RM Restated
Group		
At 31 July 2022, previously stated		-
Prior year adjustments	37	23,653
At 31 July 2022, restated		<u>23,653</u>
Unwinding of discount		1,274
At 31 January 2024		<u>24,927</u>
At 31 January 2024		24,927
In respect of disposal of subsidiaries		(24,927)
At 31 July 2025		<u>-</u>
At 31 July 2022		
Non-current		<u>23,653</u>
At 31 Jan 2024		
Current		<u>24,927</u>
At 31 July 2025		
Current		<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

24. TRADE AND OTHER PAYABLES

	Note	31.07.2025 RM	31.01.2024 RM	31.07.2022 RM
Group				
Trade payables	(a)	4,310,432	10,917,528	12,934,906
Other payables	(b)	15,163,979	6,772,203	10,488,084
Financial guarantee	(c)	-	265,869	-
Deposits		99,195	707,277	704,497
Accruals		596,398	2,592,291	3,421,222
Deferred revenue		-	200,000	-
Amount owing to directors		390,600		
		16,250,172	10,537,640	14,613,803
Total		20,560,604	21,455,168	27,548,709
Company				
Other payables	(b)	13,590,420	1,741,144	3,170,496
Financial guarantee	(c)	-	265,869	-
Accruals		365,426	333,550	985,475
Total		13,955,846	2,340,563	4,155,971

(a) Trade payables

The credit period granted to the Group for trade purchases ranges from 30 to 90 days (31.01.2024: 30 to 90 days and 31.07.2022: 30 to 90 days).

Included in trade payables of the Group is an amount of Nil (31.01.2024: RM428,675/- and 31.07.2022: RM445,607/-) being amount owing to related companies in which the Company and the directors of the Group have financial interest.

The currency exposure profile of trade payables is as follows:-

	/----- Group ----- /		
	31.07.2025	31.01.2024	31.07.2022
		RM	RM
Ringgit Malaysia	2,146,600	8,776,234	12,241,069
United States Dollar	2,163,832	2,141,294	693,837
	4,310,432	10,917,528	12,934,906

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

24. TRADE AND OTHER PAYABLES (CONTINUED)

(b) Other payables

As disclosed in Note 42(a) to the financial statements, the Company was served a winding-up petition by Teng Bee Ling on 15 February 2024 for a total amount of RM175,000/-. However, RM60,000/- of it has already settled. The balance of RM115,000/- is included in the other payable balance.

As disclosed in Note 42(b) to the financial statements, Nextnation Datacity Sdn. Bhd., a wholly-owned subsidiary, was served a winding-up court order on 26 February 2024 by High Court, and a liquidator was appointed on 20 March 2024. The balance of RM2.5 million in relation to the litigation claim had been included in the other payable balance in the financial period of 31 January 2024. However, during this financial period, the litigation claim of RM2.5 million had been reversed and not included in the other payable balance.

Included in other payables of the Group and of the Company are an amount of RM11,466,074/- and RM11,466,074/- (31.01.2024: RM Nil and RM Nil and 1.08.2022: RM Nil and RM Nil) respectively in relation to the settlement through corporate proposals as disclosed in Note 42(d) to the financial statements.

Included in other payables of the Group and of the Company are an amount of RM234,300/- and RM234,300/- (31.01.2024: RM468,600/- and RM234,300/- and 31.07.2022: RM468,600/- and RM234,300/-) respectively in relation to the legal claim as disclosed in Note 42(d) to the financial statements.

Included in the other payables of the Group is an amount of RM Nil (31.01.2024: RM500,000/- and 31.07.2022: RM500,000/-) in relation to the advances from payables, where the amount is unsecured, interest free and repayable on demand.

Included in the other payables of the Group and of the Company is an amount of RM Nil (31.01.2024: Nil and 31.07.2022: RM1,725,157/-) in relation to the advances from ex-directors, where the amount is unsecured, interest free and repayable on demand.

Included in the other payables of the Group is an amount of RM Nil (31.01.2024: RM Nil and 31.07.2022: RM1,382,000/-) in relation to the advances from payables, where the amount is unsecured, subject to interest rates range of Nil (31.01.2024: Nil and 31.07.2022: 4% to 6%) and repayable within six (6) months.

Included in the other payables of the Group is an amount of RM Nil (31.01.2024: RM Nil and 31.07.2022: RM2,318,411/-) in relation to the outstanding amount owing to the contractor of the Project.

Other payables are unsecured and non-interest bearing. The currency exposure profile of other payables is entirely in Ringgit Malaysia.

25. AMOUNTS OWING TO DIRECTORS

Amount owing to directors are unsecured, interest-free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

26. REDEEMABLE CONVERTIBLE PREFERENCES SHARES (RCPS)

	31.07.2025	31.01.2024	31.07.2022
	RM	RM	RM
		Restated	Restated
<i>Equity – Non-controlling interest</i>			
At 1.2.2024/1.8.2022/1.2.2021	6,484,944	-	-
Issuance of RCPS	-	6,484,944	-
Redemption during the year	(2,485,031)	-	-
At 31.7.2025/31.1.2024/1.8.2022	<u>3,999,913</u>	<u>6,484,944</u>	-
<i>Non- Current liabilities</i>			
At 1.2.2024/1.8.2022/1.2.2021	14,032,410	-	-
Issuance of RCPS	-	14,032,410	-
Transfer to current during the period	(14,032,410)	-	-
At 31.7.2025/31.1.2024/1.8.2022	<u>-</u>	<u>14,032,410</u>	-
<i>Current liabilities</i>			
At 1.2.2024/1.8.2022/1.2.2021	3,658,175	-	-
Issuance of RCPS	-	1,982,646	-
Redemption during the year	(6,136,969)	-	-
Amortisation during the year	2,478,794	1,675,529	-
Transfer from non-current during the period	14,032,410	-	-
At 31.7.2025/31.1.2024/1.8.2022	<u>14,032,410</u>	<u>3,658,175</u>	-

On 9 March 2023, Medic Asset Group Sdn. Bhd. (“MAGSB” or “Purchaser”), a wholly-owned subsidiary of the Company, had entered into a Conditional Sale and Purchase Agreement (“CSPA”) with Wings By Croske Resort Langkawi Sdn. Bhd. to acquire the entire rights to manage a hotel for a total consideration of RM22,500,000/-. The purchase consideration was to be satisfied through the issuance of new 250,000 RCPS at the issue price of RM90/- per RCPS.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)**26. REDEEMABLE CONVERTIBLE PREFERENCES SHARES (RCPS) (Continued)**

The salient terms of the RCPS are as follows:-

(i) Tenure

Three (3) years from and inclusive of the Issue Date.

(ii) Maturity Date

Third (3rd) anniversary from the Issue Date unless the tenure of the RCPS, if permitted by law, is extended by the Issuer and RCPS Holder.

If the Maturity Date is not a market day or being a date declared as a public holiday (“Surprise Holiday”), then it shall fall on the market day immediately preceding the said non-market day or next following day after the Surprise Holiday where banks are open for business.

(iii) Interest Rate/ Dividend

This is a zero coupon with no declaration of interest or dividend throughout the tenure.

(iv) Redemption Price

RM90/- only per RCPS.

(v) Mode for Redemption and Conversion of RCPS for the Purchase Price and Cancellation of the RCPS

(a) Subject to the prevailing laws and Constitution of MAGSB, the Purchaser shall have the option to redeem the RCPS or any outstanding RCPS, in the following manner:-

- (i) by MAGSB, in cash at the Redemption Price; or
- (ii) by MAGSB, by way of issue of new ordinary shares in MAGSB, at the Redemption Price; or
- (iii) by MAGSB, in combination of both paragraphs (i) and (ii) above; or
- (iv) by the Company, the ultimate holding company of MAGSB (acting as a guarantor and, for and on behalf of MAGSB) at the Redemption Price, to redeem the RCPS (in the manner deem fit including to settle the redemption of RCPS by way of cash or cash equivalent or issuance of its listed company shares) or in combination of cash and shares, subject to first Nexgram Holdings Berhad procuring its shareholders and regulatory approvals in respect of the redemption of RCPS, at any time from and including the 3rd anniversary of the Issue Date up to the day immediately preceding the Maturity Period.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)**26. REDEEMABLE CONVERTIBLE PREFERENCES SHARES (RCPS) (Continued)**

The salient terms of the RCPS are as follows:- (Continued)

(v) Mode for Redemption and Conversion of RCPS for the Purchase Price and Cancellation of the RCPS (Continued)

- (b) MAGSB shall give the RCPS Holder no less than 30 days' written notice prior to the date of redemption of the RCPS. The RCPS Holder shall be entitled to exercise their Conversion Rights if MAGSB issues a notice of redemption of RCPS.
- (c) The RCPS which have been redeemed will be cancelled and cannot be reissued by MAGSB.
- (d) In the event the Purchaser fails to redeem RCPS or any part thereof before the Maturity Period, both parties agree that the Purchaser shall pay the Vendor liquidated ascertained damages (LAD) of not less than two hundred percent (200%) of the purchase price i.e. Ringgit Malaysia Forty-Five Million (RM45,000,000/-) only as compensation ("Compensation").

Notwithstanding, the Parties hereby agree that the Purchaser shall not be liable to pay such Compensation where such delay is attributable to or caused by the Vendor.

(vi) Conversion Price and Conversion Period

- (a) Shall be equivalent to the RM90/- and is convertible into one (1) MAGSB new ordinary share subject to the Conversion Mode.
- (b) The RCPS may be converted at any time beginning from the Issue Date at the option of the RCPS Holder until the Maturity Date. Any remaining RCPS that are not converted by the Maturity Date by the RCPS Holder, shall be automatically converted into new MAGSB new ordinary shares.

(vii) Conversion Mode

The conversion of RCPS will not require any cash payment by the RCPS Holder. The Conversion Price shall be satisfied by surrendering one (1) RCPS (equivalent to the value of the Issue Price) in exchange for one (1) MAGSB new ordinary share.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)**26. REDEEMABLE CONVERTIBLE PREFERENCES SHARES (RCPS) (Continued)****(viii) Conversion Rights**

- (a) The converted RCPS carries the entitlement to convert into 1 new MAGSB ordinary share at a Conversion Price which shall be equivalent to the Issue Price and based on the Conversion Mode.
- (b) In the event the RCPS is not redeemed or cannot be redeemed within the Extended Redemption Date by the Purchaser or its holding company, Nexgram Holdings Berhad, the Vendor shall have the right to convert the entire RCPS to enlarged eighty per cent (80%) ordinary shares in the Purchaser by giving one (1) month prior notice.
- (c) For the avoidance of doubt, in the event of such conversion under paragraph (a) above, the balance twenty per cent (20%) of the Purchaser's ordinary shares shall be held by the Purchaser's existing shareholders.

(ix) Ranking of the RCPS and Voting rights

The RCPS shall rank equally amongst themselves. In the event of liquidation, dissolution, winding-up or other repayment of capital:-

- (a) The RCPS shall confer on the holders the right to receive in priority to the holders of other classes of shares in MAGSB, cash repayment in full of the amount (and the premium payable and the amount of any dividend that has been declared and remaining in arrears) of that RCPS provided that there shall be no further right to participate in any surplus capital or surplus profits of MAGSB.
- (b) In the event that MAGSB has insufficient assets to permit payment of the full Issue Price to the RCPS Holder, the assets of MAGSB shall be distributed rateably to the RCPS Holder in proportion to the amount that would otherwise be entitled to receive.
- (c) The RCPS Holder shall not be entitled to any voting rights except where there is a proposal to reduce the share capital of MAGSB, or a proposal that affects the rights attached to the RCPS or a proposal for the winding-up of MAGSB, or during winding-up.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)**26. REDEEMABLE CONVERTIBLE PREFERENCES SHARES (RCPS) (Continued)****(x) Ranking of new MAGSB shares to be issued pursuant redemption or to the conversion of the RCPS**

All new MAGSB shares to be issued pursuant to the conversion of the RCPS shall, upon allotment and issue, rank pari passu in all respects with the then existing MAGSB shares except that such new MAGSB shares shall not entitle its holders to any dividends, rights, allotments, and/or other distributions on or prior to the relevant date of allotment of the new MAGSB shares arising from the conversion of the RCPS.

If MAGSB redeems the RCPS by way of fresh issue of shares, in accordance with the prevailing laws, upon allotment and issue of all new MAGSB shares shall rank pari passu in all respects with the then existing MAGSB shares except that such new MAGSB shares shall not entitle its holders to any dividends, rights, allotments, and/or other distributions on or prior to the relevant date of allotment of the new MAGSB shares arising from the redemption of the RCPS.

