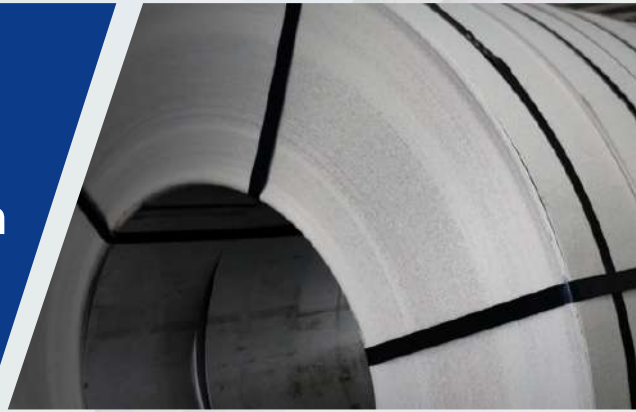


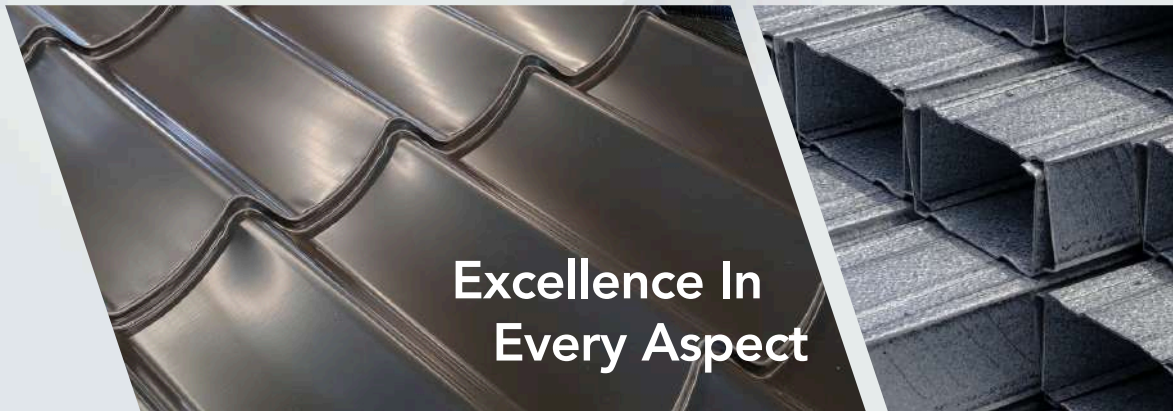
# ANNUAL REPORT 2025



From  
Concept to  
Completion



Excellence In  
Every Aspect



# INSIDE THIS REPORT

## 2<sup>nd</sup> ANNUAL GENERAL MEETING



Date  
26 May 2026



Time  
10:30am



Location  
**Colform Group Berhad (HQ)**  
Lot 8, Jalan 2A KKIP Timur,  
Industrial Zone 12 (IZ12),  
Kota Kinabalu Industrial Park,  
89208 Tuaran, Sabah

## ONLINE ANNUAL REPORT



Instantly access an online copy of this Annual Report through your mobile device by scanning this QR code or download at [www.colform.com.my](http://www.colform.com.my)

## ABOUT US

About Colform Group Berhad	2
Our Vision, Mission and Core Values	2
Group Structure	3
Operational Facilities	3
Corporate Information	4
Key Milestones	5
5-Years' Financial Highlights	7
Key Financial Highlights	8

## LEADERSHIP AND PEOPLE

Director's Profile	9
Key Senior Management Profile	15

## PERFORMANCE REVIEW

Chairman's Statement	16
Managing Director's Statement	19
Management Discussion and Analysis	22
Sustainability Statement	28

## CORPORATE GOVERNANCE

Corporate Governance Overview Statement	47
Statement on Risk Management and Internal Control	61
Audit and Risk Management Committee Report	67
Additional Compliance Statement	70
Statement of Directors' Responsibility	72

## FINANCIAL STATEMENTS

Directors' Report	73
Statement by Directors	79
Statutory Declaration	80
Independent Auditors' Report	81
Statements of Financial Position	89
Statements of Profit or Loss and Other Comprehensive Income	91
Statements of Changes in Equity	93
Statements of Cash Flows	95
Notes to the Financial Statements	99

## OTHER INFORMATION

Disclosure of Financial Data for Shariah Screening	148
List of Properties	150
Analysis of Shareholdings	151
Notice of Annual General Meetings	153
Administrative Notes for the Annual General Meetings	160

Proxy Form

# ABOUT COLFORM GROUP BERHAD

Colform Group Berhad and its subsidiaries have grown from a roofing manufacturing business into a comprehensive integrated steel solutions provider with over 20 years of experience, delivering end-to-end services across manufacturing and processing, trading, supply and installation, as well as project management services.



## MANUFACTURING & SUPPLY OF STEEL PRODUCTS

We specialise in the manufacturing and supply of steel roofing, steel cladding, IBS steel framing systems, roof truss systems, floor deck, and the processing of steel coils. Our expertise in steel construction ensures high-quality solutions for both government and commercial projects.



## TRADING OF CONSTRUCTION MATERIALS

Alongside our manufacturing capabilities, we trade essential downstream steel products, including Kalsi fibre cement boards, insulation, fasteners, highway guardrails, and other construction accessories to meet the growing demands of the construction industry.



## SUPPLY, INSTALLATION, AND PROJECT MANAGEMENT

We offer supply, installation, and project management services, ensuring timely project delivery. Our specialised team also handles the design, fabrication, delivery and installation of IBS steel framing systems and roof truss systems.



### VISION



Aim to be the leading manufacturer and service provider in the Steel Construction Industry.

### MISSION



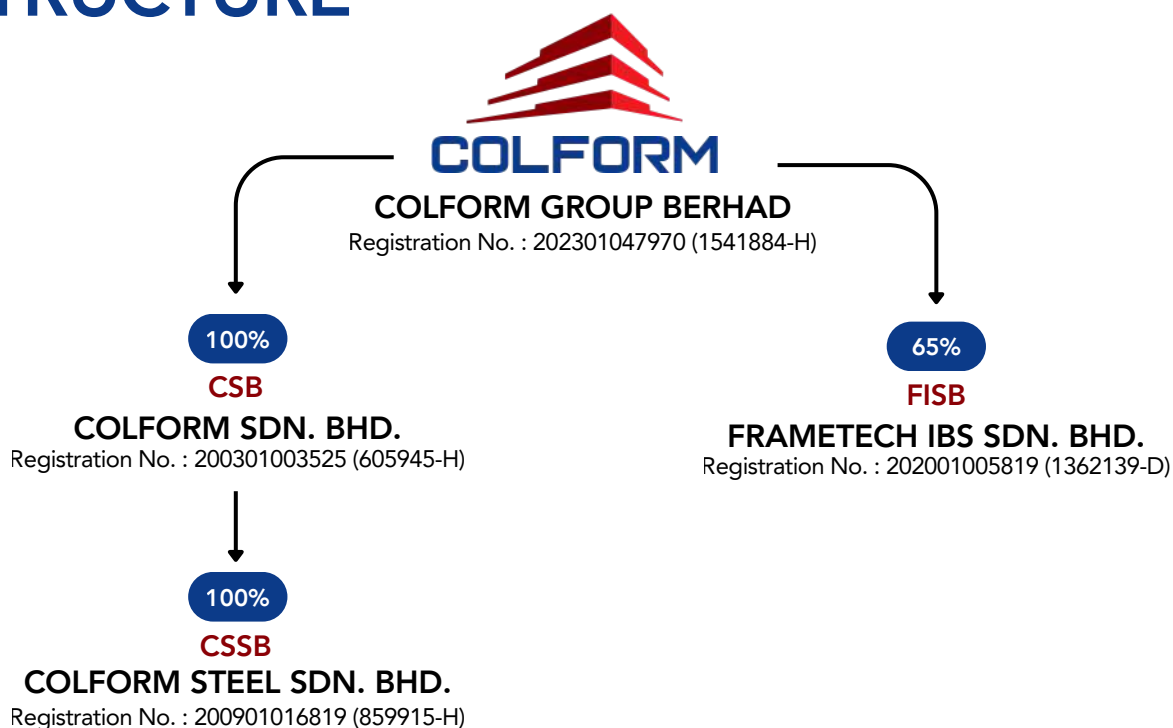
To enhance and improve product quality, to provide total commitment to customer satisfaction.

### CORE VALUES



- Professionalism
- Quality
- Integrity


# GROUP STRUCTURE





# OPERATIONAL FACILITIES




## KOTA KINABALU FACTORY

 Headquarters, manufacturing and processing site, office and storage area


 Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah

 103,738 sq ft

## SANDAKAN FACTORY

 Manufacturing and processing site, office and storage area

 Sedco Light Industrial Estate, 90000 Sandakan, Sabah

 37,345 sq ft

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### DATUK IR. HJ. ALI AHMAD BIN HAMID

Independent Non-Executive Chairman

### KANG KET HUNG

Managing Director

### KANG PHUI TING

Non-Independent Executive Director

### KANG PHUI YIE

Non-Independent Executive Director

### NOOR ILIENNA RAHAYU BINTI IBRAHIM

Independent Non-Executive Director

### TAN KUNG MING

Independent Non-Executive Director

## AUDIT AND RISK MANAGEMENT COMMITTEE

### CHAIRMAN

- Tan Kung Ming

### MEMBERS

- Datuk Ir. Hj. Ali Ahmad Bin Hamid
- Noor Ilienna Rahayu Binti Ibrahim

## REMUNERATION COMMITTEE

### CHAIRMAN

- Tan Kung Ming

### MEMBERS

- Datuk Ir. Hj. Ali Ahmad Bin Hamid
- Noor Ilienna Rahayu Binti Ibrahim

## NOMINATION COMMITTEE

### CHAIRPERSON

- Noor Ilienna Rahayu Binti Ibrahim

### MEMBERS

- Datuk Ir. Hj. Ali Ahmad Bin Hamid
- Tan Kung Ming

## REGISTERED OFFICE

Third Floor, No. 77, 79 & 81,  
Jalan SS21/60, Damansara Utama,  
47400 Petaling Jaya,  
Selangor Darul Ehsan  
Tel. No. : (603) 7725 1777  
Email : [info@cospec.com.my](mailto:info@cospec.com.my)

## HEAD OFFICE

Lot 8, Jalan 2A KKIP Timur,  
Industrial Zone 12 (IZ12),  
Kota Kinabalu Industrial Park,  
89208 Tuaran, Sabah  
Tel. No. : (6088) 472 221  
Email : [info@colformgroup.com](mailto:info@colformgroup.com)

## WEBSITE

[www.colform.com.my](http://www.colform.com.my)

## COMPANY SECRETARIES

### Tea Sor Hua

(MACS 01324)  
(SSM PC No. 201908001272)

### Thien Mui Yee

(LS0010901)  
(SSM PC No. 202508000287)

## AUDITORS

### TGS TW PLT

(20210600004 (LLP0026851-LCA)  
& AF002345)

Unit E-16-2B, Level 16,  
Icon Tower (East),  
No 1, Jalan 1/68F,  
Jalan Tun Razak,  
50400 Kuala Lumpur,  
Wilayah Persekutuan  
Tel. No. : (603) 9771 4326  
Fax No. : (603) 9771 4327

## 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. No. : (603) 2783 9299  
Fax No. : (603) 2783 9222  
Email : [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com)

## SPONSOR

### Mercury Securities Sdn. Bhd.

L-7-2, No. 2, Jalan Solaris,  
Solaris Mont' Kiara,  
50480 Kuala Lumpur,  
Wilayah Persekutuan  
Tel. No. : (603) 6203 7227  
Fax No. : (603) 6203 7117

## PRINCIPAL BANKERS

- Al Rajhi Banking & Investment Corporation (Malaysia) Berhad
- AmBank Islamic Berhad
- Maybank Islamic Berhad
- OCBC Bank (Malaysia) Berhad
- Public Islamic Bank Berhad
- RHB Bank Berhad
- United Overseas Bank (Malaysia) Berhad

## STOCK EXCHANGE

ACE Market of Bursa Malaysia Securities Berhad

Stock Name : COLFORM

Stock Code : 0341

# KEY MILESTONES

## 2003

Colform Sdn. Bhd. commenced operations in Sandakan from a modest rented factory where we manufactured our first in-house roofing sheets in Sandakan. We subsequently expanded into **roofing accessories** and **in-house purlin manufacturing**, enabling us to offer more comprehensive and reliable roofing solutions.

## 2008

Our pursuit of excellence led us to obtain **ISO 9001 certification** for Quality Management System, through Colform Sdn. Bhd., underscoring our commitment to quality and customer satisfaction.

We acquired a parcel of land measuring approximately 68,840 sq ft in Sandakan.

## 2009

Construction of our Sandakan factory commenced following the acquisition of the land.

We diversified into the **steel processing sector** with the **incorporation of Colform Steel Sdn. Bhd.** as a subsidiary of Colform Sdn. Bhd.

## 2011

Our vision was coming to life with **the completion of our Sandakan factory**, covering built-up area of approximately 37,345 sq ft.

This new facility allowed us to moved from our rented space to a dedicated production hub, meeting the increasing demand of our products.

## 2012

We took another leap **commencing the steel processing business** under Colform Steel Sdn. Bhd. This subsidiary focused on transforming steel coils into slit steel, a core material for our roofing products.

This strategic expansion gave us greater control over raw materials, driving efficiencies and reducing production costs, allowing us to reliably provide our services, while also enabling us to offer a broader range of products to the market.

## 2014

We expanded our footprint with the **acquisition of land in Kota Kinabalu**, setting the stage for a new manufacturing facility. This move was part of our strategy to better serve our growing customer base across Sabah from **Concept to Completion**.

## 2016

Colform Sdn. Bhd. obtained **CIDB G3 certification**, enabling us to carry out building construction and civil engineering works and **expand our offerings to include installation services**, further solidifying our position as a comprehensive provider in the roofing and construction industry.

## 2017

Through Colform Sdn. Bhd., we obtained CIDB certification as an **IBS manufacturer** specialising in lightweight roof trusses. This certification opened doors for us to venture into innovative construction solutions, meeting the needs of modern and sustainable construction projects.



## 2018

Colform Sdn. Bhd. was officially **registered with JKR as a trusted supplier** for prefabricated cold-formed steel roof trusses, allowing us to expand our reach and participate in essential government projects.

## 2019

We commenced the **construction of our Kota Kinabalu factory** following the acquisition of a parcel of land in Kota Kinabalu Industrial Park. This strategic expansion was aimed at enhancing our production capabilities, ensuring we could meet the rising demands of our clients with precision and reliability.

## 2020

This year marked the **birth of Frametech IBS Sdn. Bhd.**, our dedicated subsidiary for IBS steel framing systems. This new venture allowed us to focus on **design, supply, and installation**, opening doors to exciting projects in the construction industry.

## 2021

We are selected as a supplier for the **Sekolah Daif Improvement Project**, our first significant involvement in government projects.

## 2022

Frametech IBS Sdn. Bhd. registered with CIDB as a **G5 contractor**, enabling us to undertake building construction, civil engineering, and mechanical engineering works.

**Our guardrails were approved by JKR and listed on JKR's Road Material Approved List**, allowing us to supply these essential components for critical highway infrastructure projects across Malaysia.

## 2023

Colform Sdn. Bhd. reached a new level of capability after registering with CIDB as a **G6 contractor** to carry out works regarding IBS steel framing system, building construction, civil engineering and mechanical engineering works.

The **completion of our Kota Kinabalu Factory**, now covering built-up area of 103,738 sq ft, marked a key milestone by enhancing our production capacity and providing designated spaces for **manufacturing, processing, and logistics**, supporting our commitment to quality and efficiency.

## 2024

It was a year of solid and steady growth for our Group. We maintained consistent operational excellence and achieved a significant **revenue milestone of RM100 million**.

## 2025

Colform Group Berhad was successfully **listed on the ACE Market of Bursa Malaysia Securities Berhad** and continues to build on its growth momentum.

As part of our expansion, the Group is undertaking the construction of a **new storage facility** and the **establishment of a colour coil coating production line** within Kota Kinabalu Industrial Park, both expected to be completed in 2026, representing a significant step in enhancing our manufacturing capabilities and supporting future demand.



# 5-YEARS' FINANCIAL HIGHLIGHTS

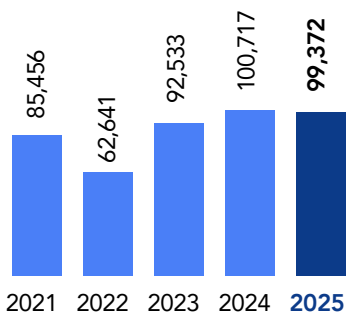
FINANCIAL YEAR ENDED 31 DECEMBER	2021	2022	2023	2024	2025
<b>Financial Results (RM'000)</b>					
Revenue	85,456	62,641	92,533	100,717	99,372
Gross Profit	27,033	14,660	21,020	31,719	38,272
Profit Before Tax	22,867	9,852	16,237	25,384	28,204
Profit After Tax	17,528	7,580	12,736	18,878	19,967
<b>Financial Position (RM'000)</b>					
Total Assets	98,916	104,657	105,087	117,321	165,575
Total Borrowings	5,894	6,074	18,028	9,192	6,969
Shareholders' Equity	66,907	72,189	77,664	94,688	144,109
<b>Financial Indicators</b>					
Gross Profit Margin (%)	31.63	23.40	22.72	31.49	38.51
Profit Before Tax Margin (%)	26.76	15.73	17.55	25.20	28.38
Profit After Tax Margin (%)	20.51	12.10	13.76	18.74	20.09
Basic Earnings Per Share (sen)	2.85 <sup>(1)</sup>	1.19 <sup>(1)</sup>	2.54 <sup>(1)</sup>	3.64 <sup>(1)</sup>	2.95 <sup>(2)</sup>

**Note:**

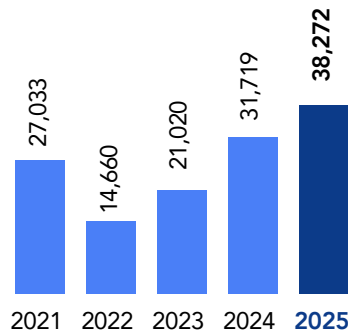
<sup>(1)</sup> Calculated based on the profit attributable to owners of the Company divided by the total number of ordinary shares assumed to be in issue before the Company's Initial Public Offering ("IPO") but after the pre-IPO restructuring.

<sup>(2)</sup> Calculated based on the profit attributable to owners of the Company divided by the total number of weighted average ordinary shares in issue during the financial year.

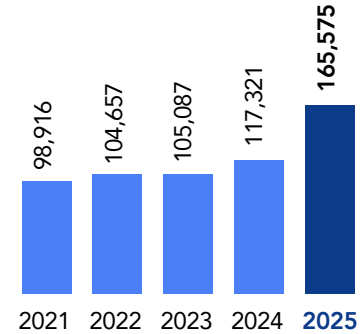
**REVENUE (RM'000)**



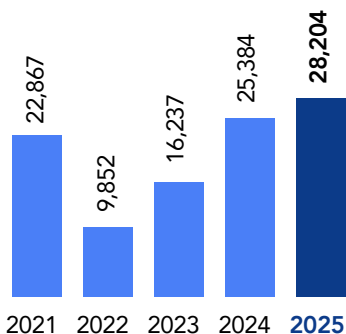
**GROSS PROFIT (RM'000)**



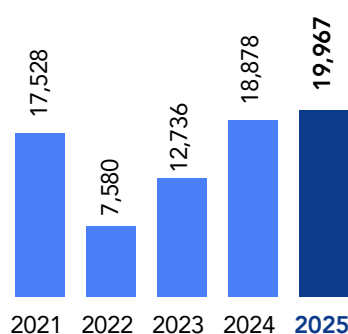
**TOTAL ASSETS (RM'000)**



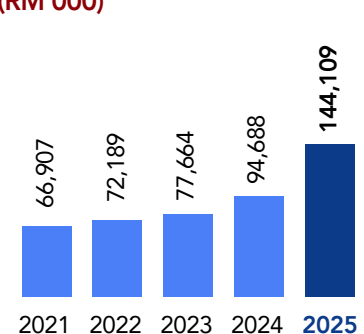
**PROFIT BEFORE TAX (RM'000)**



**PROFIT AFTER TAX (RM'000)**



**SHAREHOLDERS' EQUITY (RM'000)**



# KEY FINANCIAL HIGHLIGHTS



## REVENUE

**RM99.37** million

FYE 2024 | RM100.72 million



## PROFIT BEFORE TAX

**RM28.20** million

FYE 2024 | RM25.38 million



## GROSS PROFIT

**RM38.27** million

FYE 2024 | RM31.72 million



## PROFIT AFTER TAX

**RM19.97** million

FYE 2024 | RM18.88 million



## TOTAL ASSETS

**RM165.58** million

FYE 2024 | RM117.32 million



## SHAREHOLDERS' EQUITY

**RM144.11** million

FYE 2024 | RM94.69 million

# DIRECTORS' PROFILE



## DATUK IR. HJ. ALI AHMAD BIN HAMID *Independent Non-Executive Chairman*

Nationality <b>Malaysian</b>	Age <b>64</b>	Gender <b>Male</b>
Date of Appointment <b>28 May 2024</b>	Board Meetings Attended <b>5 / 5</b>	

### Academic / Professional Qualifications

- Bachelor of Civil Engineering, Universiti Teknologi Malaysia (1985)
- Master of Engineering in Soil Mechanics and Foundation Engineering, Heriot-Watt University, United Kingdom (1988)
- Member, Institution of Engineers Malaysia (since 2009)
- Professional Engineer, Board of Engineers Malaysia (since 2010)
- Professional Engineer with Practising Certificate (since 2015)

### Professional Experience

Datuk Ir. Hj. Ali Ahmad Bin Hamid has over 35 years of experience in civil engineering and public infrastructure development. He began his career with the Public Works Department (JKR) Sabah in 1985, playing a key role in soil investigations, structural design, and infrastructure planning across various districts.

Over the years, he served in multiple leadership positions within JKR including Chief Assistant Director of both the Highway and Road Divisions at the JKR Sabah Headquarters. He actively coordinated with federal and state agencies on infrastructure projects under various Malaysia Plans and contributed to regional development efforts such as Sosial Ekonomi Malaysia Indonesia (SOSEK-MALINDO) and Brunei Darussalam-Indonesia-Malaysia-Philippines East ASEAN Growth Area ("BIMP-EAGA") frameworks.

He was later promoted to Deputy Director in 2016 and subsequently to Director of JKR Sabah in 2020, where he was responsible for major decision-making on infrastructure initiatives and technical advisory to government bodies. He retired from public service in 2022. He currently serves as director in several private limited companies.

### Board Committees

- Member of the Audit and Risk Management Committee (Appointed on 29 May 2025)
- Member of the Remuneration Committee (Appointed on 29 May 2025)
- Member of the Nomination Committee (Appointed on 29 May 2025)

### Directorship(s) in the Other Public Companies and Listed Issuers in Malaysia

None

### Family Relationship with any Directors and/or Major Shareholders

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

### Conflict of Interest with the Company

He does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

### Other than traffic offences, the list of conviction for any offences within the past 5 years and any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2025

Nil

# DIRECTORS' PROFILE

## KANG KET HUNG

Managing Director

Nationality  
**Malaysian**

Age  
**45**

Gender  
**Male**

Date of Appointment  
**4 December 2023**

Board Meetings Attended  
**5 / 5**



### Academic / Professional Qualifications

- Bachelor of Commerce in International Business and Electronic Commerce, Curtin University of Technology (now Curtin University), Australia (2002)

### Professional Experience

Mr. Kang Ket Hung has over 23 years of experience in the manufacturing and trading of steel roofing and steel-related products. He is primarily responsible for steering the Group's strategic direction, formulating business plans, and overseeing day-to-day operations.

He began his career in 2002 as a Sales Executive at Doors Plus Holdings Pty Ltd, Australia. In 2003, he returned to Malaysia and joined his family business, Kang Ming Trading Sdn. Bhd., where he was involved in sales, supplier sourcing, and operations.

That same year, he co-founded Colform Sdn. Bhd. with Mr. Kang Ah Hin to venture into steel roofing manufacturing. He later co-founded Colform Steel Sdn. Bhd. in 2009 to expand into steel processing and Frametech IBS Sdn. Bhd. in 2020 to focus on Industrialised Building System steel framing business. He has served as a Director of all three subsidiaries of the Company, playing a critical role in driving operational growth and strategic expansion.

Though still a director of Kang Ming Trading, he has not been involved in its daily operations since 2005.

### Board Committees

None

### Directorship(s) in the Other Public Companies and Listed Issuers in Malaysia

None

### Family Relationship with any Directors and/or Major Shareholders

He is the brother of Ms. Kang Phui Ting (Non-Independent Executive Director) and Ms. Kang Phui Yie (Non-Independent Executive Director and Major Shareholder).

He is also a director and major shareholder of Kang Ming Trading Sdn. Bhd., which is a major shareholder of the Company.

### Conflict of Interest with the Company

He does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries, except as disclosed in the Notes to the Audited Financial Statements of this Annual Report and the recurrent related party transactions of a revenue or trading nature disclosed in the Circular to Shareholders dated 27 April 2026.

### Other than traffic offences, the list of conviction for any offences within the past 5 years and any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2025

Nil

# DIRECTORS' PROFILE



## KANG PHUI TING Non-Independent Executive Director

Nationality <b>Malaysian</b>	Age <b>47</b>	Gender <b>Female</b>
Date of Appointment <b>23 May 2024</b>	Board Meetings Attended <b>5 / 5</b>	

### Academic / Professional Qualifications

- Bachelor of Commerce (Accounting), Curtin University of Technology (now Curtin University), Australia (2002)

### Professional Experience

Ms. Kang Phui Ting has over 21 years of experience in accounting, procurement, logistics, and operations. She began her career in 2002 as an Admin Clerk at a packaging manufacturing company in Kuala Lumpur, handling basic bookkeeping and administrative functions.

In 2003, she joined Nippon Steel Construction Malaysia Sdn Bhd as an Accounts and Admin Clerk, managing payroll, supplier payment records, and other administrative responsibilities.

In 2005, she returned to Sandakan and joined her family business, Kang Ming Trading Sdn. Bhd., as a Director. She oversaw procurement and logistics, and currently holds a 15% equity interest in the company. Since 2010, she has been focusing full-time on Colform Sdn. Bhd. as its Operations Manager, where she continues to oversee supply chain operations, warehousing, and logistics for the Group. Her involvement has been integral in scaling the Group's procurement efficiency and logistical capacity.

### Board Committees

None

### Directorship(s) in the Other Public Companies and Listed Issuers in Malaysia

None

### Family Relationship with any Directors and/or Major Shareholders

She is the sister of Mr. Kang Ket Hung (Managing Director and Major Shareholder) and Ms. Kang Phui Yie (Non-Independent Executive Director and Major Shareholder).

She is also a director and major shareholder of Kang Ming Trading Sdn. Bhd., which is a major shareholder of the Company.

### Conflict of Interest with the Company

She does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries, except as disclosed in the Notes to the Financial Statements of this Annual Report and the recurrent related party transactions of a revenue or trading nature disclosed in the Circular to Shareholders dated 27 April 2026.

### Other than traffic offences, the list of conviction for any offences within the past 5 years and any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2025

Nil

# DIRECTORS' PROFILE

## KANG PHUI YIE

*Non-Independent Executive Director*

Nationality  
**Malaysian**

Age  
**38**

Gender  
**Female**

Date of Appointment  
**28 May 2024**

Board Meetings Attended  
**5 / 5**



### Academic / Professional Qualifications

- Higher Diploma in Hospitality Management, Taylor's University (2009)
- Bachelor of Hospitality Management, Robert Gordon University, United Kingdom (2010)

### Professional Experience

Ms. Kang Phui Yie began her career in 2011 as a Sales Executive at Swissma Building Technologies Sdn Bhd, where she handled client acquisition and sales of roofing materials.

In 2013, she joined Colform Sdn. Bhd. as Sales and Marketing Manager, overseeing operations across hardware dealers, project sales, and government project sectors. She also led the formulation of sales strategies and business development plans.

In 2016, with the Group's entry into installation services, she assumed leadership of the Project and Technical Design Department.

In 2020, she co-founded Frametech IBS Sdn. Bhd. with the goal of formalising the Group's Industrialised Building System's ("IBS") steel framing business. She remains a Director of Frametech IBS Sdn. Bhd. and is currently responsible for IBS project procurement, design, and execution.

### Board Committees

None

### Directorship(s) in the Other Public Companies and Listed Issuers in Malaysia

None

### Family Relationship with any Directors and/or Major Shareholders

She is the sister of Mr. Kang Ket Hung (Managing Director and Major Shareholder) and Ms. Kang Phui Ting (Non-Independent Executive Director).

She is also a major shareholder of Kang Ming Trading Sdn. Bhd., which is a major shareholder of the Company.

### Conflict of Interest with the Company

She does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries, except as disclosed in the Notes to the Financial Statements of this Annual Report and the recurrent related party transactions of a revenue or trading nature disclosed in the Circular to Shareholders dated 27 April 2026.

**Other than traffic offences, the list of conviction for any offences within the past 5 years and any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2025**

Nil

# DIRECTORS' PROFILE



## NOOR ILIENNA RAHAYU BINTI IBRAHIM

*Independent Non-Executive Director*

Nationality <b>Malaysian</b>	Age <b>41</b>	Gender <b>Female</b>
Date of Appointment <b>28 May 2024</b>	Board Meetings Attended <b>5 / 5</b>	

### Academic / Professional Qualifications

- Bachelor of Laws (LL.B), International Islamic University Malaysia (2010)
- Advocate & Solicitor of the High Court of Malaya (since 2010)
- Advocate & Solicitor of the High Court of Sabah and Sarawak (since 2013)
- Postgraduate Diploma in Judiciary and Advocatory Practice, Universiti Sains Islam Malaysia (2025)

### Professional Experience

Pn. Noor Ilienna Rahayu Binti Ibrahim began her legal career in 2010 as a Legal Assistant at Messrs Mohamed Ridza & Co, where she was involved in corporate conveyancing, legal due diligence, and advisory work for financial institutions.

In 2012, she returned to Sandakan and commenced pupillage at Messrs Ken Yong & Co. Following her admission as an Advocate and Solicitor of the High Court of Sabah and Sarawak in 2013, she was retained as Legal Assistant and later promoted to Partner in 2018. Her responsibilities spanned conveyancing, corporate law, family law, probate, and civil and criminal litigation.

In 2020, she co-founded her own legal firm, Messrs Ibrahim & Chang, where she currently serves as Partner, continuing her comprehensive legal practice and leading its operations.

### Board Committees

- Chairperson of the Nomination Committee
- Member of the Audit and Risk Management Committee
- Member of the Remuneration Committee

### Directorship(s) in the Other Public Companies and Listed Issuers in Malaysia

None

### Family Relationship with any Directors and/or Major Shareholders

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

### Conflict of Interest with the Company

She does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

### Other than traffic offences, the list of conviction for any offences within the past 5 years and any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2025

Nil

# DIRECTORS' PROFILE

## TAN KUNG MING

*Independent Non-Executive Director*

Nationality  
**Malaysian**

Age  
**56**

Gender  
**Male**

Date of Appointment  
**28 May 2024**

Board Meetings Attended  
**5 / 5**



### Academic / Professional Qualifications

- Sijil Tinggi Persekolahan Malaysia, Sekolah Menengah St. Mary, Sandakan (1990)
- Certified Public Accountant, MICPA (1999)
- Chartered Accountant, Malaysia Institute of Accountants (since 2003)
- Licensed Tax Agent, Ministry of Finance (since 2007)

### Professional Experience

Mr. Tan Kung Ming began his career in 1991 as a Junior Audit Assistant with KPMG Peat Marwick in Sandakan. Over the years, he progressed through various roles, including Audit Assistant and Senior Audit Assistant, managing audit assignments ranging from SMEs to public-listed groups.

In 1996, he joined Approfit (KK) Sdn Bhd as a Corporate Planning Executive, and later, its affiliate Seattle Realty Sdn Bhd as Corporate Manager. He held accounting roles at Sri Somaha (S) Sdn Bhd and Zung Zang Holdings Sdn Bhd before joining Priceworth Industries Sdn Bhd in 2001 as Group Accountant. There, he was involved in the group's listing exercise and oversaw public reporting and regulatory compliance.

In 2003, he established his own firm, TKM & Co, where he continues to serve as Partner, offering accounting, taxation, company secretarial, and consultancy services.

### Board Committees

- Chairman of the Audit and Risk Management Committee (Appointed on 29 May 2025)
- Chairman of the Remuneration Committee
- Member of the Nomination Committee

### Directorship(s) in the Other Public Companies and Listed Issuers in Malaysia

None

### Family Relationship with any Directors and/or Major Shareholders

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

### Conflict of Interest with the Company

He does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

### Other than traffic offences, the list of conviction for any offences within the past 5 years and any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2025

Nil

# KEY SENIOR MANAGEMENT PROFILE

## YVONNE LYE YEE WEN

Group Accountant

Nationality	Age
<b>Malaysian</b>	<b>38</b>
Gender	Date of Appointment
<b>Female</b>	<b>19 June 2023</b>

### Academic / Professional Qualifications

- Bachelor of Accounting (Hons), Universiti Malaysia Sabah (2013)
- Chartered Accountant, Malaysia Institute of Accountants (since 2017)

### Professional Experience

Ms. Yvonne Lye Yee Wen brings over a decade of experience in audit, financial reporting, and corporate finance. She started her career in 2013 as an Audit Associate in firms such as KPMG PLT, Ernst & Young, and FS Chen & Associates (now Jeta PLT), subsequently promoted to Audit Senior Associate, where she was involved in audit assignments for various industries.

In 2017, she joined Kretam Holdings Berhad as an Accounts Executive and was promoted to Accountant, managing accounting functions and financial systems for its oil mill division. In 2019, she joined Coastal Contracts Bhd., where she was involved in corporate finance, investor communications, and due diligence work for project investments.

She joined Colform Group Berhad in 2023 as Group Accountant and currently leads the accounts and finance department. She supports the Managing Director in financial reporting and secretarial matters as well as tax compliance matters in relation to the business operation of the Group.

### Family Relationship with any Directors and/or Major Shareholders

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

### Conflict of Interest with the Company

She does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

## LIEW TEK FUI

Human Resource & Admin Manager

Nationality	Age
<b>Malaysian</b>	<b>43</b>
Gender	Date of Appointment
<b>Male</b>	<b>17 June 2023</b>

### Academic / Professional Qualifications

- Preliminary English for Business Certificate, LCCI (2002)
- Level 2 Certificate in Book-Keeping and Accounts LCCI, (2002)
- Level 3 Group Diploma in Cost Accounting and Diploma in Accounting, LCCI (2003)

### Professional Experience

Mr. Liew Tek Fui began his career in 2004 as an Audit Clerk at Quek & Company before holding various accounting roles in private companies. In 2012, he joined Colform Steel Sdn. Bhd. (a subsidiary of the Group) as Account Executive, where he handled financial reporting, payroll, tax, and human resource functions.

In 2023, he was promoted to Human Resource & Taxation Manager and he responsible on the handling Group's HR and tax functions exclusively. On 1 June 2025, he was re-designated as the position of Human Resource & Admin Manager, where he assumed responsibility for the Group's HR and administrative functions.

### Family Relationship with any Directors and/or Major Shareholders

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

### Conflict of Interest with the Company

He does not have any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiaries.

Directorship(s) in the Other Public Companies and Listed Issuers in Malaysia

None

Other than traffic offences, the list of conviction for any offences within the past 5 years and any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year ended 31 December 2025

Nil

# CHAIRMAN'S STATEMENT



“Dear Shareholders,

*On behalf of the Board of Directors (“Board”) of Colform Group Berhad (“Colform” or “Company”), I am pleased to present our annual report and financial statements for the financial year ended 31 December 2025 (“FYE 2025”).*”

**Datuk Ir. Hj. Ali Ahmad Bin Hamid**  
Independent Non-Executive Chairman

## STRATEGIC INITIATIVES TO SUPPORT SUSTAINABLE GROWTH

The past year represented a phase of consolidation and focused execution, as the Company and its subsidiaries (“Group”) strengthened our operational foundation, expanded geographical footprint, and further reinforced long-term growth strategy to support sustainable future performance.

FYE 2025 also marked a year of operational strengthening and strategic expansion, primarily focussed on disciplined growth and capability enhancements. The Group continued to exercise prudent financial management in the utilisation of both internally generated funds and IPO proceeds, which were strategically allocated to support business expansion initiatives, enhance production efficiency, and solidify our market position as a supplier of choice in the steel manufacturing and processing industry.

## FINANCIAL PERFORMANCE IN THE FYE 2025

For the FYE 2025, the Group recorded revenue of RM99.37 million, reflecting sustained demand for our products and services. The manufacturing of downstream steel products and processing of steel coils division remained the Group’s primary revenue contributor, generating RM56.20 million or 56.56% of total revenue. The trading of other downstream steel products and building materials division contributed RM23.75 million, representing approximately 23.90% of total revenue, while the supply, installation and project management services for construction projects division accounted for RM19.42 million, or approximately 19.54% of the Group’s total revenue for the year.

Gross profit for the year amounted to RM38.27 million, translating into a gross profit margin of 38.51%. Profit before tax (“PBT”) stood at RM28.20 million, while profit after tax (“PAT”) amounted to RM19.97 million. PBT and PAT margins were 28.38% and 20.09%, respectively. The Group’s strong revenue performance was complemented by healthy profit margin, reflecting our ability to sustain solid earnings, maintain operational resilience, and exercise prudent cost management amid a challenging and competitive business environment.

Overall, the Group maintained a resilient financial position, supported by a balanced and integrated business model.

## STRATEGIC INVESTMENTS AND OPERATIONAL ENHANCEMENTS

The Group remains committed to strengthening our operational facilities as part of ongoing business expansion efforts to support sustainable growth and long-term prospects.

# CHAIRMAN'S STATEMENT

## STRATEGIC INVESTMENTS AND OPERATIONAL ENHANCEMENTS (CONT'D)

The development of the colour coil coating production line remains a key strategic priority for the Group, supporting greater product differentiation and reducing reliance on external suppliers upon its completion. The steady progress made during the year on the establishment of the colour coil coating production line, will dovetail with the Group's strategy to strengthen our technical and operational capabilities. Once commissioned during the financial year ending 31 December 2026, this new facility is expected to broaden the Group's value-added offerings with enhanced margin sustainability.



In parallel, the Group continued to make steady progress on the construction of a new storage facility adjacent to our existing Kota Kinabalu factory within the Kota Kinabalu Industrial Park. This expansion is intended to enhance warehousing capacity and inventory management, accommodating increased volumes of raw materials and finished goods from both existing and new operations, while improving supply chain efficiency and delivery timeliness.

On the other hand, the Group acquired a parcel of leasehold industrial land measuring approximately 29,595 square meters located within Pulau Indah Industrial Park (PIIP), a major industrial hub in Klang, Selangor, supporting diverse sectors such as manufacturing, logistics, and warehousing, alongside integrated residential and commercial developments. The area offers good business potential due to its strategic location, accessibility and connectivity, providing a solid foundation to tap on a much larger market size for the Group's future growth opportunities. Following the completion of acquisition and the handover of vacant possession, the land is intended for the construction of new production facilities and office, establishing a long-term operational hub in the central region of Peninsular Malaysia. This strategic investment reinforces the Group's commitment to expanding manufacturing footprint in Peninsular Malaysia and strengthening our distribution capabilities nationwide.

