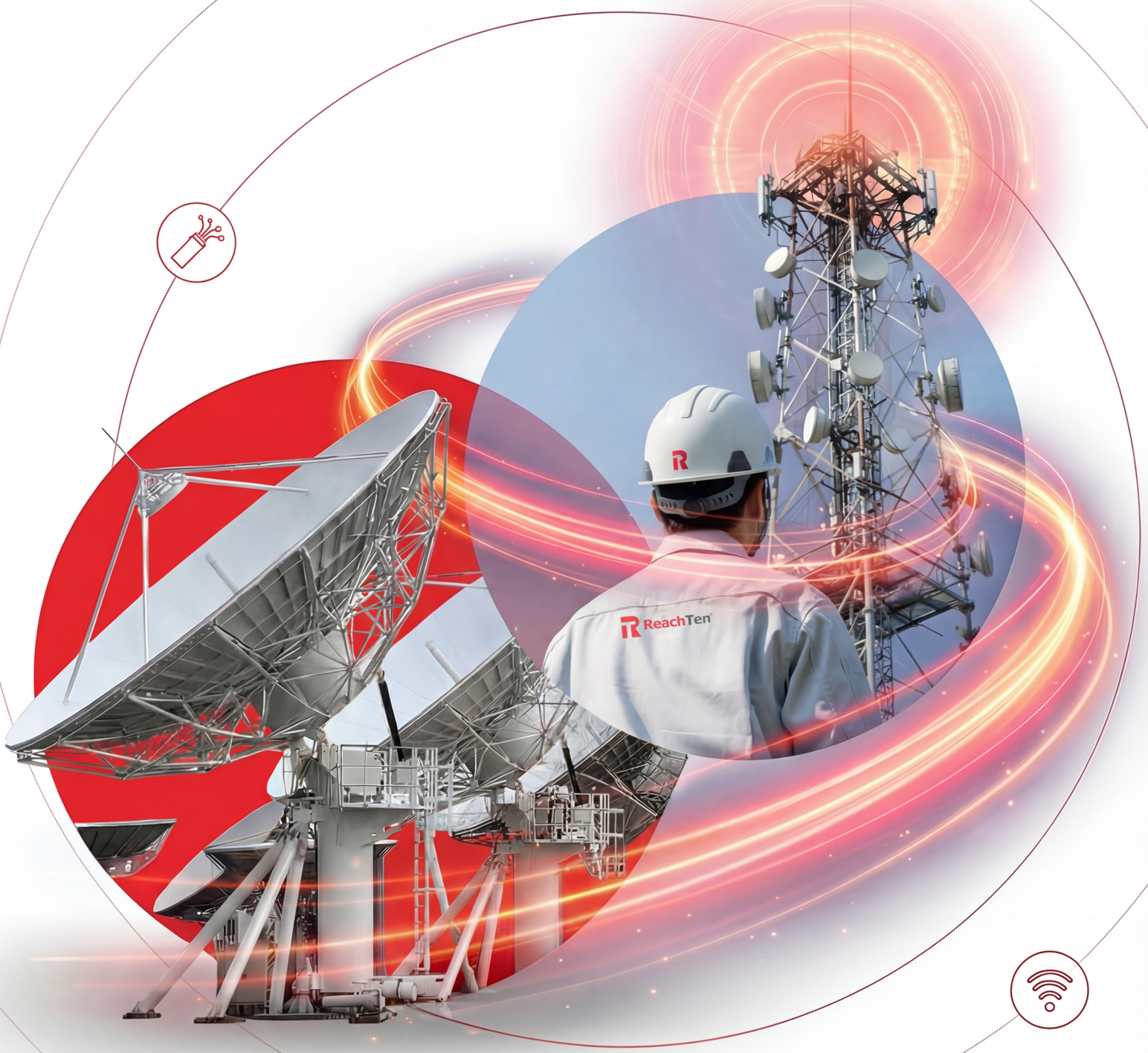




Reach Ten Holdings Berhad
Registration No. 202301050171 (1544085-P)



ANNUAL REPORT 2025

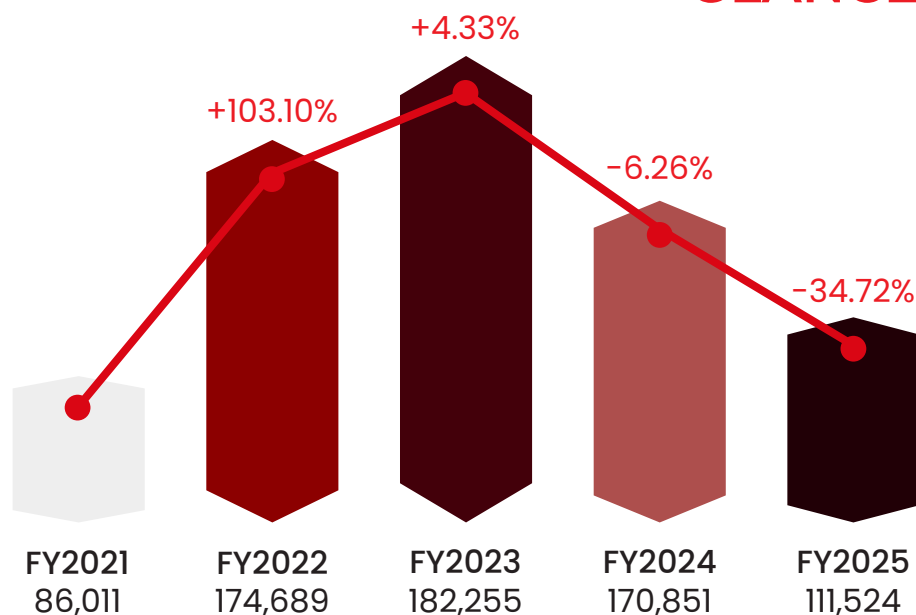
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*PROXY FORM

2025 AT A GLANCE

REVENUE (RM'000)



PERFORMANCE INDICATORS

<p>EBITDA (RM'000)</p> <p>95,219 FY2024</p> <hr/> <p>48,854 FY2025</p>	<p>PROFIT AFTER TAX (RM'000)</p> <p>71,158 FY2024</p> <hr/> <p>35,770 FY2025</p>	<p>TOTAL SHAREHOLDERS' EQUITY (RM'000)</p> <p>101,873 FY2024</p> <hr/> <p>216,686 FY2025</p>
<p>BASIC EPS (SEN)</p> <p>8.89 FY2024</p> <hr/> <p>3.58 FY2025</p>	<p>DILUTED EPS (SEN)</p> <p>7.12 FY2024</p> <hr/> <p>3.58 FY2025</p>	<p>GEARING RATIO (TIMES)</p> <p>0.03 FY2024</p> <hr/> <p>0.01 FY2025</p>

FY2025

DIVIDEND PER SHARE: 2.0 SEN
TOTAL DIVIDEND PAYOUT: RM20 MILLION

CORPORATE INFORMATION

BOARD OF DIRECTORS

Datuk Amar Jaul Anak Samion
Independent Non-Executive Chairman

Chin Yu Lay
Managing Director

Lu Pak Lim
Executive Director

Datin Sng Bee Seio
Independent Non-Executive Director

Wong Siew Si
Independent Non-Executive Director

Terence Goh Seng Chua
Independent Non-Executive Director

Vong Wan Yin
Independent Non-Executive Director

AUDIT AND RISK MANAGEMENT COMMITTEE

Vong Wan Yin
(Chairperson)

Datin Sng Bee Seio

Wong Siew Si

REGISTERED OFFICE

E289, 1st Floor
Block E Icom Square
Jalan Pending
93450 Kuching Sarawak

Tel. No.:
+6082-248 491

SHARE REGISTRAR

**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
Kuala Lumpur

Tel. No.:
+603-2783 9299

REMUNERATION COMMITTEE

Wong Siew Si
(Chairperson)

Datin Sng Bee Seio

Vong Wan Yin

HEAD OFFICE

AT612, Level 6
Block A1, Icom Square
Jalan Pending
93450 Kuching Sarawak

Tel. No.:
+6082-266 888

Website:
<https://www.reach10.com>

NOMINATION COMMITTEE

Terence Goh Seng Chua
(Chairperson)