(xi) Participation in surplus assets and profits

Except as provided in these terms, the RCPS Holder shall not be entitled to participate in any distribution of profit, capital and/or surplus assets in a winding- up or upon any reduction of capital.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

27. REVENUE

	Group		Company	
	01.02.2024 to 31.07.2025 RM	01.08.2022 to 31.01.2024 RM	01.02.2024 to 31.07.2025 RM	01.08.2022 to 31.01.2024 RM
Major products and service lines				
Sale of goods	71,596,220	73,429,676	-	-
Services rendered	170,874	8,218,993	30,000	-
Rental income	597,600	1,623,050	-	-
Dividend income	-	206,682	-	-
Consultancy fees	-	53,300	-	-
Total revenue	72,364,694	83,531,701	30,000	-
Timing and recognition:-				
- Products transferred at point in time	70,921,720	83,430,901	-	-
- Products and services transferred over time	1,442,974	100,800	30,000	-
	72,364,694	83,531,701	30,000	-
Revenue from contracts with customers	71,976,094	81,648,669	-	-
Other revenue	388,600	1,883,032	30,000	-
Total revenue	72,364,694	83,531,701	30,000	-
Primary geographical markets				
Malaysia	72,364,694	83,325,019	30,000	-
Indonesia	-	206,682	-	-
Total revenue	72,364,694	83,531,701	30,000	-

Transaction price allocated to remaining performance obligations

The Group applies the practical expedient in paragraph 121(a) of MFRS 15 and not to disclosing information about the remaining performance obligations that have original expected duration of one year or less.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

17. REVENUE (CONTINUED)

The following information reflects the typical transactions of the Group and the Company:-

Nature of goods and services	Timing of recognition	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Sale of goods:-					
1. Sale of security and video surveillance equipment	Revenue is recognised at a point in time when the goods are delivered to customers.	Credit period of 30 to 60 days from the invoice date.	Trade discounts.	Not applicable.	Defect liability period up to one (1) to three (3) years is given to customers.
2. Sale of network equipment	Revenue is recognised at a point in time when the goods are delivered to customers.	Credit period of 30 to 90 days from the invoice date.	Not applicable.	Not applicable.	Defect liability period up to one (1) to three (3) years is given to customers.
3. Sale of medical equipment	Revenue is recognised at a point in time when the goods are delivered to customers.	Credit period of 30 to 90 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
Services rendered:-					
1. Repair and maintenance of security and video surveillance	Revenue is recognised over time when services rendered to customers.	Credit period of 30 to 60 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
2. Provision of logistics services	Revenue is recognised at a point in time when services rendered to customers.	Credit period of 30 to 90 days from the invoice date.	Trade discounts.	Not applicable.	Not applicable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

27. REVENUE (CONTINUED)

The following information reflects the typical transactions of the Group and the Company:- (Continued)

Nature of goods and services	Timing of recognition	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Rental income	Revenue is recognised at a point in time when services rendered to customers.	Credit period of 30 to 90 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
Consultancy fees	Revenue is recognised at a point in time when services rendered to customers.	Credit period of 30 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
Dividend income	Revenue is recognised at a point in time when services rendered to customers.	Credit period of 30 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.
Management fees	Revenue is recognised at a point in time when services rendered to customers.	Credit period of 30 days from the invoice date.	Not applicable.	Not applicable.	Not applicable.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

28. OPERATING LOSS

Operating loss has been arrived at:-

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

28. OPERATING LOSS (CONTINUED)

Operating loss has been arrived at:- (Continued)

	Group		Company	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
After charging:- (Continued)				
Loss on foreign exchange:-				
- realised	-	57,107	-	-
- unrealised	-	77,884	-	-
Rental of:-				
- equipment	-	18,822	-	-
- motor vehicle	-	2,150	-	-
- premises ⁽¹⁾	54,250	21,900	-	-
Staff costs:-				
- salaries, overtimes and allowances	5,372,703	6,580,406	-	-
- Employees' Provident Fund and Social Security Contribution	919,620	813,470	-	-
- other related staff costs	5,222	249,924	-	2,915
Written-off of:-				
- amount owing by subsidiaries	-	-	8,911,446	43,740,489
- intangible assets	-	911,916	-	-
- inventories	-	1,087,959	-	-
- plant and equipment	-	225,904	-	-
- bad debts - trade receivables	-	110,508	-	-
- bad debts - other receivables	23,162,737	82,896	13,956,845	-
- deposits	-	512,649	-	-

⁽¹⁾ The Group leases premises with contract term of one (1) year. These leases are short-term. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

28. OPERATING LOSS (CONTINUED)

Operating loss has been arrived at:- (Continued)

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

29. DIRECTORS' REMUNERATIONS

	Group		Company	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
Executive Directors (Holding)				
- salaries, allowances and bonuses	17,200	180,000	17,200	180,000
- fees	53,300	-	53,300	-
- others	-	-	-	-
	<u>70,500</u>	<u>180,000</u>	<u>70,500</u>	<u>180,000</u>
Executive Directors (Subsidiaries)				
- salaries, allowances and bonuses	770,203	2,893,954	-	-
- fees	341,000	288,000	-	-
- others	-	645,549	-	-
	<u>1,111,203</u>	<u>3,827,503</u>	<u>-</u>	<u>-</u>
Non-Executive Directors (Holding)				
- fees	183,226	140,767	183,226	140,767
- allowances	17,400	9,600	17,400	9,600
	<u>200,626</u>	<u>150,367</u>	<u>200,626</u>	<u>150,367</u>
	<u>1,382,329</u>	<u>4,157,870</u>	<u>271,126</u>	<u>330,367</u>

30. FINANCE COSTS

	Group	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
Interest expenses on:-		
- bank overdrafts	6,094	105,517
- bankers' acceptances	7,099	74,026
- hire purchase payables	12,483	46,351
- term loans	1,761,799	1,153,376
- lease liabilities	16,079	232,862
- litigation claim	-	2,714,035
- RCPS	361,024	244,032
Unwinding of discount on provision	-	1,274
Total finance costs	<u>4,284,241</u>	<u>6,002,970</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

31. TAXATION

	Note	Group		Company	
		01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
Income tax					
- current period/year		1,747,878	1,500,905	-	-
- over accrual in prior years		(161,332)	(320)	-	-
		<u>1,586,546</u>	<u>1,500,585</u>	<u>-</u>	<u>-</u>
Deferred tax	21				
- current period/year		90,647	10,063	-	-
- over accrual in prior years		3,950	(690)	-	-
		<u>94,597</u>	<u>9,373</u>	<u>-</u>	<u>-</u>
		<u>1,681,143</u>	<u>1,509,958</u>	<u>-</u>	<u>-</u>
Deferred tax related to other comprehensive income	21				
- revaluation of leasehold land and building		(37,997)	98,942	-	-
		<u>(37,997)</u>	<u>98,942</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

31. TAXATION (CONTINUED)

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

	Group		Company	
	01.02.2022 to 31.07.2025 RM	01.08.2022 to 31.01.2024 RM Restated	01.02.2024 to 31.07.2025 RM	01.08.2022 to 31.01.2024 RM
Continuing operation	(6,286,420)	(30,339,166)	(32,609,429)	(16,010,879)
Discontinued operation	10,191,028	-	-	-
Profit/(loss) before taxation	<u>3,904,608</u>	<u>(30,339,166)</u>	<u>(32,609,429)</u>	<u>(16,010,879)</u>
Taxation at applicable tax rate of 24%	937,106	(7,281,400)	(7,826,263)	(3,842,611)
Tax effects arising from:-				
- expenses not deductible for tax purposes	6,670,178	6,334,728	7,826,263	12,402,621
- income not subject to tax	(5,674,948)	(2,950,932)	-	(8,560,010)
- deferred tax assets not recognised	-	5,408,572	-	-
- utilization of previously unrecognised deferred tax assets	(93,811)			
- over accrual in prior years:-				
- income tax	(157,382)	(320)	-	-
- deferred tax	-	(690)	-	-
Tax expenses for the financial period/year	<u>1,681,143</u>	<u>1,509,958</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

31. TAXATION (CONTINUED)

Deferred tax assets have not been recognised in respect of the following items:-

	Group	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
Plant and equipment	-	(863,960)
Unutilised capital allowances carried forward	-	(888,420)
Unabsorbed business losses carried forward	-	(20,623,072)
Other temporary differences	-	(34,228,170)
	<u>-</u>	<u>(56,603,622)</u>
Potential deferred tax assets not recognised	-	(13,584,869)
	<u>-</u>	<u>(13,584,869)</u>

Deferred tax assets have not been recognised in respect of the above unabsorbed tax losses due to uncertainty of its realisation.

The unabsorbed tax assets are available to offset against future taxable profits of the Group, subject to the requirements under Income Tax Act, 1967 and guidelines issued by Inland Revenue Board of Malaysia.

With effect from the year of assessment (“YA”) 2019, unabsorbed tax losses in a YA can only be carried forward for a maximum period of ten (10) consecutive YAs. Unabsorbed tax losses for YA 2025 can be set off against income from any business source for ten (10) YAs and will be disregarded in YA 2036.

The unabsorbed tax losses can only be carried until the followings YA:-

	Group	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
Group		
2029	-	2,311,845
2030	-	40,273
2031	-	184,013
2032	-	3,018,065
2033	-	8,878,053
2035	-	6,190,823
2036	-	-
	<u>-</u>	<u>20,623,072</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

32. LOSS PER ORDINARY SHARE

a. Basic loss per share

	Group	
	01.02.2024	31.07.2022
	to	to
	31.07.2025	31.01.2024
	RM	RM
		Restated
Net loss attributable to owners of the parent	(411,033)	(32,452,496)
Weighted average number of ordinary shares as at end of the financial period	888,814,808	582,060,628
Basic loss per ordinary share (sen)	(0.13)	(5.58)

The basic loss per ordinary share is calculated by dividing the consolidated net loss attributable to equity owner of the Company by the weighted average number of ordinary shares in issue during the financial period.

Earnings/(Loss) attributable to ordinary shareholders:-

	Continuing Operations RM	Discontinued Operations RM	Total RM
Group 31.07.2025			
Profit/(Loss) for the period attributable to owners of the company (basic)	(411,033)	10,191,028	9,779,995
Non-controlling interest	2,634,498	-	2,634,498
Profit/(Loss) for the period	2,223,465	10,191,028	12,414,493
Group 31.01.2024			
Loss for the period attributable to owners of the company (basic)	(32,452,496)	-	(32,452,496)
Non-controlling interest	603,372	-	603,372
Profit/(Loss) for the period	(31,849,124)	-	(31,849,124)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

32. LOSS PER ORDINARY SHARE (CONTINUED)

a. Basic loss per share (continued)

	Group	
	01.02.2024	31.07.2022
	to	to
	31.07.2025	31.01.2024
	RM	RM
Weighted average number of ordinary shares as at end of the financial period/year	888,814,808	582,060,628
	<hr/>	
	Group	
	31.07.2025	31.01.2024
	Sen	Sen
From continuing operation	(0.05)	(5.57)
From discontinued operation	1.15	-
	<hr/>	
Basic profit/(loss) per ordinary share	1.10	(5.57)
	<hr/>	

b. Diluted loss per share

	Group	
	01.02.2024	31.07.2022
	to	to
	31.07.2025	31.01.2024
	RM	RM
Net loss attributable to owners of the parent	(411,033)	(32,452,496)
	<hr/>	
Weighted average number of ordinary shares in issue	888,814,808	582,060,628
Effect of dilution due to issuance of warrants	88,284,764	88,284,764
	<hr/>	
Weighted average number of diluted shares in issue	977,099,572	670,345,392
	<hr/>	
Basic profit/(loss) per ordinary share (sen)	(0.04)	(4.84)
	<hr/>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

32. LOSS PER ORDINARY SHARE (CONTINUED)

b. Diluted loss per share (continued)

Profit/(loss) attributable to ordinary shareholders (diluted):-

	Continuing Operations RM	Discontinued Operations RM	Total RM
Group 31.07.2025			
Profit/(Loss) for the period attributable to owners of the company (diluted)	(411,033)	10,191,028	9,779,995
Non-controlling interest	2,634,498	-	2,634,498
Profit/(Loss) for the period	<u>2,223,465</u>	<u>10,191,028</u>	<u>12,414,493</u>

Group 31.01.2024			
Profit/(Loss) for the period attributable to owners of the company (diluted)	(32,452,496)	-	(32,452,496)
Non-controlling interest	603,372	-	603,372
Profit/(Loss) for the period	<u>(31,849,124)</u>	<u>-</u>	<u>(31,849,124)</u>

	Group	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
Weighted average number of ordinary shares as at end of the financial period/year (diluted)	<u>977,099,572</u>	<u>670,345,392</u>

	Group	
	31.07.2025 Sen	31.01.2024 Sen
From continuing operation	(0.04)	(4.84)
From discontinued operation	1.04	-
Diluted profit/(loss) per ordinary share	<u>1.00</u>	<u>(4.84)</u>

The average market value of the Company's shares for purpose of calculating the dilutive effect of share options was based on quoted market prices for the period during which the options were outstanding.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

33. FINANCIAL GUARANTEES

The Company provides corporate guarantees amounting up to RM9,453,130/- (31.01.2024: RM26,270,000/- and 31.07.2022: RM26,270,000/-) to licensed banks for banking facilities granted to certain subsidiaries. The financial guarantees have not been recognised since the fair value on initial recognition was immaterial as the financial guarantees provided by the Company did not contribute towards credit enhancement of the subsidiaries' borrowing in the view of the securities pledged by the subsidiaries and it is not probable that the licensed banks to financial guarantee contracts will claim under the contracts.