## SUSTAINABILITY COMMITMENT

Sustainability encapsulating material economic, environmental, social and governance factors remain core elements of the Group's sustainability strategy. As a key player in the downstream steel industry, the Group places strong emphasis on operational efficiency and responsible resource and waste management. In addition, responsible sourcing practices and support for local suppliers remained the Group's broader efforts to contribute positively to the communities in which it operates.

The Group is committed to upholding rigorous quality and compliance standards, as evidenced by its certifications and licences, including ISO 9001:2015 quality management systems and accreditations from the Standard and Industrial Research Institute of Malaysia (SIRIM) and the Construction Industry Development Board Malaysia (CIDB). These certifications and accreditations support the Group's commitment to maintaining consistent product quality, enhance operational safety and health practices, and improve technical competencies in our business operations.

The Group continues to optimise material usage, strengthen waste management practices, and enhance energy efficiency across all production and operational facilities. We also aim to reduce greenhouse gas (GHG) emissions and chemical waste, by further improving energy efficiency through advanced technologies and environmentally friendly production processes, such as the establishment of the colour coil coating production line.

In line with the Occupational Safety and Health Act (OSHA) Malaysia, the Group maintains workplace safety through stringent safety measures, regular training programmes, and comprehensive risk management protocols, fostering a secure working environment for all employees. Workplace development remains a priority for the Group, supported by structured training programmes and skills enhancement initiatives.

From a governance perspective, the Board upholds transparency, integrity, and accountability in accordance with the Malaysian Code on Corporate Governance (MCCG). Strong internal controls and comprehensive risk management frameworks remains central to safeguarding the Group's assets and shareholders' interests.

# CHAIRMAN'S STATEMENT

## PROSPECTS

The economic outlook in Malaysia continues to present constructive opportunities, supported by ongoing infrastructure development, industrial expansion, and stable domestic demand. Government-led and private sector initiatives across Sabah, Sarawak, and Peninsular Malaysia are expected to sustain momentum in the construction sector, thereby supporting continued demand for downstream steel products and building materials.

According to projections by the International Monetary Fund (IMF), global economy growth is expected to remain resilient at approximately 3.30% in year 2026 and 3.20% in year 2027. Meanwhile, the World Steel Association forecasts a modest rebound in global steel demand of 1.30% in year 2026, driven by improving financial conditions and increased public infrastructure investments, notwithstanding ongoing uncertainties in global trade and geopolitical tensions.

Malaysia's economy is expected to grow between 4.00% and 4.50% in year 2026. The government's record RM419.20 billion allocations in Malaysia's Budget 2026, including RM81.00 billion earmarked for development expenditure, underscores its commitment to fostering economic growth and strengthening social protection. Notably, the budget includes the highest-ever development expenditure allocations of RM6.90 billion for Sabah and RM6.00 billion for Sarawak, which are anticipated to support these 2 states' infrastructure development and economic expansion.

Aligned with major national projects in Sabah and Sarawak, including the Pan Borneo Highway and Sarawak Sabah Link Road (SSLR) Phase 2, these initiatives are expected to drive strong demand for downstream steel products in the coming years. Harnessing ongoing government and private sector initiatives and steady expansion of the construction sector, the Group is strategically positioned to capitalise on emerging opportunities and deliver sustainable value to both shareholders and other stakeholders.



## REWARDING OUR LOYAL SHAREHOLDERS

In line with the Group's performance and commitment to delivering shareholders' value, the Company paid a first interim single-tier dividend of 1.30 sen per ordinary share amounting to RM7.80 million for the FYE 2025 on 26 September 2025. The dividend of 1.30 sen per share translate to a dividend payout ratio of 44.07% based on earnings per share of 2.95 sen in the FYE 2025.



The Board remains committed to delivering sustainable business growth while balancing shareholders' returns, after taking into consideration the availability of adequate distributable reserves, operating cash flows, financial commitments, and capital requirements required to support the Group's ongoing expansion and future business growth initiatives.

## ACKNOWLEDGEMENT

On behalf of the Board, I extend our sincere appreciation to our shareholders, customers, business partners, and regulatory authorities for their continued trust and confidence.

I would also like to recognise the dedication and professionalism of our management team and employees. Their collective efforts remain fundamental to the Group's continued progress.

As we move forward, Colform remains committed to disciplined growth, operational excellence, and long-term value creation. With strengthened capabilities and expanded market reach, we are confident in building a more resilient and competitive organisation in the years ahead.

**DATUK IR. HJ. ALI AHMAD BIN HAMID**  
Independent Non-Executive Chairman

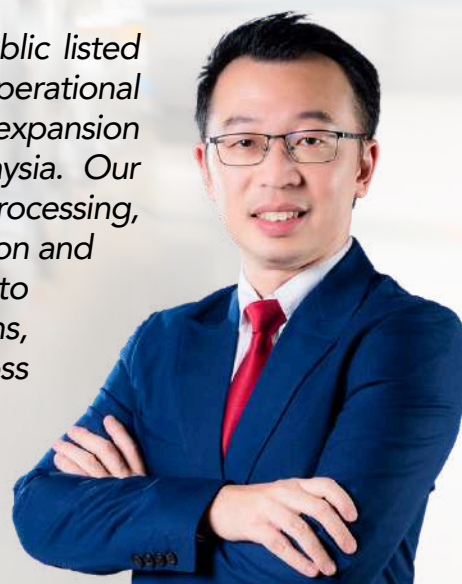
# MANAGING DIRECTOR'S STATEMENT

Dear Shareholders,

The financial year ended 31 December 2025 ("FYE 2025") was a historical milestone for the Colform Group Berhad ("Colform" or "the Company") following our successful listing on the ACE Market of Bursa Securities Malaysia Berhad ("Bursa Securities") on 10 February 2025. As a newly listed public company, we entered the year with resolute and clear commitments to deliver sustainable performance, strengthen governance frameworks, and disciplined execution of our growth strategies with agility. I am pleased to report that the Company and its subsidiaries ("Group") achieved a strong and resilient performance while making meaningful progress in advancing our strategic expansion initiatives.

FYE 2025, being our first reporting year as a public listed company, was characterised by disciplined operational execution, financial stability, and strategic expansion beyond our traditional stronghold in East Malaysia. Our integrated business model spanning steel processing, manufacturing and trading, together with installation and project management services continued to demonstrate our resilience and strategic strengths, enabling the Group to capture opportunities across the downstream steel value chain.


**Kang Ket Hung**  
Managing Director



## FINANCIAL PERFORMANCE

### Revenue and Profitability

For FYE 2025, the Group achieved revenue of RM99.37 million, comparable to RM100.72 million recorded in financial year ended 31 December 2024 ("FYE 2024"). Profit Before Tax ("PBT") and Profit After Tax ("PAT") stood at RM28.20 million and RM19.97 million, respectively, in FYE 2025, representing increase of 11.11% and 5.77%, respectively, from RM25.38 million and RM18.88 million recorded in FYE 2024. The increase was primarily attributable to the higher profit contributions across all three business divisions during the year.

“  Profit After Tax ("PAT")  
RM 19.97 Million ”

Excluding the one-off non-recurring listing expenses of RM2.71 million incurred in connection with our successful listing on the ACE Market of Bursa Securities, the Group's normalised PBT would have been RM30.91 million, reflecting the Group's stable underlying operating performance. Correspondingly, the Group's normalised PAT would have been RM22.68 million, demonstrating the resilience of the Group's core business operations despite the prevailing industry challenges and market uncertainties.

The Manufacturing and Processing Division remained the Group's largest revenue contributor, generating RM56.20 million, representing 56.56% of total revenue in FYE 2025, compared with RM58.38 million, or 57.96% in FYE 2024. The Trading Division contributed RM23.75 million, or 23.90% of total revenue in FYE 2025, slightly lower than RM29.45 million, or 29.24% in FYE 2024. Meanwhile, the Supply, Installation and Project Management Services Division recorded RM19.42

# MANAGING DIRECTOR'S STATEMENT

## Revenue and Profitability (Cont'd)

million, accounting for 19.54% of total revenue in FYE 2025, increased from RM12.89 million, or 12.80% in FYE 2024. Overall, the steady performance across all divisions underscores the resilience of the Group's earnings base and the strength of our balanced and integrated business model.

## Financial Position

Our margins remained healthy, supported by disciplined cost and risk management, improved workflow coordination, and better inventory planning. Importantly, we maintained a strong balance sheet position, with total assets of RM165.58 million and cash and cash equivalents of RM57.13 million as at 31 December 2025, ensuring sufficient liquidity to fund ongoing expansion plans and support day-to-day business operations.

## Delivering on Our Post Listing Commitments

Following our listing, we committed to scaling our operations responsibly while strengthening our nationwide presence, making significant progress over FYE 2025 toward realising our vision.

A major milestone during the year was our expansion into Peninsular Malaysia through the successful leasing of a factory at Telok Gong Industrial Park, Port Klang, Selangor. This facility is intended to support our manufacturing, operations, storage and office functions. The expansion strengthens our nationwide presence, enhances our proximity to key markets, and improves our responsiveness to customers in the central region of Peninsular Malaysia, further positioning the Group to participate more actively in infrastructure and industrial developments within the Klang Valley and its surrounding regions.

Besides that, the Group successfully acquired a parcel of industrial land at Pulau Indah Industrial Park, Port Klang. The land developer is currently undertaking infrastructure works and the acquisition is expected to be completed by 4<sup>th</sup> quarter of 2027. Upon completion, the vacant possession of the land will be handed over to the Group, and the Group will be registered as the landowner. The site is planned for the construction of production facilities and office, which will serve as the Group's primary operational hub in the central region of Peninsular Malaysia. The site offers close proximity to Port Klang, convenient access to major highways, strong connectivity to nearby airports, enhancing logistics efficiency and

supporting the Group's nationwide distribution strategy.

In East Malaysia, we continued with the implementation of the colour coil coating production line at our Kota Kinabalu factory. Once completed, this initiative will enable us to expand our in-house capabilities to manufacture customised colour coated coils, complement our existing product range, enhancing quality control, reducing reliance on third party suppliers, and improving turnaround time for customers.



In addition to the above, the Group also progressed the construction of a new storage facility adjacent to our existing Kota Kinabalu factory within Kota Kinabalu Industrial Park. The new storage facility is targeted to be operational during the financial year ending 31 December 2026 and will enhance our warehousing capacity and inventory management, further strengthening operational efficiency in preparation for the anticipated increase in production volumes upon the completion and commissioning of the colour coil coating production line.

In respect of the Enterprise Resource Planning ("ERP") system, the Group continued to progress with the implementation phase, which included defining workflows, configuring data structures, customising the system to align with our existing business processes and specific operational requirements, as well as carrying out system integration and testing. Throughout this phase, the Group's ERP implementation team worked closely with the ERP system provider for implementation of the ERP system within project schedule. Upon completion, the ERP system is expected to provide a centralised platform to integrate all core business processes and facilitate better real time visibility across departments, thereby enhancing operational and management efficiency.

# MANAGING DIRECTOR'S STATEMENT

## Business Growth and Strategies

The increasing adoption of Industrialised Building System (“IBS”) solutions presents additional growth potential for the Group. Coupled with government-led encouragement and industry-wide sustainability initiatives, the growing emphasis within the construction industry on improving efficiency and productivity, achieving cost optimisation, enhancing build quality, reducing reliance on foreign labour and minimising material wastage continues to accelerate the adoption of IBS solutions. Supported by our capabilities and expertise in manufacturing steel-based IBS components, the Group is well positioned to support sustainable construction practices and capitalise on the industry’s transition towards modern construction methodologies, creating opportunities and strengthening the Group’s participation in both public and private sector projects driven by adoption of IBS solutions.

In East Malaysia, large-scale infrastructure developments continue to remain a key growth catalyst. The ongoing Pan Borneo Highway project continues to drive substantial demand for steel-based construction materials. The Group’s guardrails have obtained approval from the Public Works Department Malaysia and are included on JKR’s Road Material Approved List, underscoring our compliance with national road safety standards and demonstrating our capability to meet stringent technical and quality requirements for public infrastructure projects. The Group’s participation in such nationally significant developments reinforces our track record and positions the Group favourably to capitalise on future infrastructure-related opportunities.

With the contractor licence Grade 7 recognition from Construction Industry Development Board of Malaysia, Frametech IBS Sdn. Bhd., a subsidiary of the Company continued to actively participate in any large-scale and high-value project tenders, leveraging on its industry and technical expertise, while strategically positioning itself to capture growth opportunities, enhance its competitive advantage, and contribute to the Group’s sustainable growth and long-term value creation.

Collectively, these initiatives underscored our continuous commitment not only to driving growth, but also to strengthening operational reliability, enhancing delivery performance, and reinforcing customer confidence.

## Looking Ahead

The International Monetary Fund (IMF) forecasts global economic growth of approximately 3.30% in year 2026 and 3.20% in year 2027. Meanwhile, the World Steel Association forecasts a modest rebound in global steel demand of 1.30% in year 2026, driven by improving financial conditions and increased public infrastructure investments, notwithstanding ongoing uncertainties in global trade and geopolitical tensions. Domestically, Malaysia’s economy is expected to grow between 4.00% and 4.50% in year 2026.

The government allocated a total of RM419.20 billion under Malaysia Budget 2026, including RM81.00 billion for development expenditures to support the implementation of the 13<sup>th</sup> Malaysia Plan (13MP). From this allocation, RM6.90 billion was designated for Sabah and RM6.00 billion for Sarawak to accelerate regional development in both states. In line with these initiatives, the construction and infrastructure sectors are expected to continue offering structural growth opportunities. With our expanded footprint across East Malaysia and Peninsular Malaysia, strengthened manufacturing capabilities, and prudent financial management, we are well positioned to sustain our growth momentum and capitalising on emerging opportunities.

As a listed company, we remain committed to maintaining strong governance standards, driving operational excellence, and delivering long-term value creation for our shareholders.

## Appreciation

Finally, I would like to express my sincere appreciation to our shareholders and investors for their continued trust and confidence in the Company. I also extend my gratitude to our Board of Directors for their counsel and valuable guidance, the management team and employees for their unwavering dedication and commitment to scale the Group to a new level. We are equally thankful to our customers, suppliers, business partners, and bankers for their steadfast support, trust and confidence. Together, with a collective spirit and driven by a shared vision, we build on our achievements, embrace new opportunities, and create sustainable, long-term value for all our stakeholders, looking to the future with confidence, optimism and determination.

**KANG KET HUNG**  
Managing Director

# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS OVERVIEW

Colform Group Berhad ("**Colform**" or "**Company**") and its subsidiaries ("**Group**") is a leading integrated steel solutions provider in Malaysia, specialising in the manufacturing, processing as well as trading of downstream steel products and building materials. The Group also offers supply and installation services as well as project management services for construction projects. The Group primarily serves the construction, infrastructure, and industrial sectors, offering a diverse range of steel products and complimentary services tailored to meet evolving customer and industry needs. To support these product and service offerings, the Group is organised into three main business divisions as follows:

### Manufacturing and Processing Division

The Manufacturing and Processing Division is a core revenue driver for the Group, focusing on the production of structural, protective and decorative steel components, roofing sheets and accessories, purlins and battens, Industrialised Building System ("**IBS**") steel framing systems and accessories. The Group's in-house steel manufacturing capabilities to produce downstream steel products, including roll-forming, stamping, bending, laser cutting and welding, allow us to deliver high-quality and customised solutions that support residential, commercial, industrial, as well as infrastructure construction projects. To complement the offerings of steel manufactured products, the Group is also involved in the processing of steel coils by slitting steel coils to form slitted steel coils. Apart from the above, the planned colour coil coating production line when commissioned by the second half of 2026, will enable us to manufacture colour coated coils for internal usage and external sales to customers to further expand the Group's products and services range.

### Trading Division

The Group complements its Manufacturing and Processing Division through a well-established Trading Division that broadens its range of product offerings within the construction industry. This division supplies I-Beams, steel sections, insulation materials, fibre cement boards, guardrails, and other accessories that are not manufactured in-house. With this, the Group is able to provide a comprehensive range of steel products and building materials to support diverse customer base such as contractors, developers, hardware shops, and manufacturers.

### Supply, Installation and Project Management Services Division

The Group offers supply and installation services by using its in-house manufactured steel products based on the specification requirements for each construction project undertaken by our customers on a project basis.

In addition, the Group also provide project management services for construction projects covering supply, delivery and installation of steel products as well as civil engineering works for building construction, whereby in such circumstances, the Group outsources civil engineering works to subcontractors.

The Group has built a strong presence in the IBS sector, supplying and installing pre-fabricated steel framing systems, roof trusses, wall cladding, and other related structural components. As the adoption of IBS technology continues to grow in Malaysia, driven by government incentives and demand for cost-effective construction solutions, the Group is well-positioned to further expand its supply, installation and project management services and strengthen its participation in large-scale infrastructure projects.

## FINANCIAL HIGHLIGHTS

### Financial Results

Financial Year Ended 31 December	2025	2024
Revenue (RM' Million)	99.37	100.72
Gross Profit (RM' Million)	38.27	31.72
Profit Before Tax (RM' Million)	28.20	25.38
Profit After Tax (RM' Million)	19.97	18.88
Gross Profit Margin (%)	38.51	31.49
Profit Before Tax Margin (%)	28.38	25.20
Profit After Tax Margin (%)	20.09	18.74
Basic/Diluted Earnings Per Share (Sen)	2.95	3.64

For the financial year ended 31 December 2025 ("**FYE 2025**"), the Group achieved revenue of RM99.37 million, which is comparable to RM100.72 million reported in financial year ended 31 December 2024 ("**FYE 2024**").

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL HIGHLIGHTS (CONT'D)

### Financial Results (Cont'd)

This steady performance was primarily driven by higher sales volume across its three core business divisions, supported by sustained demand for steel products and building materials amid continued construction and infrastructure development in Malaysia.

From a segmental revenue perspective, the Manufacturing and Processing Division remained the Group's largest revenue contributor in FYE 2025, generating RM56.20 million, representing 56.56% of total revenue, compared with RM58.38 million, or 57.96%, in FYE 2024. This performance was supported by steady orders for roofing sheets, purlins and battens, and steel framing systems, alongside increased adoption of IBS steel components.

The Trading Division recorded revenue of RM23.75 million, accounting for 23.90% of total revenue in FYE 2025, slightly lower than RM29.45 million, or 29.24% of total revenue, in FYE 2024. This division continued to be supported by demand from contractors and developers for steel sections, guardrails, insulation materials, fibre cement boards and other accessories.

Meanwhile, the Supply, Installation and Project Management Services Division contributed RM19.42 million, representing 19.54% of total revenue in FYE 2025, an increase from RM12.89 million, or 12.80% of the total revenue, in FYE 2024, reflecting continued growth in this segment.

Despite the marginal decline in total revenue, the Group recorded a significant improvement in Gross Profit ("GP"), which increased by RM6.55 million from RM31.72 million in FYE 2024 to RM38.27 million in FYE 2025. The improvement was mainly attributable to stronger margins across all business divisions, supported by the Group's enhanced pricing strategies, improved production efficiency, and ongoing supply chain optimisation. The GP margin also improved markedly from 31.49% in FYE 2024 to 38.51% in FYE 2025.

With the improved GP, the Group's profit before tax ("PBT") stood at RM28.20 million in FYE 2025, which increased from RM25.38 million in FYE 2024, while profit after tax ("PAT") rose to RM19.97 million in FYE 2025, up from RM18.88 million in FYE 2024.

This translates to higher PBT margin and PAT margin of 28.38% and 20.09% respectively in FYE 2025, compared to 25.20% and 18.74% respectively in FYE 2024, mainly attributable to the higher profit contribution from all business divisions, demonstrating the Group's continued ability to deliver resilient earnings amid industry-wide challenges and market uncertainties.

The Group's basic earnings per share ("EPS") was 2.95 sen per share in FYE 2025, compared with 3.64 sen per share in FYE 2024.

The higher basic EPS of 0.69 sen in FYE 2024 was mainly due to the lower weighted average number of issued ordinary shares used in the computation, prior to the issuance of 114,424,000 new ordinary shares in conjunction with the Company's listing on 10 February 2025.

### Financial Position

As at 31 December	2025 RM'Million	2024 RM'Million
Total Assets	165.58	117.32
Total Liabilities	18.15	21.23
Shareholders' Equity	144.11	94.69
Cash and Cash Equivalents	57.13	26.69

The Group's total assets increased by RM48.26 million from RM117.32 million as at 31 December 2024 to RM165.58 million as at 31 December 2025. The increase was mainly attributable to higher trade receivables in line with increased revenue contribution from the Supply, Installation and Project Management Services Division. In addition, other receivables increased primarily due to higher deposits and advance payments made to suppliers for the purchase of raw materials and trading goods, as well as the acquisition of property, plant and equipment. The increase in total assets was further supported by an increase in cash and cash equivalents following the receipt of gross proceeds amounting to RM41.19 million from the Initial Public Offering ("IPO") in conjunction with the Company's successful listing on the ACE Market of Bursa Malaysia Securities Berhad on 10 February 2025.

On the other hand, the Group's total liabilities decreased by RM3.08 million from RM21.23 million as at 31 December 2024 to RM 18.15 million as at 31 December 2025 was mainly due to the repayments of term loans and bankers' acceptance made during FYE 2025 from cash generated from the operations.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL HIGHLIGHTS (CONT'D)

### Financial Position (Cont'd)

The Group continued to maintain a solid shareholders' equity, which increased by RM49.42 million from RM94.69 million as at 31 December 2024 to RM144.11 million as at 31 December 2025, primarily attributable to the enlarged issued share capital arising from the issuance of 114,424,000 new ordinary shares pursuant to the IPO.

The Group's cash and cash equivalents remained healthy, increasing by RM30.44 million from RM26.69 million as at 31 December 2024 to RM57.13 million as at 31 December 2025. Accordingly, the Group's liquidity position was further strengthened by the gross proceeds of RM41.19 million raised from its successful IPO listing.

### Key Performance Indicators Overview

Liquidity Ratio	As at 31 December 2025	As at 31 December 2024
Gearing Ratio	0.05 times	0.10 times
Current Ratio	11.86 times	5.82 times

Turnover Period	FYE 2025	FYE 2024
Inventories Turnover Period	179 days	175 days
Trade Receivables Turnover Period	88 days	76 days
Trade Payables Turnover Period	13 days	18 days

### Gearing Ratio

Gearing ratio improved from 0.10 times to 0.05 times as at 31 December 2025. This was mainly attributable to the repayments of term loans and bankers' acceptance made during FYE 2025. The low and healthy gearing ratio enhances the Group's financial flexibility to pursue future opportunities and supports its long-term growth.

### Current Ratio

Current ratio improved significantly from 5.82 times to 11.86 times as at 31 December 2025. The improvement in liquidity position was mainly attributable to the combined effects of the increase in trade and other receivables, the increase in cash and

cash equivalents arising from IPO proceeds raised, as well as the reduction in total liabilities following the repayments of term loans and bankers' acceptance during FYE 2025.

### Inventories Turnover Period

The inventories turnover period of the Group was slightly increased to 179 days in FYE 2025 from 175 days in FYE 2024. The Group maintained larger inventories of raw materials for its manufacturing operations which is consistent with the operational needs and current market conditions.

### Trade Receivables Turnover Period

The Group's trade receivables turnover period increased from 76 days in FYE 2024 to 88 days in FYE 2025 mainly due to a portion of outstanding invoices still within credit period as at the end of financial year, as well as slower collections from certain contractor customers who pending to receive payments from their end customers during FYE 2025. The Group continues to implement proactive credit management approaches to ensure timely collections and support stable cash flows.

### Trade Payables Turnover Period

The Group's trade payables turnover period decreased from 18 days in FYE 2024 to 13 days in FYE 2025 mainly due to the prompt payments were made to suppliers during FYE 2025 in order to maintain good relationships with suppliers. The Group continues to make payments to suppliers as they fall due.

## CAPITAL EXPENDITURE REQUIREMENTS

As at 31 December	2025	2024
Capital Commitment	RM 26,567,299	RM 385,358

As at 31 December 2025, the Group has higher capital commitments authorised and contracted for amounted to RM26.57 million, as follows:

- RM0.13 million for the implementation of Enterprise Resource Planning system;
- RM25.92 million for the acquisition of property, plant and equipment; and
- RM0.52 million for the acquisition of investment property.

Collectively, these capital commitments reflect the Group's strategic initiatives to enhance productivity, strengthen operational effectiveness, and support sustainable growth.

# MANAGEMENT DISCUSSION AND ANALYSIS

## KNOWN TRENDS AND EVENTS

According to the latest World Economic Outlook by the International Monetary Fund (IMF), the global economy growth is expected to remain resilient, with projections of 3.30% in year 2026 and 3.20% in year 2027. Concurrently, the World Steel Association anticipates a modest rebound in global steel demand, with an estimated increase of 1.30% in year 2026. This growth is underpinned by improving financial conditions and rising public infrastructure investments amid ongoing uncertainties in global trade and geopolitical tensions.

On the domestic front, Malaysia's economy is expected to grow between 4.00% and 4.50% in year 2026, driven by strong domestic demand and ongoing government reforms. In addition, Malaysia's Budget 2026 outlines a record allocation of RM419.20 billion, including RM81.00 billion designated for development expenditure, highlighting the government's commitment to sustaining economic growth and enhancing social protection. For East Malaysia, the budget allocates record-high development expenditure of RM6.90 billion for Sabah and RM6.00 billion for Sarawak, which are expected to accelerate infrastructure development and support economic expansion in both states.

Accordingly, the Group remains optimistic about the medium to long-term prospects of the downstream steel industry. The Group is well positioned to enhance its footprint in Sabah and broaden its expansion into Peninsular Malaysia, supported by sustained government infrastructure investments and ongoing regional development initiatives.

## OPERATIONAL REVIEW

Throughout FYE 2025, the Group was actively involved in the construction and refurbishment of dilapidated schools ("**Sekolah Daif Improvement Project**") across East Malaysia. This government-led initiative aims to strengthen education infrastructure by enhancing safety standards, improving structural integrity, and providing more conducive learning environments for students in rural areas. The Group's participation in this project reflects its continued commitment to supporting national development priorities through the supply of downstream steel products, including IBS wall and framing systems, via its Manufacturing and Processing as well as Trading Divisions. These prefabricated steel solutions are instrumental in accelerating construction timelines, reducing labour dependency, improving construction efficiency and quality, particularly in remote or difficult-to-access locations.

On the other hand, the Pan Borneo Highway project, one of Malaysia's largest infrastructure initiatives in Sabah, aims to enhance regional connectivity and stimulate economic development across East Malaysia. The Group remains well-positioned to participate in the ongoing rollout of this strategic national infrastructure project through its Trading Division by supplying downstream steel products, including highway guardrails, which are approved by the Public Works Department ("**JKR**") and listed on the JKR Road Material Approved List ("**RMAL**").

In addition, the Group is an approved supplier of prefabricated cold formed steel roof trusses systems by JKR through its J-Truss Certificate of Registration, enabling it to participate in JKR-linked infrastructure and building projects. During the year, the Group advanced its strategic growth by diversifying its products portfolio and upgrading its licenses, certifications and technical qualifications. Furthermore, through its subsidiary, Frametech IBS Sdn. Bhd., the Group holds a Grade G7 contractor licence issued by the Construction Industry Development Board of Malaysia ("**CIDB**"), enabling participation in tenders for building and civil engineering projects across Malaysia, particularly in the public sector.

## ANTICIPATED OR KNOWN RISKS

As a manufacturer, trader, and installer of downstream steel products, the Group operates within a highly dynamic industry, subject to market fluctuations, raw material price volatility, and reliance on the growth in the construction sector. The Group remains vigilant in identifying, assessing, and managing key risks that may impact its operations, profitability, and long-term sustainability, while continuously enhancing its risk management practices to ensure resilience in a challenging business environment.

The Group is exposed to risks from volatility in global steel prices, as raw material costs are influenced by global macroeconomic conditions, supply-demand dynamics, and international trade policies, which may affect production cost stability and overall operating margins across the Group's manufacturing and trading divisions. To mitigate these risks, the Group continuously monitors steel price trends and optimises its procurement strategies. Additionally, the Group adopts a prudent inventory management approach to ensure stock levels align with operational needs and prevailing market conditions, while maintaining flexibility to adjust pricing and sourcing strategies when necessary.

# MANAGEMENT DISCUSSION AND ANALYSIS

## ANTICIPATED OR KNOWN RISKS (CONT'D)

As the Group sources certain steel products and raw materials from international markets, it is exposed to foreign exchange fluctuations risks, particularly in relation to the United States Dollar (USD) and Chinese Renminbi (RMB). Any significant depreciation of Ringgit Malaysia may increase procurement costs and subsequently impact overall production expenses. To manage this risk, the Group implements appropriate foreign currency management measures to enhance cost predictability in the procurement process. The Group also maintains close business relationships with suppliers to negotiate favourable pricing terms, thereby minimising the financial impact of currency fluctuations.

As a key supplier of downstream steel products and installation services for the construction sector, the Group's performance is closely linked to the health of Malaysia's construction industry. Demand for the Group's products and services continues to be supported by government infrastructure projects and private-sector developments. However, any delays in project rollouts, regulatory changes, or economic slowdowns may affect steel consumption levels and the availability of contract opportunities. To mitigate reliance on any single market segment, the Group will continue to diversify its revenue streams by expanding its presence in industrial and commercial developments across Peninsular Malaysia. The Group is also capitalising on opportunities in the IBS sector, where government incentives encourage the adoption of pre-fabricated steel components, thereby strengthening its market position.

Beyond manufacturing and trading, the Group is actively involved in steel installation and project management services, exposing it to operational and execution-related risks. These include project delays, labour shortages, fluctuating material costs, and unforeseen technical challenges that may arise during construction execution. Any cost overruns or contractual penalties could adversely affect overall project margins. To mitigate these risks, the Group implements stringent project planning, conducts thorough risk assessments, accepts projects within internal tolerance limit and closely monitors execution processes. The Group also works closely with customers and suppliers to ensure efficient project execution and delivery, while maintaining a skilled workforce and reliable subcontractor partnerships to uphold project timelines and quality standards.



As a Business-to-Business (B2B) company, the Group generally provides customers with standard credit terms of 60 days but may extend these terms for certain contractor customers, thereby increasing its exposure to credit risk. Delayed payments or customer defaults could result in higher impairment provisions, which could adversely affect the Group's financial performance. To mitigate this risk, the Group closely monitors receivables, enforces prudent credit policies, conducts thorough credit risk assessment, and undertakes proactive collection efforts to minimise bad debt risks.

By maintaining a disciplined approach to risk management, the Group remains resilient in the face of evolving industry challenges, ensuring continued operational stability, financial sustainability, and long-term growth prospects.

## FORWARD LOOKING STATEMENT

As we progress into year 2026, the Group remains optimistic about sustaining growth momentum, expanding market presence, and diversifying revenue streams, driven by ongoing infrastructure developments, increasing demand for steel solutions, and continued strategic investments in production capabilities. While Malaysia's economy continues to show resilience, the operating landscape remains dynamic, influenced by global economic conditions, steel price fluctuations, and evolving industry trends.

In line with government initiatives under Malaysia's Budget 2026, approximately RM2.00 billion will be allocated to upgrade over 520 dilapidated schools, particularly in Sabah and Sarawak, alongside ongoing nationwide school maintenance works. Additionally, RM100.00 million has been earmarked for the constructing additional classrooms at existing schools by using IBS solutions.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FORWARD LOOKING STATEMENT (CONT'D)

With the expansion of development projects and growing demand for IBS solutions in the construction sector, the Group is well-positioned to capitalise on emerging opportunities by leveraging its expertise in pre-fabricated steel components and installation services to meet the evolving needs of the market. Furthermore, the Group aims to strengthen its presence in infrastructure and public sector projects by offering comprehensive project management services alongside its steel and IBS solutions, supported by its Grade 7 CIDB contractor licence.

Against this backdrop, demand for the Group's steel products is expected to remain favourable, particularly within public infrastructure segment, where its highway guardrails are approved by the JKR and listed on JKR's RMAL. This positions the Group as a key supplier for government-funded road projects, including major infrastructure initiatives such as the Pan Borneo Highway across Sabah and Sarawak, thereby supporting Malaysia's long-term connectivity and development goals.

In Kota Kinabalu, the Group's growth is being driven by the establishment of a colour coil coating production line and the construction of a new storage facility, both expected to be completed in 2026. These strategic investments will strengthen in-house production capabilities and meet rising demand for sustainable and energy-efficient building materials, while replacing imported products with competitively priced, locally manufactured alternatives. They also offer significant opportunities to reduce reliance on external suppliers, lower raw material costs, and optimise logistics, inventory and overall cost management, thereby supporting long-term business scalability.

In addition, the Group remains focused on expanding its market presence, particularly in high-growth regions such as Peninsular Malaysia, through initiatives including the leasing of a factory in Klang to support its manufacturing, operations, storage, and office functions. This strategic expansion is expected to increase production capacity, reach a broader customer base, and capture emerging opportunities in high-growth urban areas.

Looking ahead, the Group remains committed to driving operational excellence, optimising its supply chain, and leveraging its core competencies in manufacturing, processing, trading, installation and project management services. Through continued investments in technology, operational efficiency, product innovation, production capacity, project execution capabilities, and strategic expansion, the Group is well-positioned to solidify its position as a leading downstream steel solutions provider, navigate challenges, seize emerging opportunities, scale its operations, and deliver long-term value to shareholders and stakeholders.



## DIVIDEND

The Group does not maintain a formal dividend policy and any dividend declaration is at the discretion of the Board of Directors ("**Board**"). In making such decisions, the Board considers factors including the availability of adequate distributable reserves, operating cash flows, financial commitments, capital requirements, and future growth plans.

In line with the Group's performance and commitment to delivering shareholders' value, the Company paid a first interim single tier dividend of 1.30 sen per ordinary share amounting to RM7.80 million for the FYE 2025 on 26 September 2025. The dividend of 1.30 sen per share translate to a dividend payout ratio of 44.07% based on earnings per share of 2.95 sen in the FYE 2025.

The Board is not proposing a final dividend for the FYE 2025. However, the Board remains committed to periodically reviewing dividend distributions to balance shareholder value creation with long-term financial sustainability.

# SUSTAINABILITY STATEMENT

## “ ABOUT THIS STATEMENT

Colform Group Berhad (“Colform” or the “Company”) and its subsidiaries (“Group”) is pleased to present our Sustainability Statement (“Statement”) encompassing the efforts and highlights of our sustainability performance for the financial year ended 31 December 2025 (“FYE 2025”). This Statement outlines the Group’s sustainability initiatives, performance, as well as metrics and targets as a key player in the downstream steel industry. The Group’s sustainability efforts in the FYE 2025 laid the groundwork for a stronger sustainability culture and greater integration of material Economic Environmental, Social and Governance (“EESG”) into our daily operations. “

During the FYE 2025, we continued to advance our sustainability journey by further embedding material EESG related risks and opportunities into our operations, supported by improved employees’ and other stakeholders’ awareness of the Group’s sustainability agenda and initiatives and ongoing process enhancements. As a listed company on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”), we remain committed to balancing business growth with responsible environmental stewardship, social diversity, and inclusiveness, and upholding strong governance and compliance practices, while delivering sustainable value to our stakeholders.

### REPORTING FRAMEWORK

This Statement is prepared in accordance with ACE Market Listing Requirements (“Listing Requirements”) of Bursa Securities, with the guidance of the Bursa Securities’ Sustainability Reporting Guide (3<sup>rd</sup> Edition) and the Malaysian Code on Corporate Governance (“MCCG”).

### REPORTING PERIOD

This Statement covers the Group’s sustainability performance for the reporting cycle of 1 January 2025 to 31 December 2025, unless otherwise specified.

### REPORTING SCOPE & BOUNDARIES

This Statement outlines the sustainability activities undertaken by the Group in the FYE 2025. The reporting boundaries cover the Groups’ operations in Sabah, Malaysia, encompassing three business divisions:

1



Manufacturing of downstream steel products and processing of steel coils

2



Trading of other downstream steel products and building materials

3



Provision of supply and installation and project management services for construction projects

# SUSTAINABILITY STATEMENT

## ASSURANCE STATEMENT

The data presented in this Statement has been sourced, reviewed and validated by the relevant departments and management of the Group. However, the information has not undergone any independent review by the internal audit function or an external assurance provider. The Group is committed to continuously improving our data collection processes and enhancing our sustainability reporting to facilitate a more comprehensive sustainability statements in the future.

## FORWARD-LOOKING STATEMENT

This Statement includes forward-looking statements intended to provide stakeholders with insights into our perspectives and plans for the future. These forward-looking statements are not guarantees or definitive predictions of our future performance. Therefore, readers are advised to interpret them with caution and avoid placing undue reliance on them.

## FEEDBACK AND INQUIRIES

We welcome stakeholders' feedback as part of our ongoing efforts to improve sustainability performance. Comments and inquiries can be directed to [feedback@colformgroup.com](mailto:feedback@colformgroup.com).

## SUSTAINABILITY GOVERNANCE

The Group recognises that good governance is fundamental to sustaining long-term business resilience. Our sustainability approach is supported by a robust governance structure that promotes accountability, integrity, and long-term value creation. This structure involves, amongst others, engagement with all major stakeholder groups to gain an insight of their concern and matters that are important to them relative to its importance to the Group and facilitates the integration of material EESG principles across our value chain.

We are committed to upholding high industry standards by aligning with the MCCG, complying with applicable laws, and maintaining transparency and responsible business practices.



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY GOVERNANCE STRUCTURE

To embed sustainability throughout the organisation, the Board believes in adopting a tone from the top approach. Our sustainability governance is led by the Board who is responsible for considering material EESG matters in the Group's business strategies in order to deliver long-term sustainable value to our shareholders and other stakeholders.

The Group's sustainability governance structure is essential for effectively implementing sustainability initiatives throughout the Group's business and operations. The Board has established a clear and definitive governance structure to guide these efforts, ensuring clarity in roles and responsibilities to execute sustainability practices effectively. The sustainability governance structure and respective roles and responsibilities are illustrated in the table below:

Governance structure	Roles and responsibilities
Board of Directors	<ul style="list-style-type: none"> <li>• Provide strategy oversight over the Group's overall sustainability policies, strategies and performance.</li> <li>• Oversee the integration of sustainability into the Group's business strategy to ensure the Group's long-term value creation.</li> <li>• Approve material sustainability matters.</li> <li>• Ensure compliance with relevant laws and regulations.</li> </ul>
Audit and Risk Management Committee ("ARMC")	<ul style="list-style-type: none"> <li>• Supports the Board in its oversight of the Group's sustainability matters in conjunction with other Board Committees.</li> <li>• Oversee and review the development and implementation of the Company's sustainability policies, strategies, framework, initiatives, policies and practices.</li> <li>• Oversee the effectiveness of internal controls and risk management related to sustainability including material EESG matters.</li> <li>• Assist the Board to implement regulatory changes and ensure compliance with laws and regulations.</li> </ul>
Executive Directors and Senior Management Team	<ul style="list-style-type: none"> <li>• Develop and implement sustainability strategies, initiatives, and targets, as well as provide recommendations on the effectiveness of sustainability initiatives to ensure alignment with the Group's overall operations and business goals of the Board.</li> <li>• Oversee the implementation of the sustainability processes and controls within the departments and functions of the Group as well as report the progress to the ARMC and Board.</li> <li>• Promote sustainability awareness and collaboration with internal and external stakeholders.</li> <li>• Conduct materiality assessment and report to the ARMC and the Board.</li> </ul>
Head of Departments	<ul style="list-style-type: none"> <li>• Responsible for, or tasked with, the day-to-day implementation of sustainability-related plans, tasks and initiatives.</li> <li>• Engage with stakeholders to identify the material sustainability matters and report to the Senior Management Team.</li> </ul>

The Board strives to continuously be equipped with the necessary knowledge regarding the management of sustainability-related risks and opportunities. The Board is also cognisant of ensuring that the required competencies in relation to sustainability are periodically assessed to strengthen Board leadership and oversight of the Group's overall sustainability strategy.