Wong Siew Si

Vong Wan Yin

PRINCIPAL BANKERS

Malayan Banking Berhad
AmBank (M) Berhad

COMPANY SECRETARY

Pauline Kon Suk Khim
(MAICSA Membership No.
7014905)
(CCM Practicing Certificate No.
202008001607)

AUDITORS

Crowe Malaysia PLT

(Registration No.
201906000005
(LLP0018817-LCA) &
AF 1018)

2nd Floor, C378
Block C Icom Square
Jalan Pending
93450 Kuching Sarawak

Tel. No.:
+6082-552 688

STOCK EXCHANGE LISTING

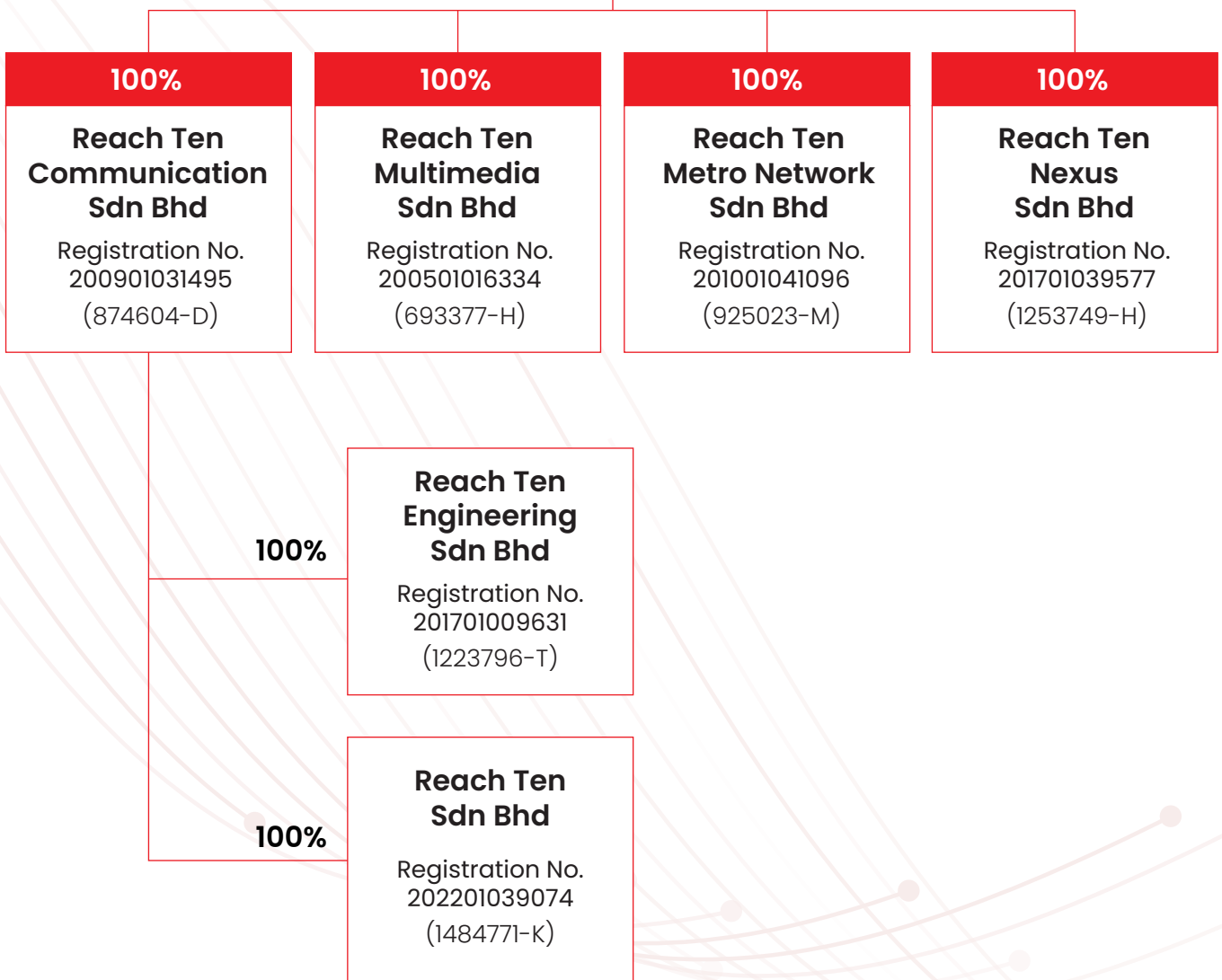
Main Market of Bursa
Malaysia Securities Berhad

Stock Name: REACHTEN
Stock Code: 5332



Reach Ten Holdings Berhad

Registration No. 202301050171
(1544085-P)



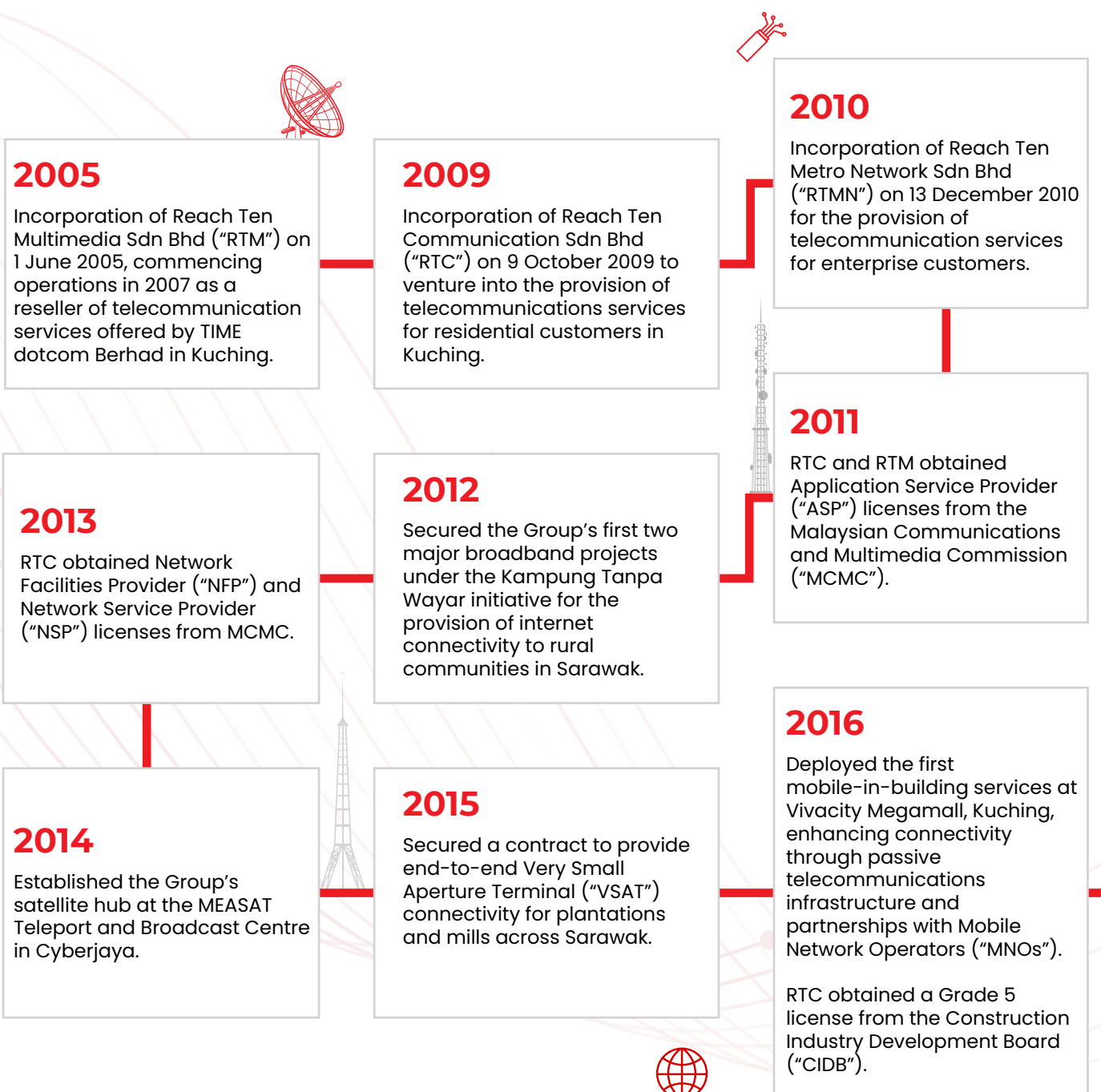
CORPORATE PROFILE

Reach Ten Holdings Berhad ("Reach Ten" or "the Company") is an investment holding company incorporated in Malaysia. Through its subsidiaries ("the Group"), Reach Ten is principally engaged in the provision of satellite-based communication networks and services, fibre optic communication networks and services, telecommunications infrastructure services and managed services.