34. SIGNIFICANT RELATED PARTY TRANSACTIONS

a. Identification of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:-

- i. Direct subsidiaries;
- ii. Indirect subsidiaries;
- iii. Associate;
- iv. Related companies in which the Company have financial interest; and
- v. Key management personnel which comprise persons (including the directors of the Company) having the authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

35. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

b. Significant related party transactions

During the financial period, the significant related party transactions are as follows:-

	Group	
	01.02.2024	31.07.2022
	to	to
	31.07.2025	31.01.2024
	RM	RM
<u>Among subsidiaries</u>		
Management fees income	253,500	216,000
Management fees	(253,500)	(216,000)
Sales of goods	477,936	5,433,022
Purchases of goods	(477,936)	(5,431,942)
Purchases of plant and equipment	-	(1,080)
Purchases of services	-	(14,360)
Rental income of plant and equipment	-	357,804
Rental expenses of plant and equipment	-	(357,804)
	<hr/>	<hr/>
<u>Associates</u>		
Management fees income	-	111,000
Disposal of plant and equipment	-	1,000
Sales of goods	-	8,784,159
Purchases of services	-	(39,050)
	<hr/>	<hr/>
<u>Related parties</u>		
Purchases of services	-	(4,993,879)
Sales of services	-	197,678
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

35. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

c. Key management personnel remuneration

The remuneration of the key management personnel is as follows:-

	Group		Company	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
Salaries, allowances and bonuses	804,803	3,083,554	34,600	189,600
Fees	577,526	428,767	236,526	140,767
Others	-	645,549	-	-
	<u>1,382,329</u>	<u>4,157,870</u>	<u>271,126</u>	<u>330,367</u>

36. CAPITAL COMMITMENTS

As of the reporting period, the Group has the following capital commitments:-

	/----- Group -----/		
	31.07.2025 RM	31.01.2024 RM	31.07.2022 RM
Acquisition of plant and equipment			
Contracted and but not provided for	-	371,088	71,016,806
		<u>371,088</u>	<u>71,016,806</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

37. SEGMENT REPORTING

The Group adopted MFRS 8, Operating Segments. MFRS 8 requires the identification of operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segments and assess their performance.

General information

The information reported to the Group's chief operating decision maker to make decisions about resources to be allocated and for assessing their performance is based on the nature of the products and services, and has four reportable operating segments as follows:-

- a. Investment holding;
- b. Information technology services ("ICT");
- c. Property investment;
- d. Logistic; and
- e. Healthcare.

During the financial period, the Group has disposed of the operating segments of logistic and healthcare.

Measurement of reportable segments

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements. Segment profit or loss is profit earned or loss incurred by each segment without allocation of depreciation and amortisation, finance cost, income from other investment and income tax expense. There are no significant changes from prior financial year in the measurement methods used to determine reported segment profit or loss. All the Group's assets and liabilities are allocated to reportable segments other than deferred tax assets and deferred tax liabilities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

37. SEGMENT REPORTING (CONTINUED)	Group 31 July 2025	Investment	ICT	Property	Logistics	Healthcare	Eliminations/	Note	Consolidated
		holding	RM	investment	(Discontinued)	(Discontinued)	Adjustments		RM
		RM	RM	RM	RM	RM	RM		RM
Revenue									
Continued operations	30,000	72,364,694	-	-	-	(30,000)			72,364,694
Discontinued operations	-	-	-	-	-	1,346,174			1,346,174
Total revenue	30,000	72,364,694	-	-	-	1,316,174			73,741,868
Results									
Segment results	11,338,684	10,413,365	12,238,491	-	-	(23,632,406)			10,358,134
Amortisation of right-of-use assets	-	(351,084)	-	-	-	(25,245)			(376,329)
Fair value gain on investment properties	-	-	1,100,000	-	-	-			1,100,000
Depreciation of plant and equipment	(1,680)	(488,202)	-	-	-	(70,525)			(560,407)
Finance costs	565,584	(211,881)	-	-	-	(2,363)			351,340
Impairment losses on other receivables	(4,500,000)	-	-	-	-	-			(4,500,000)
Impairment losses on other investments	(2,692,165)	-	-	-	-	-			(2,692,165)
Income tax expenses	-	(1,069,600)	-	-	-	-			(1,069,600)
Share of result of an associate	-	(387,508)	-	-	-	-			(387,508)
Profit for the financial period									2,223,465

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

37. SEGMENT REPORTING (CONTINUED)

Group 31 July 2025	Investment holding	ICT	Property investment	Logistics (Discontinued)	Healthcare (Discontinued)	Eliminations	Note	Consolidated
	RM	RM	RM	RM	RM	RM		RM
Assets								
Segment assets	77,175,512	56,697,185	39,610,926	-	-	(29,040,882)		142,230,434
Tax recoverable	-	-	-	-	-	-		-
Consolidated total assets	77,157,512	56,697,185	39,610,976	-	-	(29,040,882)		144,424,791
Other information								
Additions to plant and equipment	-	791,670	-	-	-	39,199		830,869
Addition to right-of-use assets	-	-	-	-	-	-		-
Addition to intangible assets	-	-	-	-	-	-		-
Liabilities								
Segment liabilities	165,325,125	9,066,507	8,820,939	-	-	(148,969,694)		34,242,877
Tax payables	-	464,606	-	-	-	-		464,606
Loans and borrowings	9,315,733	2,357,066	-	-	-	-		11,672,799
Deferred tax liabilities	-	1,610,648	1,598,577	-	-	(367,978)		2,841,247
Lease liabilities	-	855,778	-	-	-	-		855,778
Consolidated total liabilities	174,640,858	14,354,605	10,419,516	-	-	(149,337,672)		50,077,307

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

37. SEGMENT REPORTING (CONTINUED)

Group	Investment holding	ICT	Property investment	Logistics	Healthcare	Eliminations	Note	Consolidated
31 January 2024								
Revenue								
External sales	-	74,270,518	-	7,679,973	1,581,210	-	-	83,531,701
Inter-segment sales	-	5,647,942	270,000	-	-	(5,917,942)	(a)	-
Total revenue	-	79,918,460	270,000	7,679,973	1,581,210	(5,917,942)		83,531,701
Results								
Segment results	(40,715,347)	4,030,561	(159,478)	(394,630)	(1,000,773)	(34,189,565)	(a)	(4,050,102)
Amortisation of right-of-use assets	-	(474,998)	-	(295,845)	(1,537,292)	249,573	(a)	(2,058,562)
Amortisation of intangible asset	-	-	-	-	(228,160)	-		(228,160)
Depreciation of plant and equipment	-	(293,196)	(90,000)	(181,271)	(3,919,336)	3,151,600	(a)	(1,332,203)
Finance costs	-	(341,423)	(3,114,654)	(97,383)	(796,405)	(1,653,105)	(a)	(6,002,970)
Impairment losses on goodwill on consolidation	(9,251,923)	-	-	-	-	-		(9,251,923)
Income tax expenses	-	(1,517,195)	5,272	3,545	(1,580)	-		(1,509,958)
Interest income	152	462,229	-	3,879	362	-		466,622
Other non-cash expenses	33,956,238	(1,484,322)	(4,557,526)	(88,430)	(11,131,353)	(25,168,825)	34(i)	(8,474,218)
Share of result of an associate	-	592,350	-	-	-	-		592,350
Loss for the financial period								(31,849,124)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

37. SEGMENT REPORTING (CONTINUED)

Group	Investment holding	ICT	Property investment	Logistics	Healthcare	Eliminations	Note	Consolidated
31 January 2024								
Assets								
Segment assets	38,394,408	62,549,049	39,423,299	719,435	96,095,887	(97,268,625)	(b)	139,913,453
Tax recoverable	-	162,859	-	230	20,000	-		183,089
Consolidated total assets								140,096,542
Other information								
Additions to plant and equipment	-	128,279	-	6,568	9,530,048	-		9,664,895
Addition to right-of-use assets	-	224,150	-	43,386	-	-		267,536
Addition to intangible assets	-	-	-	-	1,061,400	-		1,061,400
Liabilities								
Segment liabilities	3,828,600	145,124,659	21,097,096	9,539,680	93,723,355	(228,722,969)		44,590,421
Tax payables	-	314,247	100,451	-	157,506	-		572,204
Loans and borrowings	-	3,973,370	6,116,444	585,129	2,570,175	-		13,245,118
Deferred tax liabilities	-	1,276,849	1,615,378	-	-	-		2,892,227
Lease liabilities	-	140,090	-	64,887	29,026	(29,727)		204,276
Consolidated total liabilities								61,504,246

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

37. SEGMENT REPORTING (CONTINUED)

Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:-

- a. Inter-segment transactions and revenue are eliminated on consolidation;
- b. Inter-segment assets are eliminated on consolidation; and
- c. Inter-segment liabilities are eliminated on consolidation.

Notes to the nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements:-

- a. Other non-cash expenses consist of the following items:-

	01.02.2024	31.07.2022
	to	to
	31.07.2025	31.01.2024
	RM	RM
		Restated
Fair value loss on investment in quoted shares	1,474,235	39,520
Fair value gain on investment properties	1,100,000	-
(Gain)/loss on disposal of:-		
- investment in quoted shares	-	(57,900)
- plant and equipment	(29,498)	(47,535)
Gain on lease modification	-	(129,287)
Impairment losses on/(Reversal of impairment losses):-		
- other receivables	-	(64,522)
- trade receivables	(625,395)	1,257,587
Reversal of provision for slow moving inventories	(23,151)	(824,866)
Loss/(Gain) on unrealised exchange difference	39,520	77,884
Written-off of:-		
- bad debts - trade receivables	21,550	110,508
- bad debts - other receivables	-	82,896
- deposits	-	512,649
- intangible assets	-	911,916
- inventories	-	1,087,959
- plant and equipment	-	225,904
- prepayment	-	28,712
Waiver of deposits	-	(255,000)
Waiver of debts	-	(114,416)
	1,957,261	2,842,009

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)**37. SEGMENT REPORTING (CONTINUED)****Geographical information**

Revenue and non-current assets are based on the geographical location of customers and assets respectively. Geographical information for revenue is disclosed in Note 27 to the financial statements.

	31.07.2025	31.01.2024
	RM	RM
		Restated
Malaysia	74,695,939	63,249,456
Indonesia	6,124,631	6,134,996
	<u>80,820,570</u>	<u>69,384,452</u>

38. FINANCIAL INSTRUMENTS**a. Categories of financial instruments**

The table below provides an analysis of financial instruments categorised as follows:-

- i. Financial assets measured at amortised cost
- ii. Financial assets measured at fair value through profit or loss
- iii. Financial assets measured at fair value through other comprehensive income
- iv. Financial liabilities measured at amortised cost

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

a. Categories of financial instruments (Continued)

The table below provides an analysis of financial instruments categorised as follows:-

Group	Carrying amounts RM	Financial assets at fair value through profit or loss RM	Financial assets at fair value through other comprehensive income RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM
At 31 July 2025					
Financial assets					
Other investments	30,045,939	2,912,117	27,133,822	-	-
Trade and other receivables	20,708,353	-	-	20,708,353	-
Fixed deposits with licensed banks	18,408,584	-	-	18,408,584	-
Cash and bank balances	3,632,629	-	-	3,632,629	-
	72,795,505	2,912,117	27,133,822	42,749,566	-
Financial liabilities					
Trade and other payables	20,209,604	-	-	-	20,209,604
Amount owing to directors	-	-	-	-	-
Redeemable convertible preference shares	14,032,410	-	-	-	14,032,410
Loans and borrowings	12,070,860	-	-	-	12,070,860
	46,312,874	-	-	-	46,312,874

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

a. Categories of financial instruments (Continued)

The table below provides an analysis of financial instruments categorised as follows:- (Continued)

Group	Carrying amounts RM	Financial assets at fair value through profit or loss RM	Financial assets at fair value through other comprehensive income RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM
Financial assets					
Other investments	6,665,628	530,632	6,134,996	-	-
Trade and other receivables	52,329,626	-	-	52,329,626	-
Fixed deposits with licensed banks	8,308,733	-	-	8,308,733	-
Cash and bank balances	2,596,603	-	-	2,596,603	-
	69,900,590	530,632	6,134,996	63,234,962	-
Financial liabilities					
Trade and other payables	21,455,168	-	-	-	21,455,168
Amount owing to directors	5,419,741	-	-	-	5,419,741
Redeemable convertible preference shares	17,690,585	-	-	-	17,690,585
Loans and borrowings	13,245,118	-	-	-	13,245,118
	57,810,612	-	-	-	57,810,612

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

a. Categories of financial instruments (Continued)

The table below provides an analysis of financial instruments categorised as follows:- (Continued)

Group	Carrying amounts RM	Financial assets at fair value through profit or loss RM	Financial assets at fair value through other comprehensive income RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM
At 1 August 2022					
Financial assets					
Other investments	7,740,049	750,871	6,989,178	-	-
Trade and other receivables	8,276,255	-	-	8,276,255	-
Fixed deposits with licensed banks	14,823,593	-	-	14,823,593	-
Cash and bank balances	4,058,307	-	-	4,058,307	-
	34,898,204	750,871	6,989,178	27,158,155	-
Financial liabilities					
Trade and other payables	27,548,709	-	-	-	27,548,709
Amount owing to directors	3,531,369	-	-	-	3,531,369
Loans and borrowings	15,003,922	-	-	-	15,003,922
Lease liabilities	7,295,478	-	-	-	7,295,478
	53,379,478	-	-	-	53,379,478

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

a. Categories of financial instruments (Continued)

The table below provides an analysis of financial instruments categorised as follows:- (Continued)