# SUSTAINABILITY STATEMENT

## STAKEHOLDERS ENGAGEMENT

Effective communication and engagement with both internal and external stakeholders are essential to our long-term sustainability journey. We recognise stakeholders as any individual or entity directly or indirectly impacted by our business operations, or those who can influence the Group's strategic directions and decision-making processes.

The table below outlines the stakeholder engagement mechanisms adopted by the Group with key stakeholder groups to ensure transparency, alignment of interests, and the integration of sustainability considerations into our corporate practices.

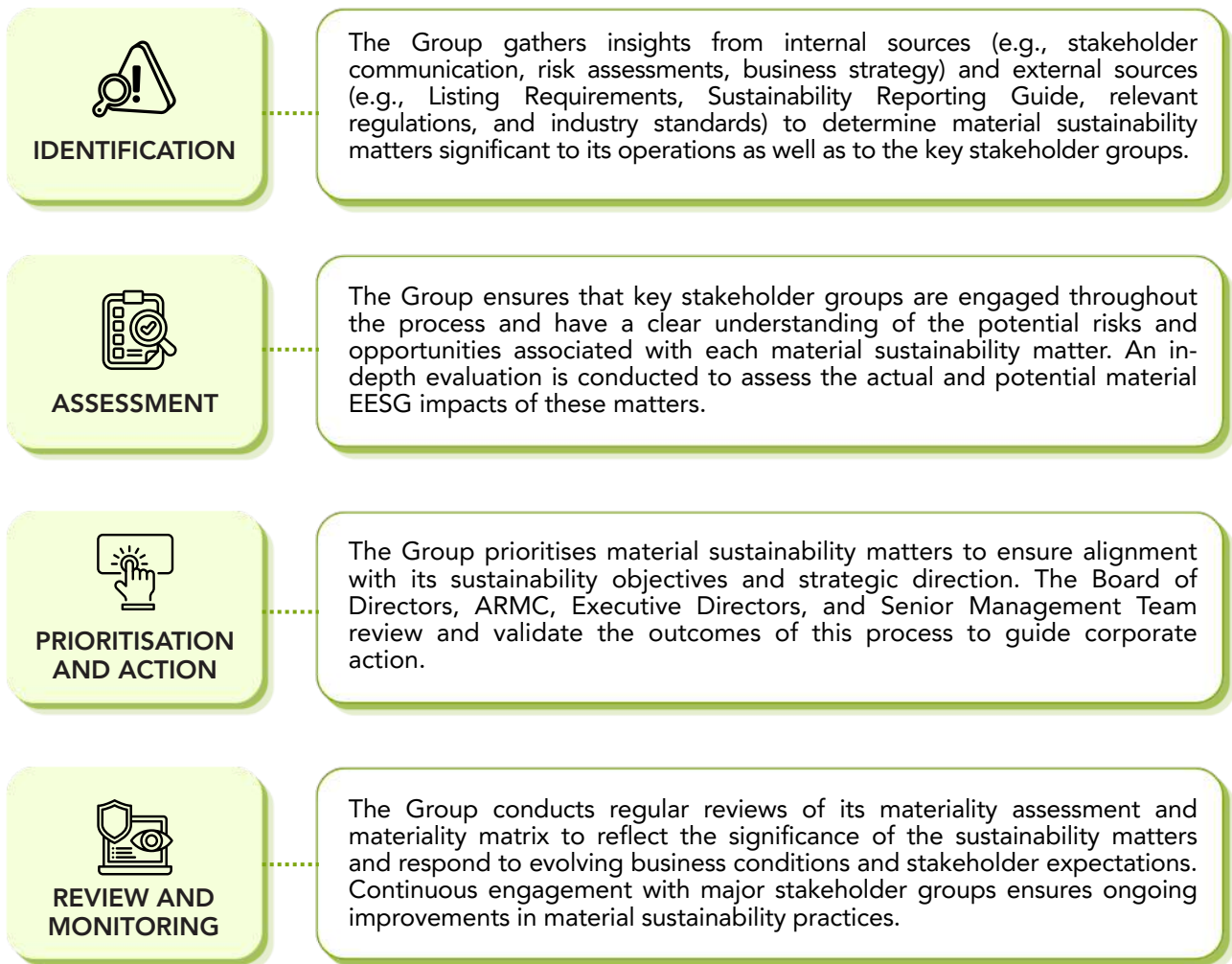
STAKEHOLDERS	FOCUS AREA	METHOD OF ENGAGEMENT	FREQUENCY
<b>Employees</b>	<ul style="list-style-type: none"> <li>Business performance and direction</li> <li>Career development and ongoing communication</li> <li>Occupational safety and health</li> </ul>	<ul style="list-style-type: none"> <li>Regular meetings and discussions</li> <li>Training and development</li> <li>Performance appraisal</li> <li>Employee events (annual gathering)</li> </ul>	<ul style="list-style-type: none"> <li>Annual</li> <li>As and when required</li> </ul>
<b>Customers and Suppliers/ Contractors</b>	<ul style="list-style-type: none"> <li>Product and service quality</li> <li>Timely delivery of products and services</li> <li>Payment terms and timelines</li> <li>Maintaining good relationship</li> </ul>	<ul style="list-style-type: none"> <li>Formal and informal meetings</li> <li>Events, exhibitions and site visits</li> <li>Quotation, proposals and agreements</li> <li>Company's website</li> <li>Customer survey</li> </ul>	<ul style="list-style-type: none"> <li>Annual</li> <li>As and when required</li> </ul>
<b>Regulatory Bodies and Government Authorities</b>	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>Licences and permits renewal</li> <li>Certifications</li> <li>Industry best practices and updates</li> </ul>	<ul style="list-style-type: none"> <li>Compliance and certification exercises</li> <li>Consultation on regulatory matters</li> <li>Meeting with regulatory and government bodies</li> <li>Inspection by local authorities</li> </ul>	<ul style="list-style-type: none"> <li>Annual</li> <li>As and when required</li> </ul>
<b>Investors/ Shareholders/ Financiers</b>	<ul style="list-style-type: none"> <li>Economic contribution</li> <li>Regulatory compliance</li> <li>Market presence and reputation</li> </ul>	<ul style="list-style-type: none"> <li>Meetings and briefings</li> <li>Site visits</li> <li>Quarterly announcements</li> <li>Annual Report</li> <li>Bursa Securities' announcements</li> <li>Company's website</li> <li>Press release</li> </ul>	<ul style="list-style-type: none"> <li>Annual</li> <li>Quarterly</li> <li>As and when required</li> </ul>
<b>Local Communities</b>	<ul style="list-style-type: none"> <li>Community support and development</li> <li>Company's reputation and branding</li> </ul>	<ul style="list-style-type: none"> <li>Community engagement</li> </ul>	<ul style="list-style-type: none"> <li>Annual</li> <li>As and when required</li> </ul>

# SUSTAINABILITY STATEMENT

## MATERIALITY ASSESSMENT

The Group adopts a structured and data-driven approach to identify, assess, prioritise, monitor and review material sustainability matters that are relevant to our business operations, key stakeholder groups, as well as our long-term strategic objectives. This process ensures alignment with the Listing Requirements, Sustainability Reporting Guide, applicable laws and regulations, and industry best practices, while incorporating internal and external insights to support our long-term strategy, governance and risk management frameworks.

The materiality assessment process consists of four (4) key stages, as outlined below:



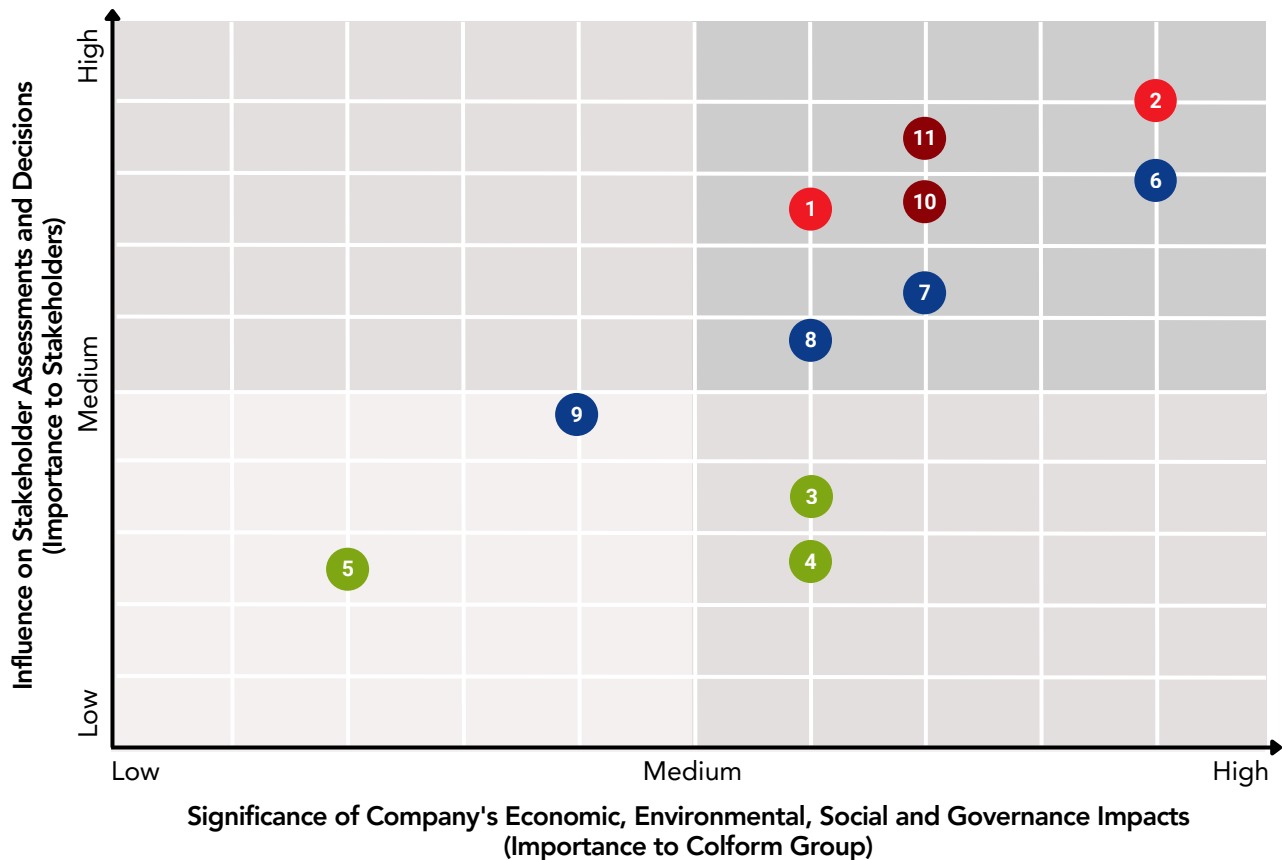
# SUSTAINABILITY STATEMENT

## MATERIALITY ASSESSMENT (CONT'D)

### Materiality Matrix

In the FYE 2025, the Group identified 11 material sustainability matters across its four key pillars of EESG. A materiality matrix was developed based on the evaluation of the importance of each material matter to the Group’s business priorities and stakeholders’ concerns.

The matrix provides a visual representation of the Group’s 11 material sustainability matters illustrating their relative importance to both the Group and key stakeholder groups, and supports the prioritisation of sustainability efforts and disclosures.



### ECONOMIC

- 1 Supply Chain Management
- 2 Product and Service Quality



### ENVIRONMENTAL

- 3 Waste Management
- 4 Energy Management
- 5 Water Management



### SOCIAL

- 6 Occupational Safety and Health
- 7 Employee Management and Development
- 8 Employee Diversity
- 9 Community Engagement














### GOVERNANCE

- 10 Anti-Bribery and Corruption
- 11 Data Privacy and Security

# SUSTAINABILITY STATEMENT

## MATERIALITY ASSESSMENT (CONT'D)

### Materiality Matrix (Cont'd)

NO	MATERIAL SUSTAINABILITY MATTERS		DESCRIPTION
<b>Economic Pillar</b>			
1	Supply Chain Management		Efforts to promote sustainable procurement and supply chain practices through supplier assessment and performance monitoring.
2	Product and Service Quality		Efforts to promote sustainable economic performance and customer satisfaction through operational efficiency and delivery of quality products and services that meet customer needs.
<b>Environmental Pillar</b>			
3	Waste Management		Efforts to promote waste-efficient reduction practices.
4	Energy Management		Efforts to improve energy efficiency through optimisation initiatives, monitoring, and awareness.
5	Water Management		Efforts to promote water-efficient usage practices through awareness initiatives and monitoring activities.
<b>Social Pillar</b>			
6	Occupational Safety and Health		Efforts to maintain proactive risk identification and hazard prevention and strengthen safety awareness and training.
7	Employee Management and Development		Efforts to promote through structured human resources practices and training initiatives to enhance workforce capability and career growth.
8	Employee Diversity		Efforts to promote inclusive employment practices that maintain a balanced workforce across gender, age, skills and experience levels.
9	Community Engagement		Efforts to promote corporate social responsibility through active participation in social initiatives and support for local community development.
<b>Governance Pillar</b>			
10	Anti-Bribery and Corruption		Efforts to promote a zero-tolerance approach to bribery and corruption.
11	Data Privacy and Security		Efforts to promote data protection practices and strengthen data access controls.

# SUSTAINABILITY STATEMENT

## ECONOMIC PILLAR

### Supply Chain Management

The Group is committed to ethical and sustainable procurement practices, ensuring that suppliers, subcontractors, and transporters align with the Group’s governance standards and sustainability objectives. EESG considerations are incorporated into supplier selection and contract management to support responsible sourcing.

To strengthen supply chain resilience, the Group proactively diversifies its supplier base, reducing dependency on a single region or vendor. The Group implements robust risk management framework to anticipate and mitigate supply chain disruptions, ensuring business continuity and operational stability. The Group conducts due diligence in selecting business partners to uphold consistent quality standards, operational efficiency, and timely project delivery, supporting long term business sustainability.

Indicator	Measurement Unit	FYE 2024	FYE 2025
Proportion of spending on local suppliers	Percentage	35.63%	45.13%

### Product Service and Quality

The Group is steadfast in its commitment to building brand credibility and fostering long-term customer trust, as reflected in our mission. To uphold high standards of product quality and manufacturing excellence, the Group adheres to internationally recognised certifications.

The Group demonstrates its commitment to product quality through the adoption of the following recognised standards, licences and certifications:

Name of Certification	Purpose of Certification
SIRIM ISO 9001:2015	This certification is an internationally recognised quality management system standard that enables the Group to implement structured processes that ensure consistent product quality.
CIDB IBS Assessment and Certification (“CIS 24”)	This certification supports the Group’s adoption of best practices in the production of Industrialised Building System (“IBS”) components.
JKR J-Truss	This licence certifies the Group’s registration in the field of prefabricated cold-formed steel roof trusses, allowing participation in Public Works Department Malaysia (“JKR”) projects.
SIRIM MS 2500:2012 & MS 2500:2020	These certifications allow the Group to use SIRIM certification mark on self-supporting steel roofing manufactured.
SIRIM MS 1073: Part 3: 1996 (AMD.1: 2003)	This certification enables the Group to manufacture 4-hours fire resistance roller shutters in compliance with stringent safety regulation approved by the Fire and Rescue Department of Malaysia (“BOMBA”).

With the strong culture of quality and accountability, the Group ensures stringent quality control procedures are embedded at every stage of production, from raw material to semi-finished and finished product assessments, ensuring strict adherence to quality benchmarks and customer satisfaction. The Group established the customer survey form to measure the customers’ perceptions on the products supplied and services rendered.

Indicator	Measurement Unit	FYE 2024	FYE 2025
Customer satisfaction score	Percentage	92.07%	92.10%

# SUSTAINABILITY STATEMENT

## ECONOMIC PILLAR (CONT'D)

### Technology Development

The Group embarked on the implementation of an Enterprise Resource Planning (“ERP”) system as part of our commitment to digital transformation and enhance operational efficiency and management reporting. Investments in the ERP system continued in FYE 2025, with the system being currently in the implementation phase, which involves workflows definition, data structures configuration, system customisation to align with existing business processes and specific operational requirements, as well as system integration and testing.

Once fully implemented, the ERP system will serve as a centralised platform for managing business data, enhancing data accuracy, improve effectiveness in cross-departmental communication, and operational efficiency. It is expected to streamline business processes, improve resource utilisation, and strengthen the Group’s overall management capabilities.

## ENVIRONMENTAL PILLAR

Our Environmental Pillar reflects our dedication to managing resource consumption, minimising environmental impact, and aligning with evolving regulatory frameworks. The Group acknowledges the increasing importance of climate-related disclosures and the need to align with Bursa Malaysia’s mandatory Task Force on Climate-related Financial Disclosures (“TCFD”) Recommendations (TCFD-aligned disclosure) reporting requirements. While the Group is currently at the preliminary stage of evaluating climate-related risks, we recognise the potential impact of both transition risks, such as shifts in energy pricing, carbon taxation, and regulatory changes, as well as physical risks, including extreme weather events and flooding.

We remain committed to continuously strengthening our climate risk assessment processes to develop our internal capabilities and systematically integrate climate-related considerations into our strategic planning as part of our long-term sustainability roadmap.

### Waste Management

Effective waste management is a key component of the Group’s sustainability strategy, ensuring that our manufacturing activities minimise environmental impact while contributing to healthier communities and ecosystems.

To enhance efficiency and minimise scrap waste, the Group continuously improves cutting and machining precision and leverages cutting-edge technology to reduce material offcuts during production. Notably, the Group’s IBS machine, equipped with cut-to-length and pre-punch hole capabilities, significantly reduces scrap at both factory and on-site, thereby achieving resource optimisation.

Indicator	Measurement Unit	FYE 2024	FYE 2025
Total scrap waste generated from production	Kilograms (Kgs)	22,100.00	107,139.50

In addition, the Group fosters a culture of environmental responsibility by actively promoting employees’ engagement in waste management initiatives, including recycling programme and electronic communication practices aimed at minimising paper waste.

### Energy Management

As part of our commitment to energy efficiency, emissions reduction, and alignment with Malaysia’s net-zero greenhouse gas emissions targets, the Group actively manages the environmental impact of our operations and projects by implementing sustainable energy practices. Through continuous monitoring, optimisation, and awareness-building, the Group aims to minimise energy consumption while enhancing cost efficiency, sustainability, and regulatory compliance.

# SUSTAINABILITY STATEMENT

## ENVIRONMENTAL PILLAR (CONT'D)

### Energy Management (Cont'd)

To optimise energy consumption and promote sustainability across its facilities, the Group actively fosters energy-conscious awareness among employees through clear energy efficiency and cost reduction initiatives, including regular machinery monitoring and maintenance, and office energy saving practices, to ensure optimal efficiency and minimise unnecessary energy wastage.

Indicator	Measurement Unit	FYE 2024	FYE 2025
Total energy consumption	Kilowatt-hour (kWh)	338,746	354,479

### Water Management

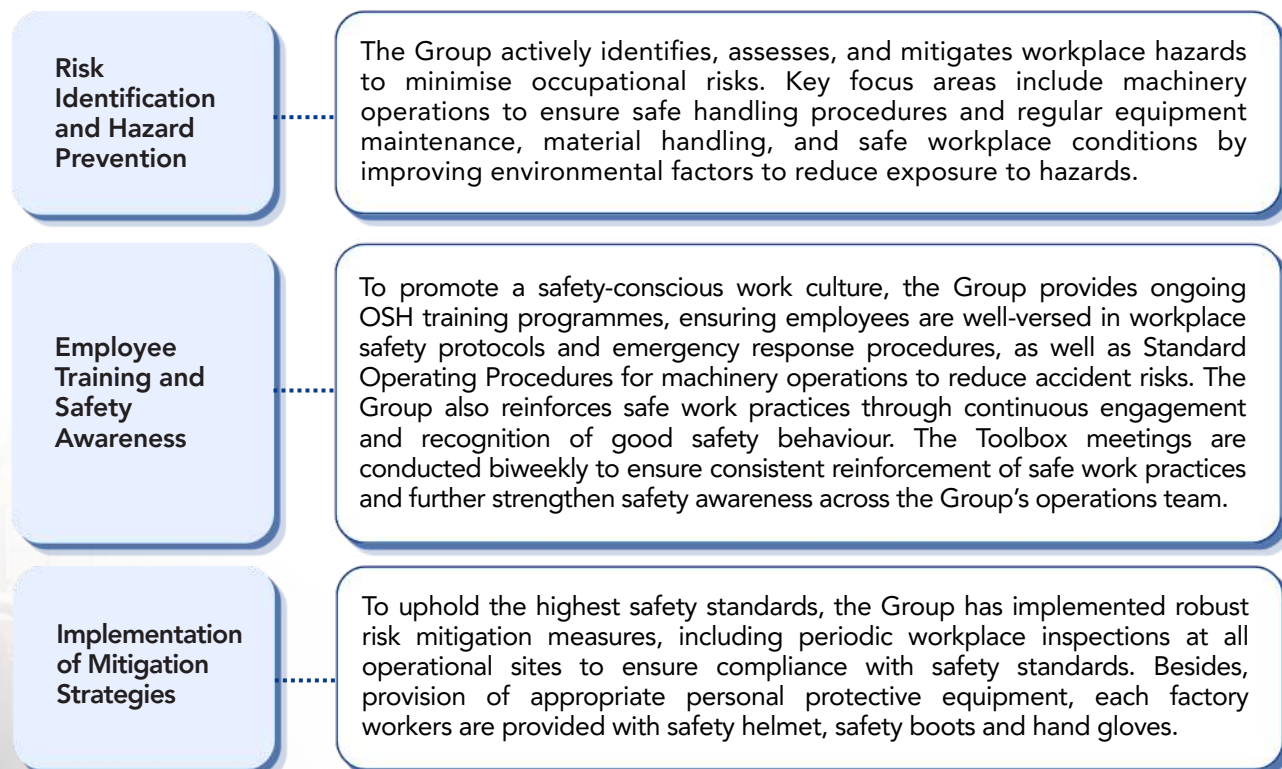
Water consumption within the Group's operations remains relatively low, primarily confined to office and facility usage. Despite the minimal usage, the Group maintains our commitment to responsible water stewardship. Moving forward, the Group will continue to promote water-saving practices across our operations and explore opportunities to enhance water efficiency.

Indicator	Measurement Unit	FYE 2024	FYE 2025
Total volume of water use	Cubic metre (m <sup>3</sup> )	5,209	4,842

## SOCIAL PILLAR

### Occupational Safety and Health

The Group is dedicated to ensuring a safe and healthy workplace for all employees, customers, and stakeholders. The Group's Occupational Safety and Health ("OSH") initiatives are designed to proactively manage workplace risks, prevent accidents, and foster a culture of safety across all operations. The Group's Occupational Safety and Health Committee is dedicated to upholding the workplace standard protocols to maintain high safety standards, including:



# SUSTAINABILITY STATEMENT

## SOCIAL PILLAR (CONT'D)

### Occupational Safety and Health (Cont'd)

#### Number of Employees Trained in Safety and Health Standards

Financial Year	Total Number of Employees	Total Number of Employees Trained in Safety and Health Standards
FYE 2025	121	57

Indicator	Measurement Unit	FYE 2024	FYE 2025
Work-related fatalities	Number	0	0
Lost Time Injuries	Number	0	1
Lost Time Incident	Rate	-	0.75

### Employee Management and Development

At Colform, we recognise that a positive working environment is fundamental to achieving organisational success. Our commitment to compliance with labour laws, ethical standards, and human rights principles remains steadfast, reflecting our dedication to responsible corporate governance. We are equally focused on fostering a supportive and inclusive workplace, where integrity, respect, and accountability guide our practices, ensuring the well-being of our people while upholding the highest ethical standards.

#### Implementation of Governance Policies

Outlines the Group's commitment to ethical employment practices, including the strict prohibition of forced labour and child labour, in compliance with applicable regulations and recognised international principles.

To ensure clarity in ethical expectations and behaviours, we have instituted comprehensive governance policies that guide conduct across all levels of the Group:

- **Code of Conduct** : Serves as a definitive guide on the principles, values, and expected behaviours within the Group.
- **Anti-Bribery & Corruption Policy** : Articulates our zero-tolerance stance on bribery and corruption, aligning with global best practices.
- **Whistleblowing Policy** : Provides a secure and confidential channel for employees to report unethical activities without fear of retaliation.

#### Monitoring and Reporting Progress

We believe in transparency and continuous improvement. To this end, the Group monitor employee development metrics, including retention rates and training participation. This data-driven approach enables the Group to enhance its policies based on employee feedback and evolving industry trends, ensuring that its strategies remain relevant, effective and aligned with organisational and workforce development needs.

Indicator	Measurement Unit	FYE 2024	FYE 2025
Substantiated complaints concerning human rights violations	Number	0	0

# SUSTAINABILITY STATEMENT

## SOCIAL PILLAR (CONT'D)

### Employee Management and Development (Cont'd)

#### Skills Training and Career Development

The Group places strong emphasis on developing our people as part of our long-term growth strategy. We provide continuous learning opportunities through structured training programmes that strengthen technical expertise, leadership capabilities, and essential soft skills. This approach supports individual career progression while enhancing overall organisational performance.



Indicator	Measurement Unit	FYE 2024	FYE 2025
Total hours of training by employee	Hour	N/A <sup>(1)</sup>	1,157.50

Note:

<sup>(1)</sup> N/A - Not available, as data was not collected.

Moving forward, the Group aims to further enhance its training framework by expanding learning opportunities, strengthening industry collaborations, and increasing employee participation to ensure a more skilled, agile, and future-ready workforce.

#### Workforce Composition

Understanding our workforce dynamics is essential in shaping effective employee engagement and development strategies. Our total number of employees by category is as follows:

Employment Terms	Number of Employees (Percentage)	
	As at 31 December 2024	As at 31 December 2025
Full Time Permanent	102 (98.08%)	119 (98.35%)
Full Time Contract	2 (1.92%)	2 (1.65%)
<b>Total</b>	<b>104 (100.00%)</b>	<b>121 (100.00%)</b>

#### Workforce Stability and Retention Measures

The Group recognises employee turnover rate as an important indicator of workforce sustainability. In response, we are intensifying our efforts in on-the-job training and continuous skills development to enhance employee engagement and retention. These initiatives are designed to support career progression, strengthen workforce capabilities, and reduce turnover over the long term.

Indicator	Measurement Unit	FYE 2024	FYE 2025
Employee turnover	Percentage	41.55%	56.89%

Moving forward, the Group will further strengthen structured on-the-job training programmes to support effective employee onboarding, as part of its ongoing efforts to improve employee retention and reduce turnover.

# SUSTAINABILITY STATEMENT

## SOCIAL PILLAR (CONT'D)

### Employee Diversity

The Group remains committed to fostering a diverse and inclusive workplace that upholds equal rights and opportunities for all individuals, irrespective of gender, race, disability, or background. We believe that diversity is a key strength of the organisation. By embracing a wide range of perspectives, we enhance decision making, encourage innovation, and support the long-term collective success of the Group.

This commitment is reflected in our hiring practices, where selection is based on skills, experience, and alignment with role requirements, while also prioritising talent from nearby communities. By supporting local employment, the Group ensures that economic benefits are shared with surrounding populations, strengthening both our workforce and contributing to regional socio-economic development.

We actively promote inclusive representation across all levels of the organisation, including leadership, to ensure balanced perspectives in governance and operations. At Colform, we also uphold a zero-tolerance approach towards any form of discrimination, bullying, or harassment, ensuring a safe, respectful, and supportive working environment for all employees. We are dedicated to cultivating a dynamic workplace where every individual feels valued and empowered to contribute meaningfully, while pursuing their career aspirations through commitment and performance.

The following workforce composition data provides an overview of the Group's diversity profile, presented across two categories, namely the Board of Directors and employees across its operations. The disclosures include breakdowns by nationality, gender, age group, and ethnicity, offering greater transparency into our workforce structure and diversity composition.

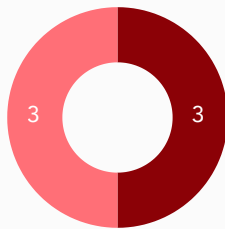
**Composition of Board of Directors as at 31 December 2025**

Nationality



● Malaysian ● Foreigner

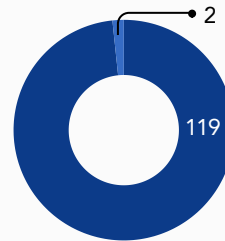
Gender



● Male ● Female

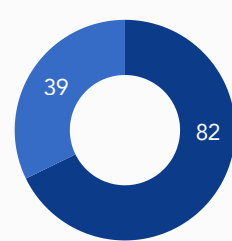
**Composition of Employees as at 31 December 2025**

Nationality



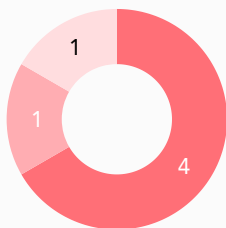
● Malaysian ● Foreigner

Gender



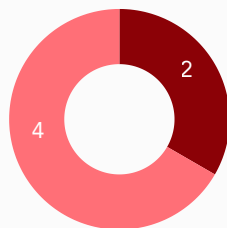
● Male ● Female

Age Group



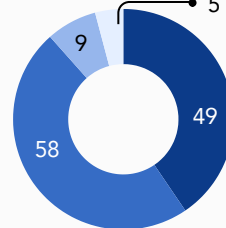
● < 30 ● 30 - 49  
● 50 - 59 ● ≥ 60

Ethnicity



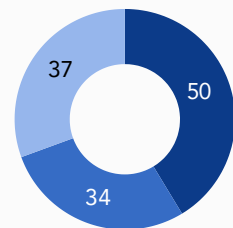
● Malay ● Chinese  
● Others

Age Group



● < 30 ● 30 - 49  
● 50 - 59 ● ≥ 60

Ethnicity



● Malay ● Chinese  
● Others

# SUSTAINABILITY STATEMENT

## SOCIAL PILLAR (CONT'D)

### Employee Diversity (Cont'd)

Board of Directors	Gender		Age Group			
	Male	Female	< 30	30 - 49	50 - 59	≥ 60
<b>FYE 2024</b>	5 (62.50%)	3 (37.50%)	0 (0.00%)	4 (50.00%)	2 (25.00%)	2 (25.00%)
<b>FYE 2025</b>	3 (50.00%)	3 (50.00%)	0 (0.00%)	4 (66.66%)	1 (16.67%)	1 (16.67%)

Employees	Gender		Age Group			
	Male	Female	< 30	30 - 49	50 - 59	≥ 60
<b>FYE 2024</b>	69 (66.35%)	35 (33.65%)	38 (36.54%)	54 (51.92%)	7 (6.73%)	5 (4.81%)
<b>FYE 2025</b>	82 (67.77%)	39 (32.23%)	49 (40.50%)	58 (47.93%)	9 (7.44%)	5 (4.13%)

### Community Engagement

The Group is committed to building strong and sustainable relationships with local communities through active participation in cultural and social initiatives, fostering trust and mutual understanding. We maintain transparency in our business activities and their potential impact, ensuring open and continuous communication with stakeholders.

To further strengthen our social impact, we actively encourage employee volunteerism through structured programmes that enable participation in community projects, social initiatives, and environmental conservation efforts. Employee contributions are recognised and rewarded, reinforcing a culture of civic engagement and corporate responsibility.

We adopt a balanced approach between financial contributions and staff-led initiatives, ensuring both immediate support and long-term community engagement.

Key Contributions:



Supporting youth development through sports and promoting active lifestyles



Support community engagement and educational outreach



Enhancing facility infrastructure and welfare support

Indicator	Measurement Unit	FYE 2024	FYE 2025
Total amount invested in the community	Amount	RM2,300.00	RM53,450.00
Total number of beneficiaries of the investment in communities	Number	4 (4 events)	16 (4 schools, 11 associations, and 1 non-governmental organisation)

# SUSTAINABILITY STATEMENT

## SOCIAL PILLAR (CONT'D)

### Community Engagement (Cont'd)

Through these efforts, the Group contributes to meaningful socio-economic development while strengthening community resilience. Moving forward, we aim to expand staff-led initiatives through more structured and scalable programmes, encouraging broader employee participation and deepening our impact across the communities we serve.

## GOVERNANCE PILLAR

### Anti-Bribery and Corruption Policy

The Group is committed to upholding the highest standards of integrity, transparency, and accountability in all business operations. The Group enforces a zero-tolerance policy against bribery and corruption, ensuring that all employees, officers, and directors conduct business honestly, ethically, and in full compliance with legal and regulatory frameworks.

The Anti-Bribery and Corruption Policy applies to the Group's directors, officers and employees. It governs key areas, including:

Gifts and Entertainment	Sponsorships and Donations	Facilitation Payments and Kickbacks
Ensuring that business courtesies do not influence decision-making	Prohibiting contributions that may be perceived as bribes	Strictly disallowing unofficial payments to gain business advantages

All business dealings must be conducted fairly, professionally, and with integrity, aligning with corporate governance best practices.

### Monitoring and Risk Mitigation Measures

To counter bribery and corruption risks, the Group has implemented internal control systems and regular audits to assess policy effectiveness. Additionally, the Group conducts periodic risk assessments to identify potential vulnerabilities and introduce appropriate mitigation measures.

Employees and stakeholders are encouraged to report any suspected violations of the policy through the Group's Whistleblowing Policy. All reports are handled confidentially, ensuring protection against retaliation for whistleblowers.

### Policy Review and Compliance

The Group is committed to continuous improvement and will review this policy at least once every three years to ensure its continued effectiveness and alignment with evolving legislative and regulatory requirements.

Indicator	Measurement Unit	FYE 2024	FYE 2025
Employees who received training on Anti-Bribery and Corruption	Percentage	N/A <sup>(1)</sup>	42.15%
Operations assessed for corruption-related risks	Percentage	100.00%	100.00%
Confirmed incidents of corruption and action taken	Number	0	0

Note:

<sup>(1)</sup> N/A - Not available, as data was not collected.

# SUSTAINABILITY STATEMENT

## GOVERNANCE PILLAR (CONT'D)

### Whistleblowing Policies and Procedures

The Group’s Whistleblowing Policy reflects our commitment to fostering a transparent, ethical, and accountable corporate environment. We provide a secure and structured avenue for employees and external stakeholders to report any improper conduct, unethical behaviour, or violations of laws and regulations without fear of retaliation. The Group ensures that the identity of the whistleblower remains strictly confidential throughout the reporting and investigation process. Retaliation against individuals who raise concerns in good faith is strictly prohibited, reinforcing the Group’s commitment to integrity and corporate responsibility.

To facilitate a transparent and accessible whistleblowing process, the Group provides multiple secure reporting channels:

- Concerns related to general improper conduct can be reported in writing to the Managing Director or Executive Directors.
- Concerns involving the Management Team should be addressed to the Chairman of the AMRC.
- Reports can also be submitted via dedicated email addresses or physical drop boxes located at designated office areas.

All whistleblowing reports are thoroughly investigated with the highest level of confidentiality. Upon completion of the investigation, a course of action will be recommended to the AMRC for further consideration and necessary measures. To ensure its continued effectiveness and alignment with governing legislation, the Whistleblowing Policy is reviewed at least once every three years.

### Data Privacy and Security

The Group places a strong emphasis on data privacy and cybersecurity, implementing robust measures to safeguard the personal and business information of our employees, customers, suppliers, and stakeholders and ensure compliance with the Personal Data Protection Act 2010 (PDPA). The Group upholds strict data governance practices to ensure the confidentiality, integrity, and security of all collected information.

All data handling procedures comply with regulatory requirements and industry best practices, ensuring that information is used solely for its intended purposes and protected from unauthorised access or misuse.

#### Data Access Controls and Security Measures

To enhance data security, the Group has implemented strict access controls and encryption mechanisms to prevent unauthorised access, modification, or disclosure of sensitive information. Access to confidential data is restricted based on user roles, ensuring that only authorised personnel can retrieve and manage specific information.

#### Policy Review and Compliance

The Group continuously reviews its data privacy and security protocols to adapt to evolving cyber threats and regulatory changes. Regular security audits and employee training are conducted to strengthen awareness and reinforce compliance with data protection policies.

Indicator	Measurement Unit	FYE 2024	FYE 2025
Substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0

# SUSTAINABILITY STATEMENT

## GOVERNANCE PILLAR (CONT'D)

### Corporate Governance

The Company's adoption of the recommended practices as set out in the MCCG is articulated in the Corporate Governance Overview Statement of this Annual Report as well as the Corporate Governance Report 2025 which is accessible on the Company's website at [www.colform.com.my](http://www.colform.com.my) as well as Bursa Securities' website at <https://www.bursamalaysia.com>.

## ADVANCING OUR IMPACT: INTEGRATING EESG FOR LONG-TERM GROWTH

The Group remains committed to aligning our growth with strong EESG principles as part of our responsibility as a corporate citizen. We recognise that long-term value creation is closely linked to robust sustainability practices and evolving strategies that meet stakeholder expectations.

Moving forward, we will continue strengthening our sustainability efforts through enhanced stakeholder engagement, a data driven materiality assessment, and improved tracking of sustainability performance across all the 4 EESG pillars. We also aim to progressively align our disclosures with Bursa Securities' enhanced sustainability reporting requirements, the International Financial Reporting Standards-S1 General Requirements for Sustainability-related Financial Disclosures (IFRS S1) and S2-Climate-related Disclosures (IFRS S2) and other standards issued by the International Sustainability Standards Board.

The Group will continue to embed sustainability into its strategy, operations, and corporate culture to support sustainable growth and generate positive outcomes for its stakeholders, the environment, and the communities it serves.