Since its establishment in 2005, the Group has strategically expanded its presence across Malaysia, delivering telecommunications services predominantly supported by its own telecommunications infrastructure.

Reach Ten was successfully listed on the Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 2 May 2025.

CORPORATE KEY MILESTONES





2017

Incorporation of Reach Ten Engineering Sdn Bhd ("RTE") on 23 March 2017 to provide engineering, technical support and maintenance services for telecommunications infrastructure.

Incorporation of Reach Ten Nexus Sdn Bhd ("RTN") on 1 November 2017 to venture into IoT solutions.

2021

Awarded a contract to supply and commission VSAT services to 523 sites under the Jalanan Digital Negara ("JENDELA") Phase 1 Broadband Wireless Access ("BWA") initiative.

Successfully deployed and commissioned VSATs at 250 remote sites across Sarawak under the Sarawak Linking Urban, Rural, and Nation ("SALURAN") initiative.

2022

Incorporation of Reach Ten Sdn Bhd ("RT") on 20 October 2022 as a company providing telecommunications, ICT services, and management consultancy.

Appointed by Digital Nasional Berhad ("DNB") to provide site leasing and operation services for 5G monopoles across Kuching, Sibul, and Samarahan in Sarawak.

Awarded the Rural Telecommunication Project for the supply, installation, configuration, testing, commissioning, and maintenance of VSAT backhaul services to Sarawak Digital Economy Corporation Berhad's ("SDEC") core network.

2018

RTMN obtained an ASP license from MCMC.

2020

Secured a contract to provide cellular connectivity services in the areas surrounding Baleh Dam.

2023

Awarded the Rural Telecommunication Project for the installation, testing and commissioning of fibre optic networks connecting SDEC's core network to multiple MNOs' points of interconnection ("POI").

Incorporation of Reach Ten Holdings Sdn Bhd ("RTH") on 18 December 2023 to facilitate the preparation for the Initial Public Offering ("IPO") listing.

2024

Secured 22 contracts with various district offices to provide broadband services for schools across Sarawak.

On August 2024, RTH converted to a public limited liability company.

2019

Awarded a contract for the construction of 29 telecommunication towers in Sarawak.

Established the Group's own teleport in Samajaya Industrial Zone, Kuching, housing earth stations and a 24-hour Network Operations Centre ("NOC").

RTC obtained a Grade 7 license from CIDB and a Class A license from the Unit Pendaftaran Kontraktor & Juruperunding ("UPKJ").



2025

Appointed as an authorised reseller of Starlink satellite-based internet services.

Launched the IPO prospectus on 9 April 2025, followed by a successful listing on the Main Market of Bursa Securities on 2 May 2025.

BOARD OF DIRECTORS' PROFILE

Datuk Amar Jaul Anak Samion
Independent Non-Executive Chairman

Date of Appointment
28 June 2024

Age
68

Nationality
Malaysian

Gender
Male

Datuk Amar Jaul Anak Samion was appointed to the Board of Reach Ten on 28 June 2024. He holds a Bachelor of Economics from University of Malaya, Malaysia and a Master of Business Administration (MBA) from Ohio University, United States of America.

He began his career with the Sarawak Government in 1979 as an Assistant Secretary at the State Planning Unit of the Chief Minister's Department. Throughout a distinguished 43-year civil service career, he held senior leadership roles across the Ministry of Industrial Development, Ministry of Finance and Public Utilities, and the Ministry of Agriculture and Food Industry. In 2009, he served as the Permanent Secretary of the Ministry of Land Development before rising to the position of Sarawak Deputy State Secretary in 2016, and ultimately Sarawak State Secretary (Head of the Sarawak Civil Service) from 2019 until his retirement in 2022.

While in civil service, he represented the Sarawak Government in his capacity as a board member of various statutory bodies, such as the Employees' Provident Fund, the Malaysian Palm Oil Board, the Pepper Marketing Board (now known as the Malaysian Pepper Board), the Malaysian Cocoa Board and a member of the Farmers' Advisory Council.

Currently, he serves as an Advisor in the Office of the Premier of Sarawak, a role he has held since 2022. In this capacity, he is responsible for monitoring the progress and performance of Sarawak Government's Post COVID-19 Development Strategy 2030.

He currently does not serve as a director in any public listed companies but holds directorships in several private limited companies.

Chin Yu Lay
Managing Director

Date of Appointment
18 December 2023

Age
51

Nationality
Malaysian

Gender
Male

Chin Yu Lay was appointed to the Board of Reach Ten on 18 December 2023. He is responsible for overseeing the Group's day-to-day operations as well as driving its strategic directions and growth initiatives.

He holds a Bachelor of Commerce and a Diploma for Graduates from University of Otago, New Zealand and a Master of Arts in Communication Studies from University of Leeds, United Kingdom.

He began his career in 1996 as a Medical Sales Representative at Pfizer (Malaysia) Sdn Bhd, before joining Pacific Cleanroom Services Sdn Bhd (now PMA Global Sales Sdn Bhd) as an Accounts Manager in 1998. He transitioned into the telecommunications sector with Exticom Sdn Bhd ("Exticom") as an Associate in 2001.

At Exticom, he progressed through multiple leadership roles to become Senior Vice President of Marketing by 2005 and later served as Chief Operating Officer until 2010.

In 2005, he incorporated RTM, the Group's first subsidiary, and has since led the Group's overall direction and development. His leadership and industry expertise have been pivotal in shaping the Group's strategic priorities and building a strong foundation within the telecommunications sector, positioning the Group for long-term sustainability and resilience.

He currently does not serve as a director in any public listed companies but holds directorships and shareholdings in several private limited companies.

BOARD OF DIRECTORS' PROFILE

Lu Pak Lim

Executive Director

Date of Appointment
28 June 2024

Age
71

Nationality
Malaysian

Gender
Male

Lu Pak Lim was appointed to the Board of Reach Ten on 28 June 2024. He is responsible for overseeing the Group's business development and marketing functions.

He holds a Diploma in Commerce (Financial Accounting) from Tunku Abdul Rahman College. He was admitted as an Associate of the Association of Certified Accountants, United Kingdom in 1983 and as Public Accountant of the Malaysian Institute of Accountants in 1984.

He brings over 46 years of experience across corporate finance, venture capital, and telecommunications. He began his career in 1980 at Turquands Ernst & Whinney (now known as Ernst & Young) as an Audit Assistant before moving into the oil and gas sector with Nippon Oil Exploration (Malaysia) Ltd and Sun Petroleum Company in finance-related roles.

He later joined Arthur Andersen & Co as an experienced Manager, focusing on mergers and acquisitions and privatization, before transitioning into venture capital with Transpac Capital Sdn Bhd as Vice President. In 1997, he was appointed Managing Director of Kai Peng Berhad, a role he held until 2003. In 2004, he joined IPSAT Sdn Bhd (now Privasat Sdn Bhd), where he became majority shareholder and Managing Director, overseeing its operations until his retirement in 2015.

In 2017, he returned to the satellite services industry, joining RTC as a director and shareholder. He is actively involved in executing the Group's strategic initiatives and strengthening its operational objectives. As a co-founder of several subsidiaries, he has contributed to enhancing the Group's organisational capabilities and supporting the diversification of its business activities.

He currently does not hold any other directorships in public listed companies.

Datin Sng Bee Seio

Independent Non-Executive Director

Date of Appointment
28 June 2024

Age
72

Nationality
Malaysian

Gender
Female

Datin Sng Bee Seio was appointed to the Board of Reach Ten on 28 June 2024. She is a member of the Audit and Risk Management Committee and the Remuneration Committee.

She holds a Bachelor of Commerce from University of Otago, New Zealand. She was admitted as a Member of the Institute of Chartered Accountants of New Zealand, as well as a Member of the New Zealand Society of Accountants in 1980. She has been a member of the Malaysian Institute of Accountants since 1989.