Company	Carrying amounts	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost
	RM	RM	RM	RM
At 31 July 2025				
Financial assets				
Other investments	237,117	237,117	-	-
Trade and other receivables	131,932	-	131,932	-
Amount owing by subsidiaries	932,077	-	932,077	-
Cash and bank balances	4,240	-	4,240	-
	1,305,366	237,117	1,068,249	-
Financial liabilities				
Trade and other payables	13,955,846	-	-	13,955,846
Amount owing to subsidiaries	183,825	-	-	183,825
Amount owing to directors	-	-	-	-
	14,139,671	-	-	14,139,671

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

a. Categories of financial instruments (Continued)

The table below provides an analysis of financial instruments categorised as follows:- (Continued)

Company	Carrying amounts RM	Financial assets at fair value through profit or loss RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM
At 31 January 2024				
Financial assets				
Other investments	711,352	711,352	-	-
Trade and other receivables	69,492	-	69,492	-
Amount owing by subsidiaries	12,821,226	-	12,821,226	-
Cash and bank balances	5,671	-	5,671	-
	13,607,741	711,352	12,896,389	-
Financial liabilities				
Trade and other payables	2,340,563	-	-	2,340,563
Amount owing to subsidiaries	512,137	-	-	512,137
Amount owing to directors	975,900	-	-	975,900
	3,828,600	-	-	3,828,600

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

a. Categories of financial instruments (Continued)

The table below provides an analysis of financial instruments categorised as follows:- (Continued)

Company	Carrying amounts	Financial assets at fair value through profit or loss	Financial assets at amortised cost	Financial liabilities at amortised cost
	RM	RM	RM	RM
At 1 August 2022				
Financial assets				
Other investments	750,871	750,871	-	-
Trade and other receivables	-	-	7,321,231	-
Amount owing by subsidiaries	4,848,984	-	4,848,984	-
Cash and bank balances	240,088	-	240,088	-
	5,839,943	750,871	12,410,303	-
Financial liabilities				
Trade and other payables	4,155,971	-	-	4,155,971
Amount owing to subsidiaries	7,458,786	-	-	7,458,786
Amount owing to directors	169,016	-	-	169,016
	11,783,773	-	-	11,783,773

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

b. Net (gains)/losses arising from financial instruments

	Group		Company	
	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM	01.02.2024 to 31.07.2025 RM	31.07.2022 to 31.01.2024 RM
Net (gains)/losses on:-				
Financial assets at amortised cost	(370,457)	(466,622)	(123)	(152)
Financial asset at fair value through other comprehensive income	-	592,881	-	-
Financial asset at fair value through profit or loss	474,235	39,520	474,235	39,520
Financial liabilities at amortised cost	1,365,182	6,002,970	-	-
	<u>1,468,960</u>	<u>6,168,749</u>	<u>474,112</u>	<u>39,368</u>
Net losses on impairment of financial assets:-				
Financial assets at amortised cost	2,136,580	13,260,650	-	20,905,962

c. Financial risk management

The activities of the Group and of the Company are exposed to certain financial risks, including credit risk, liquidity risk, interest rate risk, foreign currency risk and other price risk. The overall financial risk management objective of the Group and of the Company is to ensure that adequate financial resources are available for business development whilst minimizing the potential adverse impacts of financial risks on its financial position, performance and cash flows.

The aforementioned financial risk management objective and its related policies and processes explained below have remained unchanged from the previous financial year.

(i) Credit risk

The Group's exposures to credit risk arise mainly from receivables and fixed deposits placed with licensed banks. The Company is also exposed to credit risk in respect of its advances to subsidiaries and financial guarantees provided for credit facilities granted to certain subsidiaries. The maximum credit risk exposure of these financial assets is best represented by their respective carrying amounts in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

c. Financial risk management (Continued)

i. Credit risk (Continued)

Trade receivables

Risk management objectives, policies and processes for managing the risk

The Group has a credit policy in place to monitor and minimise the exposure of default. Credit evaluations are performed on all customers requiring credit over certain amount. The Group also has an internal credit review which is conducted if the credit risk is material. Trade receivables are monitored on an ongoing basis via Group management reporting procedures.

At each reporting date, the Group assesses whether any of the trade receivables are credit impaired or written off.

Exposure to credit risk, credit quality and collateral

At the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statements of financial position.

As at 31 July 2025, the Group has significant concentration of credit risk in the form of outstanding amount of approximately RM2,136,580/- (31.01.2024: RM13,260,650/- and 31.07.2022: RM166,037/-) due from one (1) (31.01.2024: 1 and 31.07.2022: 1) trade receivable which represents 23.2% (31.01.2024: 79% and 31.07.2022: 3%) of the total current trade receivables of the Group. The directors are of the opinion that these amounts outstanding are fully recoverable. Credit risk and receivables are monitored on an ongoing basis. These procedures substantially mitigate credit risk of the Group.

Management has taken reasonable steps to ensure that trade receivables that are neither past due nor impaired are measured at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any past due receivables having significant balances, which are deemed to have higher credit risk are monitored individually.

Expected credit losses ("ECL") assessment for trade receivables

The Group uses simplified matrix approach to measure the ECLs of trade receivables from individual customers. To measure the expected credit losses, trade receivables have been grouped based on credit risk ranking and days past due.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

c. Financial risk management (Continued)

i. Credit risk (Continued)

Trade receivables (Continued)

Expected credit losses ("ECL") assessment for trade receivables (Continued)

The following table provides information about the exposure to credit risk and ECLs for trade receivables:-

	Gross carrying amount RM	Loss allowance RM	Net balance RM
Group			
At 31 July 2025			
Trade receivables			
Current (not past due)	4,103,688	136	4,103,552
1 to 30 days past due	2,562,333	214	2,562,119
31 to 60 days past due	943,988	258	943,730
61 to 90 days past due	1,146,683	1,285	1,145,398
	8,756,692	1,893	8,754,799
Credit impaired			
More than 90 days past due	578,205	322,790	255,415
	<u>9,334,897</u>	<u>324,683</u>	<u>9,010,214</u>
At 31 January 2024			
Trade receivables			
Current (not past due)	1,429,303	256	1,429,047
1 to 30 days past due	5,952,779	29,496	5,923,283
31 to 60 days past due	2,460,012	503,843	1,956,169
61 to 90 days past due	3,781,002	173,466	3,607,536
	13,623,096	707,061	12,916,035
Credit impaired			
More than 90 days past due	11,617,286	7,776,611	3,840,675
	<u>25,240,382</u>	<u>8,483,672</u>	<u>16,756,710</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

c. Financial risk management (Continued)

i. Credit risk (Continued)

Trade receivables (Continued)

Expected credit losses (“ECL”) assessment for trade receivables (Continued)

The following table provides information about the exposure to credit risk and ECLs for trade receivables:- (Continued)

	Gross carrying amount RM	Loss allowance RM	Net balance RM
Group			
At 1 August 2022			
Trade receivables			
Current (not past due)	1,846,871	640	1,846,231
1 to 30 days past due	1,161,216	1,557	1,159,659
31 to 60 days past due	517,341	5,004	512,337
61 to 90 days past due	2,762,610	8,179	2,754,431
	6,288,038	15,380	6,272,658
Credit impaired			
More than 90 days past due	7,314,940	7,210,705	104,235
	<u>13,602,978</u>	<u>7,226,085</u>	<u>6,376,893</u>

Movements in the allowance for impairment losses in respect of trade receivables

During the financial period, the Group has recognised ECLs of RM324,683 (31.01.2024: RM1,257,587/-) for trade receivables as disclosed in Note 14(a) to the financial statements.

Other receivables

At the end of the reporting period, the maximum exposure to credit risk arising from other receivables is represented by the carrying amounts in the statements of financial position.

Expected credit loss of other receivables is determined individually after considering the financial strength, payment patterns and expected default rate of the other receivables. During the financial period, the Group and the Company have recognised a reversal of ECLs of RM8,361,742/- and RM Nil respectively (31.01.2024: RM64,522/- and RM Nil respectively) for other receivables as disclosed in Note 14(b) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

c. Financial risk management (Continued)

i. Credit risk (Continued)

Financial guarantee

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their loans on individual basis.

The maximum exposure to credit risk amounts to RM9,453,130/- (31.01.2024: RM26,270,000/-) representing the outstanding banking facilities of the subsidiaries at the end of the reporting date.

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when the subsidiary is unlikely to repay its credit obligation to the bank in full.

During the financial period, the Company has recognised a financial guarantee contract claim of RM Nil (31.01.2024: RM265,869/-) in relation to a financial guarantee made to a former subsidiary as disclosed in 25(c) to the financial statements.

Inter-company balances

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the results of the subsidiaries regularly.

Credit risk and impairment losses for inter-company balances

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Expected credit loss of inter-company loans and advances are determined individually after considering the financial strength, payment patterns and expected default rate of the inter-company. During the financial period, the Company recognised a reversal of ECLs of RM13,971,150/- (31.01.2024: recognised a reversal of ECLs of RM22,834,527/-) for inter-company loans and advances as disclosed in Note 15 to the financial statements.

Cash and cash equivalents

The cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the allowance loss is not material and hence, it is not provided for.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management (Continued)

ii. Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risks arises primarily from mismatched of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all financing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash or cash convertible investments to meet its working capital requirements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management (Continued)

(ii) Liquidity risk (Continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations:-

Group	Carrying amounts RM	Contractual interest rate/ Discount rate	Contractual undiscounted cash flows RM	On demand or Within 1 year RM	1 - 5 years RM	More than 5 years RM
At 31 July 2025						
Financial liabilities						
Trade and other payables	20,170,004	-	20,170,004	20,170,004	-	-
Amount owing to directors	390,600	-	390,600	390,600	-	-
Bank overdrafts	-	-	-	-	-	-
Other bank facility	-	-	-	-	-	-
Trust receipts	-	-	-	-	-	-
Hire purchase payables	397,872	3.36% - 4.03%	397,872	141,412	256,460	-
Term loans	11,672,888	4.03% - 13.93%	11,672,988	9,464,515	1,316,195	892,278
Lease liabilities	-	-	-	-	-	-
Financial guarantees	-	-	-	-	-	-
	32,631,364		32,631,464	30,166,531	1,572,655	892,278

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management (Continued)

(ii) Liquidity risk (Continued)

Maturity analysis (Continued)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations:- (Continued)

Group	Carrying amounts RM	Contractual interest rate/ Discount rate	Contractual undiscounted cash flows RM	On demand or Within 1 year RM	1 - 5 years RM	More than 5 years RM
At 31 January 2024						
Financial liabilities						
Trade and other payables	21,189,297	-	21,189,297	21,189,297	-	-
Amount owing to directors	5,419,741	-	5,419,741	5,419,741	-	-
Bank overdrafts	487,951	7.67% - 11.67%	487,951	487,951	-	-
Other bank facility	84,511	-	84,511	84,511	-	-
Trust receipts	936,181	7.17% - 8.17%	936,181	936,181	-	-
Hire purchase payables	311,160	2.46% - 3.46%	339,031	133,316	205,715	-
Term loans	11,425,315	3.67% - 7.85%	15,396,136	11,756,013	2,161,788	1,478,335
Lease liabilities	204,276	3.71% - 7.67%	298,340	131,280	167,060	-
Financial guarantees	265,869	-	265,869	265,869	-	-
	40,324,301		44,417,057	40,404,159	2,534,563	1,478,335

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management (Continued)

(ii) Liquidity risk (Continued)

Maturity analysis (Continued)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations:- (Continued)

Group	Carrying amounts RM	Contractual interest rate/ Discount rate		Contractual undiscounted cash flows RM	On demand or Within 1 year RM	1 - 5 years RM	More than 5 years RM
At 1 August 2022							
Financial liabilities							
Trade and other payables	27,548,709	-	-	27,548,709	27,548,709	-	-
Amount owing to directors	3,531,369	-	-	3,531,369	3,531,369	-	-
Bank overdrafts	931,410	6.25% - 8.76%	-	931,410	931,410	-	-
Bankers' acceptances	2,677,401	3.61% - 3.71%	-	2,677,401	2,677,401	-	-
Trust receipts	585,749	6.92%	-	585,749	585,749	-	-
Hire purchase payables	899,035	2.26% - 4.52%	-	970,677	378,010	554,057	38,610
Term loans	9,910,327	4.30% - 10.20%	-	10,628,826	1,632,593	6,655,837	2,340,396
Lease liabilities	7,295,478	3.71% - 7.67%	-	7,858,420	3,898,300	3,960,120	-
	53,379,478			54,732,561	41,183,541	11,170,014	2,379,006

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management (Continued)

(ii) Liquidity risk (Continued)

Maturity analysis (Continued)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations:- (Continued)

	Carrying amounts RM	Contractual interest rate/ Discount rate	Contractual undiscounted cash flows RM	On demand or		
				Within 1 year RM	1 - 5 years RM	More than 5 years RM
Company						
At 31 July 2025						
Financial liabilities						
Trade and other payables	13,955,846	-	13,955,846	13,955,846	-	-
Amount owing to subsidiaries	183,825	-	183,825	183,825	-	-
Amount owing to directors	-	-	-	-	-	-
Financial guarantees	-	-	-	-	-	-
	<u>14,139,671</u>		<u>14,139,671</u>	<u>14,139,671</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management (Continued)

(ii) Liquidity risk (Continued)

Maturity analysis (Continued)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations:- (Continued)

	Carrying amounts RM	Contractual interest rate/ Discount rate	Contractual undiscounted cash flows RM	On demand or Within 1 year RM	1 - 5 years RM	More than 5 years RM
Company						
At 31 January 2024						
Financial liabilities						
Trade and other payables	2,074,694	-	2,074,694	2,074,694	-	-
Amount owing to subsidiaries	512,137	-	512,137	512,137	-	-
Amount owing to directors	975,900	-	975,900	975,900	-	-
Financial guarantees	26,535,869	-	26,535,869	26,535,869	-	-
	<u>30,098,600</u>		<u>30,098,600</u>	<u>30,098,600</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

c. Financial risk management (Continued)

ii. Liquidity risk (Continued)

Maturity analysis (Continued)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations:- (Continued)

	Carrying amounts RM	Contractual interest rate/ Discount rate		Contractual undiscounted cash flows RM	On demand or Within 1 year		1 - 5 years		More than 5 years	
					RM	RM	RM	RM	RM	RM
Company										
At 1 August 2022										
Financial liabilities										
Trade and other payables	4,155,971	-	-	4,155,971	4,155,971	-	-	-	-	-
Amount owing to subsidiaries	7,458,786	-	-	7,458,786	7,458,786	-	-	-	-	-
Amount owing to directors	169,016	-	-	169,016	169,016	-	-	-	-	-
Financial guarantees	-	-	-	26,270,000	26,270,000	-	-	-	-	-
	<u>11,783,773</u>			<u>38,053,773</u>	<u>38,053,773</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Financial risk management (Continued)

iii. Interest rate risk

The Group's exposures to interest rate risk arise mainly from interest-bearing financial instruments, namely fixed term deposits and loans and borrowings.