**E**conomic

**E**nvironmental

**S**ocial

**G**overnance



# SUSTAINABILITY STATEMENT PRESCRIBED TABLE

Date & Time: 2026-04-27 16:00:15  
FYE 31/12/2025

**Colform Group Berhad**  
BMLR Transition Period

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Economic - Supply Chain Management	Proportion of Spending on Local Suppliers	Percentage	45.13%	—	Internal
Economic - Product and Service Quality	Customer Satisfaction Score	Percentage	92.10%	—	Internal
Environmental - Waste Management	Total Scrap Waste Generated from Production	Kilograms (Kgs)	107,398.50	—	Internal
Environmental - Energy Management	Total Energy Consumption	Kilowatt-hour (kWh)	354,479	—	Internal
Environmental - Water Management	Total Volume of Water Use	Cubic metre (m3)	4,842	—	Internal
Social - Occupational Safety and Health	Number of Work-related Fatalities	Number	0	—	Internal
Social - Occupational Safety and Health	Lost Time Incident	Rate	0.75	—	Internal
Social - Occupational Safety and Health	Total Number of Employee Trained on Safety & Health Standard	Number	57	—	Internal
Social - Employee Management and Development	Total Hours of Training	Hour	1,15750	—	Internal
Social - Employee Management and Development	Employees That Are Permanent Staff	Percentage	98.35%	—	Internal
Social - Employee Management and Development	Employees That Are Contract Staff	Percentage	1.65%	—	Internal
Social - Employee Management and Development	Employee Turnover	Percentage	56.89%	—	Internal
Social - Employee Management and Development	Number of Substantiated Complaints Concerning Human Rights Violations	Number	0	—	Internal
Social - Employee Diversity	Employees by Gender (Male)	Percentage	67.77%	—	Internal
Social - Employee Diversity	Employees by Gender (Female)	Percentage	32.23%	—	Internal

# SUSTAINABILITY STATEMENT PRESCRIBED TABLE

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Social - Employee Diversity	Employees by Age Group (< 30)	Percentage	40.50%	—	Internal
Social - Employee Diversity	Employees by Age Group (30 - 49)	Percentage	47.93%	—	Internal
Social - Employee Diversity	Employees by Age Group (50 - 59)	Percentage	7.44%	—	Internal
Social - Employee Diversity	Employees by Age Group (≥ 60)	Percentage	4.13%	—	Internal
Social - Employee Diversity	Directors by Gender (Male)	Percentage	50.00%	—	Internal
Social - Employee Diversity	Directors by Gender (Female)	Percentage	50.00%	—	Internal
Social - Employee Diversity	Directors by Age Group (< 30)	Percentage	0.00%	—	Internal
Social - Employee Diversity	Directors by Age Group (30 - 49)	Percentage	66.66%	—	Internal
Social - Employee Diversity	Directors by Age Group (50 - 59)	Percentage	16.67%	—	Internal
Social - Employee Diversity	Directors by Age Group (≥ 60)	Percentage	16.67%	—	Internal
Social - Community Engagement	Total Amount Invested in the Community	Amount	RM53,450	—	Internal
Social - Community Engagement	Total Number of Beneficiaries of the Investments in Communities	Number	16	—	Internal
Governance - Anti-Bribery and Corruption	Employee Who Received Training	Percentage	42.15%	—	Internal
Governance - Anti-Bribery and Corruption	Operations Assessed For Corruption-related Risks	Percentage	100.00%	—	Internal
Governance - Anti-Bribery and Corruption	Confirmed Incidents of Corruption and Action Taken	Number	0	0	Internal
Governance - Data Privacy and Security	Number of Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	Number	0	0	Internal

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Corporate Governance Overview Statement is augmented with the Corporate Governance Report 2025 based on the prescribed format as enumerated in Rule 15.25(2) of the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) so as to provide a detailed articulation on the application of the recommended practices of the Malaysian Code on Corporate Governance (“**MCCG**”) by Colform Group Berhad (“**Colform**” or “**Company**”) and its subsidiaries (“**Group**”) for the financial year ended 31 December 2025 (“**FYE 2025**”).

The Board of Directors (“**Board**”) of Colform is committed to ensuring good corporate governance practices are implemented and maintained throughout the Group as a fundamental part of discharging its duties to enhance long-term shareholders’ value consistent with the principles and recommendations for best practices set out in the MCCG and the Listing Requirements.

This Corporate Governance Overview Statement (“**CG Statement**”) should also be read together with the Company’s Corporate Governance Report 2025 which is available on the Company’s website at [www.colform.com.my](http://www.colform.com.my), as well as via an announcement on the website of Bursa Securities at [www.bursamalaysia.com](http://www.bursamalaysia.com).

This CG Statement provides the shareholders with an overview of the corporate governance practices of the Company for the FYE 2025.

This CG Statement makes reference to the following three (3) key principles of the MCCG:-

- Principle A - Board leadership and effectiveness;
- Principle B - Effective audit and risk management; and
- Principle C - Integrity in corporate reporting and meaningful relationship with stakeholders.

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS

### PART I – BOARD RESPONSIBILITIES

#### 1.1 Board Roles and Responsibilities

The Board is responsible for the leadership, oversight, and securing the long-term success of the Group. These responsibilities entail guiding the Group towards generating sustainable value for its stakeholders while upholding rigorous governance standards. The Board members are expected to demonstrate exemplary stewardship, professionalism, and alignment with the Group’s vision, mission and core values, all while fulfilling their fiduciary obligations.

Additionally, the Board is responsible for overseeing that the Management, maintains a robust governance, risk management and internal control system as well as implement the sustainability agenda and initiatives, all of which are promulgated by the Board. This is to ensure that operations are carried out effectively and efficiently, maintain adequate and effective internal control standards, and comply with all relevant laws and regulations and conduct the business ethically.

In discharging its fiduciary duties and responsibilities, the Board is guided by its Board Charter in line with Practice 2.1 of the MCCG which outlines the duties and responsibilities of the Board.

The Board also delegates certain responsibilities to the following Board Committees to assist the Board in discharging of its functions: -

- (i) Audit and Risk Management Committee (“**ARMC**”);
- (ii) Nomination Committee (“**NC**”); and
- (iii) Remuneration Committee (“**RC**”).

Each Board Committee operates in accordance with its defined Terms of Reference (“**TOR**”). These Board Committees are authorised by the Board to deal with and to deliberate on specific matters delegated to them within their respective TOR. The Chairman of each Board Committees will report to the Board on their proceedings and deliberation together with its recommendations to the Board for further deliberation and ultimate decision making.

The Board Charter and TOR of the respective Board Committees are available on the Company’s website at [www.colform.com.my](http://www.colform.com.my).

#### 1.2 The Chairman of the Board

The Chairman of the Board is Datuk Ir. Hj. Ali Ahmad Bin Hamid, who holds an Independent Non-Executive position. He is responsible for leading the Board to ensure its effectiveness and integrity and the entrenchment of good corporate governance practices within the Group.

The Chairman facilitates the active participation of all Directors and presides over the Board and general meetings of the Company. The Chairman also manages Board communications and effectiveness as well as providing oversight over the Management.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I – BOARD RESPONSIBILITIES (CONT'D)

#### 1.2 The Chairman of the Board (Cont'd)

The Chairman ensures that the Board receives timely and relevant information to facilitate decision-making. Further, the Chairman ensures that the Board and general meetings are conducted with proper decorum and best practices. The Chairman promotes positive and constructive relationships between the Board members as well as between the Board and shareholders.

The Chairman also plays a crucial role in ensuring that the Board fulfils its duties and that the Group adheres to the best corporate governance practices. His leadership, guidance and oversight help maintain a high-performing culture within the Board and ensure the Group's success.

#### 1.3 Separation of the Position of the Chairman and Managing Director ("MD")

As recommended in Practice 1.3 of the MCCG, there is a clear distinction between the role of the Chairman of the Board and the MD as the position is held by different individual. This is to ensure that there is a balance of power and authority to promote accountability and unfettered powers in decision-making.

The Chairman is responsible for, among others, the leadership, effectiveness, conduct and governance of the Board. The Board has delegated its responsibilities for the day-to-day management of the Group's operations and business as well as the implementation of the Board's policies and decisions to the MD. The MD is responsible for the implementation of the Board's policies and decisions, entrusted by the Board with the responsibility to manage the Group's day-to-day business operations and resources in accordance with its policies.

The roles and responsibilities of the Chairman and the MD are clearly defined in the Board Charter which are available on the Company's website at [www.colform.com.my](http://www.colform.com.my).

#### 1.4 Qualified and Competent Company Secretaries

The Board is supported by two (2) Company Secretaries nominated by Cospec Management Services Sdn. Bhd. who are experienced and qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016 and they are registered holders of the Practising Certificate issued by the Companies Commission of Malaysia. All Directors have access to the advice and services of the Company Secretaries.

The Company Secretaries consistently participate in relevant training programs, conferences, or seminars organised by relevant authorities and professional bodies. This ensures they stay updated on corporate governance developments and regulatory changes pertinent to their role, enabling them to provide valuable advisory services to the Board.

The Board acknowledges that the Company Secretaries play an important role and will ensure that the Company Secretaries fulfil the functions for which they have been appointed.

During the FYE 2025, all Board meetings were properly convened, accurate and proper records of the proceedings and resolutions passed were taken and maintained in the statutory records of the Company.

Overall, the Board is satisfied with the performance and support rendered by the Company Secretaries and their team to the Board in the discharge of their duties and functions.

The roles and responsibilities of the Company Secretaries are clearly defined in the Board Charter which are available on the Company's website at [www.colform.com.my](http://www.colform.com.my).

#### 1.5 Meeting of Board and Board Committees

To assist the Directors in managing their schedules, the Company Secretaries prepare an annual meeting calendar ahead of each new year. This calendar outlines the dates of Board and Board Committee meetings, as well as the Annual General Meeting ("AGM"). Additionally, it includes closed periods for trading in securities to be observed by the Directors and principal officers, aligning with scheduled announcements of the Group's quarterly results.

The notices of Board and Board Committees meetings together with the meeting papers are generally furnished to the Board members at least five (5) working days prior to the dates of meetings.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I – BOARD RESPONSIBILITIES (CONT'D)

#### 1.5 Meeting of Board and Board Committees (Cont'd)

This is to ensure that the Directors have sufficient preparation time and information to make an informed decision at each meeting.

The deliberations and conclusions of matters discussed in the Board or Board Committees meetings are duly recorded in the minutes of meetings. The draft minutes are circulated for review by the Board or Board Committees within a reasonable timeframe after the meetings. The minutes of meetings accurately captured the deliberations and decisions of the Board and Board Committees, including whether any Director abstains from voting or deliberating on a particular matter.

All the records of proceedings and resolutions passed are kept at the registered office of the Company.

For matters which require the Board's decision on an urgent basis outside of Board meetings, board papers along with Directors' Written Resolution will be circulated for the Board's consideration. All written resolutions approved by the Board will be tabled for notation at the next Board meeting.

#### 1.6 Board Charter

In line with Practice 2.1 of the MCCG, the Board has formalised and adopted the Board Charter which sets out the composition and balances, roles and responsibilities, operation and processes of the Board. The Board Charter also serves as a source of reference and primary induction literature, providing insights to new Board members.

The Board Charter would be periodically reviewed and updated in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board's responsibilities.

The Board Charter is published on the Company's website at [www.colform.com.my](http://www.colform.com.my).

#### 1.7 Reinforcing Good Business Conduct and Ethics

The Board promotes a culture of integrity by encouraging Directors, Management and employees throughout the Group to uphold the highest standards of good business conduct and ethics.

To support this commitment and mitigate potential risks, the Board had approved and put in place the following policies:

#### (i) Code of Ethics and Conduct

The Code of Ethics and Conduct which forms part of the Board Charter is observed by all Directors, Management and employees of the Group is available on the Company's website at [www.colform.com.my](http://www.colform.com.my).

The Board adhered strictly to the Code of Ethics and Conduct, ensuring effective oversight. This Code of Ethics and Conduct mandates all Directors, Management, and employees of the Group to uphold high ethical standards in every aspect of the Group's business and professional practices, acting in the best interests of the Group and its shareholders.

Periodic review of the Code of Ethics and Conduct will be conducted by the Board to ensure its continued relevance and appropriateness.

#### (ii) Anti-Bribery and Corruption Policy ("ABC Policy")

In line with the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act 2009"), the Company has put in place the ABC Policy to encourage a culture of integrity and transparency in all of the Group's activities.

The ABC Policy is aligned with the Listing Requirements and the Guidelines on Adequate Procedures issued under Section 17A(5) of the MACC Act 2009 (as amended by the Malaysian Anti-Corruption Commission (Amendment) Act 2018). It sets out the responsibilities of the Directors and all individuals working for the Group in upholding the Group's zero tolerance stance against bribery and corruption. The ABC Policy also establishes key principles to govern interactions with customers, business partners and other third parties, while providing guidance on the prevention, management and remediation of bribery and corruption-related risks.

The ABC Policy will be reviewed at least once every three (3) years to ensure that they continue to remain relevant and appropriate. The ABC Policy is made available on the Company's website at [www.colform.com.my](http://www.colform.com.my).

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART I – BOARD RESPONSIBILITIES (CONT'D)

#### 1.7 Reinforcing Good Business Conduct and Ethics (Cont'd)

##### (iii) Whistleblowing Policy

The Group upholds the highest standards of integrity, transparency, and accountability in its business conduct. To support this commitment, the Group has implemented a Whistleblowing Policy, outlining communication and feedback channels to facilitate whistleblowing.

The Whistleblowing Policy provides an avenue for employees and other stakeholders to report any misconduct, breaches or suspected breaches of any law or regulation, including business principles and the Group's standard operating policies and guidelines, in a safe and confidential manner.

The Board commits to review and update the Whistleblowing Policy at least once every three (3) years to ensure its effectiveness and alignment with governing legislation and regulatory requirements.

The Whistleblowing Policy is published on the Company's website at [www.colform.com.my](http://www.colform.com.my).

##### (iv) Directors' Fit and Proper Policy

In line with Rule 15.01A of the Listing Requirements, the Board had formalised and adopted the Directors' Fit and Proper Policy which serves as a guide to the NC and the Board in their review and assessment of potential candidates for appointment to the Group's Board, as well as retiring Directors seeking re-election at the AGM.

The Directors' Fit and Proper Policy ensures that the NC and the Board adhere to rigorous standards in their evaluation of candidates, enabling them to select Directors who possess the necessary qualifications, experience, and integrity to serve effectively on the Board.

The Board will regularly review the Directors' Fit and Proper Policy and may revise it as deemed necessary to align with the Board's objectives, current laws, and practices. The Directors' Fit and Proper Policy is available on the Company's website at [www.colform.com.my](http://www.colform.com.my).

The Board has also adopted the Nomination and Appointment of New Directors Process and Procedures to formalise the process for the nomination and appointment of a new Director to be undertaken by the NC and the Board in discharging their responsibilities in terms of the nomination and appointment of new Directors of the Group.

##### (v) Conflict of Interest Policy

The Board had adopted the Conflict of Interest Policy which sets forth guidelines and procedures to identify, disclose and address conflicts of interest that may arise within the Group. This ensures that any actual, potential and perceived conflicts of interest are effectively managed. This policy is also designed to ensure compliance with the Listing Requirements and the provisions under the Companies Act 2016, as well as to uphold the highest standards of corporate governance and transparency.

The Board will review the Conflict of Interest Policy from time to time and make any necessary amendments to ensure it remains consistent with the Board's objectives, current law and practices.

#### 1.8 Sustainability Governance

The Board emphasises the importance of sustainable business practices in creating long-term value, recognising that responsible business conduct is fundamental to achieve operational excellence to deliver sustained value to the shareholders and other stakeholders.

Structural oversight of sustainability, including strategies, priorities, and targets, rests with the Board assisted by the ARMC, while Management is entrusted with operational execution concerning material Economic, Environmental, Social, and Governance ("EESG") factors as integral components of the Group's corporate strategy and embedding material ESG considerations into the Group's decision-making process and conduct of its activities.

The Board prioritises upholding exemplary corporate governance practices, marked by a dedication to ethics, integrity, and corporate responsibility. Additionally, the Board ensures that both internal and external stakeholders are periodically engaged and kept well-informed about the Group's sustainability strategies, priorities, targets, and overall performance.

Details of the Group's sustainability agenda and performance are articulated in the Sustainability Statement of this Annual Report 2025.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – COMPOSITION OF THE BOARD

#### 2.1 Board Composition

The Board currently comprises six (6) members and the composition of the Board is set out in the table below:-

No.	Names	Designation
1.	Datuk Ir. Hj. Ali Ahmad Bin Hamid	Independent Non-Executive Chairman
2.	Kang Ket Hung	Managing Director
3.	Kang Phui Ting	Non-Independent Executive Director
4.	Kang Phui Yie	Non-Independent Executive Director
5.	Noor Ilienna Rahayu Binti Ibrahim	Independent Non- Executive Director
6.	Tan Kung Ming	Independent Non- Executive Director

This current Board composition complies with Rule 15.02 of the Listing Requirements, which requires that at least two (2) Directors or one-third (1/3) of the Board, whichever is the higher, are Independent Directors and one (1) Director is female.

The Board composition is also in line with Practice 5.2 of the MCGG of having at least half of the Board comprising Independent Non-Executive Directors and also in line with Practice 5.9 of the MCGG where the Board comprises three (3) female Directors, representing 50% of the Board members.

This composition is able to provide independent and objective judgement as well as provide an effective check and balance to safeguard the interest of the minority shareholders, and ensure high standards of conduct and integrity are maintained.

Collectively, the Board bring a wide range of skills, experience and knowledge to manage the Group's business. The profiles of these Directors are provided in this Annual Report 2025.

#### 2.2 Tenure of Independent Directors

The Board acknowledges the recommendation by the MCGG that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. However, if the Board intends to retain a Director who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years, the Board must justify its decision and seek the shareholders' approval through a two-tier voting process at a general meeting. Furthermore, the Board recognises that the tenure of an Independent Director should not exceed a cumulative term of twelve (12) years as stipulated in the Listing Requirements.

The Board has not adopted a policy that limits the tenure of its Independent Directors to a cumulative term of nine (9) years. Notwithstanding that, the assessment of the independence of Independent Directors will be conducted annually via the annual evaluation of Independent Directors to ensure that they fulfil the "independence" criteria as set out in the Listing Requirements.

During the FYE 2025, none of the Independent Directors has served the Board for a cumulative term of more than nine (9) years. From the annual evaluation, the NC and the Board is satisfied that the Independent Directors fulfilled the "independence" criteria as prescribed in the Listing Requirements.

#### 2.3 Appointment to the Board

The Board appoints its members through a formal and transparent selection process. The new candidates will be considered and evaluated by the NC. The NC will then recommend the appointment of candidates to the Board for consideration and ultimate approval. In making a recommendation to the Board on the candidates for directorship, the NC will consider, amongst others, the following objective criteria, including:-

- skills, knowledge, expertise and experience;
- professionalism;
- integrity;
- time commitment to the Company based on the number of directorships held; and
- in the case of candidates for the position of Independent Non-Executive Directors, the NC will also evaluate the candidates' ability to discharge such responsibilities/ functions as expected from Independent Non-Executive Directors as well as fulfilling the "independence" criteria as prescribed in the Listing Requirements.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – COMPOSITION OF THE BOARD (CONT'D)

#### 2.3 Appointment to the Board (Cont'd)

All Directors are in compliance with Rule 15.06 of the Listing Requirements as each of them did not hold more than five (5) directorships in other listed issuers.

The role of the NC is detailed in its TOR, which is accessible on the Company's website at [www.colform.com.my](http://www.colform.com.my).

#### 2.4 Diversity of the Board and Senior Management Team

The Board acknowledges the importance of Board and Senior Management Team composition diversity as recommended by the MCCG. In pursuing the diversity agenda, the Directors and senior management are sourced from a diverse pool and recruited based on objective criteria, merit and with due regard for diversity in skills, knowledge, experience, age, cultural background, gender and contribution.

In line with the recommendation under the MCCG for gender diversity, the Board has established and adopted the Gender Diversity Policy which provides a framework for the Company to improve its gender diversity at the Board and senior management level. The policy emphasises the need for diversity among the Board members and senior management, amongst others, including race, ethnicity, age, gender, skills, competencies, experiences and expertise.

Currently, there are three (3) female Directors on the Board, namely, Ms. Kang Phui Ting, Ms. Kang Phui Yie and Pn. Noor Ilienna Rahayu Binti Ibrahim, representing 50% of the Board composition.

The Gender Diversity Policy is available on the Company's website at [www.colform.com.my](http://www.colform.com.my).

#### 2.5 Board Committees

For the effective function of the Board, the Board has delegated specific responsibilities to the Board Committees within their respective Terms of Reference.

The current members of each Board Committee are set out in the table below:-

Composition	ARMC	NC	RC
Datuk Ir. Hj. Ali Ahmad Bin Hamid (Appointed on 29 May 2025) (Independent Non-Executive Chairman)	Member	Member	Member
Noor Ilienna Rahayu Binti Ibrahim (Independent Non-Executive Director)	Member	Chairperson	Member
Tan Kung Ming (Independent Non-Executive Director)	Chairman	Member	Chairman

The TOR of the respective Board Committees are available on the Company's website at [www.colform.com.my](http://www.colform.com.my).

#### 2.6 Nomination Committee ("NC")

The NC is chaired by Pn. Noor Ilienna Rahayu Binti Ibrahim, an Independent Non-Executive Director of the Company.

The principal responsibility of the NC includes the following:

- (i) To review the overall composition of the Board in terms of size, a mix of skills, experience and core competencies and the effectiveness of the Board as a whole as well as the contribution of each Director to the Board and Board Committees on an annual basis.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – COMPOSITION OF THE BOARD (CONT'D)

#### 2.6 Nomination Committee (“NC”) (Cont’d)

- (ii) To assess, evaluate and recommend a new member to the Board after taking into consideration the relevant criteria such as age, gender, ethnicity, skill and experience, industry knowledge, personal qualities and characteristics which include integrity and willingness and ability to discharge duty as Director.
- (iii) To recommend to the Board for the appointment of a new member for approval.
- (iv) To assess the retiring Directors based on their contributions, attendance, participation in meetings, industry and business knowledge, skills, expertise, time commitment, fit and proper criteria and also the independence criteria of the retiring Independent Directors.
- (v) To recommend to the Board for approval and to propose the re-election of the retiring Directors at the AGM.

The Board had adopted the Directors’ Fit and Proper Policy to ensure a transparent and rigorous process for the appointment of a new member and re-election of retiring Directors of the Company. This policy is accessible on the Company’s website at [www.colform.com.my](http://www.colform.com.my).

The NC has written TOR dealing with its authority and duties which include the selection and assessment of Directors. The TOR of the NC had incorporated the relevant practices recommended under the MCCG. The TOR of the NC is published on the Company’s website at [www.colform.com.my](http://www.colform.com.my).

During the FYE 2025, the activities undertaken by the NC were as follows:-

- Evaluated the balance of skills, knowledge and experience of the Board. Carried out the assessment and rating of each Director’s performances against the criteria as set out in the annual assessment form. The performance of Non-Executive Directors was also carefully considered, including whether he/she could devote sufficient time to the role.
- Undertaken an effectiveness evaluation exercise of the Board and Board Committees as a whole with the objective of assessing its effectiveness.
- Reviewed and assessed the independence of the Independent Directors of the Company.
- Reviewed and assessed the performance of the ARMC
- Reviewed the terms of office of the ARMC and each of its members.
- Reviewed and recommended to the Board for consideration, the re-election of the Directors who were due to retire at the AGM.
- Reviewed and recommended to the Board for approval, the changes in the composition of the ARMC, NC and RC.
- Reviewed the training needs for each Director for the financial year ending 31 December 2026.

#### 2.7 Board Appointment and Re-election of Directors

In accordance with the Listing Requirements and the Company’s Constitution, one-third (1/3) of the Directors of the Company for the time being shall retire at the AGM of the Company provided always that all Directors, shall retire from office at least once (1) in every three (3) years but shall be eligible for re-election at the AGM. Additionally, the Directors appointed to fill a casual vacancy or as an addition to the Board shall hold office only until the conclusion of the next AGM and shall be eligible for re-election.

Upon the recommendation of the NC, the Board had approved and recommended for the shareholders to approve the re-election of the retiring Directors, Mr. Kang Ket Hung and Ms. Kang Phui Ting, at the forthcoming AGM. The details of the retiring Directors are disclosed in the Director’s Profile section of the Annual Report.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – COMPOSITION OF THE BOARD (CONT'D)

#### 2.7 Board Appointment and Re-election of Directors (Cont'd)

During the FYE 2025, there was no new Director appointed to the Board to fill a casual vacancy or as an additional director.

#### 2.8 Annual Assessment of the Board and Board Committees as a whole

The Board has, through the NC, undertaken a formal and objective annual evaluation to assess the effectiveness of the Board and the Board Committees as a whole and the contribution of each Director, including the independence of the Independent Non-Executive Directors, referring to the guides available and the good corporate governance compliance.

In evaluating the performance of Non-Executive Directors, the assessment comprises, amongst others, the attendance at Board or Committee meetings, adequate preparation for Board and/or Board Committees' meetings, regular contribution to Board or Board Committees' meetings, personal input to the role and other contributions to the Board or Board Committees as a whole.

In evaluating the performance of the Managing Director and Executive Directors, the assessment was carried out against diverse key performance indicators including amongst others, financial, strategic and sustainability, conformance and compliance, business acumen or increase shareholders' wealth, succession planning and personal input to the role.

The NC and the Board carried out the annual assessment of the Board and Board Committees as a whole as well as the individual Director's performance in February 2026.

#### 2.9 Attendance of Board and Board Committees' Meetings

The Board meets at least once every quarter on a scheduled basis and additional meetings are to be convened as when deemed necessary by the Board. All the Directors fulfilled the requirements of the Listing Requirements of having attended at least 50% of the Board meetings held by the Company for the FYE 2025.

The attendance records of the current Board members at the Board and Board Committees meetings held during the FYE 2025 are as follows:-

Name of Directors	Board	ARMC	NC	RC
	No. of Meetings Attended			
Datuk Ir. Hj. Ali Ahmad Bin Hamid (Independent Non-Executive Chairman)	5/5	3/3	-	-
Kang Ket Hung (Managing Director)	5/5	-	-	-
Kang Phui Ting (Non-Independent Executive Director)	5/5	-	-	-
Kang Phui Yie (Non-Independent Executive Director)	5/5	-	-	-
Noor Ilienna Rahayu Binti Ibrahim (Independent Non-Executive Director)	5/5	5/5	2/2	1/1
Tan Kung Ming (Independent Non-Executive Director)	5/5	5/5	2/2	1/1

Datuk Ir. Hj. Ali Ahmad Bin Hamid did not attend the RC and NC meetings held in February and May 2025 respectively, as he was only appointed as a member of these Board Committees on 29 May 2025.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART II – COMPOSITION OF THE BOARD (CONT'D)

#### 2.10 Directors' Training

The Directors have attended courses/conferences and/or in-house training from time to time to enhance their skills and knowledge and to keep abreast with the relevant changes in laws, listing requirements, regulations and business environment in order to discharge their duties more effectively. All Board members have attended and completed the Mandatory Accreditation Programme Part I on corporate governance and director's roles, duties and liabilities as well as the Mandatory Accreditation Programme Part II on sustainability, as prescribed and in compliance with Guidance Note 10 of the Listing Requirements.

During the FYE 2025, the Directors have attended the following training programmes in compliance with Rule 15.08 of the Listing Requirements:-

Name of Directors	Training / Seminar attended
Datuk Ir. Hj. Ali Ahmad Bin Hamid	<ul style="list-style-type: none"> <li>• Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad</li> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>• Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad relating to Corporate Rescue Mechanism disclosures, New Related Party Transactions exemption for certain joint venture scenarios and New Shariah-related disclosure requirement</li> </ul>
Kang Ket Hung	<ul style="list-style-type: none"> <li>• Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad</li> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>• Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad relating to Corporate Rescue Mechanism disclosures, New Related Party Transactions exemption for certain joint venture scenarios and New Shariah-related disclosure requirement</li> </ul>
Kang Phui Ting	<ul style="list-style-type: none"> <li>• Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad</li> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>• Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad relating to Corporate Rescue Mechanism disclosures, New Related Party Transactions exemption for certain joint venture scenarios and New Shariah-related disclosure requirement</li> </ul>
Kang Phui Yie	<ul style="list-style-type: none"> <li>• Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad</li> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>• Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad relating to Corporate Rescue Mechanism disclosures, New Related Party Transactions exemption for certain joint venture scenarios and New Shariah-related disclosure requirement</li> </ul>
Noor Ilienna Rahayu Binti Ibrahim	<ul style="list-style-type: none"> <li>• Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad</li> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>• Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad relating to Corporate Rescue Mechanism disclosures, New Related Party Transactions exemption for certain joint venture scenarios and New Shariah-related disclosure requirement</li> </ul>
Tan Kung Ming	<ul style="list-style-type: none"> <li>• Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad</li> <li>• Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> <li>• Key Amendments to the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad relating to Corporate Rescue Mechanism disclosures, New Related Party Transactions exemption for certain joint venture scenarios and New Shariah-related disclosure requirement</li> </ul>

The Board would continuously, evaluate and assess the training needs of each Director to keep them abreast with the state of the economy, technological advances, regulatory updates, management strategies and development in various aspects of the business environment to enhance the Board's skills and knowledge in discharging its responsibilities.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART III – REMUNERATION

#### 3.1 Remuneration Policy

The Board had established a formal and transparent Remuneration Policy to attract and retain Directors and Senior Management of the Group. The Remuneration Policy was adopted by the Board and is available on the Company's website at [www.colform.com.my](http://www.colform.com.my).

The RC assists the Board in implementing its policies and procedures on remuneration, which includes reviewing and recommending the proposed remuneration packages of the Directors of the Company/Group. The RC is also responsible for ensuring that the remuneration packages are commensurate with the expected responsibility and contribution by the Directors and link to the strategic objectives of the Group.

The Board will determine the remuneration package of the Managing Director / Non-Independent Executive Directors, taking into consideration the recommendations of the RC for the Managing Director / Non-Independent Executive Directors. The remuneration packages for the Managing Director / Non-Independent Executive Directors are structured in such a way that they link rewards to both corporate and individual performance.

The Non-Executive Directors of the Company will be paid a basic fee as ordinary remuneration based on their responsibilities in Committees and the Board, their attendance and/or the special skills and expertise they bring to the Board. The fee shall be fixed in sum and not by a commission on or percentage of profits or turnover. Each Director shall abstain from the deliberation and voting on matters pertaining to their own remuneration. The fees and benefits payable to the Non-Executive Directors are subject to the approval of the shareholders at every annual general meeting.

#### 3.2 Remuneration of Directors

The remuneration payable to each of the individual Director of the Company and of the Group for the FYE 2025 are as follows:-

##### (A) The Company

Name of Directors	Fees (RM'000)	Allowance (RM'000)	Salary (RM'000)	Bonus (RM'000)	Benefits-in-kind (RM'000)	Other emoluments* (RM'000)	Total (RM'000)
Datuk Ir. Hj. Ali Ahmad Bin Hamid	58.50	-	-	-	-	-	58.50
Kang Ket Hung	-	-	-	-	-	-	-
Kang Phui Ting	-	-	-	-	-	-	-
Kang Phui Yie	-	-	-	-	-	-	-
Kang Ah Hin (Retired on 29 May 2025)	20.25	-	-	-	-	-	20.25
Noor Ilienna Rahayu Binti Ibrahim	28.75	-	-	-	-	-	28.75
Tan Yun Su (Retired on 29 May 2025)	17.50	-	-	-	-	-	17.50
Tan Kung Ming	38.00	-	-	-	-	-	38.00
<b>Total</b>	<b>163.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>163.00</b>

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A - BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### PART III – REMUNERATION (CONT'D)

#### 3.2 Remuneration of Directors (Cont'd)

##### (B) The Group

Name of Directors	Fees (RM'000)	Allowance (RM'000)	Salary (RM'000)	Bonus (RM'000)	Benefits-in-kind (RM'000)	Other emoluments* (RM'000)	Total (RM'000)
Datuk Ir. Hj. Ali Ahmad Bin Hamid	58.50	-	-	-	-	-	58.50
Kang Ket Hung	-	-	768.00	226.00	-	123.46	1,117.46
Kang Phui Ting	-	-	279.00	60.00	-	39.67	378.67
Kang Phui Yie	-	-	564.60	130.00	-	86.14	780.74
Kang Ah Hin (Retired on 29 May 2025)	20.25	-	-	-	-	-	20.25
Noor Ilienna Rahayu Binti Ibrahim	28.75	-	-	-	-	-	28.75
Tan Yun Su (Retired on 29 May 2025)	17.50	-	-	-	-	-	17.50
Tan Kung Ming	38.00	-	-	-	-	-	38.00
<b>Total</b>	<b>163.00</b>	<b>-</b>	<b>1,611.60</b>	<b>416.00</b>	<b>-</b>	<b>249.27</b>	<b>2,439.87</b>

Note:-

\* Other emoluments include the Employees Provident Fund (EPF), Social Security Organisation (SOCSO) and Employment Insurance System (EIS).

#### 3.3 Remuneration of Senior Management

The remuneration of the current Senior Management of the Company for the FYE 2025 is follows:-

Range of Remuneration	No. of Senior Management Officer
RM50,001 to RM100,000	1
RM100,001 to RM150,000	1

Due to the confidentiality and sensitivity of the remuneration packages of Senior Management as well as security concerns, the Board opts not to disclose the Senior Management's remuneration components on a named basis in the bands of RM50,000.

The Board is of the view that the disclosure of the remuneration of Senior Management on a named basis would be not in the best interest of the Company given the competitive human resources environment that may give rise to recruitment and talent retention issues. The Board is of the opinion that the disclosure of Senior Management's aggregated remuneration on an unnamed basis in the bands of RM50,000 is adequate.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT

### PART I – AUDIT AND RISK MANAGEMENT COMMITTEE

#### 4.1 Effective and Independent ARMC

The ARMC is relied upon by the Board to, amongst others, provide advice and oversee in the areas of financial reporting, external audit, internal control environment and internal audit processes, review of related party transactions as well as conflict of interest situations.

The ARMC is chaired by Mr. Tan Kung Ming, an Independent Non-Executive Director who is distinct from the Chairman of the Board. He is a member of the Malaysian Institute of Accountants.

The ARMC comprises three (3) members. The composition of the ARMC complies with Rules 15.09 and 15.10 of the Listing Requirements and the recommendation of MCCG whereby all three (3) ARMC members are Independent Non-Executive Directors. None of the Independent Non-Executive Directors has appointed alternate directors.

None of the members of the ARMC were former key audit partners and to uphold utmost independence, the Board has no intention to appoint any former key audit partner as a member of the ARMC.

The members of the ARMC are equipped with the requisite skills and knowledge to fulfil their responsibilities outlined in the TOR of the ARMC. They possess a deep understanding of matters falling within the purview of the ARMC, including the financial reporting process.

The ARMC members have consistently stayed informed about developments in accounting and auditing standards, practices, and regulations from the briefing of External Auditors, Internal Auditors and Company Secretaries as well as attended relevant trainings and programs.

#### 4.2 External Auditors

The Group maintains a transparent and effective relationship with the External Auditors, granting them direct communication authority to the ARMC and the Board. This enables the External Auditors to bring to the attention of the ARMC any matters requiring the Board's attention regarding compliance with accounting standards and related regulatory requirements as well as key issues observed by them during the course of their audit.

The Board had also established an Assessment Policy for the External Auditors, along with annual performance evaluation forms. This policy outlines guidelines and procedures for the ARMC to review, assess, and monitor the performance, suitability, objectivity and independence of the External Auditors.

From the annual performance assessment of the External Auditors, the ARMC was satisfied with the performance, suitability, objectivity and independence of the External Auditors of the Company, TGS TW PLT. From the recommendation of the ARMC, the Board is proposing to re-appoint the External Auditors and will seek the shareholders' approval for the re-appointment at the forthcoming AGM of the Company.

### PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

#### 5.1 Risk Management and Internal Control Framework

The Board acknowledges its overall responsibilities in establishing a sound risk management framework and internal control system within the Group. The risk management framework and internal control system are designed to manage the Group's risks within an acceptable risk appetite, rather than eliminate the risk of failure to achieve the policies, goals and objectives of the Group. It provides reasonable assurance against material misstatement of financial information and records or against financial losses or fraud.

The Company also engages Internal Auditors to provide independent assessments of the adequacy, efficiency and effectiveness of the Group's risk management framework and internal control system. The Internal Auditors report directly to the ARMC and internal audit plans are tabled to the ARMC for review, and approval by the Board to ensure the risk management framework and internal control system is adequate and effective.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE B - EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

### PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK (CONT'D)

#### 5.1 Risk Management and Internal Control Framework (Cont'd)

Further details on the features of the Group's risk management framework and internal control system, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control in this Annual Report.

#### 5.2 Internal Audit Function

The Group's internal audit function is outsourced to an independent professional firm namely Kevin How & Co PLT ("**Internal Auditors**") to provide an independent assessment of the adequacy, efficiency and effectiveness of the Group's risk management and internal control system and processes.

The Internal Auditors are free from any relationship or conflict of interest, which could impair their objectivity and independence.

The ARMC had obtained assurance from the Internal Auditors confirming that they are, and have been, independent throughout the conduct of the internal audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The internal audit functions and activities carried out by the Internal Auditors during the FYE 2025 are as disclosed in the Audit and Risk Management Committee Report in this Annual Report.

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

### PART I – ENGAGEMENT WITH STAKEHOLDERS

#### 6.1 Continuous Communication with Stakeholders

The Board values the importance of the dissemination of information on major developments of the Group to the shareholders, potential investors and the general public in a timely and equitable manner.

The quarterly results, announcements, annual reports and circulars serve as primary means of dissemination of information so that the shareholders are constantly kept abreast on the Group's progress and development.

The Company's website at [www.colform.com.my](http://www.colform.com.my) serves as one of the most convenient ways for shareholders and members of the public to gain access to corporate information, news and events relating to the Group.

The Company's AGM serves as a platform and principal forum used by the Group for communication with its shareholders. At the AGM, shareholders will be accorded time and opportunity to raise questions on the proposed resolutions and also matters relating to the performance, developments within and the future direction of the Group. The Board will also ensure that each item of ordinary business and special business that is included in the notice of meeting is accompanied by a written explanation of that resolution and its effects to facilitate its understanding and evaluation.

The Board is committed to provide effective communication to its shareholders and the general public regarding the business, operations and financial performance of the Group and where necessary, information filed with regulators is in accordance with all applicable legal and regulatory requirements.

The Board had adopted the Corporate Disclosure Policy to promote comprehensive accurate, and timely disclosures pertaining to the Company and the Group to regulators, shareholders and stakeholders. The Corporate Disclosure Policy is available on the Company's website at [www.colform.com.my](http://www.colform.com.my).

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

### PART II – CONDUCT OF GENERAL MEETING

#### 7.1 Conduct of General Meetings

The AGM remains the principal forum for dialogue with shareholders where they may seek clarifications on the Group's business and reports. Shareholders are encouraged to meet and communicate with the Board at the AGM and vote on all resolutions.

In line with Practice 13.1 of MCCG, the notice convening the 1<sup>st</sup> AGM of the Company was issued to shareholders at least twenty-eight (28) days before the date of the 1<sup>st</sup> AGM, which gives shareholders sufficient time to prepare themselves to attend the 1<sup>st</sup> AGM or to appoint proxy/(ies) to attend and vote on their behalf.

The Board and Key Senior Management of the Company as well as the External Auditors of the Company are available to respond to shareholders' questions during the meetings. During the proceedings of the 1<sup>st</sup> AGM convened on 29 May 2025, the Chairman ensured that the shareholders are given the opportunity to comment or raise issues and questions pertaining to issues on the agenda, in the annual report, Group's strategy and business developments. All questions raised by the shareholders were answered and addressed accordingly.

All resolutions set out in the notice of the 1<sup>st</sup> AGM were put to vote by poll and the votes casted were validated by an independent scrutineer appointed by the Company. The outcome of all resolutions proposed at the general meetings was announced to Bursa Securities on the same day of the meeting.