She brings more than 36 years of professional experience in financial management, investment, and corporate governance. She dedicated over three decades of her distinguished career to the Sarawak

Timber Industry Development Corporation ("STIDC"), where she first began her career as an Accountant in 1981. In her final role at STIDC, she served as the Finance and Investment Manager from 1998 until her mandatory retirement in 2014.

Following her retirement, she continued to serve STIDC on a contract basis as Assistant General Manager of Finance and Investment until 2017. Throughout her career, she has held several key leadership roles within STIDC and its subsidiaries, including Senior Accountant and Senior Manager (Administration & Finance).

She currently does not hold any other directorships in public listed companies.

BOARD OF DIRECTORS' PROFILE

Wong Siew Si

Independent Non-Executive Director

Date of Appointment

28 June 2024

Age

62

Nationality

Malaysian

Gender

Female

Wong Siew Si was appointed to the Board of Reach Ten on 28 June 2024. She is the Chairperson of the Remuneration Committee and a member of the Audit and Risk Management Committee and the Nomination Committee.

She holds a Diploma in Accounting from Stamford College, Singapore. She was admitted as a Member of the Association Accounting Technicians, United Kingdom in 1989 and was subsequently awarded a Full Membership in 2022. She is also a member of the Institute of Corporate Directors Malaysia since 2019.

She brings over 42 years of experience in credit risk management, corporate recovery, and wealth management. She began her career in 1984 as Junior Auditor in Hanafiah Raslan Mohamed and later served as a Senior Consultant at Arthur Anderson & Co, specializing in management consultancy and corporate recovery.

In 1998, she transitioned to Hong Leong Bank Berhad ("Hong Leong Bank") where she spent a distinguished 18-year tenure in senior credit and risk management roles. At Hong Leong Bank, she served as Manager in Remedial Management, Head of Mortgage Credit Control and Head of Collections Integration Management Office, ultimately rising to the position of Head of Retail Credit Operations until 2016.

In 2016, she joined Olympia Industries Berhad as a General Manager for approximately a year. In 2017, she was appointed as a member of the Audit Committee of Jupiter Securities Sdn Bhd until the conclusion of her term in 2018.

She is currently a Private Wealth Marketing Representative for CGS International Securities Sdn Bhd and CGS International Wealth Management Sdn Bhd. She is also an Introducer for CGS International Securities (Singapore) Pte Ltd. She currently sits on the Boards of Olympia Industries Berhad and Asteel Group Berhad.

Terence Goh Seng Chua

Independent Non-Executive Director

Date of Appointment

28 June 2024

Age

68

Nationality

Malaysian

Gender

Male

Terence Goh Seng Chua was appointed to the Board of Reach Ten on 28 June 2024. He is the Chairperson of the Nomination Committee.

He holds a Bachelor of Science in Building from Polytechnic of the South Bank, United Kingdom (now known as London South Bank University). He is also member of the Chartered Institute of Building since 1991.

He brings more than 36 years of extensive experience in quantity surveying, contract procurement, and risk management. He began his career in 1982 as a Quantity Surveyor in Bintulu Development Authority before holding various consultancy and commercial management roles within the engineering and water treatment sectors. In 1993, he joined Cahya Mata Roads Sdn Bhd (a subsidiary of Cahya Mata Sarawak Berhad) as Head of the Contract Management Department, a position he held for 25 years until his retirement in 2018.

During his tenure, he was responsible for contract procurement, ISO certification, and group-wide risk management. He also played a pivotal role as the company's coordinator for Sustainable Business Development, aligning infrastructure projects with modern ESG standards.

He currently does not hold any other directorships in public listed companies.

BOARD OF DIRECTORS' PROFILE

Vong Wan Yin

Independent Non-Executive Director

Date of Appointment
28 June 2024

Age
51

Nationality
Malaysian

Gender
Female

Vong Wan Yin was appointed to the Board of Reach Ten on 28 June 2024. She is the Chairperson of the Audit and Risk Management Committee and a member of the Remuneration Committee and the Nomination Committee.

She holds a Bachelor of Commerce from University of Otago, New Zealand. She has been a member of the Institute of Chartered Accountants of New Zealand and the Malaysian Institute of Accountants since 2001.

She brings more than 28 years of professional experience in audit, corporate finance and property development. She began her career in 1997 within the Assurance Department of Ernst & Young (now known as Ernst & Young PLT). In 2002, she joined Nationlink Group of Companies ("Nationlink Group"), a diversified group in property development and construction. Throughout her 22-year tenure with Nationlink Group, she held several leadership roles, including Group Accountant, Finance Manager, Corporate Finance Manager and Business Development Manager. In 2021, she was appointed General Manager and Commercial Director at Nationlink Realty Sdn Bhd until 2024.

In 2024, she co-founded Gracecom Sdn Bhd and Gracecom Construction Sdn Bhd, specializing in buildings construction and real estate activities where she currently oversees daily operations as an Executive Director. She also holds a directorship at Ascensure Sdn Bhd since 2025.

She currently does not hold any other directorships in public listed companies.

Family relationship with Director and/or major shareholder

None of the Directors has any family relationship with any directors and/or major shareholder of the Company.

Conflict of interest

None of the Directors has any conflict of interest or potential conflict of interest with the Company and its subsidiaries.

Conviction of offences

None of the Directors has been convicted of any offence (other than traffic offences) within the past five years and there were no public sanctions and/or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2025.

Attendance of Board meetings

The attendance of the Directors at Board meetings held during the financial year ended 31 December 2025 is disclosed in the Corporate Governance Overview Statement.

LEADERSHIP TEAM'S PROFILE

Chin Yu Lay
Managing Director

Date of Appointment	Age	Nationality	Gender
18 December 2023	51	Malaysian	Male

Chin Yu Lay's profile can be found on page 08 of this Annual Report.

Lu Pak Lim
Executive Director

Date of Appointment	Age	Nationality	Gender
28 June 2024	71	Malaysian	Male

Lu Pak Lim's profile can be found on page 09 of this Annual Report.

Tay Pei Pei
Chief Financial Officer

Date of Appointment	Age	Nationality	Gender
1 September 2023	48	Malaysian	Female

Tay Pei Pei joined the Group as Chief Financial Officer on 1 September 2023. She oversees the Group's overall financial strategy, including financial reporting, corporate finance, taxation, treasury management and internal audit.

She brings 25 years of expertise in accounting and financial management. Prior to joining the Group, she served as an Assistant Finance Manager at Gold Coin Sarawak Sdn Bhd (a subsidiary of Gold Coin Management Holdings Pte Ltd) for approximately four years.

She holds a Bachelor of Business (Honours) in Accounting from Wawasan Open University and a Diploma in Accounting and Management Accounting from London Chamber of Commerce & Industry. She has been a Chartered Accountant of the Malaysian Institute of Accountants since 2017.

She currently does not hold any other directorships in public listed companies.

Liew Chien Choy
Chief Operations Officer

Date of Appointment	Age	Nationality	Gender
1 January 2024	45	Malaysian	Male

Liew Chien Choy joined the Group as Operation Manager in 2015 and was appointed as Chief Operations Officer on 1 January 2024. He oversees the Group's overall operational management, having previously served as Senior Manager and Assistant General Manager during his eleven-year tenure with the Group.

He brings 15 years of experience in information technology and telecommunications infrastructure prior to joining the Group, including a four-year

term as a Customer Network Engineer at IPSAT Sdn Bhd (now known as Privasat Sdn Bhd).

He holds a Diploma in Computer Studies from Informatics College, Kuala Lumpur and a Professional Certification in Computer Systems Networking from Informatics College, Kuala Lumpur.

He currently does not hold any other directorships in public listed companies.

LEADERSHIP TEAM'S PROFILE

Azmi Bin Yusof
Chief Network Officer

Date of Appointment	Age	Nationality	Gender
1 January 2024	53	Malaysian	Male

Azmi Bin Yusof joined the Group as Head of Infrastructure in 2023 and was appointed as Chief Network Officer on 1 January 2024. He oversees the Group's network and technology infrastructure and has served as a Director of the Group's subsidiary since February 2025.

He holds a Bachelor of Science in Electrical Engineering from Polytechnic University, Brooklyn (currently known as New York University Tandon School of Engineering), United States of America and is registered as a Graduate Engineer with the Board of Engineers Malaysia since 2003.