The Group observes the movements in interest rates and strives to obtain the most favorable rates available for new financing or during repricing. It is also the Group's policy to maintain a mix of fixed and floating rate financial instruments.

	Effective interest rate %	Group Carrying amounts RM
At 31 July 2025 Financial asset		
Fixed deposits with licensed banks	1.75 - 3.75	18,408,584
Financial liabilities		
Bank overdrafts	-	-
Trust receipts	-	-
Hire purchase payables	3.36 - 4.03	855,778
Term loans	4.03 - 13.93	11,672,799
Lease liabilities	-	-
At 31 January 2024		
Financial assets		
Fixed deposits with licensed banks	1.75 - 3.75	8,308,733
Financial liabilities		
Bank overdrafts	7.67 - 11.67	487,951
Trust receipts	7.17 - 8.17	936,181
Hire purchase payables	2.46 - 3.46	311,160
Term loans	3.67 - 7.85	11,425,315
Lease liabilities	3.71 - 7.67	204,276

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

c. Financial risk management (Continued)

iii. Interest rate risk (Continued)

	Effective interest rate %	Group Carrying amounts RM
At 31 July 2022 Financial asset		
Fixed deposits with licensed banks	1.00 - 2.58	14,823,593
Financial liabilities		
Bank overdrafts	6.25 - 8.76	931,410
Bankers' acceptance	3.61 - 3.71	2,677,401
Trust receipts	6.92	585,749
Hire purchase payables	2.26 - 4.52	899,035
Term loans	4.30 - 10.20	9,910,327
Lease liabilities	3.71 - 7.67	7,295,478

Sensitivity analysis for interest rate

As the Group does not account for their fixed rate financial instruments at fair value through profit or loss, any changes in interest rates at the end of the reporting period would not affect its profit or loss. For floating rate financial instruments stated at amortised cost, the following table demonstrates the sensitivity of profit or loss to changes in interest rates that were reasonably possible at the end of the reporting period, with all other variables held constant:-

	Group (Increase)/ Decrease in Profit or Loss 31.07.2025 RM	Group (Increase)/ Decrease in Profit or Loss 31.01.2024 RM
Increase in interest rate by 5%	(430,296)	(452,704)
Decrease in interest rate by 5%	430,296	452,704
Effect on equity		
Increase in interest rate by 5%	(430,296)	(452,704)
Decrease in interest rate by 5%	430,296	452,704

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

c. Financial risk management (Continued)

iv. Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the changes in foreign exchange rates.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of Group entities. Foreign exchange exposures in transactional currencies other than functional currencies of the operating entity are kept to an acceptable level.

The financial assets and financial liabilities of the Group that are not denominated in the functional currencies are disclosed in respective notes to the financial statements.

Sensitivity analysis for foreign currency

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the exchange rates of United States Dollar ("USD") against the functional currency of the Group, with all other variables held constant.

	Group	
	Increase/ (Decrease) in Profit or Loss 31.07.2025 RM	Increase/ (Decrease) in Profit or Loss 31.01.2024 RM
USD/RM - strengthened 5%	31,768	144,961
- weakened 5%	(31,768)	(144,961)
<hr/>		
Effect on Equity		
USD/RM - strengthened 5%	31,768	144,961
- weakened 5%	(31,768)	(144,961)
<hr/>		

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

c. Financial risk management (Continued)

v. Other price risk

The Group's and the Company's exposure to other price risk arises mainly from other investments. The Group and the Company manage their exposure to other price risk by maintaining a portfolio of debt securities and equities with different risk profiles. Reports on the investment portfolio are submitted to the Group's and to the Company's senior management on a regular basis.

The following table demonstrates the sensitivity of profit or loss to reasonably possible price movements in other investments, with all other variables held constant:-

	Group	
	Increase/ (Decrease) in Profit or Loss 31.07.2025 RM	Increase/ (Decrease) in Profit or Loss 31.01.2024 RM
Increase in price by 10%	3,273,810	506,588
Decrease in price by 10%	(3,273,810)	(506,588)
<hr/>		
Effect on Equity		
Increase in price by 10%	3,273,810	506,588
Decrease in price by 10%	(3,273,810)	(506,588)
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

(d) Fair value information (Continued)

The table below analyses the fixed rate current financial instruments carried at fair value is disclosed, together with its fair value and carrying amount shown in the statements of financial position:- (Continued)

Group	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
At 31 January 2024								
Financial assets								
Other investments	6,665,628	-	-	-	-	-	6,665,628	6,665,628
Financial liabilities								
Bank overdrafts	-	-	-	-	-	487,951	487,951	487,951
Bankers' acceptances	-	-	-	-	-	84,511	84,511	84,511
Trust receipts	-	-	-	-	-	936,181	936,181	936,181
Hire purchase payables	-	-	-	-	-	339,031	339,031	311,160
Term loans	-	-	-	-	-	15,396,136	15,396,136	11,425,315
Lease liabilities	-	-	-	-	-	298,340	298,340	204,276

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

(d) Fair value information (Continued)

The table below analyses the fixed rate current financial instruments carried at fair value is disclosed, together with its fair value and carrying amount shown in the statements of financial position:- (Continued)

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
Group								
At 1 August 2022								
Financial assets								
Other investments	7,740,049	-	-	-	-	-	7,740,049	7,740,049
Financial liabilities								
Bank overdrafts	-	-	-	-	-	931,410	931,410	931,410
Bankers' acceptances	-	-	-	-	-	2,677,401	2,677,401	2,677,401
Trust receipts	-	-	-	-	-	585,749	585,749	585,749
Hire purchase payables	-	-	-	-	-	970,677	970,677	899,035
Term loans	-	-	-	-	-	10,628,826	10,628,826	9,910,327
Lease liabilities	-	-	-	-	-	7,858,420	7,858,420	7,295,478

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

(d) Fair value information (Continued)

The table below analyses the fixed rate current financial instruments carried at fair value is disclosed, together with its fair value and carrying amount shown in the statements of financial position:- (Continued)

	Fair value of financial instruments carried at fair value			Fair value of financial instruments not carried at fair value			Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Level 1 RM	Level 2 RM	Level 3 RM		
Company								
At 31 July 2025								
Financial asset								
Other investments	237,117	-	-	-	-	-	237,117	237,117
At 31 January 2024								
Financial asset								
Other investments	711,352	-	-	-	-	-	711,352	711,352

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

38. FINANCIAL INSTRUMENTS (CONTINUED)

d. Fair value information (Continued)

Fair Value Hierarchy

Level 1 fair value

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

Level 2 fair value

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

There has been no transfer between level 1 and level 2 fair values during the financial period.

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities. The Group uses valuation techniques in determining fair values for financial instruments.

39. CAPITAL MANAGEMENT

The overall capital management objective of the Group and of the Company is to safeguard its ability to continue as a going concern so as to provide fair returns to shareholders and benefits to other stakeholders. In order to meet this objective, the Group and the Company always strive to maintain an optimal capital structure to reduce the cost of capital and sustain its business development.

The Group and the Company consider its total equity and total loans and borrowings to be the key components of its capital structure and do, from time to time, adjust the dividend payouts, purchase own shares, issue new shares, sell assets, raise or redeem debts, where necessary, to maintain an optimal capital structure. The Group and the Company monitor capital using a debt- to-equity ratio, which is calculated as total loans and borrowings divided by total equity.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

39. CAPITAL MANAGEMENT (CONTINUED)

The gearing ratio of the Group and of the Company is as follows:-

	Group		Company	
	31.07.2025	31.01.2024	31.07.2025	31.01.2024
	RM	RM	RM	RM
Trade and other payables	20,560,604	21,455,168	13,955,846	2,340,563
Amount owing to subsidiaries	-	-	183,825	512,137
Amount owing to directors	-	5,419,741	-	975,900
Loans and borrowings	12,070,860	13,245,118	-	-
Lease liabilities	-	204,276	-	-
Redeemable convertible preference shares	14,032,410	17,690,585	-	-
Tax payables	464,606	572,204	-	-
Deferred tax liabilities	2,948,827	2,892,227	-	-
Provision	-	24,927	-	-
Total debts	50,077,307	61,504,246	14,139,671	3,828,600
Total equity	94,347,484	78,592,296	12,053,362	34,565,808
Capital and total debts	144,424,791	140,096,542	26,193,033	38,394,408
Gearing ratio	34.7%	43.9%	60.0%	10.0%

40. COMPARATIVE FIGURES

(i) Prior year adjustments

During the financial period, the Group restated the comparative consolidated financial statements for the period ended 31 January 2024 in respect of its exposure, through its subsidiary Medic Asset Group Sdn. Bhd. (MAG), to Wings By Croske Resort Langkawi Sdn. Bhd. (Wings). The restatement has been applied retrospectively in accordance with MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors.

(a) Redeemable Convertible Preference Shares (RCPS)

The MAG previously issued RM22.5 million in RCPS to Wings By Croske Resort Langkawi Sdn. Bhd, which were erroneously classified in full as equity. In accordance with MFRS 132 Financial Instruments: Presentation, the RCPS have been bifurcated into liability component and equity component and the non-controlling interest arising has been recorded in equity.

(b) Advance to Wings By Croske Resort Langkawi Sdn. Bhd.

The advance of RM39,757,285 made to Wings By Croske Resort Langkawi Sdn. Bhd. was erroneously classified as Property, Plant and Equipment (PPE) in the prior periods and have been reclassified as financial assets measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)**40. COMPARATIVE FIGURES (CONTINUED)****(c) Recognition of impairment loss**

An impairment loss of RM23,449,324 has been recognised in the comparative period against the Wings related balances, reflecting the significant uncertainties over legal title transfer, vesting of management rights, and recoverability that existed as at 31 January 2024

The Group continues to work towards full redemption of the RCPS and completion of the underlying hotel asset transfer. These remain subject to regulatory approvals and third-party actions that are outside the Group's sole control.

Correction of Equity Accounting for Associate – Sensormax Sdn. Bhd.

During the financial period, the management identified an error in the application of the equity method for its associate, Sensormax Sdn. Bhd. (Sensormax). Sensormax is held through Sensorlink Holdings Sdn. Bhd., a 70%-owned subsidiary of the Group. In the comparative consolidated financial statements for the period ended 31 January 2024, the Group incorrectly equity-accounted for its interest in Sensormax by applying the direct shareholding percentage in Sensormax (49%) instead of the correct effective interest arising from its 70% ownership in Sensorlink Holdings Sdn. Bhd.

This resulted in an overstatement of the Group's share of net assets and results of Sensormax. The error has been corrected retrospectively by restating the comparative figures in accordance with MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors. The restatement reduces the carrying amount of the investment in associate and the Group's previously recognised share of profits or losses of Sensormax, with a corresponding reduction in retained earnings.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

40. COMPARATIVE FIGURES (CONTINUED)
(i) Prior year adjustments

The effect of the restatement on the comparative consolidated statement of financial position as at 31 January 2024 and on the consolidated statement of profit or loss and other comprehensive income for the period then ended is summarised below:

<u>Statement of Financial Position</u>	Previously reported RM	Restatement RM	As Restated RM
31 January 2024			
Non-current assets			
Property, plant and equipment	36,958,949	(35,813,168)	1,145,781
Investment in associate	2,302,891	(690,867)	1,612,024
Current assets			
Trade and other receivables	39,965,732	12,363,894	52,329,626
Equity			
Reserves	30,343,110	(22,500,000)	7,843,110
Accumulated losses	(44,489,235)	(25,815,670)	(70,304,905)
Non-controlling interests	3,946,157	6,484,944	10,431,101
Non-Current liabilities			
Redeemable Convertible Preference Shares	-	14,032,410	14,032,410
Current liabilities			
Redeemable Convertible Preference Shares	-	3,658,175	3,658,175
 <u>Statement of Comprehensive Income</u>			
31 January 2024			
Finance costs	(4,327,441)	(1,675,529)	(6,002,970)
Loss for the financial period	(27,519,779)	(4,329,345)	(31,849,124)
Share of result of an associate	846,214	(253,864)	592,350

Basic and diluted loss per share for the period ended 31 January 2024 increased by 1.67 sen per share as a result of the additional impairment loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)**40. COMPARATIVE FIGURES (CONTINUED)****(ii) Change of auditors**

The financial statements of the Group and of the Company for the financial period ended 31 January 2024 were audited by another auditor who expressed an unmodified opinion on these statements on 31 May 2024.