#### 7.2 Effective Communication and Proactive Engagement

All the Directors were present at the 1<sup>st</sup> AGM held on 29 May 2025 and responded to questions raised by the shareholders.

The Chairman of the Board and its Board Committees members were available to respond to shareholders' queries concerning the Company and the Group in the 1<sup>st</sup> AGM. The External Auditors were also invited to attend the AGM and assist the Board in addressing relevant queries made by the shareholders.

From the Company's perspective, the AGM serves as a forum for Directors to engage with the shareholders personally to understand their needs and seek their feedback. The Board welcomes questions and feedback from the shareholders during and at the end of shareholders' meetings and ensures their queries are responded to properly and systematically.

The Board had ensured that a reasonable time is provided to the shareholders for discussion at the AGM before each resolution is proposed. The summary of the key matters discussed at the 1<sup>st</sup> AGM was published on the Company's website at [www.colform.com.my](http://www.colform.com.my) for the shareholders' information.

### STATEMENT BY THE BOARD

The Board has deliberated, reviewed and approved this CG Statement. The Board has considered and is satisfied that to the best of its knowledge, the Company has fulfilled its obligations under the MCCG, the relevant chapters of the Listing Requirements on corporate governance and all applicable laws and regulations for the FYE 2025, except for the departures set out in the Corporate Governance Report 2025. Any recommended practices in the MCCG which are not implemented during the financial year will be reviewed by our Board and implemented where possible and relevant to the Group's business.

The Company shall continue to strive for high standards of corporate governance throughout the Group, and the highest level of integrity and ethical standards in all its business dealings.

This CG Statement is issued in accordance with a resolution of the Board of Directors dated 17 April 2026.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

In accordance with Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”), the Board of Directors (“**Board**”) is pleased to present the Group’s Statement on Risk Management and Internal Control (“**Statement**”), which is intended to provide our shareholders of this Annual Report with sufficient information about the nature and scope of the Group’s risk management and internal control system implemented during the financial year ended 31 December 2025 (“**FYE 2025**”).

This Statement has been prepared in accordance with the principles and best practice provisions relating to risk management and internal control outlined in the Malaysian Code and Corporate Governance and Listing Requirements as well as guided by the “Statement of Risk Management and Internal Control: Guidelines for Directors of Listed Companies”.

## BOARD RESPONSIBILITIES

The Board as a whole is responsible for the overall oversight of risk management in the Group covering the system of risk management and internal control. The Board recognises the importance of a sound risk management framework and internal control system to ensure the assets of the Group and interest of various stakeholders are safeguarded.

The Board acknowledges that effective risk management and sound internal control system is fundamental to good corporate governance of the Group. In this regard, the Board is committed to maintaining adequacy and effectiveness of the risk management and internal control system in alignment with the Group’s business objectives, strategies and regulatory requirements to safeguard shareholders’ investment and other stakeholders’ interest as well as the Group’s assets.

While the Board holds ultimate responsibility for the Group’s risk management and internal control system, the Audit and Risk Management Committee (“**ARMC**”) is assigned to assist the Board to discharge risk oversight responsibilities by identifying, addressing the key risks and recommending improvement measures to the Group. Given the inherent limitations of any risk management and internal control system, the Board recognises that such system provides reasonable but not absolute assurance against material misstatements, losses, fraud or unforeseen events, as such system is designed to manage and mitigate rather than eliminate the Group’s risks, in order to achieve the Group’s business objectives.

The Board is kept informed by the ARMC of all significant financial or non-financial issues highlighted by the Management Team, Internal Auditors or External Auditors.

## RISK MANAGEMENT FRAMEWORK

The Board, assisted by the ARMC and the Management Team, are responsible to ensure an appropriate risk management process for identifying, assessing, managing, monitoring and reviewing the material risks encountered by the Group.

The Group has implemented a formalised Risk Management and Internal Control Policy (“**RMIC Policy**”) which is integrated into the Group’s ongoing business operations. This RMIC Policy outlined the risk governance structure and overall processes for the design, implementation and monitoring of the Group’s risk management and internal control system. The Board acknowledges that effective risk management is an integral part of the day-to-day business operations.

As part of the Risk Management Framework process, the ARMC is responsible for, amongst others, the following:

- (i) To oversee risk management and processes in identifying, evaluating, monitoring and managing the key risks within the Group;
- (ii) To review the risk profiles in respective business units within the Group;
- (iii) To identify the key risks encountered and evaluate the adequacy of the management responses and measures taken to mitigate the risks, ensuring that the risks are managed within the Group’s risk appetite and risk tolerance;
- (iv) To review and assess the adequacy and effectiveness of risk management, internal control, governance processes and accounting control procedures implemented to mitigate the key risks; and
- (v) To review the implementation of the Group’s RMIC Policy, covering all material controls such as financial, operational and compliance at least annually and recommend changes as needed.

The key structures of the Risk Management Framework involved implementing the Three Lines of Defence Model as illustrated in the table below.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## RISK MANAGEMENT FRAMEWORK (CONT'D)

Three Lines of Defence	
First Line of Defence	<b>Business Line (Risk Owners)</b> Own and manage risks directly within respective areas. Conduct self-assessment and corrective action
Second Line of Defence	<b>Senior Management</b> Implement and review risk management and internal control system for reporting to the ARMC and Board as well as attest on compliance with internal controls
Third Line of Defence	<b>Internal and External Audit</b> Provide independent and objective assurance on the overall adequacy, integrity and effectiveness of risk management and internal control system
Governance Oversight	
The above structure is reinforced by Board oversight, ARMC review, management reporting, internal audit reviews and external audit observations.	

This model clearly delineates responsibilities between the Board, ARMC, Senior Management, risk oversight functions and independent assurance, ensuring that risks are identified, managed and monitored in a structured and coordinated manner throughout the Group.

### Known and Anticipated Key Risk Categories

The Board recognises that determining the Group's risk appetite and risk tolerance are important elements of an effective risk management and governance system. In pursuing its strategic objectives, the Group seeks to balance business growth opportunities with prudent risk-taking while considering its financial capacity, operating environment, regulatory obligations and reputation. In general, the Group adopts a moderate risk appetite in pursuing business growth and operational expansion.

The Group's risk management framework focuses on managing business risks, which are categorised as follows:

<b>Strategic / Business Risk</b>	Risks arising from adverse business decisions, ineffective strategy implementation, failure to respond to industry or technological changes, and insufficient business diversification.
<b>Financial Risk</b>	Risks arising from market movements, credit exposures, interest rates, foreign exchange and liquidity constraints affecting the Group's financial position.
<b>Operational Risk</b>	Risks arising from human error, system failures, inadequate processes, or external events.
<b>Regulatory / Compliance Risk</b>	Risks of regulatory sanctions, financial loss, or reputational damage resulting from non-compliance with applicable laws and regulations.

### Risk Impact, Mitigation and Management

Risks Identified	Mitigation and Monitoring
As a manufacturer, trader, and installer of downstream steel products, the Group operates within a highly dynamic industry, subject to market fluctuations, raw material price volatility, and reliance on the growth in the construction sector.	The Group remains vigilant in identifying, assessing, and managing key risks that may impact its operations, profitability, and long-term sustainability, while continuously enhancing its risk management practices to ensure resilience in a challenging business environment.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## RISK MANAGEMENT FRAMEWORK (CONT'D)

### Risk Impact, Mitigation and Management (Cont'd)

Risks Identified	Mitigation and Monitoring
<p>The Group is exposed to risks from volatility in global steel prices, which may affect production cost stability and operating margins across its manufacturing and trading divisions.</p>	<p>The Group monitors steel price trends and adopts prudent procurement and inventory management strategies to align stock levels with operational needs and market conditions, while maintaining flexibility in pricing and sourcing.</p>
<p>The Group is exposed to foreign exchange fluctuation risks, particularly in USD and RMB, as depreciation of Ringgit Malaysia may increase procurement and production costs.</p>	<p>The Group implements appropriate foreign currency management measures and maintains close supplier relationships to enhance cost predictability and minimise the impact of currency fluctuations.</p>
<p>As a supplier of downstream steel products and installation services to the construction sector, the Group's performance is closely tied to the construction sector, where project delays, regulatory changes, or economic slowdowns may affect steel demand and contract opportunities.</p>	<p>The Group diversifies its revenue streams by expanding into industrial and commercial developments and leveraging opportunities in the IBS sector supported by government incentives.</p>
<p>The Group exposed to risks from its installation and project management activities, including project delays, labour shortages, material cost fluctuations, and technical challenges that may impact project margins.</p>	<p>The Group implements stringent project planning and risk assessments, undertakes projects within internal tolerance limits, and closely monitors execution. The Group also collaborates with customers and suppliers, supported by a skilled workforce and reliable subcontractors, to ensure timely and quality project delivery.</p>
<p>As a B2B company, the Group provides standard credit terms of 60 days, with extensions for certain contractors, increasing exposure to credit risk. Delayed payments or defaults may lead to higher impairment provisions and affect financial performance.</p>	<p>The Group closely monitors receivables, enforces prudent credit policies, conducts credit risk assessments, and undertakes proactive collections to minimise bad debt risk.</p>

During the FYE 2025, the Board and the ARMC reviewed the Group's risk management framework to ensure that abovementioned risks were appropriately identified, assessed and monitored, and that the framework remained adequate and effective in supporting the Group's operations and achievement of its business objectives.

The Board and the ARMC reviewed the circumstances surrounding the incident, whereby the Group incurred a loss arising from malfeasance of a former employee, including the nature of the fraudulent transactions, and assessed the adequacy and effectiveness of the Group's internal control environment. The Board and the ARMC also continue to monitor the Group's implementation of corrective procedures and internal control enhancement initiatives on an ongoing basis. In addition, the Company had reported the incident and since then the former employee had been apprehended by the police.

In preventing the recurrence of this incident, the Group will also continue to strengthen its internal control framework through ongoing enhancements initiatives aimed at reinforcing governance and oversight. These initiatives include the continuous review of internal policies and procedures, improvements to key control activities such as approval and authorisation processes, and enhancements to monitoring mechanisms over operational and financial controls to mitigate the risk of similar occurrences.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTERNAL CONTROL SYSTEM

The Group's internal control system is integrated into day-to-day activities of the Group, amongst others, to ensure compliance with regulatory requirements, achieve operational efficiency, and uphold financial reporting integrity across the Group. The internal control system is regularly reviewed and updated to ensure its continued adequacy and effectiveness in adapting to the changing business environment.

During FYE 2025, the Group maintained the implementation of the following key internal control activities to safeguard the Group's assets and protect the shareholders' investments and the other stakeholders' interests: -

- (i) An organisational structure with well-defined segregation of duties, reporting lines and appropriate authorities and responsibilities of the Board, Board Committees and Senior Management to support a strong risk governance framework within the Group;
- (ii) Establishment of internal standard operating policies and procedures covering various operational areas within the Group to ensure clarity and standardisation of the Group's day-to-day operation processes which aligned with the Group's business objectives;
- (iii) Formalisation and adoption of the Board Charter for the Board and the Terms of References for Board Committees including ARMC, Nomination Committee ("NC") and Remuneration Committee. The Board Charter and Terms of References of the Board Committees are available on the Company's website at <https://www.colform.com.my>;
- (iv) Formalisation of Directors' Fit and Proper Policy in compliance with Rule 15.01A of the Listing Requirements as well as Gender Diversity Policy to provide the NC with formal and objective criteria for evaluating the appointment and re-appointment of Directors;
- (v) Formalisation of the Group's policies including the Code of Ethics and Conduct, Whistleblowing Policy, Anti-Bribery and Corruption Policy, and Data Privacy Policy to promote integrity and ethical behaviours within the Group;
- (vi) Formalisation of Conflict of Interest Policy to identify, disclose, and address any actual, potential and perceived conflicts of interest that may arise among the key persons of the Group, and to ensure such conflicts are appropriately monitored and managed;
- (vii) Formalisation of External and Internal Auditors Assessment Policy to provide ARMC with formal and objective criteria to review, assess and monitor the suitability, performance, independence, appointment, re-appointment and removal of the Company's External Auditors and Internal Auditors;
- (viii) Maintaining corporate disclosure procedures to ensure effective communication of periodic disclosures, immediate disclosures, transaction-based disclosures, and prescribed material events to shareholders and the general public in accordance with the Company's Corporate Disclosure Policy and the Listing Requirements;
- (ix) Maintaining oversight of related party transactions by ensuring compliance with the Listing Requirements and the Company's Related Party Transactions Policy and Procedures and through periodic reviews by the ARMC, with findings reported to the Board for consideration and approval;
- (x) Circulating the circular to the shareholders and obtaining the non-interested shareholders' approval at the Annual General Meeting for the Group to enter into recurrent related party transaction of a revenue or trading nature; and
- (xi) Conducting Board meeting and ARMC meeting at least 4 times a year to deliberate and approve, amongst others, quarterly unaudited financial results, annual audited financial statement, appointment/re-appointment of External Auditors and Internal Auditors and other key matters set out in their respective agenda.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTERNAL CONTROL SYSTEM (CONT'D)

### Reinforcing Risk Governance and Control

In addition to the above-mentioned policies, the Company has implemented the following key policies to reinforce risk governance and control:

#### **Anti-Bribery and Corruption Policy (“ABC Policy”)**

In response to Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Group has established the ABC Policy. The Group strictly adopts a zero-tolerance policy approach against all forms of bribery and corruption in its daily operations and take all reasonable and appropriate measures to ensure that all its Directors and employees are committed to act professionally and with integrity in all their business dealings and not participate in any corruption activities for its advantage or benefit. The ABC Policy is published on the Company’s website at [www.colform.com.my](http://www.colform.com.my).

#### **Whistleblowing Policy**

The Group has adopted the Whistleblowing Policy, which provides an avenue for employees, third-party service providers, independent contractors, vendors and suppliers and members of the public to raise genuine concerns, disclose alleged, suspected or actual wrongdoings or known improper conduct on a confidential basis without fear of any form of victimisation, harassment, retribution or retaliation. The Whistleblowing Policy is published on the Company’s website at [www.colform.com.my](http://www.colform.com.my).

## INTERNAL AUDIT FUNCTION

As part of the Risk Management Framework,

- (i) The Group has engaged GovernanceAdvisory.com Sdn. Bhd., an independent internal audit consulting firm, as its Internal Control Consultant, to review and report on risk management and internal control system as well as corporate governance practices of the Group, including key systems, policies, procedures and controls prior to its listing on ACE Market of Bursa Securities on 10 February 2025. The control weaknesses and improvement recommendations for review findings were presented to the Board for consideration and implementation.
- (ii) Following its listing on 10 February 2025, the Group outsourced its internal audit function to Kevin How & Co PLT, an independent internal audit consulting firm, to assist the ARMC and the Board in providing independent assessments on the adequacy and effectiveness of the risk management and internal control system of the Group. The Internal Auditors report directly to the ARMC.

The ARMC is satisfied that:

- Kevin How & Co PLT and their audit personnel are free from any relationship or conflict of interest that could impair their objectivity and independence as Internal Auditors;
  - Kevin How & Co PLT has relevant experience, sufficient standing and authority to enable it to discharge its functions effectively;
  - Kevin How & Co PLT has sufficient resources and is able to access information to enable it to carry out its role effectively; and
  - Mr Chong Ket Vui, Dusun, Partner from Kevin How & Co PLT, assigned to undertake internal audit, have the necessary competency, experience and resources to carry out the function effectively.
- (iii) As at the date of this Annual Report, the Internal Auditors developed and presented a comprehensive 3-year internal audit plan for the financial years ending 31 December 2025, 31 December 2026 and 31 December 2027 to the ARMC and the Board, which were approved by the Board with some modifications.
    - The Internal Auditors carried out the internal audit review in accordance with the approved internal audit plan.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTERNAL AUDIT FUNCTION (CONT'D)

- Upon completion of the audit engagement, the Internal Auditors presented the internal audit findings and control improvement recommendations to the ARMC for their attention and discussion with the Management on the status of rectifying the observations made by the Internal Auditors. After deliberation by the ARMC, the Chairman reported its finding and recommendations in the internal audit report to the Board for deliberation.
- The Management Team is responsible for monitoring and improving the control environment as well as implementing the necessary corrective actions on the identified internal control weaknesses. In addition, the Internal Auditors performed the follow-up reviews on the prior internal audit findings to ensure that all improvement recommendations are implemented within the prescribed timeframe.

The total cost incurred for the Group's internal audit function in respect of the FYE 2025 was RM12,000.

## SUMMARY OF ACTIVITIES RELATING TO THE EXTERNAL AND INTERNAL AUDIT UNDERTAKEN BY THE ARMC

The activities, relating to the external and internal audit, conducted by the ARMC in the FYE 2025 are set out in Audit and Risk Management Committee Report in pages from 67 to 69 of this Annual Report.

## BOARD ASSURANCE AND LIMITATION

For the FYE 2025, the Board is of the view that the existing systems of risk management and internal control are effective and will continue to be improved and enhanced on an ongoing basis.

The Board had received assurance from the Managing Director, Executive Directors and Group Accountant that the Group would continuously improve and maintain a sound and effective system of risk management and internal control.

While recognising the imperative for ongoing improvement in risk management and internal control system, the Board acknowledges that this system cannot entirely eliminate the possibility of failure to achieve business objectives. Stakeholders should note that while this system manages reasonable assurance, it cannot provide absolute protection against material misstatements, fraud, or losses.

## REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

The External Auditors, TGS TW PLT have reviewed this Statement on Risk Management and Internal Control pursuant to Rule 15.23 of the Listing Requirements, for inclusion in the Company's Annual Report for the FYE 2025. Their review has been performed in accordance with the guidelines contained in the Audit and Assurance Practice Guide 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control issued by the Malaysian Institute of Accountants.

Based on their review, the External Auditors reported to the Board that nothing has come to their attention that causes them to believe that this Statement is not prepared, in all material respects, in accordance with the disclosures required by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies to be set out, nor is factually inaccurate.

## CONCLUSION

The Board is of the opinion that the existing Group's risk management and internal control system is in place which aligned with the Group's business objectives and strategies for the financial year under review and up to date of this Statement, are adequate and sufficient to safeguard shareholders' investments, protect stakeholders' interests and preserve the Group's assets.

However, the Board also acknowledges that the need for ongoing enhancement of the Group's risk management and internal control system to adapt to a dynamic business environment. Therefore, the Board, ARMC and the Management Team are committed to continuously monitor, improve and further strengthen the Group's risk management and internal control system.

The Statement on Risk Management and Internal Control has been approved by the Board on 17 April 2026.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Audit and Risk Management Committee (“**ARMC**”) of Colform Group Berhad (“**Company**”) is pleased to present the ARMC Report for the financial year ended 31 December 2025 (“**FYE 2025**”).

## 1. OBJECTIVES

The ARMC was established to assist the Board in fulfilling its statutory obligations effectively. By conducting impartial and independent assessments, the ARMC provides additional assurance to the Board concerning the effectiveness of financial, operational, and administrative controls and procedures, thereby enhancing governance, risk management and sustainability practices within the Company and its subsidiaries (“**Group**”).

## 2. COMPOSITION OF ARMC

The ARMC comprises all Independent Non-Executive Directors of the Company, which is set out as follow:-

Name of members	Designation
Tan Kung Ming <i>(Independent Non-Executive Director)</i>	Chairman
Noor Ilienna Rahayu Binti Ibrahim <i>(Independent Non-Executive Director)</i>	Member
Datuk Ir. Hj. Ali Ahmad Bin Hamid <i>(Appointed on 29 May 2025)</i> <i>(Independent Non-Executive Chairman)</i>	Member

The composition of the ARMC is in compliance with Rule 15.09 of the ACE Market Listing Requirements (“**Listing Requirements**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) as well as Practices 9.1 and 9.4 of the Malaysian Code of Corporate Governance.

The Chairman of the ARMC, Mr. Tan Kung Ming is a chartered accountant of the Malaysian Institute of Accountants and a certified public accountant with The Malaysian Institute of Certified Public Accountants. In this respect, the composition of ARMC complies with Rule 15.09(1)(c)(i) of the Listing Requirements of Bursa Securities.

The authorities and duties of the ARMC are governed by the Terms of Reference of the ARMC. The Terms of Reference of the ARMC can be accessed from the Company’s website at [www.colform.com.my](http://www.colform.com.my).

## 3. ARMC MEETINGS AND ATTENDANCE

During the FYE 2025, the ARMC convened a total of five (5) meetings. The details of attendance of the current ARMC members are as follows:-

ARMC members	Attendance
Tan Kung Ming	5/5
Noor Ilienna Rahayu Binti Ibrahim	5/5
Datuk Ir. Hj. Ali Ahmad Bin Hamid	3/3

*(Appointed on 29 May 2025)*

The ARMC retains the flexibility to request the presence of External Auditors, Internal Auditors and/or other advisers at its meetings, enhancing the depth of its deliberations. Moreover, other members of the Board and the Management of the Group may attend its meeting, specifically relevant to the matters being discussed, upon invitation of the ARMC. This inclusive approach promotes collaboration and ensures informed decision-making within the ARMC.

## 4. SUMMARY OF ACTIVITIES OF THE ARMC FOR THE FYE 2025

The summary of activities carried out by the ARMC during the FYE 2025 include, amongst others, the following:-

### External Audit

- Reviewed and received the Audit Review Memorandum from the External Auditors in respect of the financial statements of the Group for the financial year ended 31 December 2024;
- Assessed and evaluated the independence, performance and effectiveness of External Auditors of the Company;
- Engaged with the External Auditors in relation to areas of audit emphasis, the potential key audit matters, their audit approach, objective and scope, new accounting standards, timing of audit, engagement team and the proposed audit fees set out in their Audit Planning Memorandum for the FYE 2025 which was tabled to the ARMC;

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## 4. SUMMARY OF ACTIVITIES OF THE ARMC FOR THE FYE 2025 (CONT'D)

### External Audit (Cont'd)

- Obtained assurance from the External Auditors that they are and have been independent throughout the conduct of the audit engagement in accordance with the independence criteria promulgated by the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants, and the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants; and
- Considered and recommended the re-appointment of TGS TW PLT as the External Auditors and their audit fees to the Board for consideration based on the competency, efficiency and transparency as demonstrated by the External Auditors during their audit.

### Financial and Other Reporting

- Reviewed unaudited quarterly reports on consolidated financial results including the announcement pertaining thereto. The discussion focused particularly on any changes in or implementation of major accounting policy changes, significant and unusual events and compliance with accounting standards and other legal requirements before recommending to the Board for approval and making the announcement to Bursa Securities;
- Reviewed the related party transactions and/or recurrent related party transactions, if any, that transpired within the Group to ensure that the transactions entered into were at arm's length basis and on normal commercial terms. Ensured that the related party transactions and/or recurrent related party transactions were appropriately disclosed in the unaudited quarterly reports and the audited financial statements;
- Reviewed the disclosures of conflict of interest ("COI") involving the Directors and key senior management of the Group and concluded that no significant COI were identified that would necessitate further examination and implementation of specific mitigation measures. The only exceptions were recurrent and non-recurrent related party transactions that had been duly disclosed and entered into with the Group, which are being managed in accordance with the established governance and approval processes;

- Reviewed the Corporate Governance Report 2025 before recommending to the Board for approval; and
- Reviewed and recommended to the Board for approval on the Corporate Governance Overview Statement, ARMC Report, Statement on Risk Management and Internal Control, Additional Compliance Information, Disclosure of Financial Data of Shariah Screening and Sustainability Statement before recommending to the Board for approval for inclusion in the Company's Annual Report.

### Internal Audit

- Reviewed and received the internal audit plan to ensure the adequacy of the scope, functions and resources;
- Reviewed the internal audit report, which highlighted the audit issues, recommendations, and Management's responses; and
- Assessed and evaluated the performance and effectiveness of the Internal Auditors.

### Others

- Self-appraised the performance of the ARMC and submitted the evaluation form to the Nomination Committee for assessment; and
- Reviewed the Circular to Shareholders in relation to the Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature before recommending to the Board for approval.

## 5. INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to a professional services firm, Kevin How & Co PLT ("KH" or "Internal Auditors") in assessing the adequacy and effectiveness of the risk management and internal control systems of the Group. The Internal Auditors are independent of the activities and operations of the Group. The representatives of the Internal Auditors are free from any relationship or conflict of interest that could impair their objectivity and independence as internal auditors.

The ARMC will annually review the adequacy of scope, function, competency and resources of the Internal Auditors to ensure that they are able to fully discharge their responsibilities. Details of the resources and the qualifications of the Internal Auditors are set out in the Corporate Governance Report 2025 which is available on the Company's website.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## 5. INTERNAL AUDIT FUNCTION (CONT'D)

During the FYE 2025, the Internal Auditors reviewed on the raw material procurement and storage, production planning and control, quality control procedures and inventory management (raw materials, work-in-progress and finished goods) of the Group.

The total costs incurred for the outsourced internal audit function of the Group for the FYE 2025 amounted to RM12,000.

## 6. FINANCIAL REPORTING

The ARMC will review and scrutinise the information of the unaudited consolidated quarterly financial results and annual audited financial statements of the Group to ensure material accuracy, adequacy, validity, timeliness and compliance with applicable financial reporting standards for disclosure to shareholders. These reports which present a balanced and fair assessment of the Group's financial position and prospects will then be tabled to the Board for approval and release to Bursa Securities.

## 7. RELATIONSHIP WITH AUDITORS

The Group has established a transparent and appropriate relationship with both the External Auditors and Internal Auditors. Such a relationship allows the Group to seek professional advice on matters relating to compliance and corporate governance. The internal audit function of the Group has been outsourced to a third party who reports directly and regularly to the ARMC. Both the External Auditors and Internal Auditors have direct reporting and access to the ARMC to ensure that issues highlighted are addressed independently, objectively and impartially without any undue influence of the Management.

The Board, through the ARMC shall maintain appropriate, formal and transparent relationships with the External Auditors and Internal Auditors. The ARMC will meet the External Auditors and Internal Auditors without the presence of Management, whenever necessary, which demonstrates their independence, objectivity and professionalism.

Meetings with the External Auditors will be held to discuss, amongst others, the Group's audit plans, audit findings, and financial statements as well as to seek their professional advice on other related matters.

## 8. EVALUATION OF THE PERFORMANCE OF THE AUDITORS

Pursuant to the Terms of Reference of the ARMC, the Board has prior to the Listing, established the Assessment Policy for both the External Auditors and Internal Auditors together with their annual performance evaluation forms respectively. This policy is to outline the guidelines and procedures for the ARMC to review, assess and monitor the performance, suitability and independence of the External Auditors and Internal Auditors.

The External Auditors and Internal Auditors are precluded from providing any services that may impair their independence or conflict with their role.

The ARMC shall obtain assurance from the External Auditors and Internal Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

The ARMC shall carry out an annual performance assessment of the External Auditors and Internal Auditors and may request the Managing Director/Non-Independent Executive Directors and Group Accountant to join the assessment.

The annual evaluation form provides a checklist for the ARMC to carry out a formal review of the independence, effectiveness and efficiency of the External Auditors and Internal Auditors of the Company. The following are some of the criteria to be annually reviewed by the ARMC:-

- a. Calibre of the audit firm;
- b. Quality of the audit engagement team;
- c. Quality of communication and interaction with the audit team;
- d. Audit scope and quality processes;
- e. Audit governance and independence; and
- f. Audit fee and non-audit fee.

This ARMC Report is made in accordance with a resolution of the Board dated 17 April 2026.

# ADDITIONAL COMPLIANCE STATEMENT

## 1. UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

In conjunction with and as an integral part of the listing of the Company on the ACE Market of Bursa Malaysia Securities Berhad on 10 February 2025, the Company undertook a public issue of 114,424,000 new ordinary shares at an issue price of RM0.36 per ordinary share, raising a total gross proceed of approximately RM41.19 million ("IPO Proceeds").

The status of the utilisation of the IPO Proceeds as at 31 March 2026 was as follows: -

Purpose	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Estimate Timeframe for Utilisation from the Listing Date
Setting up colour coil coating production line	9,000	7,055	1,945	Within 18 months
Construction of a storage facility	4,500	2,107	2,393	Within 18 months
Business expansion to Peninsular Malaysia	5,100	617	4,483	Within 30 months
Working capital	18,093	14,512	3,581	Within 24 months
Estimated listing expenses	4,500	4,500	-	Within 1 month
<b>Total</b>	<b>41,193</b>	<b>28,791</b>	<b>12,402</b>	

The details of the utilisation of the IPO Proceeds as disclosed above should be read in conjunction with the Company's Prospectus dated 15 January 2025. Pending its intended utilisation, the unutilised IPO Proceeds of RM 12.40 million was placed with licensed banks to earn interest income.

Save for abovementioned IPO Proceeds, there were no other proceeds raised by the Company from any corporate proposal during the financial year ended 31 December 2025 ("FYE 2025").

## 2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid and payable to the External Auditors, TGS TW PLT, for the services rendered to the Group and Company for the FYE 2025 are as follows:

Details of Fees	Group RM'000	Company RM'000
Audit fees	93	15
Non-audit fees	15	15
<b>Total</b>	<b>108</b>	<b>30</b>

# ADDITIONAL COMPLIANCE STATEMENT

### 3. MATERIAL CONTRACTS INVOLVING THE INTERESTS OF THE DIRECTORS, CHIEF EXECUTIVE AND/OR MAJOR SHAREHOLDERS

There was no other material contracts entered into by our Group involving the interest of Directors, chief executive and/or major shareholders, either still subsisting at the end of the FYE 2025 or entered into since the end of the previous financial year, save for the following:

No. Contract	Relationship
1. Sale contract dated 23 December 2025 between Colform Sdn. Bhd. and Enviro Engineering Sdn. Bhd. (" <b>Enviro Engineering</b> "), where Enviro Engineering is appointed to supply labours for formwork, pilling works, installation of production office, construction of workers' toilets and wiring works. The contract sum is about RM557,806.80 and will be fully funded through the proceeds raised from the IPO.	Colform Sdn. Bhd. is a wholly-owned subsidiary of the Company. Colform Steel Sdn. Bhd. is a wholly-owned subsidiary of Colform Sdn. Bhd.  Mr. Kang Ket Hung is a Director of the Company, Colform Sdn. Bhd. and Colform Steel Sdn. Bhd. He is a major shareholder of the Company. He is also a Director and major shareholder of Enviro Engineering. He is the brother of Ms. Kang Phui Yie.
2. Sale contract dated 23 December 2025 between Colform Sdn. Bhd. and Enviro Engineering, where Enviro Engineering is appointed to supply and install fire fighting services, including hose reel system, conventional fire alarm system and portable fire extinguishers. The contract sum is about RM301,280.00 and will be fully funded through the proceeds raised from the IPO.	
3. Sale contract dated 23 December 2025 between Colform Steel Sdn. Bhd. and Enviro Engineering, where Enviro Engineering is appointed to supply labours for concreting, reinforcement and formwork. The contract sum is about RM400,000.00 and will be fully funded through the proceeds raised from the IPO.	Ms. Kang Phui Yie is a Director and major shareholder of the Company. She is also a Director and major shareholder of Enviro Engineering. She is the sister of Mr. Kang Ket Hung.
4. Sale contract dated 23 December 2025 between Colform Steel Sdn. Bhd. and Enviro Engineering, where Enviro Engineering is appointed to supply and install fire fighting services, namely the CO <sub>2</sub> total flooding system for high voltage room. The contract sum is about RM75,000.00 and will be fully funded through the proceeds raised from the IPO.	

Please refer to the Company's announcement dated 23 December 2025 for further details of the four (4) sale contracts.

### 4. RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("RRPTs")

The details of the related party transactions with related parties (including RRPTs) undertaken by the Group during the FYE 2025 are disclosed in Note 33 to the audited financial Statements for the FYE 2025.

Besides, the Company is seeking approval from the shareholders for a new shareholders' mandate and renewal of existing shareholders' mandate in relation to the RRPTs at the forthcoming Annual General Meeting to be convened on 26 May 2026. The details of the shareholders' mandates for the RRPTs are outlined in the Circular to Shareholders dated 27 April 2026.

### 5. EMPLOYEE SHARE SCHEME

The Company did not establish any employee share scheme and does not have any subsisting employee share scheme during the FYE 2025.

# STATEMENT OF DIRECTORS' RESPONSIBILITY

Pursuant to Rule 15.26(a) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad and as required under the Companies Act 2016 ("**CA 2016**"), the Board of Directors ("**Board**") of Colform Group Berhad ("**Company**") and its subsidiaries ("**Group**") are responsible for ensuring the financial statements have been drawn up in accordance with applicable Malaysian Financial Reporting Standards (MFRSs), International Financial Reporting Standards (IFRSs) and comply with the requirements of the CA 2016 in Malaysia so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2025 and of their financial performance and cash flows for the financial year ended on that date.

In the process of preparing the financial statements of the Company and of the Group, the Board has ensured that the appropriate accounting policies were adopted and consistently applied. In case where judgments and estimates were made, they were based on reasonableness and prudence. The Board also considers that all applicable approved accounting standards have been complied with and further that the financial statements have been prepared on a going concern basis as the Board has a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future.

The Board has responsibility for ensuring that the Company and the Group keep proper accounting records which enable the financial position of the Company and of the Group to be disclosed with reasonable accuracy and which enable them to ensure that the financial statements are in compliance with the CA 2016.

The Board has overall responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Company and of the Group as well as to prevent and detect fraud and other irregularities.

**COLFORM GROUP BERHAD**  
(Incorporated in Malaysia)

**DIRECTORS' REPORT**

The Directors have pleasure in submitting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

**Principal activities**

The principal activity of the Company is engaged in investment holding. The principal activities of its subsidiaries are disclosed in Note 7 to the financial statements.

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

**Financial results**

	<b>Group RM</b>	<b>Company RM</b>
Profit for the financial year	<u>19,967,332</u>	<u>8,499,189</u>
Attributable to:		
Owners of the Company	17,323,362	8,499,189
Non-controlling interests	<u>2,643,970</u>	<u>-</u>
	<u>19,967,332</u>	<u>8,499,189</u>

**Reserves and provisions**

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

**Dividends**

Since the end of the previous financial year, the Company paid:

	<b>RM</b>
A first interim single-tier dividend of RM0.013 per ordinary share in respect of the financial year ended 31 December 2025, declared on 10 September 2025 and paid on 26 September 2025	<u>7,800,000</u>

## Dividends (Cont'd)

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

## Issue of shares and debentures

During the financial year, the Company increased its issued and paid-up share capital from 485,576,000 ordinary shares to 600,000,000 ordinary shares by way of:

- (a) Issuance of 114,424,000 new ordinary shares at an issue price of RM0.36 per ordinary share in conjunction with the Company's listing on the ACE Market of Bursa Malaysia Securities Berhad on 10 February 2025.

The 114,424,000 new ordinary shares issued during the financial year shall rank pari passu in all respects with the existing ordinary shares of the Company.

There was no issuance of debentures during the financial year.

## Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

## Directors

The Directors in office during the financial year until the date of this report are:

Datuk Ir. Hj. Ali Ahmad Bin Hamid  
Kang Ket Hung\*  
Kang Phui Ting  
Kang Phui Yie\*  
Noor Ilienna Rahayu Binti Ibrahim  
Tan Kung Ming  
Kang Ah Hin\* (Retired on 29 May 2025)  
Tan Vun Su (Retired on 29 May 2025)

The Directors who held office in the subsidiaries (excluding Directors who are also Directors of the Company) during the financial year up to the date of this report are:

Lau Kim Fong  
Kang Ket Hao

\* Directors of the Company and of its subsidiaries

## Directors' interest in shares

The interest and deemed interest in the shares of the Company and of its related corporations of those who are Directors at financial year end according to the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			At 31.12.2025
	At 1.1.2025	Bought	Sold	
<b>Interests in the Company</b>				
<b>Direct interest</b>				
Kang Phui Yie	2,457,498	-	-	2,457,498
Kang Ket Hung	1,965,999	-	-	1,965,999
Datuk Ir. Hj. Ali Ahmad Bin Hamid	-	250,000	-	250,000
Tan Kung Ming	-	250,000	-	250,000
Kang Ket Hao <sup>#</sup>	1,965,998	-	-	1,965,998
<b>Indirect interest</b>				
Kang Ket Hung <sup>*</sup>	479,186,505	-	(54,000,000)	425,186,505
Kang Phui Yie <sup>*</sup>	479,186,505	-	(54,000,000)	425,186,505
<b>Interests in Frametech IBS Sdn. Bhd.</b>				
<b>Direct interest</b>				
Lau Kim Fong <sup>#</sup>	262,500	-	-	262,500

# Director of Frametech IBS Sdn. Bhd.

\* Deemed interest by virtue of his/her shareholdings in Kang Ming Trading Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016 in Malaysia.

Other than as disclosed above, none of the other Directors in office at the end of the financial year have any interest in shares in the Company or its related corporations during the financial year.

By virtue of Kang Ket Hung's and Kang Phui Yie's direct and indirect interests in the shares of the Company, they are also deemed interested in the shares of the subsidiaries to the extent that the Company has an interest.

## Directors' benefits

Since the end of the previous financial period, no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration received or due and receivable by Directors as shown below) 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, other than any deemed benefit which may arise from transactions as disclosed in Note 33 to the financial statements.

### **Directors' benefits (Cont'd)**

The Directors' fee and remuneration for the Group and the Company as set out in Note 30 to the financial statements are RM2,439,868 and RM163,000 respectively.

Neither during nor at the end of the financial year, was the Company a party to any arrangement whose object was 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.

### **Indemnity and insurance costs**

There was no indemnity given to or insurance effected for any Directors, officers and auditors of the Company in accordance with Section 289 of the Companies Act 2016 in Malaysia.

### **Other statutory information**

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
- (i) 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 adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and
  - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company have been written down to an amount which the current assets might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
  - (iii) 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; or
  - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

### **Other statutory information (Cont'd)**

- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.
- (d) In the opinion of the Directors:
- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
  - (ii) the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature, except for loss on employee embezzlement as disclosed in Note 26 to the financial statements; and
  - (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

### **Holding company**

The Directors regard Kang Ming Trading Sdn. Bhd., a private limited liability company, incorporated and domiciled in Malaysia, as holding company.

### **Subsidiaries**

The details of the subsidiaries are disclosed in Note 7 to the financial statements.

**Auditors**

The Auditors, TGS TW PLT (202106000004 (LLP0026851-LCA) & AF002345), have expressed their willingness to continue in office.

Auditors' remuneration for the Group and the Company as set out in Note 26 to the financial statements are RM93,000 and RM15,000 respectively.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 17 April 2026.

---

KANG KET HUNG

---

KANG PHUI TING

SANDAKAN

**COLFORM GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENT BY DIRECTORS****Pursuant to Section 251(2) of the Companies Act 2016**

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 17 to 75 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 17 April 2026.

---

KANG KET HUNG

---

KANG PHUI TING

SANDAKAN

**COLFORM GROUP BERHAD**  
(Incorporated in Malaysia)

**STATUTORY DECLARATION**  
**Pursuant to Section 251(1) of the Companies Act 2016**

I, Yvonne Lye Yee Wen (MIA: 41864), being the Officer primarily responsible for the financial management of Colform Group Berhad, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 17 to 75 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.