He brings 30 years of experience in telecommunications and infrastructure development. Prior to joining the Group, he spent 21 years at Sacofa Sdn Bhd in various leadership roles, culminating in his position as Vice President of Engineering.

He currently does not hold any other directorships in public listed companies.

Nur Rabizah Binti Adeni
Chief Strategic Officer

Date of Appointment	Age	Nationality	Gender
1 November 2025	43	Malaysian	Female

Nur Rabizah Binti Adeni joined the Group as Chief Strategic Officer on 1 November 2025. She oversees the Group's overall strategic direction, business development and long-term growth initiatives.

She holds a Corporate Master of Business Administration (CMBA) from Universiti Malaysia Sarawak, a Bachelor of Science in Human Resource Development from Universiti Putra Malaysia and a Diploma in Information Technology from Chermaj Jaya College.

She brings 22 years of experience across corporate affairs, sales and business development within the telecommunications and engineering sectors. Prior to joining the Group, she served as the Head of Enterprise - East Malaysia at Maxis Broadband Sdn Bhd following her three-year tenure as Head of Enterprise and International Business at Sacofa Sdn Bhd.

She currently does not hold any other directorships in public listed companies.

Leonard Chang Kui Peng
Head of Project Management

Date of Appointment	Age	Nationality	Gender
1 January 2024	52	Malaysian	Male

Leonard Chang Kui Peng joined the Group as Business Development Consultant in 2019 and was appointed Head of Project Management on 1 January 2024. He oversees the Group's project lifecycle, from initial planning to execution and completion. He previously served as Senior Manager, Corporate Affairs during his seven-year tenure.

He holds a Diploma in Commerce (New Zealand Universities Degree Programme) from Inti College and a Bachelor of Commerce from University of Otago, New Zealand.

He brings 26 years of professional experience across specialized pharmaceutical and retail sectors. Prior to joining the Group, he spent nine years at Cosway (M) Sdn Bhd managing sales operations before transitioning to project management within the telecommunications sector.

He currently does not hold any other directorships in public listed companies.

LEADERSHIP TEAM'S PROFILE

Cyril Klen Anak Rogos
Head of Compliance and Regulatory

Date of Appointment
1 July 2024

Age
33

Nationality
Malaysian

Gender
Male

Cyril Klen Anak Rogos joined the Group as Health, Safety and Environment Officer in 2019 and was appointed Head of Compliance and Regulatory on 1 July 2024. During his six-year tenure, he also served as Assistant Manager of Infrastructure where he was involved in the planning, development and safe management of infrastructure projects. He currently ensures the Group operates within all applicable legal and regulatory frameworks.

Prior to joining the Group, he served as a Trainee Assistant at Sarawak Multimedia Authority for six months following his participation in the Graduates Enhancement Training Sarawak 4.0 programme.

He holds a Bachelor of Occupational Safety and Health Management (Honours) from Open University and is currently certified by National Institute of Occupational Safety and Health and holds a valid Contractor Safety Passport System All Risks which is a requirement for registration and renewal of registrations with UPKJ.

He currently does not hold any other directorships in public listed companies.

Family relationship with Director and/or major shareholder

None of the Leadership Team Members has any family relationship with any directors and/or major shareholder of the Company.

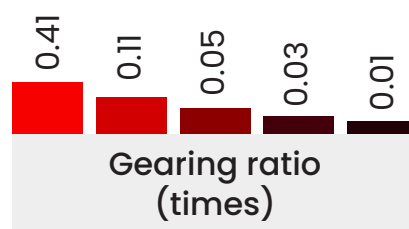
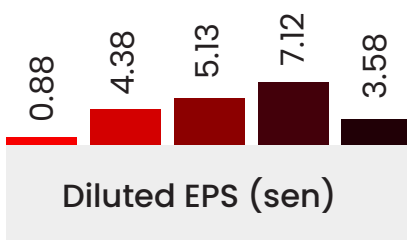
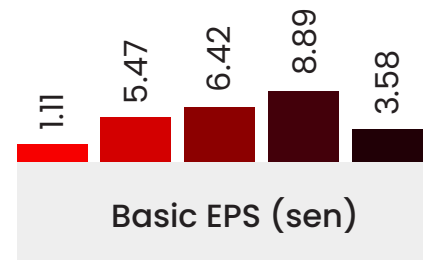
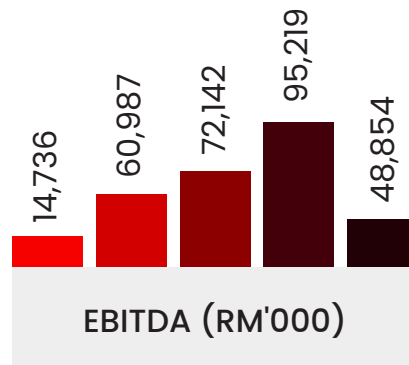
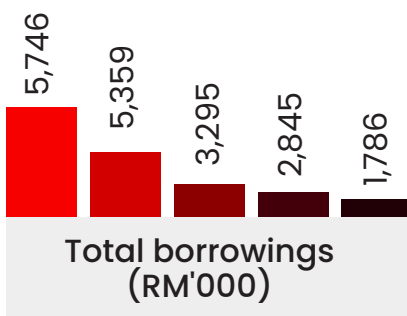
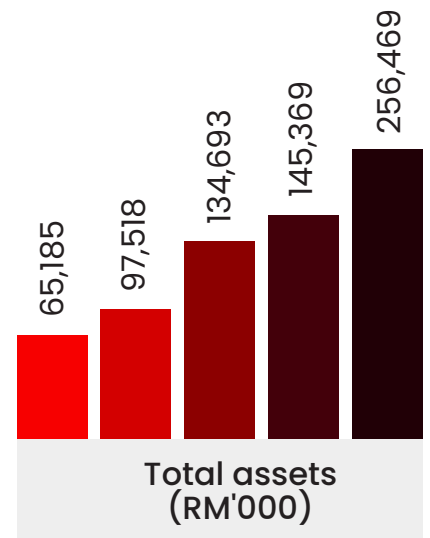
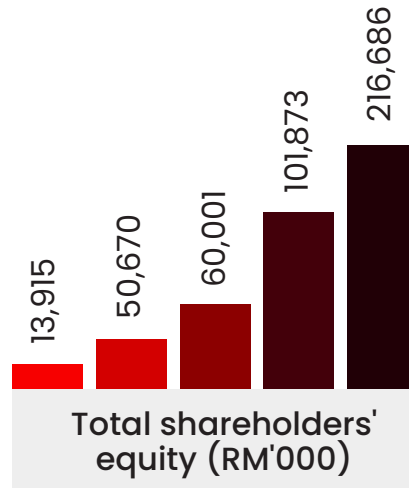
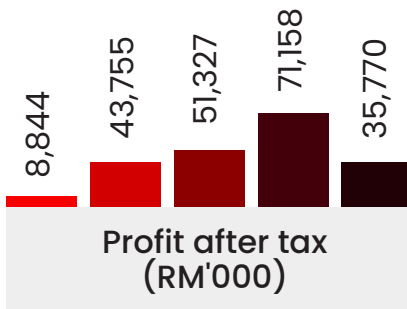
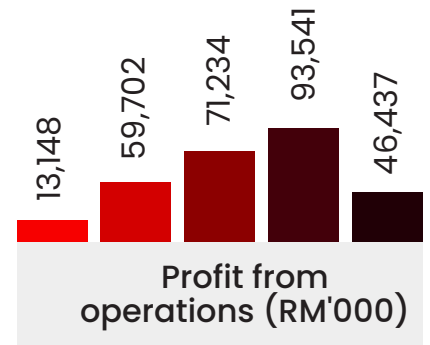
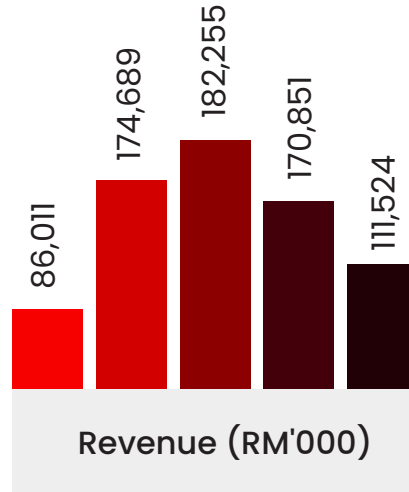
Conflict of interest

None of the Leadership Team Members has any conflict of interest or potential conflict of interest with the Company and its subsidiaries.