41. MATERIAL LITIGATIONS**(a) Winding-up petition served by Teng Bee Ling (“Petitioner”) against the Company (“Respondent”)**

On 15 February 2024, the Company received the winding-up petition (“Petition”) served by Teng Bee Ling (“Petitioner”). The Petition was presented by the Petitioner to the High Court of Malaya at Kuala Lumpur on 5 February 2024.

The Petitioner had provided advances to the Company and its group of companies a working capital that amounted to a sum of RM300,000/- in two separate payments, being RM150,000/- on 31 October 2018 and RM150,000/- on 13 December 2018 (“the said Advances”). However, out of the twelve (12) cheques for the repayment of the said Advances, only five (5) cheques, to which amounted to a sum of RM125,000/-, were cleared and/or honoured and has been repaid to the Petitioner in respect of the said Advances.

Pursuant to the Petition, the Petitioner claimed a total outstanding amount of RM175,000/- and required the full payment to be settled, within twenty-one (21) days from the date of service, failing which the Company shall be deemed to be unable to pay its debts.

On 25 July 2024, the winding-up petition had been withdrawn by the Petitioner as the Company had made arrangement to settle the outstanding sum progressively on 7 June 2024.

(b) Winding-up petition served by CIMB Islamic Bank Berhad (“Petitioner”) against Nextnation Datacity Sdn. Bhd. (“Respondents”)

On 16 May 2023, Nextnation Datacity Sdn. Bhd. (“NDSB”), a wholly-owned subsidiary of the Company had received a winding-up petition (“Petition”) served by CIMB Islamic Bank Berhad (“Petitioner”). The Petition was presented by the Petitioner to the High Court of Malaya at Kuala Lumpur on 11 May 2023.

NDSB was indebted to the Petitioner for a sum of RM8,664,909/- as at 8 March 2023, being an amount due under the Judgement dated 3 February 2023 obtained by the Petitioner at the High Court at Kuala Lumpur. NDSB had failed and neglected to pay or satisfy the said sum or any part thereof to the Petitioner.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

41. MATERIAL LITIGATIONS (CONTINUED)

b. Winding-up petition served by CIMB Islamic Bank Berhad (“Petitioner”) against Nextnation Datacity Sdn. Bhd. (“Respondent”) (Continued)

Pursuant to the Petition, the Petitioner claimed the following from the Respondent:-

- i. Total outstanding amount of RM8,629,635/-;
- ii. Interest rate at 1% per annum on a total of RM5,471,778/- from 28 September 2022 to the date of full settlement; and
- iii. Other cost RM2,147/-.

The Petition was fixed for Case Management on 5 July 2023 and the Hearing for the Winding-Up Petition was fixed on 6 November 2023.

On 6 November 2023, the High Court had granted extension of time for 1 month for the parties to discuss for settlement and fixed a new Hearing date on 13 December 2023.

On 13 December 2023, the High Court had granted further extension of time for two (2) months to settle the debt and fixed a new Hearing date on 26 February 2024.

On 26 February 2024, the High Court had allowed the winding-up petition and given winding-up orders against NDSB with the cost of RM5,000/-.

On 4 March 2024, NDSB had filed the Notice of Motion together with the Affidavit in Support to seek a stay of execution of the winding-up orders, the High Court had fixed for Case Management on 19 March 2024.

On 20 March 2024, a liquidator was appointed, the High Court had given the direction to the Petitioner and/or the liquidator to file Affidavit in Reply on or before 2 April 2024; NDSB to file Affidavit in Reply on or before 16 April 2024 and the next Case Management is fixed on 23 April 2024.

The Court had on 23 April 2024 directed the Petitioner to refer the issue of costs to the presiding Judge. The next case management is fixed on 14 May 2024.

The Court had on 14 May 2024 made an order that the Plaintiff’s application for stay of execution of the winding-up was withdrawn with liberty to file a fresh.

The Respondent and Nexgram had filed a Notice of Motion for stay of execution on 2 July 2024. The High Court had fixed the case management on 5 July 2024.

On 5 July 2024, the Petitioner and the liquidator opposed the Notice of Motion filed by the Respondent and Nexgram. The High Court had ordered the Petitioner and liquidator to file the Affidavit in Reply by 15 July 2024, and Nexgram to file the Affidavit in Reply by 25 July 2024.

On 30 July 2024, Nexgram (being the applicant for the post winding-up application), Petitioner and its liquidator had filed the Written Submissions and Bundle of Authorities respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

41. MATERIAL LITIGATIONS (CONTINUED)

b. Winding-up petition served by CIMB Islamic Bank Berhad (“Petitioner”) against Nextnation Datacity Sdn. Bhd. (“Respondent”) (Continued)

On 2 August 2024, the Petitioner had filed its second Bundle of Authorities to oppose Nexgram’s Notice of Motion filed on 2 July 2024, and Nexgram had filed its Submission in Reply to the Petitioner’s and liquidator’s Written Submission. The High Court has fixed the case management on 5 August 2024, which subsequently postponed to 10 October 2024.

During the case management held on 10 October 2024, the High Court rescheduled the hearing to 24 October 2024 and subsequently to 19 November 2024.

On 19 November 2024, the High Court had dismissed Nexgram’s Notice of Motion and the winding-up order dated 26 February 2024 remains in force.

On 30 November 2024, the Judgement Sum has been settled, and the solicitor will be submitting for the upliftment of winding-up.

On 6 June 2025, the Order was obtained to terminate and uplift the winding-up order, and the same has been filed with the Companies Registrar on 19 June 2025.

c. Legal suit with Maybank Islamic Berhad

Maybank Islamic Berhad (“Plaintiff”) vs Tri-G Technologies Sdn. Bhd., Nor Halim bin Ahmad Sayuni and Nexgram Holdings Berhad (“Defendants”)

On 18 August 2023, Tri-G Technologies Sdn. Bhd. received Writ of Summon from Plaintiff regarding the outstanding balance of Commodity Murabahah Term Financing worth RM1,771,628/- as at 31 May 2023.

If unable to pay by 13 October 2023, the Plaintiff will take action to wind up NHB as the guarantor.

On 20 October 2023, the Plaintiff has agreed to settle by paying monthly repayment of RM100,000/- for 6 months effective from November 2023 until April 2024. Subsequently, the repayment arrangement will be reviewed in March 2024 for an increase repayment amount.

On 14 March 2024, Tri-G Technologies Sdn. Bhd. and Nexgram Holdings Berhad were served the Notice Pursuant to Section 465(1)(e) and Section 466(1) of the Companies Act, 2016. The next Hearing date is to be fixed.

The Hearing was fixed on 11 September 2024.

On 11 September 2024, the Court had given the direction to the Plaintiff to file Affidavit in Reply on or before 25 September 2024; both parties to file Written Submissions on or before 9 October 2024; both parties to file Reply Submissions on or before 23 October 2024 and the next Case Management is fixed on 20 November 2024.

On 20 November 2024, the Court has fixed the hearing on 13 December 2024.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)**41. MATERIAL LITIGATIONS (CONTINUED)****c. Legal suit with Maybank Islamic Berhad (Continued)**

On 13 December 2024, the Court rescheduled the hearing to 18 December 2024 via Zoom.

On 18 December 2024, the Plaintiff's solicitor informed to the Court that Tri-G Technologies Sdn. Bhd. has already been wound up by RHB Bank on 7 November 2024. As such, the Winding-Up Petition by the Plaintiff was withdrawn.

On 16 April 2025, Nexgram Holdings Berhad as a corporate guarantor for Tri-G Technologies Sdn. Bhd. received winding-up petition served by the Plaintiff.

In response to that, several negotiations being made by Nexgram Holdings Berhad with the Plaintiff on the proposal settlement of outstanding loan under Tri-G Technologies Sdn. Bhd.

The Plaintiff agreed on the settlement monthly payment sum of RM50,000.00 commencing May until September 2025 and full settlement of outstanding loan by end of September 2025. Subsequently, the Plaintiff will withdraw the winding up petition against Nexgram Holdings Berhad during the hearing on 26 June 2025.

On 26 June 2025, the winding up petition against Nexgram was withdrawn by the Plaintiff.

On 30 October 2025, the Plaintiff agreed on for a monthly repayment of RM30,000.00 effective October 2025 until March 2026. Thereafter, to fully settled in April 2026.

d. Legal suit with Spacious Glory Sdn. Bhd.

Coconut Three Sdn. Bhd., Nexgram Holdings Berhad, Mazru Bin Mat Yusof and Leing Ti Kang ("Appellant") and Lau Tian Kit and Spacious Glory Sdn. Bhd. ("Respondents")

The above case is in respect of the counterclaim made by the appellant to strike out the conspiracy claims made against them by the Respondents.

The appeal is in relation to the dismissal of the counterclaim by the High Court on 10 November 2020.

All the witnesses gave their testimonies in Court.

On 25 May 2022, the Court delivered its decision as follows, subject to the allocator fee: -

1. Coconut Three Sdn. Bhd., Nexgram Holdings Berhad, Mazru and Leing Ti Kang jointly pay RM150,000/- and RM200,000/- as General Damages and Aggravated Damages;
2. Coconut Three Sdn. Bhd., Nexgram Holdings Berhad, Mazru and Leing Ti Kang separately pay RM100,000/-each as Exemplary Damage; and
3. Coconut Three Sdn. Bhd., Nexgram Holdings Berhad, Mazru and Leing Ti Kang jointly pay RM180,000/- as legal costs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)**41. MATERIAL LITIGATIONS (CONTINUED)****d. Legal suit with Spacious Glory Sdn. Bhd. (Continued)****Coconut Three Sdn. Bhd., Nexgram Holdings Berhad, Mazru Bin Mat Yusof and Leing Ti Kang (“Appellant”) and Lau Tian Kit and Spacious Glory Sdn. Bhd. (“Respondents”) (Continued)**

The Appellant has filed a Notice of Appeal against the decision of the High Court to the Court of Appeal, which the case management was fixed on 6 October 2022. Subsequently, case management was fixed on 11 October 2022 and fixed the case on 2 October 2022 for the appellant to file the stay of application. The Appellant and Respondents have filed their respective written submission and Bundle of Authorities on 28 May 2023. The Court has fixed the next Hearing date on 30 October 2024.

The Court has fixed the next hearing date on 30 October 2024.

On 30 October 2024, the Court of Appeal dismissed the Notice of Appeal and has ordered the Appellants to jointly pay for the following:

1. RM200,000, RM100,000 and RM10,000 as aggravated damages, exemplary damages and nominal damages respectively;
2. RM180,000 and RM20,000 for legal costs and costs for the appeal respectively to be paid to the Respondents; and
3. RM7,200 for allocator fees.

The Appeal now has been fixed for hearing on 29 April 2025.

On 29 April 2025, after reading the Written Submission of both parties and also hearing the oral submissions by both parties, the Federal Court has dismissed our Notice of Motion with cost of RM30,000.00.

On 23 June 2025, Nexgram received a Statutory Notice of Demand from Lau Tian Kit demanding for the payment of the judgement sum of RM542,810.14 under previous various court proceedings.

On 21 July 2025, Nexgram, through its solicitors, made the payment to Lau Tian Kit’s solicitors by way of three (3) instalments via post-dated cheques, which were acknowledge receipt by his solicitors.

The entire outstanding will be fully settled by December 2025.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

42. CONTINGENT LIABILITY

The Company has provided a guarantee to Wings By Croske Resort Langkawi Sdn. Bhd. (Wings) in respect of Redeemable Convertible Preference Shares (RCPS) Issued by its wholly owned subsidiary Medic Asset Group Sdn. Bhd. (MAG). In the event of non redemption of the RCPS by maturity date and termination of the agreement by Wings, the Company is obliged to pay liquidated ascertained damages of RM45,000,000 to Wings. As at 31 July 2025, RM13,878,000 of the RCPS remain unredeemed. Management has assessed that the likelihood of the guarantee being called as possible but not probably due to an ongoing debt settlement scheme submitted to Bursa Malaysia for approval and alternative redemption options available to MAG. Accordingly, no provision has been recognized in the financial statements, and the obligation is disclosed as a contingent liabilities.

43. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD

a. Corporate proposals

On 3 July 2024, the Company through its advisor, Malacca Securities Sdn Bhd (“Malacca Securities”), had announced that the Company proposes to undertake:

- i) proposed bonus issue of up to 433,497,316 free warrants in Nexgram (“Warrant(s) E”) on the basis of 4 free Warrants E for every 9 existing ordinary shares in Nexgram (“Nexgram Share(s)” or “Share(s)”) held by the shareholders whose name appear in the Record of Depositors of the Company on an entitlement date to be determined later (“Entitlement Date”) (“Entitled Shareholder(s)”) (“Proposed Bonus Issue of Warrants E”);
- ii) proposed part settlement of redeemable convertible preference shares (“RCPS”) in Medic Asset Group Sdn Bhd, a wholly-owned subsidiary of Nexgram (“MAGSB”), via the issuance of 555,120,000 new Shares (“RCPS Settlement Share(s)”) to Wings By Croske Resort Langkawi Sdn Bhd (“Wings”) at an issue price of RM0.025 per RCPS Settlement Share together with 246,720,000 free Warrants E on the basis of 4 free Warrants E for every 9 RCPS Settlement Shares for the redemption of 154,200 units of RCPS for a total consideration value of RM13,878,000 (“Proposed Part Settlement of RCPS”);
- iii) proposed settlement of debts owing to Weststar Invest Holdings Ltd (“Weststar”) and RFC Holdings Sdn Bhd (“RFC”) (collectively referred to as the “Creditors”) in aggregate sum of RM11,614,804.19 (“Settlement Sum”) to be fully satisfied via the issuance of 464,592,120 new Shares (“Debt Settlement Share(s)”) at an issue price of RM0.025 per Debt Settlement Share together with 206,485,386 free Warrants E on the basis of 4 free Warrants E for every 9 Debt Settlement Shares (“Proposed Debt Settlement”); and
- iv) proposed diversification of the existing business of Nexgram and its subsidiaries (“Nexgram Group” or “Group”) to include the provision of hotel service management (“Hotel Service Management Business”) (“Proposed Diversification”).

(Collectively referred to as “Proposals”)

On 7 August 2024, the Company through its advisor, Malacca Securities, had announced that the Company, Weststar and RFC had mutually agreed to terminate the debt settlement agreements dated 3 July 2024 in relation to the Proposed Debt Settlement. Subsequently, the Company, Weststar and RFC had entered into revised debt settlement agreements dated 7 August 2024.

On 4 October 2024, the Company through its advisor, Malacca Securities, had announced that the Company has submitted the listing application in relation to the Proposals to Bursa Securities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

43. SIGNIFICANT EVENTS DURING THE FINANCIAL PERIOD (CONTINUED)

a. Corporate proposals (continued)

On 27 March 2025, the Company through its advisor, Malacca Securities, had announced that the listing application in relation to the Proposals have been withdrawn.

On 14 August 2025, the Company through its advisor, Malacca Securities, had announced that the listing application in relation to the Proposals has been submitted to Bursa Securities on 13 August 2025.

On 14 November 2025, the Company through its advisor, Malacca Securities, had announced that the listing application in relation to the Proposals have been withdrawn. A revised listing application in relation to the Proposals will be submitted and announced after the completion of the Company's private placement exercise as disclosed in Note 44(a) which expected to be completed in December 2025.

b. Acquisition of subsidiary companies

- i) On 11 September 2024, the Company entered into a Shares Sale Agreement ("SSA") to acquire 100% equity interest of Nexgram Biomedic Sdn Bhd ("NBSB") from Nexgram Industries Sdn Bhd for a total consideration of RM1,000 via cash and cash equivalents.

c. Disposal of subsidiary companies

- i) On 13 September 2024, the Company entered into a Conditional Share Sale Agreement ("CSSA") to dispose 51% equity interest of Transeaways Shipping Sdn Bhd ("TSW") to Asdion Logistics Sdn Bhd for a total consideration of RM1,000,000 via Redeemable Convertible Preference Shares ("RCPS").
- ii) On 20 September 2024, the Company entered into a Shares Sale Agreement ("SSA") to dispose 100% equity interest of Nexgram Industries Sdn Bhd ("NISB") and its subsidiaries for a total consideration of RM1,000 via cash and cash equivalents.

44. SUBSEQUENT EVENTS

a. Private placement

On 24 September 2025, the Company through its advisor, TA Securities Holdings Berhad ("TA Securities") had announced that the Company proposes to undertake the Proposed Private Placement of up to 10% of the number of issued shares in the Company ("Placement Shares") (excluding treasury shares) pursuant to the general mandate obtained from the Company's shareholders up to 97,685,000 Placement Shares in Nexgram.

On 2 October 2025, the Company through its advisor, TA Securities, had announced that Bursa Securities had, vide its letter dated 2 October 2025, approved the listing and quotation of up to 97,685,000 Placement Shares to be issued pursuant to the Proposed Private Placement.

On 24 October 2025, the Company through its advisor, TA Securities, had announced ("Price-fixing Date") fixed the issue price for the first tranche of the Private Placement at RM0.0145 per Placement Share ("Issue Price"). On 31 October 2025, the Company had issued 44,000,000 ordinary shares at an issue price of RM0.0145 per share under first tranche of Private Placement, which managed to raise proceeds of RM638,000.00. The ordinary

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 JULY 2025 (CONTINUED)

44. SUBSEQUENT EVENTS (CONTINUED)

a. Private placement (continued)

shares were listed on the ACE Market of Bursa Securities Berhad on 3 November 2025.

On 12 November 2025, the Company through its advisor, TA Securities, had announced (“Price-fixing Date”) fixed the issue price for the second tranche of the Private Placement at RM0.0136 per Placement Share (“Issue Price”).

(b) Acquisition of subsidiary companies

- i) On 10 October 2025, NEC Suria Infra Bersama Sdn Bhd (“NEC”), a wholly owned sub-subsidiary of the Company entered into a Conditional Share Sale Agreement (“CSSA”) with the following vendors:

1. Foo Seh Kai (“Vendor 1”)
2. Leow Hiong Wei (“Vendor 2”)
3. Tay Chia Ping (“Vendor 3”)

(collectively referred to as “the Vendors”),

to purchase 7,000 ordinary shares, representing 70% the issued and paid-up share capital of GAD Energy Sdn Bhd (“GAD”) for a total purchase consideration of RM20,000,000 only (“Consideration”). The Consideration shall be satisfied through the issuance of 40,000,000 Redeemable Convertible Preference Shares (“RCPS”) in NEC at an issue price of RM0.50 per RCPS, subject the terms and conditions stated in the CSSA (“the Acquisition”)

Upon completion the Acquisition, GAD will become 70% owned sub-subsidiary of the Company.

LIST OF PROPERTIES

The details of properties owed by the Group as at 31 July 2025 are set out below:

Company	Location	Land / Built-up Area	Description / Existing use	Age of Building (years)	Date of Acquisition	Net Book Value as at 31 July 2025 (RM)
Nextnation Datacity Sdn. Bhd.	HS(D) 28897 PT 42830 Mukim Dengkil Daerah Sepang Negeri Selangor.	23,900 m ² (5.9 acres)	Freehold land held for property development	13	10/4/2012	39,600,000
Sensorlink Holdings Sdn. Bhd.	49, Jalan Kuchai Maju 1, Kuchai Entrepreneurs Park, 58200 Kuala Lumpur.	174 m ² / Build up area 4,844 sqft	Leasehold office unit/ Office	18	5/10/2007	4,500,000
Sensorlink Sdn. Bhd.	51, Jalan Kuchai Maju 1, Kuchai Entrepreneurs Park, 58200 Kuala Lumpur.	174 m ² / Build up area 4,424 sqft	Leasehold office unit/ Office	22	4/9/2003	4,000,000
Sensorlink Holdings Sdn. Bhd.	40, Jalan Serendah 26/41, Seksyen 26, 40400 Shah Alam, Selangor.	1,122 m ² / Build up area 808 m ²	Three storey semi-detached industrial unit	12	7/11/2013	7,500,000

ANALYSIS OF SHAREHOLDINGS

AS AT 3 NOVEMBER 2025

ISSUED SHARE CAPITAL	:	RM150,235,607.500
NUMBER OF ISSUED SHARES	:	932,571,808 (EXCLUDING 243,000 TREASURY SHARES)
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE (1) VOTE PER ORDINARY SHARE HELD

ANALYSIS BY SIZE OF SHAREHOLDINGS

SIZE OF HOLDINGS	NO. OF SHAREHOLDERS	%	SHAREHOLDINGS	%
LESS THAN 100	953	8.169	18,944	0.002
100 – 1,000	2,062	17.676	1,279,559	0.137
1,001 – 10,000	5,122	43.909	26,081,417	2.796
10,001 – 100,000	2,815	24.132	96,827,806	10.382
100,001 – 46,628,589 (*)	710	6.086	586,512,534	62.891
46,628,590 AND ABOVE (**)	3	0.025	221,851,548	23.789
TOTAL	11,665	100.000	932,571,808	100.000

NOTES * LESS THAN 5% OF THE ISSUED SHARE
** 5% AND ABOVE OF THE ISSUED SHARE

DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

NAME	DIRECT	SHAREHOLDINGS		%
		%	INDIRECT	
CHEANG SOON SIANG	-	-	10,000,000	1.072
CHIA PENG LUN	-	-	-	-
CHUA ENG CHIN	-	-	-	-
TAN ENG KEAT	-	-	-	-
CHUNG KAH HAUR	-	-	-	-
CHAN SIU HUA	-	-	-	-

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

NAME	DIRECT	SHAREHOLDINGS		%
		%	INDIRECT	
EMEMY RESOURCES SDN. BHD.	85,975,003	9.219	-	-
CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	83,361,785	8.938	-	-
YEK SIEW LEE	52,514,760	5.631	-	-

ANALYSIS OF SHAREHOLDINGS

AS AT 3 NOVEMBER 2025
(CONTINUED)

THIRTY (30) LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES HELD	%
1.	EMEMY RESOURCES SDN. BHD.	85,975,003	9.219
2.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C-NR)	83,361,785	8.938
3.	YEK SIEW LEE	52,514,760	5.631
4.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR IAN SHANG KUAN CHOU CHUEN	44,000,000	4.718
5.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEAH KWONG LEE	26,400,000	2.830
6.	HONG TEEK LEE	25,300,000	2.712
7.	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR LIM LEE AIK	24,000,000	2.573
8.	RFC HOLDINGS SDN. BHD.	20,215,500	2.167
9.	MAZRU BIN MAT YUSOF	15,133,703	1.622
10.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TEH SWEE HENG (MM1118)	14,110,700	1.513
11.	SIM MUI KHEE	12,000,000	1.286
12.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SAPPHIRE PAVILION LIMITED	10,000,000	1.072
13.	CHAI KOON KHOW	9,440,103	1.012
14.	CHEN HOCK LEONG	7,816,200	0.838
15.	SU HOW GIONG	7,600,000	0.814
16.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ALVIN TAN HONG YEOW (MIDVALLEY-CL)	7,415,600	0.795
17.	NOBLE WESTLINK SDN BHD	7,060,000	0.757
18.	ACHIEVER ENERGY PARTNERS SDN BHD	6,333,333	0.679
19.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH CHIN SING (E-JBU/MSG)	5,600,000	0.600
20.	LIM WOI KOK	5,500,000	0.589
21.	CHAI FEI KHIM	5,000,000	0.536

**ANALYSIS OF
SHAREHOLDINGS**
AS AT 3 NOVEMBER 2025
(CONTINUED)**THIRTY (30) LARGEST SHAREHOLDERS (CONTINUED)**

NO.	NAME	NO. OF SHARES HELD	%
22.	DB (MALAYSIA) NOMINEE (ASING) SDN BHD EXEMPT AN FOR DEUTSCHE BANK AG SINGAPORE (ASING WM CLT)	4,842,250	0.519
23.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEGDED SECURITIES ACCOUNT FOR NG YEE HUI (E-JAH)	4,750,000	0.509
24.	CHEW JONG WEI	4,444,520	0.476
25.	GOI BOON GIAP	4,000,000	0.428
26.	LIM AH POH	4,000,000	0.428
27.	YAP ANN PING	3,560,000	0.381
28.	YEW SIEW JUEN	3,250,000	0.348
29.	MAYBANK NOMINEES (TEMPATAN) SDN BHD TAN SHER KI	3,000,000	0.321
30.	TAN KOK WAH	3,000,000	0.321
	TOTAL	509,623,457	54.647

ANALYSIS OF WARRANT D HOLDINGS

AS AT 3 NOVEMBER 2025

ANALYSIS BY SIZE OF WARRANT D HOLDINGS AS AT 3 NOVEMBER 2025

SIZE OF HOLDINGS	NO. OF SHAREHOLDERS	%	SHAREHOLDINGS	%
LESS THAN 100	1,517	13.743	43,865	0.049
100 – 1,000	4,832	43.776	2,401,224	2.719
1,001 – 10,000	3,969	35.957	13,704,745	15.523
10,001 – 100,000	625	5.662	17,225,599	19.511
100,001 TO 4,414,206 (*)	95	0.860	54,908,721	62.195
4,414,207 AND ABOVE (**)	0	0.000	0	0.000
TOTAL	11,038	100.000	88,284,154	100.000

NOTES * LESS THAN 5% OF THE ISSUED WARRANTS

** 5% AND ABOVE OF ISSUED WARRANTS

DIRECTORS' WARRANT D HOLDINGS AS AT 3 NOVEMBER 2025

NAME	DIRECT	SHAREHOLDINGS		%
		%	INDIRECT	
CHEANG SOON SIANG	-	-	-	-
CHIA PENG LUN	-	-	-	-
CHUA ENG CHIN	-	-	-	-
TAN ENG KEAT	-	-	-	-
CHUNG KAH HAUR	-	-	-	-
CHAN SIU HUA	-	-	-	-

SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS

NAME	DIRECT	SHAREHOLDINGS		%
		%	INDIRECT	
-	-	-	-	-

ANALYSIS OF WARRANT D HOLDINGS

AS AT 3 NOVEMBER 2025
(CONTINUED)

THIRTY (30) LARGEST WARRANT D HOLDERS AS AT 3 NOVEMBER 2025

NO.	NAME	NO. OF SHARES HELD	%
1.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ANG CHOON LENG (E-BMM)	3,674,400	4.162
2.	FARM MEU FAH	3,000,000	3.398
3.	TEO MENG HAI	2,779,200	3.148
4.	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SINAR MAJU ENTERPRISE SDN BHD	2,700,000	3.058
5.	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR LAU CHUN YAU	2,111,000	2.391
6.	TAN KEN ANN	1,800,000	2.038
7.	LEOW HO KENG	1,724,400	1.953
8.	MAYBANK NOMINEES (TEMPATAN) SDN BHD LAU CHUN YAU	1,632,400	1.849
9.	LIM CHING HONG	1,500,000	1.699
10.	BOON KIM YU	1,448,500	1.640
11.	NOBLE WESTLINK SDN BHD	1,412,000	1.599
12.	ACHIEVER ENERGY PARTNERS SDN BHD	1,266,666	1.434
13.	MOOMOO NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LEE KHA YIP	1,248,000	1.413
14.	CHOI SENG LEONG	1,087,600	1.231
15.	HLIB NOMINEES (TEMPATAN) SDN BHD HONG LEONG BANK BHD FOR LEE MENG ONN	1,000,000	1.132
16.	HO KAM FOOK	1,000,000	1.132
17.	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEW SOOK BING (E-BMM)	1,000,000	1.132
18.	TAN KOK SUAN	1,000,000	1.132
19.	DB (MALAYSIA) NOMINEE (ASING) SDN BHD EXEMPT AN FOR DEUTSCHE BANK AG SINGAPORE (ASING WM CLT)	968,450	1.096
20.	TAN LI TA	841,200	0.952
21.	LEE SIAN LEONG	840,000	0.951
22.	MOO MUN YU	810,514	0.918

**ANALYSIS OF
WARRANT D HOLDINGS**AS AT 3 NOVEMBER 2025
(CONTINUED)**THIRTY (30) LARGEST WARRANT D HOLDERS AS AT 3 NOVEMBER 2025 (CONTINUED)**

NO.	NAME	NO. OF SHARES HELD	%
23.	LEE KOK SEONG	804,000	0.910
24.	HOH HON VEN	800,000	0.906
25.	LEE KOK GUAN	711,000	0.805
26.	CHEW YEW LEONG	654,000	0.740
27.	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR MUHAMAD AZLI BIN LOKMAN	574,940	0.651
28.	TAN ENG LOCK	569,874	0.645
29.	AYOB BIN MOHD ABAS	550,000	0.622
30.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MOO MUN YU (M01)	540,000	0.611
TOTAL		40,048,144	45.362

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twentieth Annual General Meeting (“20th AGM”) of **NEXGRAM HOLDINGS BERHAD** (“the Company”) will be held at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Friday, 23 January 2026 at 3.00 p.m. or any adjournment thereof for the following purposes:-

AGENDA

ORDINARY BUSINESS :

1. To receive the Audited Financial Statements for the financial period ended 31 July 2025 together with the Reports of the Directors and the Auditors thereon. ***Please refer to Explanatory Note 1***
2. To approve the Directors’ fees and meeting allowances payable to Executive Director and Non-Executive Directors from 24 January 2026 until the conclusion of the next Annual General Meeting of the Company. ***Ordinary Resolution 1
Please refer to Explanatory Note 2***
3. To re-elect Mr. Chia Peng Lun who retires in accordance with Clause 97.1 of the Company’s Constitution and being eligible, offers himself for re-election. ***Ordinary Resolution 2***
4. To re-elect Mr. Chung Kah Haur who retires in accordance with Clause 106 of the Company’s Constitution and being eligible, offers himself for re-election. ***Ordinary Resolution 3***
5. To re-elect Ms. Chan Siu Hua who retires in accordance with Clause 106 of the Company’s Constitution and being eligible, offers herself for re-election. ***Ordinary Resolution 4***
6. To re-appoint Messrs. LTH PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. ***Ordinary Resolution 5***

SPECIAL BUSINESS :

To consider and if thought fit, to pass with or without modifications, the following resolutions :

7. **AUTHORITY FOR DIRECTORS TO ISSUE AND ALLOT SHARES IN THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT, 2016** ***Ordinary Resolution 6
Please refer to Explanatory Note 3***

“**THAT** subject always to the Companies Act 2016 (“Act”), Company’s Constitution, Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant authorities, the Directors be and are hereby authorised pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company at any time and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten percent (10%) of the total number of the issued shares of the Company for the time being. **AND THAT** the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.

AND THAT such authority shall commence immediately upon the passing of this Resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company, or at the expiry of the period within which the next annual general meeting is required to be held after the approval was given, whichever is earlier, unless revoked or varied by an ordinary resolution of the Company at a general meeting.”

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING (CONTINUED)

ANY OTHER BUSINESS :

8. To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

BY ORDER OF THE BOARD

WONG YOUN KIM (MAICSA 7018778)

(SSM Practicing Certificate No. 201908000410)
Company Secretary

Selangor

Dated : 28 November 2025

NOTES :

1. *A member of the Company is entitled to attend and vote at the meeting may appoint one (1) or not more than two (2) proxies (or being a corporate member, a corporate representative) to attend and vote in his/her stead. A proxy may but need not be a member of the Company.*
2. *Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.*
3. *The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney or in the case of a corporation executed under its common seal or signed on behalf of the corporation by its attorney or by an officer duly authorised.*
4. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.*
5. *The appointment of a proxy may be made in a hard copy form and the proxy form must be deposited at the office of the Company Secretary, Synergy Professionals Group Sdn. Bhd. at Unit 11.07, Amcorp Tower, Amcorp Trade Centre, 18, Persiaran Barat, 46050 Petaling Jaya, Selangor Darul Ehsan means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting at which the person named in the appointment proposes to vote.*
6. *Only members whose names appear in the Record of Depositors on 15 January 2026 shall be entitled to attend, speak and vote at the meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.*

EXPLANATORY NOTES :

1. Audited Financial Statements

This item of the Agenda is meant for discussion only. The provisions of Section 340(1) of the Companies Act, 2016 require the audited financial statements and the Reports of the Directors and Auditors thereon be laid before the Company at its Annual General Meeting. As such, this item of the Agenda is not a business which requires a resolution to be put to vote by shareholders.

2. Directors' Remuneration

Section 230(1) of the Companies Act, 2016 provides amongst others that the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting.

In this respect, the Board wishes to seek shareholders' approval for the following payments to the Executive Director and Non-Executive Directors of the Company at the Twentieth Annual General Meeting as stated below.

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING (CONTINUED)

Ordinary Resolution 1 seeks approval for the Directors' fees and meeting allowances payable to Executive Director and Non-Executive Directors from 24 January 2026 until the conclusion of the next Annual General Meeting of the Company comprising the following, with or without modifications :

		Directors' Fees (Per Director / Per Month) RM	Meeting Allowance (Per Meeting) RM
Board of Directors	Chairman	-	-
	Executive Director	3,000.00	200.00
	Non-Executive Directors	2,000.00	200.00
Audit Committee	Chairman	-	200.00
	Member	-	200.00
Nomination Committee	Chairman	-	200.00
	Member	-	200.00
Remuneration Committee	Chairman	-	200.00
	Member	-	200.00

3. Authority to Issue and Allot Shares

The Ordinary Resolution 6 is proposed to seek a renewal of general mandate for authority to issue shares pursuant to Sections 75 and 76 of the Act. If the resolution was passed, it will give the Directors of the Company from the date of the above meeting, authority to issue and allot shares for such purposes as the Directors consider would be in the interest of the Company. The authority will, unless revoked or varied by the Company in general meeting, expire at the next AGM.

The Company issued 70,000,000 ordinary shares pursuant to Sections 75 and 76 of the Companies Act, 2016 under the general authority which was approved at the 19th Annual General Meeting held on 4 July 2024 and which will lapse at the conclusion of the 20th Annual General Meeting to be held on 23 January 2026.

The general mandate sought will enable the Directors of the Company to issue and allot shares, including but not limited for further placing of shares for purpose of funding investment(s), working capital and/or acquisitions, at any time to such persons in their absolute discretion without convening a general meeting as it would be both costs and time consuming to organise a general meeting.

PERSONAL DATA POLICY

By submitting an instrument appointing a proxy(ies) and / or representative(s) to attend, speak and vote at the Company's AGM and/or any adjournment thereof, a member of the Company:-

- (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes").
- (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and
- (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

NOTICE OF TWENTIETH ANNUAL GENERAL MEETING (CONTINUED)

STATEMENT ACCOMPANYING NOTICE OF TWENTIETH ANNUAL GENERAL MEETING (“20TH AGM”) (Pursuant to paragraph 8.29(2) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad)

1. The Directors seeking for re-election/re-appointment at the 20th AGM of the Company are as follows:

- (a) Mr. Chia Peng Lun
- (b) Mr. Chung Kah Haur
- (c) Ms. Chan Siu Hua

The Profile of the Directors seeking for re-election and retention are set out on Page No. 8, 10 and 11 of this Annual Report.

The details of the Directors’ interest in the securities of the Company are stated on Analysis of Shareholdings of this Annual Report.

2. The details of attendance of the Directors of the Company at Board of Directors’ Meetings held during the financial period ended 31 July 2025 are disclosed in the Statement of Corporate Governance set out on Page 20 of this Annual Report.

3. The details of the 20th AGM are as follows:

Date of Meeting	Time of Meeting	Venue
Friday, 23 January 2026	3.00 p.m.	Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur



NEXGRAM HOLDINGS BERHAD
Registration No. 200401021550 (660055-H)

FORM OF PROXY

Number of Shares	
CDS Account No.	

I/We, _____ NRIC/Passport/Company No. _____
(FULL NAME)

of _____ being a Member/Members
(FULL ADDRESS)

of Nexgram Holdings Berhad (the "Company") hereby appoint _____
(FULL NAME)

NRIC/Passport No. _____ Tel No. _____ Email address _____

of _____ or failing whom,
(FULL ADDRESS)

_____ NRIC/Passport No. _____ Tel No. _____

Email address _____ of _____
(FULL ADDRESS)

or failing him/her, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf, at the Twentieth Annual General Meeting of the Company to be held at Dewan Perdana, Bukit Kiara Equestrian & Country Resort, Jalan Bukit Kiara, Off Jalan Damansara, 60000 Kuala Lumpur on Friday, 23 January 2026 at 3.00 p.m. and at any adjournment thereof in the manner indicated below :

NO.	ORDINARY RESOLUTIONS	FOR	AGAINST
1.	To approve Directors' fees and meeting allowances payable to Executive Director and Non-Executive Directors from 24 January 2026 until the conclusion of the next Annual General Meeting of the Company.		
2.	To re-elect Mr. Chia Peng Lun who retires in accordance with Clause 97.1 of the Company's Constitution and being eligible, offers himself for re-election.		
3.	To re-elect Mr. Chung Kah Haur who retires in accordance with Clause 106 of the Company's Constitution and being eligible, offers himself for re-election.		
4.	To re-elect Ms. Chan Siu Hua who retires in accordance with Clause 106 of the Company's Constitution and being eligible, offers herself for re-election.		
5.	To re-appoint Messrs. LTTH PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
6.	Authority to Issue and Allot Shares pursuant to Sections 75 and 76 of the Companies Act, 2016.		

[Please indicate with (X) in the spaces provided how you wish your vote to be casted. If no specific direction as to voting is given, the proxy will vote or abstain at his(her) discretion.]

Dated this _____ day of _____, 2026

Signature of Member/ Common Seal

Notes:

1. A member of the Company is entitled to attend and vote at the meeting may appoint one (1) or not more than two (2) proxies (or being a corporate member, a corporate representative) to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
2. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
3. The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his/her attorney or in the case of a corporation executed under its common seal or signed on behalf of the corporation by its attorney or by an officer duly authorised.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. The appointment of a proxy may be made in a hard copy form and the proxy form must deposited at the office of the Company Secretary, Synergy Professionals Group Sdn. Bhd., at Unit 11.07, Amcorp Tower, Amcorp Trade Centre, 18 Persiaran Barat, 46050 Petaling Jaya, Selangor Darul Ehsan means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for the holding the General Meeting at which the person named in the appointment proposes to vote.
6. Only members whose names appear in the Record of Depositors on 15 January 2026 shall be entitled to attend, speak and vote at the meeting or appoint proxy(ies) to attend, speak and vote on his/her behalf.

PERSONAL DATA PRIVACY :

By submitting an instrument appointing a proxy(ies) and / or representative(s) to attend, speak and vote at the Company's AGM and/or any adjournment thereof, a member of the Company accepts and agrees to the personal data privacy terms as asset out in the Notice of Annual General Meeting dated 28 November 2026.

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**AFFIX
STAMP**

SYNERGY PROFESSIONALS GROUP SDN. BHD.
[202301003202 (1497121-V)]
UNIT 11.07, AMCORP TOWER
AMCORP TRADE CENTRE
18, PERSIARAN BARAT
46050 PETALING JAYA
SELANGOR DARUL EHSAN

2nd Fold Here

Fold This Flap For Sealing