Subscribed and solemnly declared by )  
the abovenamed at Sandakan in )  
the Sabah on 17 April 2026 )

---

YVONNE LYE YEE WEN

Before me,

---

Commissioner for Oaths  
MUHAMMAD RAZEEF BIN HAMZAH (S155)

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
COLFORM GROUP BERHAD**

[Registration No.: 202301047970 (1541884-H)]  
(Incorporated in Malaysia)

**Report on the audit of the financial statements**

**Opinion**

We have audited the financial statements of Colform Group Berhad, which comprise the statements of financial position as at 31 December 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 financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 17 to 75.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and of their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

**Basis for opinion**

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

*Independence and Other Ethical Responsibilities*

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

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
COLFORM GROUP BERHAD (CONT'D)**  
[Registration No.: 202301047970 (1541884-H)]  
(Incorporated in Malaysia)

**Report on the audit of the financial statements (Cont'd)**

**Key audit matter**

Key audit matters are those matter that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Revenue recognition for construction contracts**

Refer to Note 24 to the financial statements

Key audit matter

The Group has recorded total revenue from construction contracts amounting to RM19,419,660 for the financial year ended 31 December 2025.

The revenue and contract costs of the Group are recognised over the period using the input method to measure the progress towards complete satisfaction of the performance obligations, based on the proportion of total costs incurred for works performed up to the end of the reporting period as a percentage of the estimated total costs of the construction contracts.

How we addressed the key audit matter

We performed the following audit procedures, amongst others, around revenue recognition:

- Evaluated the assumptions applied in the determination of the progress of construction projects in light of supporting evidence on a sampling basis;
- Inspected documentation and assessed estimated total costs to complete through inquiries with operational and financial personnel of the Group to support cost estimates made for the construction contracts;
- In relation to construction revenue, we, amongst others and where applicable, agreed to the original signed contracts, letter of awards and approved variation orders; and

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
COLFORM GROUP BERHAD (CONT'D)**

[Registration No.: 202301047970 (1541884-H)]  
(Incorporated in Malaysia)

**Report on the audit of the financial statements (Cont'd)**

**Key audit matter (Cont'd)**

**Revenue recognition for construction contracts (Cont'd)**

Key audit matter (Cont'd)

We focused on this area as significant judgements are required in estimating the total progress towards complete satisfaction of performance obligations and the estimated contract costs (which forms part of the computation of percentage-of-completion for the construction contracts).

How we addressed the key audit matter (Cont'd)

We performed the following audit procedures, amongst others, around revenue recognition: (Cont'd)

- We evaluated whether the accounting policy adopted by the management is consistent with the requirements of MFRS 15 *Revenue from Contracts with Customers*.

**Recoverability of trade receivables**

Refer to Note 9 to the financial statements

Key audit matter

The Group has significant trade receivables of RM26,874,633 as at 31 December 2025.

The management applied assumption in assessing the level of allowance for impairment losses in trade receivables based on the following:

- Specific known facts or circumstances on customers' ability to pay; and/or
- By reference to past default experiences.

How we addressed the key audit matter

We performed the following audit procedures, amongst others, around recoverability of trade receivables:

- We assessed the design, implementation and operating effectiveness of key internal controls relating to credit control, debt collection and estimate of the expected credit losses ("ECLs");

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
COLFORM GROUP BERHAD (CONT'D)**

[Registration No.: 202301047970 (1541884-H)]  
(Incorporated in Malaysia)

**Report on the audit of the financial statements (Cont'd)**

**Key audit matter (Cont'd)**

**Recoverability of trade receivables (Cont'd)**

Key audit matter (Cont'd)

The impairment assessment involved significant judgements and there is inherent uncertainty in the assumptions applied by the management to determine the level of allowance.

We focused on this area as the adequacy of the impairment losses for trade receivables involved the use of judgements.

How we addressed the key audit matter (Cont'd)

We performed the following audit procedures, amongst others, around recoverability of trade receivables: (Cont'd)

- Testing the adequacy of the Group's impairment loss on trade receivables by assessing the relevant assumptions taking account of our own knowledge of recent collection experience and also historical data from the Group's previous collection experiences;
- We checked the key parameters and assumptions of the ECLs model adopted by the management, including the basis of segmentation of the trade receivables based on credit risk characteristic of customers and the historical default data in management's estimated loss allowance;
- Held discussions with management personnel to evaluate the management's view on justification on the appropriateness of ECL assessment; and
- Evaluating the appropriateness and adequacy of the disclosures of ECLs in accordance with MFRS 9 *Financial Instruments*.

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

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
COLFORM GROUP BERHAD (CONT'D)**

[Registration No.: 202301047970 (1541884-H)]  
(Incorporated in Malaysia)

**Report on the audit of the financial statements (Cont'd)**

**Information other than the financial statements and auditors' report thereon**

The Directors of the Company are responsible for the other information. The other information comprise 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 the other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of the Directors for the financial statements**

The Directors of the Company are responsible for the preparation of the 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.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
COLFORM GROUP BERHAD (CONT'D)**

[Registration No.: 202301047970 (1541884-H)]  
(Incorporated in Malaysia)

**Report on the audit of the financial statements (Cont'd)**

**Responsibilities of the Directors for the financial statements (Cont'd)**

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 and the Company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

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

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

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

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
COLFORM GROUP BERHAD (CONT'D)**

[Registration No.: 202301047970 (1541884-H)]  
(Incorporated in Malaysia)

**Report on the audit of the financial statements (Cont'd)**

**Auditors' responsibilities for the audit of the financial statements (Cont'd)**

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

- 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 and the Company's abilities 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 and 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 financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purpose of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

**INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF  
COLFORM GROUP BERHAD (CONT'D)**  
[Registration No.: 202301047970 (1541884-H)]  
(Incorporated in Malaysia)

**Report on the audit of the financial statements (Cont'd)**

**Auditors' responsibilities for the audit of the financial statements (Cont'd)**

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other matters**

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

TGS TW PLT  
202106000004 (LLP0026851-LCA) & AF002345  
Chartered Accountants

LIAN JAT MEANG  
03679/08/2026 J  
Chartered Accountant

KUALA LUMPUR  
17 April 2026

**COLFORM GROUP BERHAD**  
(Incorporated in Malaysia)

**STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025**

	Note	Group		Company	
		31.12.2025 RM	31.12.2024 RM	31.12.2025 RM	31.12.2024 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	4	33,074,019	27,321,174	-	-
Investment properties	5	1,340,367	1,272,726	-	-
Intangible asset	6	744,186	-	-	-
Investment in subsidiaries	7	-	-	77,692,160	77,692,160
		<u>35,158,572</u>	<u>28,593,900</u>	<u>77,692,160</u>	<u>77,692,160</u>
<b>Current assets</b>					
Inventories	8	26,845,215	33,085,616	-	-
Trade receivables	9	26,874,633	19,881,737	-	-
Other receivables	10	11,702,981	4,682,893	2,864	500,026
Contract assets	11	4,027,135	841,080	-	-
Amount due from holding company	12	488,201	422,333	-	-
Amount due from subsidiaries	13	-	-	21,567,997	-
Other investment	14	615,000	450,000	-	-
Tax recoverable		104,407	967,258	104,407	-
Fixed deposits with licensed banks	15	7,729,490	15,755,422	-	-
Cash and bank balances	16	52,029,389	12,640,470	18,789,970	3,111
		<u>130,416,451</u>	<u>88,726,809</u>	<u>40,465,238</u>	<u>503,137</u>
<b>Total assets</b>		<u>165,575,023</u>	<u>117,320,709</u>	<u>118,157,398</u>	<u>78,195,297</u>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	17	117,589,177	77,692,161	117,589,177	77,692,161
Invested equity	17	-	-	-	-
Merger reserve	18	(77,029,660)	(77,029,660)	-	-
Retained earnings/(Accumulated losses)		103,549,260	94,025,898	528,167	(171,022)
		<u>144,108,777</u>	<u>94,688,399</u>	<u>118,117,344</u>	<u>77,521,139</u>
Non-controlling interests ("NCI")		3,312,621	1,403,651	-	-
<b>Total equity</b>		<u>147,421,398</u>	<u>96,092,050</u>	<u>118,117,344</u>	<u>77,521,139</u>
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Deferred tax liabilities	19	1,653,691	1,734,597	-	-
Loans and borrowings	20	3,205,492	3,965,677	-	-
Lease liabilities	21	2,297,148	283,215	-	-
		<u>7,156,331</u>	<u>5,983,489</u>	<u>-</u>	<u>-</u>

**COLFORM GROUP BERHAD**  
 (Incorporated in Malaysia)

**STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONT'D)**

	Note	Group		Company	
		31.12.2025 RM	31.12.2024 RM	31.12.2025 RM	31.12.2024 RM
<b>EQUITY AND LIABILITIES</b>					
<b>(CONT'D)</b>					
<b>LIABILITIES (CONT'D)</b>					
<b>Current liabilities</b>					
Loans and borrowings	20	760,919	4,843,574	-	-
Lease liabilities	21	705,186	99,330	-	-
Trade payables	22	2,038,212	2,414,471	-	-
Other payables	23	2,245,494	1,544,073	40,054	109,000
Contract liabilities	11	2,512,476	4,269,580	-	-
Amount due to a subsidiary	13	-	-	-	565,158
Tax payable		2,735,007	2,074,142	-	-
		<u>10,997,294</u>	<u>15,245,170</u>	<u>40,054</u>	<u>674,158</u>
<b>Total liabilities</b>		<u>18,153,625</u>	<u>21,228,659</u>	<u>40,054</u>	<u>674,158</u>
<b>Total equity and liabilities</b>		<u>165,575,023</u>	<u>117,320,709</u>	<u>118,157,398</u>	<u>78,195,297</u>

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

**COLFORM GROUP BERHAD**  
(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025**

	Note	Group		Company	
		1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	4.12.2023 to 31.12.2024 RM
Revenue	24	99,372,532	100,717,112	11,865,000	-
Cost of sales		<u>(61,100,173)</u>	<u>(68,998,469)</u>	<u>-</u>	<u>-</u>
<b>Gross profit</b>		38,272,359	31,718,643	11,865,000	-
Other income		405,841	92,967	-	-
Administrative expenses		(9,404,245)	(5,517,944)	(3,459,062)	(171,022)
Selling and distribution costs		(907,998)	(851,756)	-	-
Other expenses		(1,205,000)	(27,434)	-	-
Net impairment losses on financial assets		<u>(754,931)</u>	<u>(220,517)</u>	<u>-</u>	<u>-</u>
<b>Profit/(Loss) from operation</b>		26,406,026	25,193,959	8,405,938	(171,022)
Finance income	25	2,072,696	607,921	128,844	-
Finance costs	25	<u>(274,537)</u>	<u>(417,382)</u>	<u>-</u>	<u>-</u>
<b>Profit/(Loss) before tax</b>	26	28,204,185	25,384,498	8,534,782	(171,022)
Taxation	27	<u>(8,236,853)</u>	<u>(6,506,734)</u>	<u>(35,593)</u>	<u>-</u>
<b>Profit/(Loss) for the financial year/period, representing total comprehensive income/(loss) for the financial year/period</b>		<u>19,967,332</u>	<u>18,877,764</u>	<u>8,499,189</u>	<u>(171,022)</u>

**COLFORM GROUP BERHAD**  
 (Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025 (CONT'D)**

	Note	Group		Company	
		1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	4.12.2023 to 31.12.2024 RM
<b>Profit/(Loss) for the financial year/period attributable to:</b>					
Owners of the Company		17,323,362	17,674,593	8,499,189	(171,022)
NCI		2,643,970	1,203,171	-	-
		<u>19,967,332</u>	<u>18,877,764</u>	<u>8,499,189</u>	<u>(171,022)</u>
<b>Total comprehensive income/(loss) for the financial year/period attributable to:</b>					
Owners of the Company		17,323,362	17,674,593	8,499,189	(171,022)
NCI		2,643,970	1,203,171	-	-
		<u>19,967,332</u>	<u>18,877,764</u>	<u>8,499,189</u>	<u>(171,022)</u>
<b>Earnings per share:</b>					
Basic (sen)	28	<u>2.95</u>	<u>3.64</u>		
Diluted (sen)	28	<u>2.95</u>	<u>3.64</u>		

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

**COLFORM GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025**

Group	Attributable to owners of the Company						Total Equity RM
	Share capital RM	Non-distributable		Distributable		Total RM	
		Invested equity RM	Merger reserve RM	Retained earnings RM	NCI RM		
Note	RM	RM	RM	RM	RM	RM	RM
<b>At 1 January 2024</b>	1	662,500	-	77,001,305	77,663,806	550,480	78,214,286
Profit for the financial year, representing total comprehensive income for the financial year		-	-	17,674,593	17,674,593	1,203,171	18,877,764
<b>Transactions with owners:</b>							
Dividend to owners of the Company	29	-	-	(650,000)	(650,000)	-	(650,000)
Dividend to NCI	29	-	-	-	-	(350,000)	(350,000)
Effect of restructuring exercise	17	77,692,160	(662,500)	(77,029,660)	-	-	-
<b>At 31 December 2024</b>		77,692,161	-	94,025,898	94,688,399	1,403,651	96,092,050
<b>At 1 January 2025</b>		77,692,161	-	94,025,898	94,688,399	1,403,651	96,092,050
Profit for the financial year, representing total comprehensive income for the financial year		-	-	17,323,362	17,323,362	2,643,970	19,967,332
<b>Transactions with owners:</b>							
Dividend to owners of the Company	29	-	-	(7,800,000)	(7,800,000)	-	(7,800,000)
Dividend to NCI	29	-	-	-	-	(735,000)	(735,000)
Issuance of ordinary shares	17	41,192,640	-	-	41,192,640	-	41,192,640
Share issuance expenses	17	(1,295,624)	-	-	(1,295,624)	-	(1,295,624)
<b>At 31 December 2025</b>		117,589,177	-	103,549,260	144,108,777	3,312,621	147,421,398

**COLFORM GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY  
 FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025 (CONT'D)**

		Non- distributable	Distributable	
		←————→		
			(Accumulated losses)/	
		Share capital	Retained earnings	Total equity
	Note	RM	RM	RM
<b>Company</b>				
<b>At 4 December 2023, date of incorporation</b>				
		1	-	1
Loss for the financial period, representing total comprehensive loss for the financial period				
		-	(171,022)	(171,022)
<b>Transaction with owners:</b>				
Effect of restructuring exercise				
	17	77,692,160	-	77,692,160
<b>At 31 December 2024</b>				
		77,692,161	(171,022)	77,521,139
<b>At 1 January 2025</b>				
		77,692,161	(171,022)	77,521,139
Profit for the financial year, representing total comprehensive income for the financial year				
		-	8,499,189	8,499,189
<b>Transactions with owners:</b>				
Issuance of ordinary shares				
	17	41,192,640	-	41,192,640
Share issuance expenses				
	17	(1,295,624)	-	(1,295,624)
Dividends to owners of the Company				
	29	-	(7,800,000)	(7,800,000)
<b>At 31 December 2025</b>				
		117,589,177	528,167	118,117,344

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

**COLFORM GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025**

	Note	Group		Company	
		1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	4.12.2023 to 31.12.2024 RM
<b>Cash flows from operating activities</b>					
Profit/(Loss) before tax		28,204,185	25,384,498	8,534,782	(171,022)
Adjustments for:					
Allowances for ECLs on trade receivables		855,047	245,632	-	-
Reversal of allowances for ECLs on trade receivables		(100,116)	(25,115)	-	-
Depreciation of property, plant and equipment		1,678,303	1,371,199	-	-
Depreciation of investment properties		14,141	14,142	-	-
Gain on disposal of property, plant and equipment		(66,867)	-	-	-
Fair value gain on other investment		(165,000)	-	-	-
Dividend income		(4,495)	-	(11,865,000)	-
Interest income		(2,072,696)	(607,921)	(128,844)	-
Interest expense		274,537	417,382	-	-
Operating profit/(loss) before working capital changes		28,617,039	26,799,817	(3,459,062)	(171,022)
Changes in working capital:					
Inventories		6,240,401	(304,112)	-	-
Receivables		(14,767,915)	(1,623,630)	497,162	(500,026)
Payables		325,162	(1,855,239)	(68,946)	109,000
Holding company		(62,819)	(384,116)	-	-
Net contract balances		(4,943,159)	3,779,057	-	-
Cash generated from/(used in) operations		15,408,709	26,411,777	(3,030,846)	(562,048)
Interest received		1,745,670	369,363	128,844	-
Tax refund		1,016,083	-	-	-
Tax paid		(7,810,126)	(5,942,252)	(140,000)	-
Net cash from/(used in) operating activities		10,360,336	20,838,888	(3,042,002)	(562,048)

**COLFORM GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025 (CONT'D)**

	Note	Group		Company	
		1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	4.12.2023 to 31.12.2024 RM
<b>Cash flows from investing activities</b>					
Acquisition of property, plant and equipment	A	(4,549,480)	(2,569,309)	-	-
Acquisition of investment properties		(81,782)	-	-	-
Acquisition of intangible asset		(744,186)	-	-	-
Acquisition of other investment		-	(450,000)	-	-
Dividend received		4,495	-	11,865,000	-
Proceed from disposal of property, plant and equipment		121,000	-	-	-
Interest received		269,730	212,901	-	-
Net cash (used in)/from investing activities		<u>(4,980,223)</u>	<u>(2,806,408)</u>	<u>11,865,000</u>	<u>-</u>
<b>Cash flows from financing activities</b>					
Repayments to holding company		(3,049)	(435)	-	-
(Advance to)/Repayment from a subsidiary		-	-	(22,133,155)	565,158
Placements of fixed deposits pledged with licensed banks		(788,796)	(1,225,657)	-	-
Increase in cash collateral pledged with a licensed bank		(134,758)	-	-	-
Interest paid		(274,537)	(417,382)	-	-
Interest received		57,296	25,657	-	-
Dividends paid to owners of the Company		(7,800,000)	(650,000)	(7,800,000)	-
Dividends paid to NCI		(735,000)	(350,000)	-	-
Net repayments of term loans		(930,840)	(1,011,615)	-	-
Net repayments of bankers' acceptances		(3,912,000)	(4,730,191)	-	-
Net repayments of letter of credit		-	(3,222,995)	-	-
Repayments of lease liabilities	B	(316,012)	(84,799)	-	-
Proceed from issuance of ordinary shares, net of shares issuance expenses		39,897,016	-	39,897,016	-
Net cash from/(used in) financing activities		<u>25,059,320</u>	<u>(11,667,417)</u>	<u>9,963,861</u>	<u>565,158</u>

**COLFORM GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025 (CONT'D)**

	Note	Group		Company	
		1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	4.12.2023 to 31.12.2024 RM
<b>Net cash increase in cash and cash equivalents</b>		30,439,433	6,365,063	18,786,859	3,110
<b>Cash and cash equivalents at beginning of the financial year/date of incorporation</b>		26,686,973	20,321,910	3,111	1
<b>Cash and cash equivalents at end of the financial year/period</b>		<u>57,126,406</u>	<u>26,686,973</u>	<u>18,789,970</u>	<u>3,111</u>
<b>Cash and cash equivalents at the end of the financial year/period comprise:</b>					
Cash and bank balances		52,029,389	12,640,470	18,789,970	3,111
Fixed deposits with licensed banks		7,729,490	15,755,422	-	-
		<u>59,758,879</u>	<u>28,395,892</u>	<u>18,789,970</u>	<u>3,111</u>
Less: Fixed deposits pledged with licensed banks	15	(2,497,715)	(1,708,919)	-	-
Less: Cash collateral pledged with a licensed bank	16	(134,758)	-	-	-
		<u>57,126,406</u>	<u>26,686,973</u>	<u>18,789,970</u>	<u>3,111</u>

**COLFORM GROUP BERHAD**

(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS  
 FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025 (CONT'D)**
**NOTES TO THE STATEMENTS OF CASH FLOWS**
**A. Acquisition of property, plant and equipment**

	Note	Group	
		1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM
Total acquisitions		7,485,281	2,782,309
Less: Acquisition through lease arrangement		(2,935,801)	(213,000)
Total cash payment		<u>4,549,480</u>	<u>2,569,309</u>

**B. Cash outflows for leases as a lessee**
Included in the net cash from/(used in) operating activities:

Payment relating to short-term leases	26	<u>222,622</u>	<u>43,855</u>
---------------------------------------	----	----------------	---------------

Included in net cash from/(used in) financing activities:

Payment of lease liabilities		316,012	84,799
Payment on interest expenses of lease liabilities		30,954	14,958
		<u>346,966</u>	<u>99,757</u>
		<u>569,588</u>	<u>143,612</u>

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

**COLFORM GROUP BERHAD**

(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2025****1. Corporate information**

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

The registered office of the Company is located at Third Floor, No. 77, 79 & 81, Jalan SS21/60, Damansara Utama, 47400 Petaling Jaya, Selangor Darul Ehsan.

The principal place of business of the Company is located at Lot 197, Lorong Sedco 5, Sedco Light Industrial Estate, Off Mile 2.5, Jalan Utara, 90000 Sandakan, Sabah.

The principal activity of the Company is engaged in investment holding. The principal activities of its subsidiaries are disclosed in Note 7 to the financial statements.

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

The Directors regard Kang Ming Trading Sdn. Bhd., a private limited liability company, incorporated and domiciled in Malaysia, as holding company.

**2. Basis of preparation****(a) Statement of compliance**

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

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the financial statements.

**Adoption of amended standards**

During the financial year, the Group has adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board (“MASB”) that are mandatory for current financial year:

Amendments to MFRS 121    Lack of Exchangeability

The adoption of the amendments to MFRS did not have any significant impact on the financial statements of the Group and of the Company.

## 2. Basis of preparation (Cont'd)

### (a) Statement of compliance (Cont'd)

#### Standards issued but not yet effective

The Group and the Company have not applied the following new and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and the Company:

		Effective dates for financial periods <u>beginning on or after</u>
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 1 Amendments to MFRS 7 Amendments to MFRS 9 Amendments to MFRS 10 Amendments to MFRS 107	Annual Improvements - Volume 11	1 January 2026
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity	1 January 2026
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred until further notice

The Group and the Company intend to adopt the above new and amendments to MFRSs when they become effective.

The initial application of the above-mentioned new and amendments to MFRSs are not expected to have any significant impacts on the financial statements of the Group and of the Company.

## 2. Basis of preparation (Cont'd)

### (b) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (“RM”), which is the Company’s functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

### (c) Significant accounting judgements, estimates and assumptions

The preparation of the Group’s and of the Company’s financial statements require management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

#### Judgements

The following are the judgements made by management in the process of applying the Group’s and the Company’s accounting policies that have the most significant effect on the amounts recognised in the financial statements:

#### Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes.

If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

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

#### Determining the lease term of contracts with renewal and termination options - Company as lessee

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

## 2. Basis of preparation (Cont'd)

### (c) Significant accounting judgements, estimates and assumptions (Cont'd)

#### Determining the lease term of contracts with renewal and termination options - Company as lessee (Cont'd)

The Group has several lease contracts that include extension options. The Group applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew.

The Group includes the renewal period as part of the lease term for leases of land and building with non-cancellable period included as part of the lease term as these are reasonably certain to be exercised because there will be a significant negative effect on operation if a replacement asset is not readily available. Furthermore, the periods covered by termination options are included as part of the lease term only when they are reasonably certain not to be exercised.

#### Satisfaction of performance obligations in relation to contracts with customers

The Group is required to assess each of their contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations.

The Group recognises revenue over time in the following circumstances:

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

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point of time, the Group assesses each contract with customers to determine when the performance obligations of the Group under the contract is satisfied.

## 2. Basis of preparation (Cont'd)

### (c) Significant accounting judgements, estimates and assumptions (Cont'd)

#### **Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are set out below:

#### Useful lives of property, plant and equipment, right-of-use (“ROU”) assets and investment properties

The Group regularly reviews the estimated useful lives of property, plant and equipment, ROU assets and investment properties based on factors such as business plan and strategies, expected level of usage and future technological developments. Future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of property, plant and equipment, ROU assets and investment properties would increase the recorded depreciation and decrease the value of property, plant and equipment, ROU assets and investment properties.

#### Inventories valuation

Inventories are measured at the lower of cost and net realisable value. The Group estimated the net realisable value of inventories based on an assessment of expected selling prices. Demand levels and pricing completion could change from time to time. If such factors result in an adverse effect on the Group's products, the Group might be required to reduce the value of their inventories.

#### Determination of transaction prices

The Group is required to determine the transaction price in respect of each of their contracts with customers for revenue from construction contract. In making such judgement, the Group assesses the impact of any variable consideration in the contracts with customers.

For revenue from sales of goods, there is no estimation required in determining the transaction price, as revenue from sale of goods are based on invoices values. Discounts are not considered as they are only given in rare circumstances.

#### Provision for ECLs of financial assets at amortised cost and contract assets

The Group and the Company review the recoverability of their receivables and contract assets at each reporting date to assess whether an impairment loss should be recognised. The impairment provisions for receivables and contract assets are based on assumptions about risk of default and expected loss rates. The Group and the Company use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's and the Company's past history, existing market conditions at the end of each reporting period.

## 2. Basis of preparation (Cont'd)

### (c) Significant accounting judgements, estimates and assumptions (Cont'd)

#### Key sources of estimation uncertainty (Cont'd)

##### Revenue from projects sales

Projects revenue and costs are recognised over the period of the projects in the profit or loss by reference to the progress towards complete satisfaction of that performance obligations. The method used to measure stage of completion is proportion that costs incurred to date bear to estimated total costs of the contract. When the outcome of sales contract cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

##### Recoverability of development costs

During the financial year, the Directors considered the recoverability of the Group's and of the Company's development costs arising from its on-going development.

The project continues to progress in a satisfactory manner, and customer reaction has reconfirmed the Directors' previous estimates of anticipated revenue from the project. However, increased competitor activity has caused the Directors to reconsider their assumptions regarding future market share and anticipated margins of this product. Detailed sensitivity analysis has been carried out and the Directors are confident that the carrying amount of the asset will be recovered in full, even if returns are reduced. This situation will be closely monitored, and adjustments made in future periods, if market activity indicates that such adjustments are appropriate.

##### Income taxes

Judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business.

The Group and the Company recognise liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

## 3. Material accounting policies

The Group and the Company apply the material accounting policies set out below, consistently throughout all periods presented in the financial statements, unless otherwise stated.

### 3. **Material accounting policies (Cont'd)**

#### (a) **Basis of consolidation**

##### (i) **Subsidiaries**

Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing whether the Company has power over another entity. Subsidiaries are fully consolidated from the date that control commences until the date control ceases.

In the Company's separate financial statements, investment in subsidiaries are stated at cost less accumulated impairment losses. On disposal of such investment, the difference between net disposal proceeds and its carrying amount is recognised in profit or loss. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount.

Inter-company transactions, balances and unrealised gains or losses on transactions between Group entities are eliminated. Unrealised losses are eliminated only if there is no indication of impairment.

##### (ii) **Common control business combination**

A business combination involving entities under common control is a business combination in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. A business combination involving common control entities, and accordingly the accounting principles are used to include the assets, liabilities, results, equity changes and cash flows of the Group in the financial statements.

In applying merger accounting, financial statements items of the Group for the reporting years in which the common control combination occurs, and for any comparative years disclosed, are included in the financial statements of the entity as if the combination had occurred from the date when the combining entities first came under the control of the controlling party or parties prior to the common control combination.

### 3. Material accounting policies (Cont'd)

#### (a) Basis of consolidation (Cont'd)

##### (ii) Common control business combination (Cont'd)

The assets and liabilities are accounted for based on the carrying amounts from the perspective of the common control shareholders at the date of transfer. On combination, the cost of the merger is cancelled with the values of the shares received. Any resulting credit difference is classified as equity and regarded as a non-distributable reserve. Any resulting debit difference is adjusted against any suitable reserve. Any other reserves which are attributable to share capital of the merged entities, to the extent that they have not been capitalised by a debit difference, are reclassified and presented as movement in merger reserve.

##### (iii) NCI

The Group recognises NCI in the acquiree by acquisition basis. The Group elects to measure the NCI in the acquiree at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

#### (b) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

##### (i) Recognition and measurement

Cost includes expenditures that are directly attributable to the acquisition of the assets and any other costs directly attributable to bringing the asset to working condition for its intended use, cost of replacing component parts of the assets, and the present value of the expected cost for the decommissioning of the assets after their use. All other repair and maintenance cost recognised in profit or loss as incurred.

##### (ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

### 3. **Material accounting policies (Cont'd)**

#### (b) **Property, plant and equipment (Cont'd)**

##### (iii) Depreciation

Depreciation is recognised in the profit or loss on straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Property, plant and equipment under construction are not depreciated until the assets are ready for its intended use.

Property, plant and equipment are depreciated based on the estimated useful lives of the assets as follows:

Leasehold lands	Over the lease period
Leasehold buildings	2%
Heavy equipment and machinery	10% to 20%
Motor vehicles	10% to 20%
Office equipment, furniture and fittings	10%
Renovation and electricity	5%
Leased premises	Over the lease period

The residual values, useful lives and depreciation method are reviewed at the end of each reporting period to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the property, plant and equipment.

##### (iv) Derecognition

Property, plant and equipment are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount recognised in profit or loss.

#### (c) **Investment properties**

Investment properties are properties held either to earn rental income or for capital appreciation or for both. Investment properties are measured at cost, including transaction costs, less any accumulated depreciation and impairment losses.

The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day-to-day servicing of an investment property.

### 3. Material accounting policies (Cont'd)

#### (c) Investment properties (Cont'd)

Land and buildings under construction are not depreciated until the assets are ready for its intended use. Other investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The principal annual depreciation rates are:

Leasehold land and buildings	Over the lease period
------------------------------	-----------------------

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

Investment properties are derecognised upon disposal or when they are permanently withdrawn from use and no future economic benefits are expected from their disposal. Upon disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

#### (d) Leases

##### (i) Lease and non-lease components

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

##### (ii) Recognition exemption

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

### 3. **Material accounting policies (Cont'd)**

#### (d) **Leases (Cont'd)**

##### (iii) Depreciation

The ROU asset under cost model is depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. The estimated useful lives of the ROU assets are determined on the same basis as those of property, plant and equipment as follows:

Leasehold lands	Over the lease period
Leasehold buildings	2%
Motor vehicles	10% to 20%
Leased premises	Over the lease period

#### (e) **Intangible asset**

Intangible asset with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. The estimated useful lives and amortisation methods are reviewed at the end of the reporting date, with the effect of any changes in estimate being accounted for on a prospective basis.

#### (f) **Contract assets/(liabilities)**

Contract asset is the right to consideration for goods or services transferred to the customers. The Group's contract asset is the excess of revenue recognised over the billings to-date and deposits or advances received from customers.

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers. Contract assets are subject to impairment assessment in accordance of MFRS 9 *Financial Instruments*.

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs their obligations under the contract.

#### (g) **Financial instruments**

At the reporting date, the Group and the Company have financial assets at fair value through profit or loss ("FVTPL") and amortised cost on their statements of financial position. The Group's financial asset at FVTPL only includes other investment. The Group's financial assets at amortised cost include trade receivables, other receivables, amount due from holding company, fixed deposits with licensed banks and cash and bank balances. The Company's financial assets at amortised cost include other receivables, amount due from subsidiaries and cash and bank balances.

### 3. **Material accounting policies (Cont'd)**

#### (g) **Financial instruments (Cont'd)**

At the reporting date, the Group and the Company only have financial liabilities at amortised cost on their statements of financial position. The Group's financial liabilities at amortised cost include loans and borrowings, trade payables and other payables. The Company's financial liabilities at amortised cost includes other payables and amount due to a subsidiary.

#### (h) **Inventories**

Inventories are measured at the lower of cost and net realisable value.

Costs of raw materials and goods in transit comprise cost of purchase and other costs incurred in bringing it to their present location and condition and are determined on a first-in-first-out basis. Cost of finished goods consist of direct material, direct labour and appropriate proportion of production overheads (based on normal operating capacity) and are determined on a first-in-first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

#### (i) **Revenue recognition**

##### (i) Revenue from contracts with customers

The Group recognises revenue from the following major sources:

##### (a) Sale of goods

The Group generally sells slitted steel sheets, downstream steel products and building materials to customer. The revenue is recognised at a point in time when the goods are delivered to the customer. The Group's general payment terms is short-term in duration.

##### (b) Revenue for project sales

The Group recognises revenue from projects over time when control over the asset has been transferred to the customers. The assets have no alternative use to the Group due to contractual restriction and the Group has an enforceable right to payment for performance completed to date. Revenue from projects is measured at the transaction price agreed under the projects.

Revenue is recognised over the period of the contract using the input method to measure the progress towards complete satisfaction of the performance obligations under the projects i.e. based on the costs incurred for work performed to date.

### 3. Material accounting policies (Cont'd)

#### (i) Revenue recognition (Cont'd)

##### (i) Revenue from contracts with customers (Cont'd)

The Group recognises revenue from the following major sources: (Cont'd)

##### (b) Revenue for project sales (Cont'd)

The Group becomes entitled to invoice customers for projects of promised asset based on achieving a series of performance-related milestones (i.e. progress billing). The Group previously has recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. If the progress billing exceeds the revenue recognised to date, the Group recognises a contract liability for the difference. There is not considered to be a significant financing component in contracts with customers as the period between the recognition of revenue and the progress billing is always less than one year.

##### (ii) Interest income

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

##### (iii) Rental income

Rental income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

##### (iv) Dividend income

Dividend income is recognised when the Group's and the Company's right to receive payment is established.



#### 4. Property, plant and equipment

Group Cost	Leasehold lands RM	Leasehold buildings RM	Heavy equipment and machinery RM	Motor vehicles RM	Office equipment, furniture and fittings RM	Renovation and electricity RM	Capital work-in-progress RM	Leased premises RM	Total RM
At 1 January 2024	10,551,076	12,125,335	10,187,095	4,489,902	313,786	207,624	226,147	-	38,100,965
Additions	-	-	1,559,640	575,583	203,641	-	443,445	-	2,782,309
At 31 December 2024	10,551,076	12,125,335	11,746,735	5,065,485	517,427	207,624	669,592	-	40,883,274
Additions	-	-	554,354	1,858,199	170,696	-	2,655,231	2,246,801	7,485,281
Disposal	-	-	(59,283)	-	-	-	-	-	(59,283)
At 31 December 2025	10,551,076	12,125,335	12,241,806	6,923,684	688,123	207,624	3,324,823	2,246,801	48,309,272
<b>Accumulated depreciation</b>									
At 1 January 2024	2,507,792	785,962	6,110,877	2,535,548	97,555	153,167	-	-	12,190,901
Charge for the financial year	212,034	244,023	587,909	279,664	37,187	10,382	-	-	1,371,199
At 31 December 2024	2,719,826	1,029,985	6,698,786	2,815,212	134,742	163,549	-	-	13,562,100
Charge for the financial year	212,034	244,022	685,443	425,156	54,459	10,381	-	46,808	1,678,303
Disposal	-	-	(5,150)	-	-	-	-	-	(5,150)
At 31 December 2025	2,931,860	1,274,007	7,379,079	3,240,368	189,201	173,930	-	46,808	15,235,253
<b>Carrying amount</b>									
At 31 December 2025	7,619,216	10,851,328	4,862,727	3,683,316	498,922	33,694	3,324,823	2,199,993	33,074,019
At 31 December 2024	7,831,250	11,095,350	5,047,949	2,250,273	382,685	44,075	669,592	-	27,321,174

#### 4. Property, plant and equipment (Cont'd)

(a) Asset pledged as security to financial institution

The net carrying amount of leasehold lands and buildings of the Group are pledged as securities for bank borrowings as follows:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Leasehold lands	2,063,209	2,199,133
Leasehold buildings	2,174,263	2,234,659
	<u>4,237,472</u>	<u>4,433,792</u>

(b) Included in net carrying amount of property, plant and equipment are right-of-use assets as follows:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Leasehold lands	7,619,216	7,831,250
Leasehold buildings	10,851,328	11,095,350
Motor vehicles	892,045	459,982
Leased premises	2,199,993	-
	<u>21,562,582</u>	<u>19,386,582</u>

(c) Additions of right-of-use assets are as follows:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Motor vehicles	789,204	241,168
Leased premises	2,246,801	-
	<u>3,036,005</u>	<u>241,168</u>

#### 4. Property, plant and equipment (Cont'd)

(d) Depreciation charge of the right-of-use assets are as follows:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Leasehold lands	212,034	212,034
Leasehold buildings	244,022	244,023
Motor vehicles	137,190	65,993
Leased premises	46,808	-
	<u>640,054</u>	<u>522,050</u>

(e) The net carrying amount of motor vehicles of the Group amounted to RM892,045 (31.12.2024: RM459,982) are pledged as security for the related lease liabilities.

#### 5. Investment properties

	<b>Leasehold land and buildings RM</b>	<b>Capital work-in progress RM</b>	<b>Total RM</b>
<b>Group</b>			
<b>Cost</b>			
At 1 January 2024/31 December 2024	1,400,000	-	1,400,000
Addition	-	81,782	81,782
At 31 December 2025	<u>1,400,000</u>	<u>81,782</u>	<u>1,481,782</u>
<b>Accumulated depreciation</b>			
At 31 December 2023	113,132	-	113,132
Charge for the financial year	14,142	-	14,142
At 31 December 2024	<u>127,274</u>	<u>-</u>	<u>127,274</u>
Charge for the financial year	14,141	-	14,141
At 31 December 2025	<u>141,415</u>	<u>-</u>	<u>141,415</u>
<b>Carrying amount</b>			
At 31 December 2025	<u>1,258,585</u>	<u>81,782</u>	<u>1,340,367</u>
At 31 December 2024	<u>1,272,726</u>	<u>-</u>	<u>1,272,726</u>
<b>Fair value</b>			
At 31 December 2025	<u>2,600,896</u>	<u>-</u>	<u>2,600,896</u>
At 31 December 2024	<u>1,539,274</u>	<u>-</u>	<u>1,539,274</u>

## 5. Investment properties (Cont'd)

- (a) The fair value of the investment properties of the Group was estimated by the Directors based on the recent transacted prices in the market of properties with similar condition and location. If the Group's investment properties carried at fair value, it will classify as at Level 3 fair value item for the purpose of fair value hierarchy disclosure.
- (b) Investment properties of the Group amounting to RM1,258,585 (31.12.2024: RM1,272,726) have been pledged to secure banking facilities granted to the Group.
- (c) Income and expenses recognised in profit or loss:

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

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Rental income	54,000	54,000
Direct operating expenses	<u>(7,115)</u>	<u>(5,014)</u>

## 6. Intangible asset

	<b>Development cost RM</b>
<b>Group Cost</b>	
At 1 January 2024/31 December 2024	-
Addition	<u>744,186</u>
At 31 December 2025	<u>744,186</u>
<b>Carrying amount</b>	
At 31 December 2025	<u>744,186</u>
At 31 December 2024	<u>-</u>

### Development costs

Development costs represent the costs incurred in respect of the on-going development of an Enterprise Resource Planning "ERP" system. The development costs are not amortised as it is not available for its intended use as at the financial year end.