Conviction of offences

None of the Leadership Team Members has been convicted of any offence (other than traffic offences) within the past five years and there were no public sanctions and/or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2025.

FINANCIAL HIGHLIGHTS



MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

Malaysia's telecommunications sector continues to experience structural growth driven by increasing demand for digital connectivity, cloud services, broadband accessibility and digital infrastructure development. National initiatives such as the Jalanan Digital Negara ("JENDELA") programme and the nationwide 5G rollout led by Digital Nasional Berhad ("DNB") have accelerated the deployment of telecommunications infrastructure across the country, particularly in underserved and rural areas.

In addition, emerging technologies such as Low Earth Orbit ("LEO") satellite connectivity are increasingly complementing terrestrial broadband networks by providing reliable connectivity in remote or geographically challenging locations where fibre or mobile infrastructure may be difficult to deploy.

Against this backdrop, the Group continues to position itself as a telecommunications service provider through its satellite-based services, fibre optic connectivity, and telecommunications infrastructure deployment and managed services capabilities.

BUSINESS OVERVIEW



Reach Ten is principally an investment holding company. Through its subsidiaries, the Group is principally involved in the following:

- provision of satellite-based communication networks and services;
- provision of fibre optic communication networks and services; and
- provision of telecommunications infrastructure services and managed services.

MANAGEMENT DISCUSSION AND ANALYSIS

During the financial year, the Group operated through three principal business segments as summarised below:

BUSINESS SEGMENT	PRINCIPAL PRODUCTS / SERVICES
Satellite-based communication networks and services	Starlink connectivity services and Ku-band VSAT broadband
Fibre optic communication networks and services	Point-to-point leased lines and fibre-to-home broadband
Telecommunications infrastructure services and managed services	Lattice towers, monopole towers and network managed services

In 2025, Reach Ten became an authorised reseller of Starlink, further strengthening its capacity as a one-stop provider for satellite broadband services. To this end, the Group managed 453 active Starlink units, expanded its service portfolio across the maritime, oil and gas sectors as well as cellular backhaul and connectivity for rural schools while also managing 716 Ku-band VSATs in remote regions across Sarawak, Sabah and Peninsular Malaysia as at 31 December 2025.

The Group also enhanced its residential fibre broadband connectivity by upgrading existing 10Mbps, 40Mbps and 100Mbps plans to 50Mbps, 100Mbps, 150Mbps respectively for its individual consumer segment. Similarly, its business plans were upgraded from 10Mbps, 50Mbps and 150Mbps to 50Mbps, 100Mbps and 200Mbps respectively for its enterprise customer segment. In addition, the Group introduced new 500Mbps and 550Mbps internet packages, reflecting its ongoing commitment to delivering a seamless, future-ready connectivity experience while strengthening its role in supporting the nation's evolving digital economy.

On the point-to-point leased lines front, the Group observed resilient demand from both enterprise and government segments. Reach Ten's ability to efficiently commission and activate fibre connectivity was further bolstered by ongoing investment in its fibre network infrastructure, funded in part by proceeds from the Initial Public Offering ("IPO"), enabling faster deployment timelines and improved service reliability.

The telecommunications infrastructure and managed services segment was further strengthened by the installation and upgrading of Wi-Fi network facilities at a public higher education institution in Peninsular Malaysia. The Group's telecommunications infrastructure, including lattice towers and monopoles were consistently meeting and maintaining service level agreements ("SLA"). This performance was supported by the Group's continued emphasis on service delivery and operational excellence.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET PRESENCE

Revenue contribution by geography during the financial year is as follows:

GEOGRAPHY	REVENUE CONTRIBUTION (%)
Sarawak	94.32
Sabah	0.78
Peninsular Malaysia	3.18
Others	1.72
Total	100.00

The Group's operations remain primarily concentrated in East Malaysia, particularly in Sarawak, where the Group supports telecommunications infrastructure expansion and digital connectivity initiatives.

The Group's established presence in Sarawak reflects its strategic positioning within the state's digital infrastructure ecosystem. Moving forward, the Group will continue to strengthen its regional reach, leveraging its status as an authorised Starlink reseller to deliver efficient connectivity solutions to remote and underserved areas.

BUSINESS STRATEGY AND GROWTH INITIATIVES

The Group continues to strengthen its telecommunications services portfolio through strategic initiatives aimed at enhancing revenue visibility, operational efficiency and long-term sustainability.

Key strategies implemented during the financial year include:

- strengthening the service portfolio by securing additional long-term contracts with government agencies and mobile network operators;
- implementing disciplined cost management while utilising IPO proceeds to support the expansion of fibre networks and telecommunications towers; and
- scaling network capacity and improving service coverage to meet increasing demand for broadband connectivity.

These initiatives are aligned with the Group's objective of expanding its digital connectivity capabilities while maintaining prudent financial management.

MANAGEMENT DISCUSSION AND ANALYSIS

UTILISATION OF PROCEEDS RAISED FROM THE IPO

As at 31 December 2025, the Group had utilised RM22.15 million of the total RM104.00 million raised from its IPO. The proceeds were mainly used for expansion and establishment of fibre optic communication networks infrastructure in Kuching, Sibul and Miri, purchasing Starlink hardware, repaying bank borrowings, meeting working capital requirements and defraying listing expenses.

DETAILS OF UTILISATION OF PROCEEDS	PROPOSED UTILISATION (RM'000)	PERCENTAGE OF UTILISATION (%)	ACTUAL UTILISATION (RM'000)	BALANCE TO BE UTILISED (RM'000)	ESTIMATED TIMEFRAME FOR UTILISATION FROM THE LISTING DATE
Expansion and establishment of fibre optic communication networks infrastructure	60,000	57.69	10,304	49,696	Within 36 months
Construction of telecommunication towers	25,000	24.04	-	25,000	Within 36 months
Enhancing satellite-based communication networks and services capability	4,300	4.14	2,043	2,257	Within 36 months
Repayment of bank borrowings	1,700	1.63	1,700	-	Within 12 months
Working capital	5,000	4.81	104	4,896	Within 24 months
Listing expenses	8,000	7.69	8,000	-	Within 1 month
Total	104,000	100.00	22,151	81,849	

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF FINANCIAL RESULTS

Revenue performance during the financial year reflected differing trends across the Group's business segments.

REVENUE BY BUSINESS SEGMENT	FY2024		FY2025	
	RM'000	%	RM'000	%
Satellite-based communication networks and services	150,282	87.96	70,271	63.01
Fibre optic communication networks and services	15,479	9.06	27,802	24.93
Telecommunications infrastructure services and managed services	5,090	2.98	11,535	10.34
Others	-	-	1,916	1.72
Total	170,851	100.00	111,524	100.00

The Group's total revenue decreased by RM59.33 million or 34.72%, from RM170.85 million in FY2024 to RM111.52 million in FY2025.

Revenue from the provision of satellite-based services communication networks and services remained the Group's primary revenue contributor but declined by RM80.01 million or 53.24% from RM150.28 million in FY2024 to RM70.27 million in FY2025. The decrease was mainly due to major projects nearing completion which recorded RM22.44 million in FY2025 compared to RM98.99 million in FY2024. This decline was partially offset by higher revenue from Starlink bandwidth services, contributing RM3.64 million from projects providing connectivity to schools and RM0.40 million from cellular backhaul solutions to the SMART towers in Sarawak.

Notwithstanding this, the Group achieved encouraging growth in its other key business segments. Revenue from the provision of fibre optic communication networks and services increased by RM12.32 million or 79.59%, from RM15.48 million in FY2024 to RM27.80 million in FY2025, largely driven by higher revenue from point-to-point leased line services as more fibre links were commissioned as well as increased installation works related to an outside plant project.

Revenue from the provision of telecommunication infrastructure and managed services increased RM6.45 million or 126.72%, from RM5.09 million in FY2024 to RM11.54 million in FY2025. The increase was supported by the installation and upgrading of network facilities for Wi-Fi connectivity at a public higher education institution in Peninsular Malaysia, contributing RM2.19 million and by installation works related to SMART 600 which added RM3.52 million to the total revenue.