**7. Investment in subsidiaries**

	<b>Company</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
<b>In Malaysia</b>		
<b>At cost</b>		
Unquoted shares	<u>77,692,160</u>	<u>77,692,160</u>

Details of the subsidiaries are as follows:

<b>Name of company</b>	<b>Place of business/ Country of incorporation</b>	<b>Equity interest (%)</b>		<b>Principal activities</b>
		<b>31.12.2025</b>	<b>31.12.2024</b>	
Colform Sdn. Bhd. ("CSB")	Malaysia	100	100	Engaged in manufacturing of downstream steel products and trading of downstream steel products and building materials.  Provision of supply and/or installation services for construction project.
Frametech IBS Sdn. Bhd. ("FISB")	Malaysia	65	65	Provision of supply and/or installation services and project management services for construction projects.
<b>Subsidiary of CSB</b> Colform Steel Sdn. Bhd. ("CSSB")	Malaysia	100	100	Processing of steel coils.

## 7. Investment in subsidiaries (Cont'd)

### (a) Material partly-owned subsidiary

Set out below is the Group's subsidiary that have material NCI:

Name of company	Proportion of ownership interest and voting rights held by NCI		Profit allocated to NCI		Accumulated NCI	
	2025	2024	2025	2024	2025	2024
	%	%	RM	RM	RM	RM
FISB	35	35	2,643,970	1,203,171	3,312,621	1,403,651

Summarised financial information for a subsidiary that have NCI that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations.

### (i) Summarised statement of financial position

	<b>FISB RM</b>
<b>2025</b>	
Non-current assets	1,093,023
Current assets	17,222,417
Non-current liabilities	(529,166)
Current liabilities	(8,321,643)
Net assets	<u>9,464,631</u>
<b>2024</b>	
Non-current assets	276,384
Current assets	10,911,741
Non-current liabilities	(153,064)
Current liabilities	(7,024,630)
Net assets	<u>4,010,431</u>

## 7. Investment in subsidiaries (Cont'd)

### (a) Material partly-owned subsidiary (Cont'd)

#### (ii) Summarised statement of profit or loss and other comprehensive income

	<b>FISB RM</b>
<b>2025</b>	
Revenue	28,150,310
Profit for the financial year, representing total comprehensive income for the financial year	<u>7,554,200</u>
<b>2024</b>	
Revenue	15,586,098
Profit for the financial year, representing total comprehensive income for the financial year	<u>3,437,632</u>

#### (iii) Summarised statement of cash flows

	<b>FISB RM</b>
<b>2025</b>	
Net cash used in operating activities	(88,529)
Net cash used in investing activities	(424,291)
Net cash used in financing activities	<u>(3,054,170)</u>
Net decrease in cash and cash equivalents	<u>(3,566,990)</u>
<b>2024</b>	
Net cash from operating activities	6,864,797
Net cash used in investing activities	(83,837)
Net cash used in financing activities	<u>(1,027,868)</u>
Net increase in cash and cash equivalents	<u>5,753,092</u>

### Acquisition of subsidiaries

The Group has been formed pursuant to the completion of the acquisition of its subsidiaries by the Company prior to the listing and quotation on the ACE Market of Bursa Malaysia Securities Berhad.

The Company entered into a conditional Share Sale Agreement on 17 May 2024 to acquire the entire equity interest in CSB and its subsidiary - CSSB and 65% equity interest in FISB for a purchase consideration of RM77,692,160 to be satisfied by the issuance of 485,575,999 new ordinary shares in the Company at an issue price of RM0.16 per share.

## 7. Investment in subsidiaries (Cont'd)

### Acquisition of subsidiaries (Cont'd)

The acquisition was completed on 7 November 2024 and consolidated using merger method of accounting. Under the merger method of accounting, the results of the subsidiaries are presented as if the merger has taken effect throughout the current and previous financial year.

## 8. Inventories

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Raw materials	15,918,925	19,856,134
Trading goods	5,943,499	7,375,391
Finished goods	886,956	661,507
Goods in transit	4,095,835	5,192,584
	<u>26,845,215</u>	<u>33,085,616</u>
<b>Recognised in profit or loss:</b>		
Inventories recognised as cost of sales	<u>54,328,044</u>	<u>53,020,759</u>

## 9. Trade receivables

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Trade receivables	26,774,179	19,851,786
Retention receivables	1,733,277	907,843
	<u>28,507,456</u>	<u>20,759,629</u>
Less: Allowance for ECLs	<u>(1,632,823)</u>	<u>(877,892)</u>
	<u>26,874,633</u>	<u>19,881,737</u>

Trade receivables are non-interest bearing and generally on cash term to 60 days (31.12.2024: cash term to 60 days). They are recognised at their original invoice amounts which represent their fair values on initial recognition.

Included in trade receivables of the Group are amount of RM25,524 (31.12.2024: RM656,837) due from companies in which certain Directors have interests.

## 9. Trade receivables (Cont'd)

Movements in the allowance for ECLs are as follows:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
At beginning of the financial year	877,892	657,375
Addition during the financial year	855,047	245,632
Reversal during the financial year	(100,116)	(25,115)
At end of the financial year	<u>1,632,823</u>	<u>877,892</u>

The following table provide information about the exposure to credit risk and allowance for ECLs for trade receivables:

	<b>Gross amount RM</b>	<b>ECLs RM</b>	<b>Net amount RM</b>
<b>Group</b>			
<b>31.12.2025</b>			
Not past due	12,532,577	(48,293)	12,484,284
Past due:			
Less than 30 days	4,463,773	(30,810)	4,432,963
31 to 60 days	3,452,415	(27,699)	3,424,716
61 to 90 days	1,635,939	(25,767)	1,610,172
More than 90 days	6,422,752	(1,500,254)	4,922,498
	<u>28,507,456</u>	<u>(1,632,823)</u>	<u>26,874,633</u>
<b>31.12.2024</b>			
Not past due	9,908,347	(49,580)	9,858,767
Past due:			
Less than 30 days	4,732,220	(15,799)	4,716,421
31 to 60 days	2,360,487	(23,232)	2,337,255
61 to 90 days	1,250,766	(30,242)	1,220,524
More than 90 days	2,507,809	(759,039)	1,748,770
	<u>20,759,629</u>	<u>(877,892)</u>	<u>19,881,737</u>

**10. Other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Non-trade receivables	402,203	139,116	-	-
Deposits	3,306,863	93,860	1,300	300
Prepayments	212,609	122,542	1,564	1,686
Prepayment for initial public offering expenses	-	2,401,640	-	498,040
Advance payment to suppliers	7,781,306	1,925,735	-	-
	<u>11,702,981</u>	<u>4,682,893</u>	<u>2,864</u>	<u>500,026</u>

Non-trade receivables are unsecured, non-interest bearing and repayable on demand.

Included in non-trade receivables of the Group and of the Company is an amount of RM16,324 and RMNil (31.12.2024: RM15,115 and RMNil) due from a company in which a key management personnel has interest.

The foreign currency exposure profile of non-trade receivables are as follows:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
United States Dollar (“USD”)	1,060	1,060
Chinese Yuan (“CNY”)	-	46,948
	<u>-</u>	<u>46,948</u>

**11. Contract assets/(liabilities)**

	<b>Note</b>	<b>Group</b>	
		<b>31.12.2025</b>	<b>31.12.2024</b>
		<b>RM</b>	<b>RM</b>
<b><u>Contract assets</u></b>			
Projects contracts	(a)	<u>4,027,135</u>	<u>841,080</u>
<b><u>Contract liabilities</u></b>			
Projects contracts	(a)	(98,248)	(2,123,200)
Deposits received	(b)	(2,414,228)	(2,146,380)
		<u>(2,512,476)</u>	<u>(4,269,580)</u>

## 11. Contract assets/(liabilities) (Cont'd)

### (a) Project contracts

The contract assets primarily relate to the Group's right to consideration for work performed but not yet billed at the reporting date for its project sales activities. The contract assets will be transferred to trade receivables when the rights become unconditional.

The contract liabilities primarily relate to the advance consideration received from customers for project sales, which revenue is recognised during the project sales activities.

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
<b>Project contracts</b>		
At beginning of the financial year	(1,282,120)	350,557
Recognised as revenue	19,419,660	12,893,475
	<u>18,137,540</u>	<u>13,244,032</u>
Less: Progress billings issued	(14,208,653)	(14,526,152)
At end of the financial year	<u><u>3,928,887</u></u>	<u><u>(1,282,120)</u></u>
<b>Presented as:</b>		
Contract assets	4,027,135	841,080
Contract liabilities	(98,248)	(2,123,200)
	<u><u>3,928,887</u></u>	<u><u>(1,282,120)</u></u>

The following table provide information about the exposure to credit risk and allowance for ECLs for contract assets as the Group is expected to have similar risk nature with trade receivables:

	<b>Gross amount RM</b>	<b>ECLs RM</b>	<b>Net amount RM</b>
<b>Group</b>			
<b>31.12.2025</b>			
Not past due	<u>4,027,135</u>	<u>-</u>	<u>4,027,135</u>
<b>31.12.2024</b>			
Not past due	<u>841,080</u>	<u>-</u>	<u>841,080</u>

## 11. Contract assets/(liabilities) (Cont'd)

### (a) Project contracts (Cont'd)

#### Contract yet to be recognised as revenue

Revenue expected to be recognised in the future relating to performance obligations that are unsatisfied (or partially satisfied) at reporting date.

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Within 1 year	<u>37,934,593</u>	<u>15,845,332</u>

### (b) Deposits received

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
At beginning of the financial year	2,146,380	-
Received during the financial year	3,210,590	8,041,447
Recognised as revenue during the financial year	<u>(2,942,742)</u>	<u>(5,895,067)</u>
At end of the financial year	<u>2,414,228</u>	<u>2,146,380</u>

The deposits received primarily related to the advance consideration received from customers.

## 12. Amount due from holding company

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Trade	485,201	422,382
Non-trade	3,000	(49)
	<u>488,201</u>	<u>422,333</u>

Amount due from holding company is unsecured, non-interest bearing and repayable on demand, whereas the trade amounts are subject to normal credit term of 60 days (31.12.2024: 60 days).

## 13. Amount due from/(to) subsidiaries

Amount due from/(to) subsidiaries are non-trade in nature, unsecured, non-interest bearing and repayable on demand.

#### 14. Other investment

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
<b>In Malaysia</b>		
<b>At FVTPL:</b>		
Quoted shares	<u>615,000</u>	<u>450,000</u>

Financial asset at FVTPL include investments in equity shares. Fair values of these equity shares are derived from quoted prices that are observable for the financial assets, either directly or indirectly.

#### 15. Fixed deposits with licensed banks

The interest rate of fixed deposits with licensed banks of the Group ranged from 2.00% to 3.85% (31.12.2024: from 1.99% to 3.85%) per annum. The maturities of fixed deposits of the Group ranged from 1 to 6 months (31.12.2024: 1 to 6 months).

The fixed deposits with a licensed bank of the Group amounted to RM2,497,715 (31.12.2024: RM1,708,919) are pledged to licensed bank as securities for credit facilities as disclosed in Note 20 to the financial statements.

The fixed deposits with licensed banks less than 3 months to maturity of the Group amounted to RM5,231,775 (31.12.2024: RM14,046,503).

#### 16. Cash and bank balances

The foreign currency exposure profile of cash and bank balances are as follows:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
USD	<u>40,054</u>	<u>39,940</u>

Included in cash and bank balances of the Group is an amount of RM134,758 (2024: RMNil) which were held under Designated Accounts and pledged as securities for the Group's projects, to be released upon completion of the respective projects.

## 17. Share capital and invested equity

### (a) Share capital

	Group and Company			
	Number of ordinary shares		Amount	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	Units	Units	RM	RM
<b>Issued and fully paid:</b>				
At beginning of the financial year	485,576,000	1	77,692,161	1
Effect of restructuring exercise	-	485,575,999	-	77,692,160
Issuance of ordinary shares	114,424,000	-	41,192,640	-
Share issuance expenses	-	-	(1,295,624)	-
At end of the financial year	<u>600,000,000</u>	<u>485,576,000</u>	<u>117,589,177</u>	<u>77,692,161</u>

On 4 December 2023, the Company was incorporated with a paid-up share capital of RM1 comprising 1 ordinary share that was subscribed on the date of its incorporation.

On 7 November 2024, the Company increased its issued and paid-up share capital from RM1 to RM77,692,161 by way of issuance of 485,575,999 new ordinary shares at RM0.16 each for a total consideration of RM77,692,160 as full payment for the acquisition of its subsidiaries, CSB, CSSB and FISB.

In conjunction with the Company's listing on the ACE Market of Bursa Malaysia Securities Berhad on 10 February 2025, the Company issued 114,424,000 new ordinary shares at an issue price of RM0.36 per ordinary share for a total consideration of RM41,192,640.

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

### (b) Invested equity

	Group and Company		Group and Company	
	Number of ordinary shares		Amount	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
	Units	Units	RM	RM
<b>Issued and fully paid:</b>				
At beginning of the financial year	-	662,500	-	662,500
Effect of restructuring exercise	-	(662,500)	-	(662,500)
At end of the financial year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

## 17. Share capital and invested equity (Cont'd)

### (b) Invested equity (Cont'd)

Invested equity comprised the aggregate number of issued and paid-up ordinary shares of CSB, CSSB and FISB. The amount has been reversed against the merger reserve.

## 18. Merger reserve

The merger reserve is the difference between the carrying value of the investment in subsidiaries and the share capital of the Company's subsidiaries upon consolidation under the merger accounting principle.

## 19. Deferred tax liabilities

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
At beginning of the financial year	1,734,597	1,125,762
Recognised in profit or loss	(80,906)	608,835
At end of the financial year	<u>1,653,691</u>	<u>1,734,597</u>

The balances of deferred tax liabilities are made up of tax effect on temporary differences arising from:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Property, plant and equipment	2,047,906	2,123,086
Provision	(382,188)	(210,854)
Unutilised capital allowance	-	(154,400)
Others	(12,027)	(23,235)
	<u>1,653,691</u>	<u>1,734,597</u>

**20. Loans and borrowings**

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
<b>Secured</b>		
Term loans	3,966,411	4,897,251
Bankers' acceptances	-	3,912,000
	<u>3,966,411</u>	<u>8,809,251</u>
<b>Non-current</b>		
Term loans	<u>3,205,492</u>	<u>3,965,677</u>
<b>Current</b>		
Term loans	760,919	931,574
Bankers' acceptances	-	3,912,000
	<u>760,919</u>	<u>4,843,574</u>
	<u>3,966,411</u>	<u>8,809,251</u>

The loans and borrowings are secured by the followings:

- (i) First party legal charge over the property, plant and equipment and investment properties of the Group as disclosed in Notes 4 and 5 to the financial statements;
- (ii) Fixed deposits of the Group as disclosed in Note 15 to the financial statements;
- (iii) A guaranteed coverage of up to 80% on the FL-SRF by Syarikat Jaminan Pembiayaan Perniagaan Berhad ("SJPP");
- (iv) Corporate guarantee to be executed by CSB, CSSB and holding company; and
- (v) Jointly and several guaranteed by the certain Directors of the Group and of the Company.

The loans and borrowings are repayable as follows:

- (i) Term loans are repayable by 60 to 180 monthly instalments; and
- (ii) Bankers' acceptances and letter of credit are repayable within 180 days.

The effective interest rate per annum for the loans and borrowings are as follows:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>%</b>	<b>%</b>
Term loans	3.00 - 4.27	3.00 - 4.52
Bankers' acceptances	<u>3.65 - 3.82</u>	<u>3.61 - 3.82</u>

**21. Lease liabilities**

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Non-current	2,297,148	283,215
Current	705,186	99,330
	<u>3,002,334</u>	<u>382,545</u>

The maturity analysis of lease liabilities at the end of the reporting period:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Within 1 year	801,396	114,168
Between 1 to 5 years	2,428,754	301,541
	<u>3,230,150</u>	<u>415,709</u>
Less: Future finance charges	(227,816)	(33,164)
Present value of lease liabilities	<u>3,002,334</u>	<u>382,545</u>

The Group leases motor vehicles and leased premises. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

**22. Trade payables**

The normal trade credit terms granted to the Group ranged from cash term to 90 days (31.12.2024: cash term to 90 days) depending on the term of the contracts.

Included in trade payables of the Group comprise an amount of RM18,645 (31.12.2024: RM13,726) due from companies in which certain Directors have interest.

The foreign currency exposure profile of trade payables are as follows:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
USD	121,072	112,345
CNY	<u>142,666</u>	<u>370,568</u>

**23. Other payables**

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Non-trade payables	926,725	298,581	10,054	-
Deposits	62,850	38,750	-	-
Accruals	1,255,919	1,206,742	30,000	109,000
	<u>2,245,494</u>	<u>1,544,073</u>	<u>40,054</u>	<u>109,000</u>

**24. Revenue**

	<b>Group</b>	
	<b>1.1.2025</b>	<b>1.1.2024</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
<b>Revenue from contracts with customers:</b>		
Sales of goods	79,952,872	87,823,637
Contract revenue	19,419,660	12,893,475
	<u>99,372,532</u>	<u>100,717,112</u>
<b>Timing of revenue recognition:</b>		
At a point in time	79,952,872	87,823,637
Over time	19,419,660	12,893,475
	<u>99,372,532</u>	<u>100,717,112</u>
<b>Geographical market:</b>		
Malaysia	<u>99,372,532</u>	<u>100,717,112</u>

**25. Finance income and finance costs**

	<b>Group</b>	
	<b>1.1.2025</b>	<b>1.1.2024</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
<b>Finance income</b>		
Bank balances	1,745,670	369,363
Fixed deposits with licensed banks	327,026	238,558
	<u>2,072,696</u>	<u>607,921</u>

25. **Finance income and finance costs (Cont'd)**

	<b>Group</b>	
	<b>1.1.2025 to 31.12.2025 RM</b>	<b>1.1.2024 to 31.12.2024 RM</b>
<b>Finance costs</b>		
Interest expense on lease liabilities	30,954	14,958
Interest expense on bankers' acceptances	29,780	145,251
Interest expense on letter of credit	21,989	21,471
Interest expense on term loans	191,814	235,702
	<u>274,537</u>	<u>417,382</u>
	<b>Company</b>	
	<b>1.1.2025 to 31.12.2025 RM</b>	<b>4.12.2023 to 31.12.2024 RM</b>
<b>Finance income</b>		
Bank balances	<u>128,844</u>	<u>-</u>

 26. **Profit/(Loss) before tax**

Profit/(Loss) before tax is determined after charging/(crediting) amongst others, the following items:

	<b>Group</b>		<b>Company</b>	
	<b>1.1.2025 to 31.12.2025 RM</b>	<b>1.1.2024 to 31.12.2024 RM</b>	<b>1.1.2025 to 31.12.2025 RM</b>	<b>4.12.2023 to 31.12.2024 RM</b>
Auditors' remuneration:				
- Statutory audit fee	93,000	73,000	15,000	10,000
- Non-statutory audit fee	15,000	15,000	15,000	15,000
Allowances for ECLs on trade receivables	855,047	245,632	-	-
Reversal of allowances for ECLs on trade receivables	(100,116)	(25,115)	-	-
Depreciation of property, plant and equipment	1,678,303	1,371,199	-	-
Depreciation of investment properties	14,141	14,142	-	-
Dividend income	(4,495)	-	(11,865,000)	-
Heavy equipment hire income	(1,000)	-	-	-
Lease expenses relating to:				
- Short-term leases (a)	222,622	43,855	-	-
Rental income	(294,000)	(54,000)	-	-
Realised loss on foreign exchange	-	27,434	-	-

## 26. Profit/(Loss) before tax (Cont'd)

Profit/(Loss) before tax is determined after charging/(crediting) amongst others, the following items: (Cont'd)

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	4.12.2023 to 31.12.2024 RM
Gain on disposal of property, plant and equipment	(66,867)	-	-	-
Fair value gain on other investment	(165,000)	-	-	-
Loss on employee embezzlement (b)	1,205,000	-	-	-

- (a) The Group leases an office premise, a leased premises and a machinery with contract terms of not more than one year. This lease is short-term lease. The Group has elected not to recognise right-of-use assets and lease liabilities for this lease.
- (b) During the financial year, the Group incurred a financial loss of RM1,205,000 due to fraudulent activity committed by an employee. The loss has been recognised in the statement of profit or loss and other comprehensive income under other expenses. Internal control measures have been enhanced to prevent future occurrences.

## 27. Taxation

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	4.12.2023 to 31.12.2024 RM
<b>Tax expenses recognised in profit or loss</b>				
<u>Current tax</u>				
Current year/period provision	7,805,675	5,997,992	35,593	-
Under/(Over) provision in prior financial year	512,084	(100,093)	-	-
	<u>8,317,759</u>	<u>5,897,899</u>	<u>35,593</u>	<u>-</u>
<u>Deferred tax</u>				
Originating and reversal of temporary differences	197,876	397,252	-	-
(Over)/Under provision in prior financial year	(278,782)	211,583	-	-
	<u>(80,906)</u>	<u>608,835</u>	<u>-</u>	<u>-</u>
	<u>8,236,853</u>	<u>6,506,734</u>	<u>35,593</u>	<u>-</u>

## 27. Taxation (Cont'd)

A reconciliation of income tax expenses applicable to profit/(loss) before tax at the statutory tax rate to income tax expenses at the effective income tax of the Group and of the Company are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>1.1.2025 to 31.12.2025 RM</b>	<b>1.1.2024 to 31.12.2024 RM</b>	<b>1.1.2025 to 31.12.2025 RM</b>	<b>4.12.2023 to 31.12.2024 RM</b>
Profit/(Loss) before tax	28,204,185	25,384,498	8,534,782	(171,022)
At Malaysian statutory tax rate of 24% (31.12.2024: 24%)	6,769,004	6,092,280	2,048,348	(41,045)
Income tax not subject to tax	(135,093)	-	(2,847,600)	-
Expenses not deductible for tax purposes	1,369,640	302,964	834,845	41,045
Under/(Over) provision of tax expense in prior financial year	512,084	(100,093)	-	-
(Over)/Under provision of deferred tax in prior financial year	(278,782)	211,583	-	-
	<u>8,236,853</u>	<u>6,506,734</u>	<u>35,593</u>	<u>-</u>

## 28. Earnings per share

### (a) Basic earnings per share

The basic earnings per share is calculated based on the consolidated profit for the financial year attributable to owners of the Company and the weighted average number of ordinary shares in issue during the financial year as follows:

	<b>Group</b>	
	<b>1.1.2025 to 31.12.2025 RM</b>	<b>1.1.2024 to 31.12.2024 RM</b>
Profit attributable to owners of the Company	<u>17,323,362</u>	<u>17,674,593</u>
Weighted average number of ordinary shares (units)	<u>587,460,384</u>	<u>485,576,000</u>
Basic earnings per ordinary share (sen)	<u>2.95</u>	<u>3.64</u>

### (b) Diluted earnings per share

There are no diluted earnings per share as the Group does not have any dilutive potential ordinary shares outstanding as at the end of the reporting period.

## 29. Dividend

**Group and  
Company  
1.1.2025  
to  
31.12.2025  
RM**

**Dividends recognised as distribution to owners  
of the Group and of the Company:**

CGB

A first interim single-tier dividend of RM0.013 per ordinary share in respect of the financial year ended 31 December 2025, declared on 10 September 2025 and paid on 26 September 2025

7,800,000

**Company  
4.12.2023  
to  
31.12.2024  
RM**

**Dividends recognised as distribution to owners  
of the Company:**

FISB

An interim single-tier dividend of RM4.00 per ordinary share in respect of the financial year ended 31 December 2024, declared on 1 November 2024 and paid on 6 November 2024

1,000,000

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

## 30. Staff costs

	<b>Group</b>		<b>Company</b>	
	<b>1.1.2025 to 31.12.2025 RM</b>	<b>1.1.2024 to 31.12.2024 RM</b>	<b>1.1.2025 to 31.12.2025 RM</b>	<b>4.12.2023 to 31.12.2024 RM</b>
Directors' fee	163,000	84,000	163,000	84,000
Salaries, wages and other emoluments	5,949,637	4,922,850	-	-
Defined contribution plans	700,072	538,086	-	-
Social security contributions	68,548	52,622	-	-
	<u>6,881,257</u>	<u>5,597,558</u>	<u>163,000</u>	<u>84,000</u>

### 30. Staff costs (Cont'd)

Included in staff costs is aggregate amount of remuneration received and receivable by the Directors of the Company and of the subsidiaries during the financial year as below:

	Group		Company	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM	1.1.2025 to 31.12.2025 RM	4.12.2023 to 31.12.2024 RM
Directors' fee	163,000	84,000	163,000	84,000
Salaries, wages and other emoluments	2,027,600	1,560,100	-	-
Defined contribution plans	240,912	162,552	-	-
Social security contributions	8,356	5,693	-	-
	<u>2,439,868</u>	<u>1,812,345</u>	<u>163,000</u>	<u>84,000</u>

### 31. Reconciliation of liability arising from financing activities

The table below show the details changes in the liabilities of the Group arising from financing activities, including both cash and non-cash changes:

	Group			
	At 1.1.2025 RM	Drawdown RM	Repayment RM	At 31.12.2025 RM
Term loans	4,897,251	-	(930,840)	3,966,411
Bankers' acceptances	3,912,000	-	(3,912,000)	-
Lease liabilities	382,545	2,935,801	(316,012)	3,002,334
	At 1.1.2024 RM	Drawdown RM	Repayment RM	At 31.12.2024 RM
Term loans	5,908,866	-	(1,011,615)	4,897,251
Bankers' acceptances	8,642,191	6,600,000	(11,330,191)	3,912,000
Letter of credit	3,222,995	16,177,986	(19,400,981)	-
Lease liabilities	254,344	213,000	(84,799)	382,545

### 32. Capital commitments and contingent liabilities

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
<b>Capital expenditure</b>		
Authorised and contracted for:		
- ERP software	128,453	385,358
- Investment properties	520,429	-
- Leasehold land	22,649,601	-
- Property, plant and equipment	<u>3,268,816</u>	<u>-</u>

#### **Contingent liabilities**

The Group acquired one piece of land in October 2010, where construction covenants attached to the land title provided that the construction of a building in accordance with the terms and conditions contained in the land title to be completed before January 2015 (“Covenant”). The Group has applied extension of time to fulfill the Covenant to the Land and Surveys Department of Sabah (“Authority”) which required the Group to pay premium and enhance rent (“Premium”). However, there is no respond from the Authority up to the date of this report. In view of the uncertainty and the computation of Premium is remote, the Group has not made any provision in the financial statements.

### 33. Related party disclosures

#### (a) Identifying related parties

For the purposes of these financial statements, parties are considered to be related to the Group and of the Company if the Group or the Company have the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel comprise the Directors and management personnel of the Group and of the Company, having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company directly or indirectly.

### 33. Related party disclosures (Cont'd)

#### (b) Significant related party transactions

Related party transactions have been entered into the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	<b>Group</b>	
	<b>1.1.2025</b>	<b>1.1.2024</b>
	<b>to</b>	<b>to</b>
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
<b>Transactions with holding company</b>		
- Sales	4,609,137	1,772,587
- Purchases	(192,434)	(58,846)
- Acquisition of property, plant and equipment	(4,120)	-
- Rental income	30,000	-
	<u>4,442,603</u>	<u>1,713,741</u>
<b>Transactions with companies in which certain Directors have interests</b>		
- Sales	80,538	3,357,522
- Purchases	(205,318)	(519,906)
- Acquisition of property, plant and equipment	(266,817)	-
- Rental expenses	(2,543)	(3,373)
	<u>(394,130)</u>	<u>2,834,243</u>
<b>Transaction with Directors</b>		
- Rental expenses	(47,600)	(17,600)
	<u>(47,600)</u>	<u>(17,600)</u>
<b>Transaction with key management personnel:</b>		
- Professional services fee	(89,192)	(144,800)
	<u>(89,192)</u>	<u>(144,800)</u>
<b>Transaction with a person connected with certain Directors</b>		
- Rental expenses	(11,900)	-
	<u>(11,900)</u>	<u>-</u>
<b>Transaction with a company in which a person connected with certain Directors have interest</b>		
- Sales	37,252	-
- Purchases	(18,839)	-
	<u>18,413</u>	<u>-</u>

### 33. Related party disclosures (Cont'd)

#### (c) Compensation of key management personnel

Other than Directors' remuneration disclosed in Note 30 to the financial statements, the key management personnel's compensation during the financial year are as follows:

	<b>Group</b>	
	<b>1.1.2025 to 31.12.2025 RM</b>	<b>1.1.2024 to 31.12.2024 RM</b>
Salaries, wages and other emoluments	432,372	353,706
Defined contribution plans	52,535	32,231
Social security contributions	4,880	3,987
	<u>489,787</u>	<u>389,924</u>

### 34. Segment information

#### (a) Business segments

For management purposes, the Group is predominantly involved in manufacturing of slitted steel sheets, downstream steel products and trading of downstream steel products and building materials.

Management monitors the operating results of its business units separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements.

Transactions between segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation. The measurement basis and classification are consistent with those adopted in the previous financial year.

Information about segment assets and liabilities are neither included in the internal management reports nor provided regularly to the management. Hence, no disclosures are made on segment assets and liabilities.

#### (b) Geographical information

The disclosure on geographical segment information of the Group's revenue is disclosed in Note 24 to the financial statement.

### 34. Segment information (Cont'd)

#### (b) Geographical information (Cont'd)

Non-current asset information based on the geographical location of assets are as follows:

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
Malaysia	<u>35,158,572</u>	<u>28,593,900</u>

Non-current assets information presented above consist of property, plant and equipment, investment properties, investment in associates and deferred tax assets.

#### (c) Information about major customers

The Group has large and diversified customers base which consists of individuals and corporations. There was no single customer that contributed 10% or more of the Group's revenue for the financial years ended 31.12.2025 and 31.12.2024.

### 35. Financial instruments

#### (a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost.

The following table analyses the financial assets and financial liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>At FVTPL</b>				
<b>Financial asset</b>				
Other investment	<u>615,000</u>	<u>450,000</u>	-	-
<b>At amortised cost</b>				
<b>Financial assets</b>				
Trade receivables	26,874,633	19,881,737	-	-
Other receivables	3,709,066	232,976	1,300	300
Amount due from holding company	488,201	422,333	-	-
Amount due from subsidiaries	-	-	21,567,997	-
Fixed deposits with licensed banks	7,729,490	15,755,422	-	-
Cash and bank balances	52,029,389	12,640,470	18,789,970	3,111
	<u>90,830,779</u>	<u>48,932,938</u>	<u>40,359,267</u>	<u>3,411</u>
	<u>91,445,779</u>	<u>49,382,938</u>	<u>40,359,267</u>	<u>3,411</u>

### 35. Financial instruments (Cont'd)

#### (a) Classification of financial instruments (Cont'd)

The following table analyses the financial assets and financial liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis: (Cont'd)

	<b>Group</b>		<b>Company</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<b>At amortised cost</b>				
<b>Financial liabilities</b>				
Loans and borrowings	3,966,411	8,809,251	-	-
Trade payables	2,038,212	2,414,471	-	-
Other payables	2,245,494	1,544,073	40,054	109,000
Amount due to a subsidiary	-	-	-	565,158
	<u>8,250,117</u>	<u>12,767,795</u>	<u>40,054</u>	<u>674,158</u>

#### (b) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operation whilst managing its credit, liquidity and market risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transaction.

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies, and processes for the management of these risks.

##### (i) Credit risk

Credit risk is the risk of a financial loss to the Group and to the Company if a customer or counterparty to a financial instrument fails to meet their contractual obligations. The Group's exposure to credit risk arises principally from the trade receivables, other receivables, amount due from holding company, fixed deposits with licensed banks and cash and bank balances. The Company's exposure to credit risk arises principally from the other receivables, amount due from subsidiaries and cash and bank balances. There are no significant changes as compared to previous financial year.

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit rating. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

### 35. Financial instruments (Cont'd)

#### (b) Financial risk management objectives and policies (Cont'd)

##### (i) Credit risk (Cont'd)

At each reporting date, the Group and the Company assess whether any of the receivables are credit impaired.

The gross carrying amounts of credit impaired receivables and contract assets are written off (either partial 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 amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

The carrying amounts of the financial assets recorded on the statements of financial position at the end of the financial year represent the Group's and the Company's maximum exposure to credit risk.

There are no significant changes as compared to previous financial year.

As at the end of the financial year, the Group had 1 (31.12.2024: 2) customer that owed the Group more than 10% and accounted for approximately 28% (31.12.2024: 22%) of the trade receivables.

##### (ii) Liquidity risk

Liquidity risk refers to the risk that the Group and the Company will encounter difficulty in meeting its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities.

The Group's and the Company's funding requirement and liquidity risk managed with the objective of meeting business obligations on a timely basis. The Group and the Company finance their liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

### 35. Financial instruments (Cont'd)

#### (b) Financial risk management objectives and policies (Cont'd)

##### (ii) Liquidity risk (Cont'd)

The following table analyses the remaining contractual maturity for financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay.

	<b>On demand or within 1 year RM</b>	<b>1 to 5 years RM</b>	<b>More than 5 years RM</b>	<b>Total contractual cash flows RM</b>	<b>Total carrying amount RM</b>
<b>Group</b>					
<b>31.12.2025</b>					
<u>Non-derivative</u>					
<u>financial liabilities</u>					
Term loans	915,896	3,900,033	-	4,815,929	3,966,411
Lease liabilities	801,396	2,428,754	-	3,230,150	3,002,334
Trade payables	2,038,212	-	-	2,038,212	2,038,212
Other payables	2,245,494	-	-	2,245,494	2,245,494
	<u>6,000,998</u>	<u>6,328,787</u>	<u>-</u>	<u>12,329,785</u>	<u>11,252,451</u>
<b>31.12.2024</b>					
<u>Non-derivative</u>					
<u>financial liabilities</u>					
Term loans	1,131,780	3,633,167	800,717	5,565,664	4,897,251
Bankers' acceptances	3,912,000	-	-	3,912,000	3,912,000
Lease liabilities	114,168	301,541	-	415,709	382,545
Trade payables	2,414,471	-	-	2,414,471	2,414,471
Other payables	1,544,073	-	-	1,544,073	1,544,073
	<u>9,116,492</u>	<u>3,934,708</u>	<u>800,717</u>	<u>13,851,917</u>	<u>13,150,340</u>
<b>Company</b>					
<b>31.12.2025</b>					
<u>Non-derivative</u>					
<u>financial liabilities</u>					
Other payables	40,054	-	-	40,054	40,054
<b>31.12.2024</b>					
<u>Non-derivative</u>					
<u>financial liabilities</u>					
Other payables	109,000	-	-	109,000	109,000
Amount due to a subsidiary	565,158	-	-	565,158	565,158
	<u>674,158</u>	<u>-</u>	<u>-</u>	<u>674,158</u>	<u>674,158</u>

### 35. Financial instruments (Cont'd)

#### (b) Financial risk management objectives and policies (Cont'd)

##### (iii) Market risk

##### Foreign currency risk

The Group is exposed to foreign currency risk on transactions that are denominated in currencies other than the respective functional currencies of the Group. The currencies giving rise to this risk are primarily USD and CNY.

The carrying amounts of the Group's foreign currency denominated financial assets and financial liability at the end of the reporting year are as follows:

	<b>Group</b>	
	<b>USD</b>	<b>CNY</b>
	<b>RM</b>	<b>RM</b>
<b>31.12.2025</b>		
<b>Financial assets</b>		
Other receivables	1,060	-
Cash and bank balances	40,054	-
	<u>41,114</u>	<u>-</u>
<b>Financial liability</b>		
Trade payables	(121,072)	(142,666)
Net exposure	<u>(79,958)</u>	<u>(142,666)</u>
<b>31.12.2024</b>		
<b>Financial assets</b>		
Other receivables	1,060	46,948
Cash and bank balances	39,940	-
	<u>41,000</u>	<u>46,948</u>
<b>Financial liability</b>		
Trade payables	(112,345)	(370,568)
Net exposure	<u>(71,345)</u>	<u>(323,620)</u>

### 35. Financial instruments (Cont'd)

#### (b) Financial risk management objectives and policies (Cont'd)

##### (iii) Market risk (Cont'd)

##### Foreign currency risk (Cont'd)

##### **Foreign currency sensitivity analysis**

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the USD and CNY against RM, with all other variables held constant.

Change in currency rate	Group	
	Effect on profit before tax 31.12.2025	31.12.2024
	RM	RM
USD Strengthened 1% (31.12.2024: 1%)	(800)	(713)
Weakened 1% (31.12.2024: 1%)	800	713
CNY Strengthened 1% (31.12.2024: 1%)	(1,427)	(3,236)
Weakened 1% (31.12.2024: 1%)	<u>1,427</u>	<u>3,236</u>

##### Interest rate risk

The Group's borrowings are exposed to a risk of change in their fair value due to the changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

The Group manages the interest rate risk exposure from interest bearing borrowings by obtaining financing with the most favourable interest rates in the market. The Group constantly monitors their interest rate risk by reviewing their debts portfolio to ensure favourable rates are obtained. The Group does not utilise interest swap contracts or other derivative instruments for trading or speculative purpose.

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

### 35. Financial instruments (Cont'd)

#### (b) Financial risk management objectives and policies (Cont'd)

##### (iii) Market risk (Cont'd)

##### Interest rate risk (Cont'd)

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:  
 (Cont'd)

	<b>Group</b>	
	<b>31.12.2025</b>	<b>31.12.2024</b>
	<b>RM</b>	<b>RM</b>
<b>Fixed rate instruments</b>		
<u>Financial asset</u>		
Fixed deposits with licensed banks	<u>7,729,490</u>	<u>15,755,422</u>
<u>Financial liabilities</u>		
Lease liabilities	(3,002,334)	(382,545)
Bankers' acceptances	-	(3,912,000)
	<u>(3,002,334)</u>	<u>(4,294,545)</u>
Net financial assets	<u><u>4,727,156</u></u>	<u><u>11,460,877</u></u>
<b>Floating rate instrument</b>		
<u>Financial liability</u>		
Term loans	<u>3,966,411</u>	<u>4,897,251</u>

##### **Interest rate risk sensitivity analysis**

##### Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

### 35. Financial instruments (Cont'd)

(b) Financial risk management objectives and policies (Cont'd)

(iii) Market risk (Cont'd)

Interest rate risk (Cont'd)

**Interest rate risk sensitivity analysis (Cont'd)**

Cash flow sensitivity analysis for floating rate instruments

A change in 1% interest rate at the end of the reporting period would have increased/(decreased) the Group's profit before tax by RM39,664 (31.12.2024: RM48,973), arising mainly as a result of lower/higher interest expense on floating rate loans and borrowings. This analysis assumes that all other variables remain constant. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(c) Fair value of financial instruments

The carrying amounts of short-term receivables and payables, cash and cash equivalents and short-term borrowings approximate its fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The Group entered into forward exchange contracts to manage their exposures to sales purchase transactions that are denominated in USD. The fair value of the foreign currency forward contracts has not been recognised in the combined financial statements as it is immaterial as the end of the reporting date. The notional value of foreign currency forward contracts as at the end of the reporting year is as follows:

	<b>Group</b>	
	<b>2025</b>	<b>2024</b>
	<b>RM</b>	<b>RM</b>
<b>Foreign currency hedging contracts</b>		
Notional value of contracts*	2,367,649	-

\* *Equivalent to USD581,875 (31.12.2024: Nil)*

(i) Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer. There were no transfers between levels during current and previous financial year.

### 35. Financial instruments (Cont'd)

#### (c) Fair value of financial instruments (Cont'd)

##### (ii) Level 1 fair value

Level 1 fair value is derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

The following table summarises the methods used in determining the fair value of financial assets of the Group on a recurring basis as at 31 December 2025 and 31 December 2024.

Financial asset	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs
	31.12.2025	31.12.2024		
	RM	RM		
Other investment	615,000	450,000	Level 1	Quoted bid prices in an active market

##### (iii) 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 asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

##### (iv) Level 3 fair value

Level 3 fair value for the financial assets and liabilities are estimated using unobservable inputs.

### 36. Capital management

The Group's and the Company's objective when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

### 36. Capital management (Cont'd)

The Group and the Company monitor capital using a gearing ratio. The Group's and the Company's policy is to maintain a prudent level of gearing ratio that complies with debt covenants and regulatory requirements. The gearing ratios at end of the reporting period are as follows:

	Group		Company	
	31.12.2025 RM	31.12.2024 RM	31.12.2025 RM	31.12.2024 RM
Loans and borrowings	3,966,411	8,809,251	-	-
Lease liabilities	3,002,334	382,545	-	-
Less: Fixed deposits with licensed banks	(7,729,490)	(15,755,422)	-	-
Less: Cash and bank balances	(52,029,389)	(12,640,470)	(18,789,970)	(3,111)
Net cash	<u>(52,790,134)</u>	<u>(19,204,096)</u>	<u>(18,789,970)</u>	<u>(3,111)</u>
Total equity	<u>147,421,398</u>	<u>96,092,050</u>	<u>118,117,344</u>	<u>77,521,139</u>
Gearing ratio (times)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

N/A - Gearing ratio not applicable as the cash and cash equivalents of the Group and of the Company are sufficient to settle the outstanding debts.

There were no changes in the Group's and the Company's approach to capital management during the financial year/period.

The Group and the Company are not subject to any externally imposed capital requirements.

### 37. Comparative information

The Company was incorporated on 4 December 2023 in previous financial period. As such, the comparative information is for the financial period from 4 December 2023 to 31 December 2024, while the current financial year is from 1 January 2025 to 31 December 2025. Consequently, comparative figures in the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and related notes are not comparable.

### 40. Date of authorisation of issue

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 17 April 2026.

# DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Rule 9.25A of the ACE Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

## (a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 RM	2024 RM
Revenue		99,372,532	100,717,112
Other income		405,841	92,967
Finance income		2,072,696	607,921
<b>Total</b>		<b>101,851,069</b>	<b>101,418,000</b>
<b>Total Assets</b>		<b>165,575,023</b>	<b>117,320,709</b>

## (b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 RM	2024 RM
Interest income		295,446	74,988
Other Shariah non-compliant activities	Insurance claims proceeds received from conventional insurance policies	281	630
<b>Total</b>		<b>295,727</b>	<b>75,618</b>

## (c) Component of Financial Position

### (i) Cash Components

Islamic Accounts/ Instruments	Remarks	Group	
		2025 RM	2024 RM
Cash in hand		39,610	16,576
Cash at bank (exclude cash in hand)		27,095,276	7,882,112
Deposits with licensed banks		6,399,175	14,460,193
Other cash equivalents	Cash collateral pledged with a licensed bank	134,758	-
<b>Total Cash</b>		<b>33,668,819</b>	<b>22,358,881</b>

# DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

## (c) Component of Financial Position (Cont'd)

### (i) Cash Components (Cont'd)

Conventional Accounts/ Instruments	Remarks	Group	
		2025 RM	2024 RM
Cash at bank (exclude cash in hand)		24,759,745	4,741,782
Deposits with licensed banks		1,330,315	1,295,229
<b>Total Cash</b>		<b>26,090,060</b>	<b>6,037,011</b>

### (ii) Debt Components

Islamic Financing	Remarks	Group	
		2025 RM	2024 RM
<b>Current</b>			
Term loans		748,861	715,853
<b>Non-Current</b>			
Term loans		3,205,492	3,953,619
<b>Total Financing</b>		<b>3,954,353</b>	<b>4,669,472</b>

Conventional Borrowings	Remarks	Group	
		2025 RM	2024 RM
<b>Current</b>			
Term loans		12,058	215,721
Banker's acceptances		-	3,912,000
Hire purchase payables		169,236	99,330
<b>Non-Current</b>			
Term loans		-	12,058
Banker's acceptances		-	-
Hire purchase payables		630,174	283,215
<b>Total Debts</b>		<b>811,468</b>	<b>4,522,324</b>

# LIST OF PROPERTIES

No.	Title Details/ Location Address	Description/ Existing Use	Land Area/ Built-up Area	Tenure/ Expiry Date/ Approximate Age of Building	Date of Acquisition	Audited Net Book Value as at 31.12.2025
1	<b>CL 045339320</b> (Master Title)  Lot 8, Jalan 2A KKIP Timur, Industrial Zone 12 (IZ12), Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah.	Single storey factory cum warehouse with an annexed double storey office building and an annexed 3-storey building/ Headquarters, manufacturing and processing site, office, storage area, and staff accommodation	227,819 sq ft/ 103,738 sq ft	Leasehold/ 31.12.2098/ 2 Years	08.04.2014	RM 14,233,072
2	<b>TL 077554735</b>  Lot 197, Sedco Light Industrial Estate, Off Mile 2.5, Jalan Utara, 90000 Sandakan, Sabah.	Single storey factory with an annexed double storey office building/ Manufacturing and processing site, office, storage area	68,840 sq ft/ 37,345 sq ft	Leasehold/ 31.12.2037/ 14 Years	27.10.2008	RM 2,509,005
3	<b>TL 077548657</b>  Mile 3.5, Jalan Utara, 90000 Sandakan, Sabah.	Land/ Vacant	348,643 sq ft/ N/A	Leasehold/ 31.12.2041/ N/A	21.10.2010	RM 1,728,467
4	<b>CL 075601982</b>  Lot 4, Block B, Bandar Labuk Square, Labuk Road, Sandakan, Sabah.	3-storey shop office/ Shoplot	1,076 sq ft/ 3,229 sq ft	Leasehold/ 31.12.2113/ 10 Years	30.04.2014	RM 629,292
5	<b>CL 075601991</b>  Lot 5, Block B, Bandar Labuk Square, Labuk Road, Sandakan, Sabah.	3-storey shop office/ Shoplot	1,076 sq ft/ 3,229 sq ft	Leasehold/ 31.12.2113/ 10 Years	30.04.2014	RM 629,293

# ANALYSIS OF SHAREHOLDINGS AS AT 31 MARCH 2026

Total Number of Issued Shares	:	600,000,000
Class of Equity Securities	:	Ordinary Shares
Voting Rights	:	One (1) vote for every ordinary share

## DISTRIBUTION SCHEDULE OF SHAREHOLDERS AS AT 31 MARCH 2026

Size of Shareholdings	No. of Holders	Percentage (%)	No. of Shares	Percentage (%)
Less than 100	2	0.21	100	0.00
100 - 1,000	209	22.23	88,400	0.01
1,001 - 10,000	433	46.06	2,216,900	0.37
10,001 - 100,000	217	23.09	6,674,800	1.11
100,001 - 29,999,999 <sup>(i)</sup>	78	8.30	165,833,295	27.64
30,000,000 and above <sup>(ii)</sup>	1	0.11	425,186,505	70.87
<b>Total</b>	<b>940</b>	<b>100.00</b>	<b>600,000,000</b>	<b>100.00</b>

### Notes:

- (i) Less than 5% of issued shares  
(ii) 5% and more of issued shares

## DIRECTORS' SHAREHOLDINGS AS AT 31 MARCH 2026

(As per the Register of Directors' Shareholdings)

No.	Name of Directors	Direct		Indirect	
		No. of Shares	%	No. of Shares	%
1	Datuk Ir. Hj. Ali Ahmad Bin Hamid	250,000	0.04	-	-
2	Kang Ket Hung	1,965,999	0.33	425,186,505 <sup>(1)</sup>	70.86
3	Kang Phui Yie	2,457,498	0.41	425,186,505 <sup>(1)</sup>	70.86
4	Kang Phui Ting	-	-	-	-
5	Tan Kung Ming	250,000	0.04	-	-
6	Noor Ilienna Rahayu Binti Ibrahim	-	-	-	-

### Note:

- <sup>(1)</sup> Deemed interested by virtue of his/her shareholding in Kang Ming Trading Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.

## SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS AS AT 31 MARCH 2026

(As per the Register of Substantial Shareholders' Shareholdings)

No.	Name of Shareholders	Direct		Indirect	
		No. of Shares	%	No. of Shares	%
1	Kang Ming Trading Sdn. Bhd.	425,186,505	70.86	-	-
2	Kang Ket Hung	1,965,999	0.33	425,186,505 <sup>(1)</sup>	70.86
3	Kang Phui Yie	2,457,498	0.41	425,186,505 <sup>(1)</sup>	70.86

### Note:

- <sup>(1)</sup> Deemed interested by virtue of his/her shareholding in Kang Ming Trading Sdn. Bhd. pursuant to Section 8(4) of the Companies Act 2016.

# ANALYSIS OF SHAREHOLDINGS AS AT 31 MARCH 2026

## LIST OF THIRTY LARGEST SECURITIES HOLDERS AS AT 31 MARCH 2026

(Without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Name of Shareholders	No. of Shares	Percentage (%)
1	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Kang Ming Trading Sdn. Bhd.</i>	425,186,505	70.86
2	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Lim Nyuk Sang @ Freddy Lim (MQ0423)</i>	26,125,000	4.35
3	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Loke Theen Fatt</i>	21,603,500	3.60
4	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Liam Seng Yann</i>	17,220,000	2.87
5	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Loo Chai Lai (7005187)</i>	16,798,700	2.80
6	Lew Shoong Kai	9,750,000	1.63
7	Maybank Nominees (Tempatan) Sdn Bhd <i>For Loke Theen Fatt</i>	6,846,100	1.14
8	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Kuang Fui</i>	6,400,000	1.07
9	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Pun Chee Kau</i>	5,003,600	0.83
10	Pelaburan Mara Berhad	4,000,000	0.67
11	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Yin Kong Fung</i>	3,974,500	0.66
12	Tan Kok Kheng	2,730,000	0.46
13	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. <i>Pledged Securities Account for Yin Kong Fung (ME00121)</i>	2,604,500	0.43
14	Wansern Marketing Sdn. Bhd.	2,510,000	0.42
15	Loo Chai Lai	2,500,000	0.42
16	Tiow See Yen	2,490,000	0.42
17	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Kang Phui Yie (E-SDK)</i>	2,457,498	0.41
18	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Kang Ket Hung</i>	1,965,999	0.33
19	Kang Ket Hao	1,965,998	0.33
20	Tasec Nominees (Tempatan) Sdn Bhd <i>Exempt An for TA Investment Management Berhad (Clients)</i>	1,783,000	0.30
21	Liam Kah Thiam	1,390,000	0.23
22	LD Metal Roofing Sdn. Bhd.	1,350,000	0.23
23	Alliancegroup Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Loo Jing Shun (3031005)</i>	1,250,000	0.21
24	Wong Choon Ping	1,195,500	0.20
25	Chin Woon Yee	1,000,000	0.17
26	Yap Chin Choy	1,000,000	0.17
27	CIMB Group Nominees (Tempatan) Sdn Bhd <i>CIMB Commerce Trustee Berhad for Kenanga Growth Opportunities Fund (50154 TR01)</i>	991,000	0.17
28	Yayasan Cendekiawan Melayu Baru	774,700	0.13
29	Public Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Tan Chin Aik (E-KLG)</i>	760,000	0.13
30	Maybank Nominees (Tempatan) Sdn Bhd <i>Pledged Securities Account for Phua Zheng Hao</i>	757,000	0.13

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Second Annual General Meeting (“2<sup>nd</sup> AGM” or “Meeting”) of COLFORM GROUP BERHAD (“Colform” or “the Company”) will be held at Lot 8, Jalan 2A KKIP Timur, Industrial Zone 12 (IZ12), Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah on Tuesday, 26 May 2026 at 10:30 a.m. or at any adjournment thereof, to transact the following businesses, with or without any modifications:-

## AGENDA

### AS ORDINARY BUSINESS:-

- |  |  |
|--|--|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon.  | Please refer to Explanatory Note 1             |
| 2. To approve the payment of Directors’ fees and/or benefits of up to RM219,000.00 for the period commencing from the date immediately after the 2 <sup>nd</sup> AGM until the next Annual General Meeting (“AGM”) of the Company. | Ordinary Resolution 1                          |
| 3. To re-elect the following Directors who retire pursuant to Clause 88 of the Company’s Constitution:-<br>i. Mr. Kang Ket Hung<br>ii. Ms. Kang Phui Ting  | Ordinary Resolution 2<br>Ordinary Resolution 3 |
| 4. To re-appoint TGS TW PLT as Auditors of the Company until the conclusion of the next AGM of the Company and to authorise the Directors to fix their remuneration.   | Ordinary Resolution 4                          |

### AS SPECIAL BUSINESS:-

To consider and if thought fit, pass the following resolutions:-

- |  |                       |
|--|-----------------------|
| 5. <b>GENERAL AUTHORITY FOR THE DIRECTORS TO ISSUE AND ALLOT SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016 (“ACT”)</b> | Ordinary Resolution 5 |
|--|-----------------------|

“THAT subject always to the Constitution of the Company, the Act, the ACE Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and the approvals of the relevant governmental/regulatory authorities, where required, the Directors of the Company, be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act, to issue and allot new ordinary shares in the Company (“New Shares”) to such persons, at any time, and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit and expedient in the interest of the Company, provided that the aggregate number of New Shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time (“Mandate”) AND the Directors be and also empowered to obtain the approval for the listing of and quotation for the New Shares so issued on Bursa Securities AND such authority shall continue in force:

- (i) until the conclusion of the next AGM of the Company held next after the approval was given; or
- (ii) at the expiry of the period within which the next AGM is required by law to be held after the approval was given; or
- (iii) revoked or varied by an ordinary resolution passed by shareholders of the Company at a general meeting,

whichever is earlier.

AND FURTHER THAT the New Shares to be issued pursuant to the Mandate, shall, upon issuance and allotment, rank *pari passu* in all respects with the existing ordinary shares of the Company, save and except that the New Shares shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such New Shares.”

# NOTICE OF ANNUAL GENERAL MEETING

## AS SPECIAL BUSINESS:- (CONT'D)

### 6. PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE") Ordinary Resolution 6

"THAT authority be and is hereby given in line with Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, for the Company and/or its subsidiaries ("**Group**") to enter into any of the recurrent related party transactions with the related party(ies) as set out in Section 2.8(i) of the Circular to Shareholders dated 27 April 2026 in relation to the Proposed Renewal of Existing Shareholders' Mandate which are necessary for the day-to-day operations of the Group within the ordinary course of business of the Group, made on an arm's length basis and on normal commercial terms which are those generally available to the public and are not detrimental to the minority shareholders of the Company.

AND THAT such authority shall commence immediately upon the passing of this ordinary resolution and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the general meeting at which the ordinary resolution for the Proposed Renewal of Existing Shareholders' Mandate was passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at the next AGM; or
- (ii) the expiration of the period within which the next AGM after that date it is required by law to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed Renewal of Existing Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed Renewal of Existing Shareholders' Mandate in the best interest of the Company."

### 7. PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED NEW SHAREHOLDERS' MANDATE") Ordinary Resolution 7

"THAT authority be and is hereby given in line with Rule 10.09 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, for the Company and/or its subsidiaries ("**Group**") to enter into any of the recurrent related party transactions with the related party(ies) as set out in Section 2.8(ii) of the Circular to Shareholders dated 27 April 2026 in relation to the Proposed New Shareholders' Mandate which are necessary for the day-to-day operations of the Group within the ordinary course of business of the Group, made on an arm's length basis and on normal commercial terms which are those generally available to the public and are not detrimental to the minority shareholders of the Company.

# NOTICE OF ANNUAL GENERAL MEETING

## AS SPECIAL BUSINESS:- (CONT'D)

### 7. PROPOSED NEW SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE ("PROPOSED NEW SHAREHOLDERS' MANDATE") (CONT'D)

AND THAT such authority shall commence immediately upon the passing of this ordinary resolution and shall continue to be in force until:

- (i) the conclusion of the next AGM of the Company following the general meeting at which the ordinary resolution for the Proposed New Shareholders' Mandate was passed, at which time it shall lapse, unless the authority is renewed by a resolution passed at the next AGM; or
- (ii) the expiration of the period within which the next AGM after that date it is required by law to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is earlier.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to do all acts, deeds and things as may be deemed fit, necessary, expedient and/or appropriate in order to implement the Proposed New Shareholders' Mandate with full power to assent to all or any conditions, variations, modifications and/or amendments in any manner as may be required by any relevant authorities or otherwise and to deal with all matters relating thereto and to take all such steps and to execute, sign and deliver for and on behalf of the Company all such documents, agreements, arrangements and/or undertakings, with any party or parties and to carry out any other matters as may be required to implement, finalise and complete, and give full effect to the Proposed New Shareholders' Mandate in the best interest of the Company."

### 8. PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY ("PROPOSED AMENDMENTS")

Special Resolution

"THAT the Proposed Amendments as set out in "Appendix A", be approved and adopted with immediate effect AND THAT the Directors and/or Secretaries of the Company be authorised to take all steps as are necessary and expedient in order to implement, finalise and give full effect to the said Proposed Amendments for and on behalf of the Company."

9. To transact any other business of which due notice shall have been given.

By order of the Board

**TEA SOR HUA (MACS 01324) (SSM PC No. 201908001272)**  
**THIEN MUI YEE (LS0010901) (SSM PC No. 202508000287)**  
 Company Secretaries

Petaling Jaya, Selangor Darul Ehsan  
 27 April 2026

# NOTICE OF ANNUAL GENERAL MEETING

## Notes:

- (a) A member who is entitled to present, participate, speak and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- (b) A proxy may, but need not, be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.
- (c) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
- (d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- (f) To be valid, the instrument appointing a proxy may be made via hard copy form or by electronic means in the following manners and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:-
- (i) **In hard copy form**  
The Proxy Form shall be deposited at the Share Registrar's office, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.
- (ii) **By electronic means**  
The Proxy Form shall be electronically lodged via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://srmv.vistra.com>. Please refer to the Administrative Notes for the 2<sup>nd</sup> AGM on the procedures for electronic lodgement of the Proxy Form.
- (g) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 64(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 19 May 2026. Only members whose names appear in the General Meeting Record of Depositors as at 19 May 2026 shall be regarded as members and entitled to attend, speak and vote at the Meeting.
- (h) All the resolutions set out in this Notice of Meeting will be put to vote by poll.
- (i) The members are advised to refer to the Administrative Notes for the 2<sup>nd</sup> AGM on the registration process for the Meeting.
- (j) Last date and time for lodging the Proxy Form is on Sunday, **24 May 2026 at 10:30 a.m.**
- (k) Kindly check Bursa Securities' website at [www.bursamalaysia.com](http://www.bursamalaysia.com) and the Company's website at [www.colform.com.my](http://www.colform.com.my) for the latest updates on the status of the Meeting.

# NOTICE OF ANNUAL GENERAL MEETING

## EXPLANATORY NOTES TO ORDINARY AND SPECIAL BUSINESS:-

### 1. Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 December 2025

The Agenda is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 (“Act”) does not require a formal approval of shareholders for the Audited Financial Statements. Hence, this Agenda is not put forward for voting.

### 2. Item 2 of the Agenda – Directors’ Fees and/or Benefits

Pursuant to Section 230(1) of the Act, the Directors’ fees and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved by the shareholders at a general meeting.

This resolution is to facilitate payment of Directors’ fees and/or benefits for the period commencing from the date immediately after the 2<sup>nd</sup> AGM until the date of the next AGM of the Company. In the event the proposed amount is insufficient due to more meetings or an enlarged Board size, approval will be sought at the next AGM for the shortfall.

### 3. Item 3 of the Agenda – Re-election of Directors

Clause 88 of the Company’s Constitution provides that one-third (1/3) of the Directors of the Company for the time being or, if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office and be eligible for re-election PROVIDED ALWAYS that all Directors shall retire from office at least once every three (3) years but shall be eligible for re-election. A retiring Director shall retain office until the close of the meeting at which he retires.

Following thereto, Mr. Kang Ket Hung and Ms. Kang Phui Ting will retire by rotation pursuant to Clause 88 of the Company’s Constitution (collectively referred to as “Retiring Directors”). The Retiring Directors being eligible, have offered themselves for re-election at the Meeting.

The Board of Directors of the Company (“Board”) has endorsed the Nomination Committee’s recommendation to seek the shareholders’ approval to re-elect the abovementioned Retiring Directors as they possess the required skill sets to facilitate and contribute to the Board’s effectiveness and value.

The Retiring Directors had abstained from all deliberations and decisions on their own eligibility to stand for re-election at the Board meeting.

The details and profiles of the Retiring Directors are provided in the Directors’ Profile contained in the Company’s Annual Report 2025.

### 4. Item 4 of the Agenda - Re-appointment of Auditors

The Audit and Risk Management Committee (“ARMC”) has undertaken an annual assessment of the suitability, objectivity, effectiveness and independence of TGS TW PLT as Auditors. Based on the outcome of the assessment, the ARMC is satisfied that TGS TW PLT has maintained its independence and has performed its duties objectively and effectively. Accordingly, the ARMC recommended to the Board that TGS TW PLT be re-appointed as the Auditors of the Company for the financial year ending 31 December 2026.

The Board has endorsed the ARMC’s recommendation and will seek shareholders’ approval for the re-appointment of TGS TW PLT as Auditors to hold office until the conclusion of the next AGM.

### 5. Item 5 of the Agenda – General Authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Act

The Ordinary Resolution 5 proposed under item 5 of the Agenda is to seek a general mandate for issuance and allotment of new ordinary shares by the Company pursuant to Sections 75 and 76 of the Act (“General Mandate”) (“New Shares”). This Ordinary Resolution 5, if passed, will empower the Directors to issue and allot New Shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) for such purposes as the Directors consider would be in the best interest of the Company.

This authority, unless revoked or varied by the Company at a general meeting, will expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is earlier.

# NOTICE OF ANNUAL GENERAL MEETING

## EXPLANATORY NOTES TO ORDINARY AND SPECIAL BUSINESS:- (CONT'D)

### 5. **Item 5 of the Agenda – General Authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Act (Cont'd)**

The purpose to seek the General Mandate is to enable the Directors of the Company to have the flexibility to issue and allot New Shares at any time to such persons in their absolute discretion without convening a general meeting for shareholders' approval, thereby saving time and avoid additional costs. The purpose of this General Mandate is for any possible fund raising activities, including but not limited to further placing of New Shares, for the purpose of funding current and/or future project(s), working capital, acquisitions, investments and/or for issuance of New Shares as a form of settlement of purchase consideration or repayment of borrowings or debt settlement/repayment or such other applications as the Directors may deem fit and expedient in the best interest of the Company.

The Company had at its 1<sup>st</sup> AGM, obtained a general mandate pursuant to Sections 75 and 76 of the Act from its shareholders, to empower the Directors to issue and allot New Shares in the Company to such persons, at any time, and upon such terms and conditions and for such purposes, as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of New Shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) at any point of time.

As at the date of this Notice, no new ordinary shares in the Company were issued and allotted pursuant to the general mandate granted to the Directors at the 1<sup>st</sup> AGM held on 29 May 2025, which will lapse at the conclusion of the Meeting, and accordingly, no proceeds were raised.

### 6. **Items 6 and 7 of the Agenda – Proposed Renewal of Existing Shareholders' Mandate and Proposed New Shareholders' Mandate**

The Ordinary Resolutions 6 and 7 proposed under items 6 and 7 of the Agenda, if passed, will give the mandate for the Group to enter into recurrent related party transactions of a revenue or trading nature in accordance with Rule 10.09 of the Listing Requirements of Bursa Securities. This mandate, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company.

Please refer to the Circular to Shareholders dated 27 April 2026 for further information.

### 7. **Item 8 of the Agenda – Proposed Amendments**

The Proposed Amendments are mainly to ensure compliance with the relevant regulatory requirements as well as to enhance administrative efficiency.

The Proposed Amendments shall take effect once the special resolution has been passed by a majority of not less than seventy-five per centum (75%) of such members who are entitled to vote and do vote in person or by proxy at the Meeting.

# NOTICE OF ANNUAL GENERAL MEETING

## APPENDIX A

### PROPOSED AMENDMENTS TO THE CONSTITUTION OF THE COMPANY

This is Appendix A referred to in Agenda 8 of the Notice of the 2<sup>nd</sup> AGM of the Company dated 27 April 2026.

Clause No.	Existing Clause	Proposed Clause
55	<p>In accordance with the Listing Requirements, subject to any direction to the contrary that may be given by the Company in a general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the company of the general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or Securities offered and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or Securities offered, the Directors may dispose of those shares or Securities in such manner as they think most beneficial to the company. The Directors may likewise also dispose of any new share or Security which (by reason of the ratio which the new shares or Securities bear to shares or Securities held by persons entitled to an offer of new shares or Securities) cannot, in the opinion of the Directors, be conveniently offered under this Constitution. Notwithstanding the above, the Directors shall not be required to offer any new ordinary shares for the time being unissued and not allotted and any new shares or other convertible securities from time to time to be created to the holders of the existing shares where the said shares or Securities are to be issued as consideration or part consideration for the acquisition of shares or assets by the Company.</p>	<p>In accordance with the Listing Requirements, subject to any direction to the contrary that may be given by the Company in a general meeting, all new shares or other convertible securities shall, before issue, be offered to such persons as at the date of the offer are entitled to receive notices from the <del>company</del> <b>Company</b> of the general meetings in proportion as nearly as the circumstances admit, to the amount of the existing shares or securities to which they are entitled. The offer shall be made by notice specifying the number of shares or <del>Securities securities</del> offered and limiting a time within which the offer, if not accepted, will be deemed to be declined, and after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares or <del>Securities securities</del> offered, the Directors may dispose of those shares or <del>Securities securities</del> in such manner as they think most beneficial to the <del>company</del> <b>Company</b>. The Directors may likewise also dispose of any new share or <del>Security securities</del> which (by reason of the ratio which the new shares or <del>Securities securities</del> bear to shares or <del>Securities securities</del> held by persons entitled to an offer of new shares or <del>Securities securities</del>) cannot, in the opinion of the Directors, be conveniently offered under this Constitution. Notwithstanding the above, the Directors shall not be required to offer any new ordinary shares for the time being unissued and not allotted and any new shares or other convertible securities from time to time to be created to the holders of the existing shares where the said shares or <del>Securities securities</del> are to be issued as consideration or part consideration for the acquisition of shares or assets by the Company.</p> <p><b>For the avoidance of doubt, where the approval of Members is obtained in a general meeting for any issuance of shares or convertible securities, including approvals obtained for implementation of a scheme that involves a new issuance of shares or other convertible securities to employees of the Company and its subsidiaries and approval obtained under Sections 75 and 76 of the Act, such approval shall be deemed to be a direction to the contrary given in general meeting which will render the pre-emptive rights above inapplicable.</b></p> <p><b>In any case and in respect of any issuance of shares or convertible securities, the pre-emptive rights of Members are strictly as contained in the Constitution and accordingly, the provisions of Section 85 of the Act in respect of pre-emptive rights to new shares, shall not apply and the Company is not required to offer new shares or convertible securities in proportion to the shareholdings of the existing Members.</b></p>

# ADMINISTRATIVE NOTES FOR THE SECOND ANNUAL GENERAL MEETING

ADMINISTRATIVE NOTES FOR THE SECOND ANNUAL GENERAL MEETING ("2<sup>ND</sup> AGM" OR "MEETING") OF COLFORM GROUP BERHAD ("COLFORM" OR "THE COMPANY")

Day and Date : Tuesday, 26 May 2026  
Time : 10:30 a.m. or at any adjournment thereof  
Venue : Lot 8, Jalan 2A KKIP Timur, Industrial Zone 12 (IZ12), Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah

## REGISTRATION ON THE DAY OF 2<sup>ND</sup> AGM

1. Registration will commence at 9:30 a.m. on Tuesday, 26 May 2026 and will open until the conclusion of the 2<sup>nd</sup> AGM or such time may be determined by the Chairman of the Meeting.
2. Please present your original National Registration Identity Card (NRIC) or Passport (for non-Malaysians) to the registration staff for verification. Please ensure the original NRIC or Passport is returned to you thereafter. Please take note that no person will be allowed to register on behalf of another person, even with the original NRIC or Passport of that person.
3. Upon verification, you will be given the identification wristbands for voting purposes. No person will be allowed to enter the meeting hall without the identification wristband.
4. Registration must be done in person. No person is allowed to register on behalf of another.
5. The registration counter will handle the verification of identity, registration and revocation of proxy/proxies.

## GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining who shall be entitled to attend the 2<sup>nd</sup> AGM, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at **19 May 2026** and only a depositor whose name appears on such General Meeting Record of Depositors shall be eligible to attend the 2<sup>nd</sup> AGM.

Kindly check the Company's website or announcements from time to time for the latest updates on the status or changes to the 2<sup>nd</sup> AGM arrangement.

## APPOINTMENT OF PROXY OR ATTORNEY OR CORPORATE REPRESENTATIVE

The appointment of proxy(ies) may be made in hard copy form or electronic form in the following manner and must be received by the Company at least forty-eight (48) hours before the time appointed for holding the 2<sup>nd</sup> AGM or adjourned general meeting at which the person named in the appointment proposes to vote, otherwise the Proxy Form shall not be treated as valid:-

### (i) In hard copy form

By hand or post to the Share Registrar of our Company, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59000 Kuala Lumpur, Wilayah Persekutuan.

### (ii) By electronic means

The procedures to submit your Proxy Form electronically via Vistra Share Registry and IPO (MY) portal ("the Portal") are summarised below:

# ADMINISTRATIVE NOTES FOR THE SECOND ANNUAL GENERAL MEETING

	Procedures	Actions
<b>i. <u>Steps for Individual Shareholders</u></b>		
(a)	Register as a User at The Portal	<ol style="list-style-type: none"> <li>1. Visit the website at <a href="https://srmy.vistra.com">https://srmy.vistra.com</a>.</li> <li>2. Click "Register" and select "Individual Holder" and complete the New User Registration Form.</li> <li>3. For guidance, you may refer to the tutorial guide available on the homepage.</li> <li>4. Once registration is completed, you will receive an email notification to verify your registered email address.</li> <li>5. After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved.</li> <li>6. Once you receive the confirmation, activate your account by creating your password.</li> </ol> <p><i>If you are an existing user with The Portal or our TIH Online portal previously, you are not required to register again.</i></p>
(b)	Proceed with submission of Proxy Form	<ol style="list-style-type: none"> <li>1. After the release of the Notice of Meeting by the Company, login with your email address and password.</li> <li>2. Select the corporate event: "<b>COLFORM GROUP BERHAD 2<sup>ND</sup>AGM</b>".</li> <li>3. Navigate to the 3 dots at the end of the corporate event and choose "<b>SUBMISSION OF PROXY FORM</b>".</li> <li>4. Read and agree to the Terms &amp; Conditions and confirm the Declaration.</li> <li>5. Indicate the total number of shares assigned to your proxy(s) to vote on your behalf.</li> <li>6. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy.</li> <li>7. Indicate your voting instructions – FOR or AGAINST or ABSTAIN.</li> <li>8. Print the proxy form for your records.</li> </ol>
<b>ii. <u>Steps for Corporation or Institutional Shareholders</u></b>		
(a)	Register as a User at The Portal	<ol style="list-style-type: none"> <li>1. Visit the website at <a href="https://srmy.vistra.com">https://srmy.vistra.com</a>.</li> <li>2. Click "Register" and select "Representative of Corporate Holder" and complete the New User Registration Form.</li> <li>3. Complete the registration form with your personal details.</li> <li>4. Once registration is completed, you will receive an email notification to verify your registered email address.</li> <li>5. After verification, your registration will be reviewed and approval within two (2) working days. A confirmation email will be sent once approved.</li> <li>6. Once you receive the confirmation, activate your account by creating your password.</li> </ol> <p><i>Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact Tricor if you need clarifications on the user registration.</i></p>
(b)	Proceed with submission of Proxy Form	<ol style="list-style-type: none"> <li>1. Login to <a href="https://srmy.vistra.com">https://srmy.vistra.com</a> with your email address and password.</li> <li>2. Select the corporate event: "<b>COLFORM GROUP BERHAD 2<sup>ND</sup>AGM</b>".</li> <li>3. Navigate to the icon "&gt;" at the end of the corporate event.</li> <li>4. Read and agree to the Terms and Conditions and confirm the Declaration.</li> <li>5. Select the corporate holder's name.</li> <li>6. Proceed to download the submission file.</li> <li>7. Prepare the file for the appointment of proxy(ies) by inserting the required data.</li> <li>8. Proceed to upload the duly completed proxy appointment file.</li> <li>9. Select "<b>Confirm</b>" to complete your submission.</li> <li>10. Print the confirmation report of your submission for your record.</li> </ol>

Last date and time for lodging the Proxy Form is on Sunday, **24 May 2026** at **10:30 a.m.**

# ADMINISTRATIVE NOTES FOR THE SECOND ANNUAL GENERAL MEETING

## NO RECORDING OR PHOTOGRAPHY

Unauthorised recording or photography of the proceedings of the 2<sup>nd</sup> AGM is strictly not allowed. The Company reserves the right to take appropriate legal actions against anyone who violates this rule.

## ENQUIRY

If you have any enquiries on the above, please contact our Share Registrar during office hours on Mondays to Fridays from 9:00 a.m to 5:30 p.m. (except on public holidays):-

### **Tricor Investor & Issuing House Services Sdn. Bhd.**

General Line : +603-2783 9299

Email : [is.enquiry@vistra.com](mailto:is.enquiry@vistra.com)

Contact person : En. Mohammad Khairudin  
+603-2783 7973

[Mohamad.Khairudin@vistra.com](mailto:Mohamad.Khairudin@vistra.com)

# PROXY FORM



**COLFORM GROUP BERHAD**  
202301047970 (1541884-H)  
(Incorporated in Malaysia)

**PROXY FORM**

(Before completing this form please refer to the notes below)

No. of Shares held	:	
CDS Account No.	:	

I/We \* \_\_\_\_\_ NRIC/Passport/Registration No.\* \_\_\_\_\_  
(Full name in block)

of \_\_\_\_\_  
(Address)

with email address \_\_\_\_\_ mobile phone no. \_\_\_\_\_

being a member/members\* of COLFORM GROUP BERHAD ("the Company") hereby appoint(s):-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

and

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

or failing him/her\*, the Chairman of the Meeting as my/our\* proxy to vote for me/us\* on my/our\* behalf at the Second Annual General Meeting ("2<sup>nd</sup> AGM") of the Company to be held at Lot 8, Jalan 2A KKIP Timur, Industrial Zone 12 (IZ12), Kota Kinabalu Industrial Park, 89208 Tuaran, Sabah on Tuesday, 26 May 2026 at 10:30 a.m. or at any adjournment thereof.

Please indicate with an "X" in the appropriate spaces how you wish your votes to be cast. If no specific direction as to vote is given, the Proxy will vote or abstain from voting at his/her\* discretion.

No.	Ordinary Resolutions	For	Against
1.	To approve the payment of Directors' fees and/or benefits of up to RM219,000.00 for the period commencing from the date immediately after the 2 <sup>nd</sup> AGM until the next Annual General Meeting of the Company.		
2.	To re-elect Mr. Kang Ket Hung as a Director of the Company.		
3.	To re-elect Ms. Kang Phui Ting as a Director of the Company.		
4.	To re-appoint TGS TW PLT as Auditors of the Company.		
5.	To approve the general authority for the Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.		
6.	To approve the Proposed Renewal of Existing Shareholders' Mandate.		
7.	To approve the Proposed New Shareholders' Mandate.		
	<b>Special Resolution</b>		
1.	To approve the Proposed Amendments to the Constitution of the Company.		

\*delete whichever is not applicable

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2026

\_\_\_\_\_  
Signature of Member(s) / Common Seal

**Notes:**

- (a) A member who is entitled to present, participate, speak and vote at the Meeting shall be entitled to appoint more than one (1) proxy to attend and vote at the Meeting in his/her stead. Where a member appoints more than one (1) proxy, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- (b) A proxy may, but need not, be a member of the Company. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak and vote at the Meeting.
- (c) The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under the seal or under the hand of an officer or attorney duly authorised.
- (d) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint one (1) proxy in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
- (e) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. The appointment of multiple proxies shall not be valid unless the proportion of its shareholdings represented by each proxy is specified.
- (f) To be valid, the instrument appointing a proxy may be made via hard copy form or by electronic means in the following manners and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:-

Then fold here

AFFIX STAMP

The Share Registrar of  
**COLFORM GROUP BERHAD**  
Registration No.: 202301047970 (1541884-H)

**c/o TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD.**  
Registration No.: 197101000970 (11324-H)  
Unit 32-01, Level 32, Tower A  
Vertical Business Suite, Avenue 3  
Bangsar South, No. 8, Jalan Kerinchi  
59200 Kuala Lumpur  
Wilayah Persekutuan  
Malaysia

1st fold here

(i) **In hard copy form**

The Proxy Form shall be deposited at the Share Registrar's office, Tricor Investor & Issuing House Services Sdn. Bhd. at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan or alternatively, the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan.

(ii) **By electronic means**

The Proxy Form shall be electronically lodged via Vistra Share Registry and IPO (MY) portal ("The Portal") at <https://smy.vistra.com>. Please refer to the Administrative Notes for the 2<sup>nd</sup> AGM on the procedures for electronic lodgement of the Proxy Form.

- (g) For the purpose of determining a member who shall be entitled to attend the Meeting, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. in accordance with Clause 64(b) of the Company's Constitution to issue a General Meeting Record of Depositors as at 19 May 2026. Only members whose names appear in the General Meeting Record of Depositors as at 19 May 2026 shall be regarded as members and entitled to attend, speak and vote at the Meeting.

- (h) All the resolutions set out in this Notice of Meeting will be put to vote by poll.
- (i) The members are advised to refer to the Administrative Notes on the registration process for the Meeting.
- (j) Last date and time for lodging the Proxy Form is on Sunday, **24 May 2026 at 10:30 a.m.**
- (k) Kindly check Bursa Malaysia Securities Berhad's website at [www.bursamalaysia.com](http://www.bursamalaysia.com) and the Company's website at [www.colform.com.my](http://www.colform.com.my) for the latest updates on the status of the Meeting.

**PERSONAL DATA PRIVACY**

By submitting the duly executed Proxy Form, the member (i) consents to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the Meeting, including any adjournment thereof and (ii) warrants that where the member discloses the personal data of the member's proxy(ies), attorney(s) and/or representative(s) to the Company (and/or its agents/service providers), the member has obtained the prior consent of such persons for the collection, use and disclosure by the Company (and/or its agents/service providers) of the personal data of such persons for the purpose of the Meeting, including any adjournment thereof, 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.



[www.colform.com.my](http://www.colform.com.my)

**COLFORM GROUP BERHAD**

(Registration No. 202301047970 (1541884-H))  
(Incorporated in Malaysia under the Companies Act, 2016)

Lot 8, Jalan 2A KKIP Timur  
Industrial Zone 12 (IZ12)  
Kota Kinabalu Industrial Park  
89208 Tuaran, Sabah

Tel: (6088) 472 221  
Email: [info@colformgroup.com](mailto:info@colformgroup.com)