Reflecting the nature of the parent company, the Group introduced a new dividend income segment which contributed RM1.92 million, representing 1.72% of total revenue during the financial year.

MANAGEMENT DISCUSSION AND ANALYSIS

INCOME STATEMENT

	FY2024	FY2025	YOY (%)
Revenue (RM'000)	170,851	111,524	(34.72)
Earnings before interest, tax, depreciation and amortisation (EBITDA) (RM'000)	95,219	48,854	(48.69)
EBITDA margin (%)	55.73%	43.81%	(11.93 pps)
Profit After Tax (PAT) (RM'000)	71,158	35,770	(49.73)
PAT margin (%)	41.65%	32.07%	(9.58 pps)
Earnings per Share (EPS)			
- Basic EPS (sen)	8.89	3.58	(5.32 sen)
- Diluted EPS (sen)	7.12	3.58	(3.54 sen)

Notes:

- FY2024 basic EPS is calculated based on PAT divided by the enlarged share capital of 800,000,000 ordinary shares before the IPO while diluted EPS is calculated based on PAT divided by the enlarged share capital of 1,000,000,000 ordinary shares following the IPO.
- FY2025 basic and diluted EPS is calculated based on PAT divided by the enlarged share capital of 1,000,000,000 ordinary shares following the IPO.

Earnings before interest, tax, depreciation and amortisation ("EBITDA") decreased by 48.69% from RM95.22 million in FY2024 to RM48.85 million in FY2025. Profit After Tax ("PAT") similarly declined by 49.73% from RM71.16 million in FY2024 to RM35.77 million in FY2025, primarily due to lower revenue recorded in FY2025 and coupled with one-off adjustments to other income recognised in FY2024 which resulted in reduced overall earnings. Although the Group recorded higher dividend income from its cash balances in FY2025, this was insufficient to offset the impact of the revenue decline. Furthermore, the increased depreciation arising from ongoing capital investments in network infrastructure further weighed on profitability, resulting in an overall decrease in PAT.

CAPITAL EXPENDITURE

CAPITAL EXPENDITURE	FY2024 (RM'000)	FY2025 (RM'000)
Telecommunication network and equipment	8,896	11,757
Non-telecommunication network and equipment	3,073	860
Total	11,969	12,617

Reach Ten maintained a prudent approach to capital expenditure, investing an increase of 5.43% from RM11.97 million in FY2024 to RM12.62 million in FY2025. This increase was primarily driven by the Group's expansion and establishment of fibre optic communication networks infrastructure in line with the objectives outlined for its IPO. The Group remains committed to continuing its strategic investments in scalable and reliable telecommunications infrastructure to support long-term growth and operational resilience.

MANAGEMENT DISCUSSION AND ANALYSIS

BALANCE SHEET AND KEY RATIOS

	AS AT 31 DEC 2024 (RM'000)	AS AT 31 DEC 2025 (RM'000)
Assets		
Non-current assets	23,586	36,614
Cash and cash equivalents	74,036	19,024
Short-term investments	-	145,758
Current assets (exclude cash and short-term investments)	47,747	55,073
Total assets	145,369	256,469
Equity and Liabilities		
Share capital and invested share capital	6,700	159,080
Reserves and retained profits	95,173	57,606
Total equity	101,873	216,686
Liabilities		
Non-current liabilities	3,177	1,731
Current liabilities	40,319	38,052
Total liabilities	43,496	39,783
Total equity and liabilities	145,369	256,469

	AS AT 31 DEC 2024	AS AT 31 DEC 2025
Total borrowings (RM'000)	2,845	1,786
Net cash (RM'000)	71,191	17,238
Current ratio (times)	3.02	5.78
Gearing ratio (times)	0.03	0.01

The Group's balance sheet remains strong, with assets exceeding its liabilities. The Group's total assets increased by RM111.10 million or 76.43%, from RM145.37 million as at 31 December 2024 to RM256.47 million as at 31 December 2025. The increase was mainly attributed to the proceeds raised from the IPO which were placed into short-term investments and are planned to be fully utilised within 36 months from the listing date in line with the Group's strategic initiatives.

The Group's total liabilities declined by RM3.72 million or 8.55%, from RM43.50 million as at 31 December 2024 to RM39.78 million as at 31 December 2025, mainly due to the reduction in bank borrowings by RM1.06 million and lower trade payables by RM6.34 million, reflecting ongoing efforts to manage and repay its financial obligations efficiently.

Overall, the Group is well-positioned to support future growth, capital investments and ongoing operational requirements.

MANAGEMENT DISCUSSION AND ANALYSIS

CASH FLOW

	AS AT 31 DEC 2024 (RM'000)	AS AT 31 DEC 2025 (RM'000)
Net cash from operating activities	56,205	15,144
Net cash for investing activities	(10,502)	(123,994)
Net cash (for)/from financing activities	(50,428)	87,013
Net decrease in cash and cash equivalents	(4,725)	(21,837)
Cash and cash equivalents at the beginning of the financial year	38,498	33,773
Cash and cash equivalents at the end of the financial year	33,773	11,936

The Group recorded a lower net cash flow from operating activities amounting to RM15.14 million in FY2025 compared to RM56.21 million in FY2024 mainly due to reduced earnings during the financial year.

In contrast, the Group reported a significant increase in net cash used in investing activities of RM124.0 million in FY2025 compared to RM10.50 million in FY2024. This was primarily driven by the placement of IPO proceeds into short-term investments as well as ongoing capital expenditure on the Group's fibre network expansion in Kuching, Sibul and Miri.

Net cash from financing activities amounted to RM87.01 million in FY2025 compared to a net cash outflow of RM50.43 million in FY2024. The increase was mainly attributed to net proceeds of RM99.08 million from the issuance of ordinary shares.

As at 31 December 2025, the Group maintained a cash and cash equivalents balance that totalled to RM11.94 million, positioning it to support ongoing growth initiatives while maintaining financial flexibility.

DIVIDEND POLICY

Reach Ten's dividend policy, as stated in the IPO Prospectus dated 9 April 2025 is reproduced here for reference:

"Our Board intends to pay dividends to shareholders in the future and distribute dividends of up to 30% of our net profits. However, it is not a legally binding obligation/guaranteed commitment to shareholders and such payments will depend upon a number of factors, including our Group's financial performance, capital expenditure requirements, general financial condition and any other factors considered relevant by our Board. Actual dividends proposed and declared may vary depending on the financial performance and cash flows of our Group."

On 30 May 2025 and 26 November 2025, the Board declared interim single-tier dividends of 1 sen per ordinary share each. The total payout amounting to RM20 million was paid on 21 July 2025 and 15 January 2026 respectively.

The Group remains committed to a balanced approach in managing shareholder returns while ensuring that sufficient resources are retained to support its operational requirements and long-term growth strategies.

MANAGEMENT DISCUSSION AND ANALYSIS

RISK MITIGATION

Amid evolving market dynamics, the Group recognises the importance of managing risks arising from the telecommunications landscape, including, among others, regulatory requirements, technological advancements and operational challenges. The Group remains agile and committed to managing risks in accordance with its Risk Management and Internal Control Framework.

To maintain transparency, the Group outsources its internal audit function to an independent professional firm. The internal auditor is responsible for reviewing the Group's system of internal controls and risk management processes, supporting the Audit and Risk Management Committee and Management in identifying potential control weaknesses and implementing strategic improvements.

More information is available in the Statement of Risk Management and Internal Control of this Annual Report.

SUSTAINABILITY

The Group remains steadfast in its commitment to embedding Environment, Social and Governance ("ESG") principles into its sustainability framework. The Group's sustainability strategy is integrated into its business operations, ensuring alignment with long-term objectives, sound corporate governance practices and stakeholder expectations. As a Group 2 listed issuer, the Group has adopted the two-year transitional relief for sustainability disclosure requirements.

During FY2025, the Group initiated efforts to systematically track and monitor its environmental performance, setting the foundation for progressive alignment with the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information ("IFRS S1") and IFRS S2 Climate-related Disclosures ("IFRS S2").

In tandem with environmental initiatives, the Group actively promoted social welfare initiatives involving both the public and its employees, reinforcing its commitment to social responsibility and community engagement. Furthermore, the Group upholds high standards of corporate governance to ensure transparency, accountability and ethical business conduct. Its internal processes and policies are regularly reviewed and enhanced to support effective governance and continuous improvement.

Further details are outlined in the Sustainability Statement section of this Annual Report.

OUTLOOK

The digital landscape in Malaysia continues to accelerate, driven by national initiatives focused on enhancing connectivity, strengthening digital infrastructure and promoting inclusivity. The Group recognises significant opportunity to support ongoing digital transformation by enhancing its service offerings and advancing its strategic priorities to better meet the evolving connectivity needs for high-speed, reliable connectivity solutions.

Key growth drivers include:

- the expansion and establishment of fibre optic communication networks infrastructure in Kuching, Sibul, Bintulu and Miri;
- the construction of 4G and/or 5G telecommunications towers to support government initiatives; and
- the gradual deployment of Starlink services to serve emerging sectors including logistics and transportation, maritime, oil and gas.

Looking ahead, the Group remains optimistic about its growth prospects, supported by sustained investments in its telecommunications infrastructure to expand its service portfolio while strengthening its position as a telecommunications service provider based in Sarawak. The Group will continue to innovate products and services, enhance operational efficiency and advance its sustainability efforts, with a focus on environmental and social priorities.

SUSTAINABILITY STATEMENT

OVERVIEW

Reach Ten Holdings Berhad (“Reach Ten” or “the Company”) and its subsidiaries (“the Group”) recognize that sustainability is integral to the Group’s long-term business resilience, value creation, and stakeholder trust. As a telecommunications service provider, the Group understands that its operational success is closely linked to service reliability, responsible resource management, and the well-being of its employees. The Group is committed to fostering digital inclusion by expanding infrastructure to underserved and remote areas, ensuring that growth contributes positively to the socio-economic development of the communities it serves.

ABOUT THIS REPORT

The Group is honoured to present this Sustainability Statement (“Statement”) for the Financial Year Ended 31 December 2025 (“FY2025”). This Statement provides an overview of sustainability performance across the entire Group during the period from 1 January 2025 to 31 December 2025. The disclosures herein encompass the Group’s collective footprint and progress toward sustainability objectives.

To ensure transparency and accountability, the Group is actively strengthening its Environmental, Social and Governance (“ESG”) framework. At the stage of this report, the Group is classified as a Group 2 listed issuer and has adopted the two-year transitional relief for sustainability disclosure requirements in the preparing this Statement. Moving forward, the Group will adhere to reporting in full alignment with the IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information (“IFRS S1”) and IFRS S2 Climate-related Disclosures (“IFRS S2”). To this end, the Group aims to refine its sustainability governance, risk management and disclosure practices, where appropriate.

This sustainability reporting is guided by the Main Market Listing Requirements of Bursa Securities and the National Sustainability Reporting Framework (NSRF).

Reach Ten values stakeholder engagement and welcomes feedback to enhance its sustainability initiatives. Stakeholders are encouraged to share their insights and queries by contacting sustainability@reach10.com. Your feedback is essential to our commitment to continuous improvement and transparent reporting.

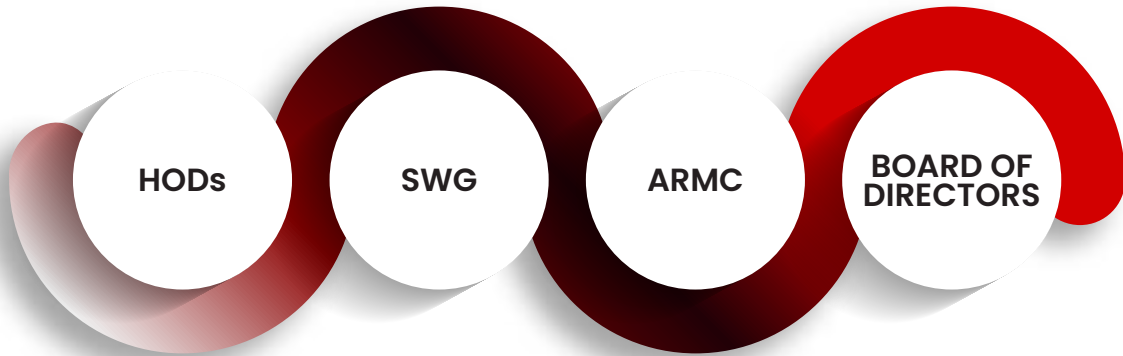
ASSURANCE AND VERIFICATION

This report has not been externally assured. Nonetheless, the Group’s sustainability reporting processes are subject to internal validation and assessments disclosed in this report.

In preparing this report, we conducted internal validation to verify the accuracy and integrity of the data disclosed. The content of this report has been reviewed and endorsed by our Board of Directors (“Board”) and Sustainability Committee, who have ensured the report’s relevance to the Group’s business and that current and material issues are covered. We will consider obtaining external assurance for our sustainability reports in the future years.

SUSTAINABILITY STATEMENT

SUSTAINABILITY GOVERNANCE



Reach Ten's Board retains overall responsibility for overseeing the Group's sustainability agenda, including the identification and management of ESG risks and opportunities that may impact the Group's long-term value creation.

To operationalise this oversight, the Board is supported by the Audit and Risk Management Committee ("ARMC"). The ARMC is responsible for recommending the Group's sustainability strategies, targets and policies for Board approval. Additionally, the ARMC ensures the seamless integration of sustainability and climate-related risks within the Group's Enterprise Risk Management (ERM) framework.

The ARMC is further supported by the Sustainability Working Group ("SWG"). Established in December 2025, the SWG is tasked with driving sustainability initiatives and ensuring alignment across all departments. The SWG is supported by various Head of Departments ("HODs") and is composed of key leadership team members, including the:

- Managing Director (MD)
- Executive Director (ED)
- Chief Operations Officer (COO)

As part of the continuous development of its sustainability framework and governance practices, the Group has, in the current reporting period, engaged a specialized local external consultant to spearhead the development of its 2026 Sustainability Roadmap. This strategic initiative is designed to enhance its ESG management practices, meet evolving stakeholder expectations and more importantly, to reinforce the Group's long-term operational sustainability.

STAKEHOLDER ENGAGEMENT

Our commitment to stakeholder engagement is fundamental to generating sustainable value for the Group. We proactively work with our key stakeholders throughout our business operations, soliciting their insights to inform our strategic decisions and ensure that their needs and expectations are aligned with our business goals. Below is a summary of our interactions with key stakeholders over the year, detailing the platforms used for engagement and communication and the concerns raised, and how we have addressed them are highlighted in our engagement approach and frequency section.

STAKEHOLDER	AREAS OF INTEREST/ CONCERN	ENGAGEMENT APPROACH AND FREQUENCY	OUR RESPONSES
Board of Directors	<ul style="list-style-type: none"> Financial and business performance Strategic priorities and objectives Corporate governance and ethics Sustainability 	<ul style="list-style-type: none"> Internal/external meetings Board meetings General meetings (AGM/EGM) <p>Frequency: Annually, Quarterly</p>	<ul style="list-style-type: none"> Regular engagement to review business performance and long-term growth strategies Implement ESG priorities aligned with operational performance
Customers	<ul style="list-style-type: none"> Product and service offerings Data privacy and security Customer service Network service quality and coverage 	<ul style="list-style-type: none"> Internal/external meetings Company events/activities Company website (including products and service) Customer care hotline <p>Frequency: Quarterly, Monthly, Weekly, Daily</p>	<ul style="list-style-type: none"> Expand and enhance telecommunications infrastructure Close monitoring on network performance to minimise downtime Be responsive to complaints and resolve enquiries promptly
Employees	<ul style="list-style-type: none"> Workplace diversity and inclusion Training and career development Employee welfare and remuneration Occupational health and safety 	<ul style="list-style-type: none"> Internal/external meetings Company events/activities Internal communication channels/platform Training/Conference/ Seminar <p>Frequency: Annually, Quarterly, Monthly, Weekly, Daily</p>	<ul style="list-style-type: none"> Encourage open communication Recognise employee contributions Promote diverse and inclusive work culture Establish clear policies to ensure fair treatment and equitable remuneration for all employees

SUSTAINABILITY STATEMENT

STAKEHOLDER	AREAS OF INTEREST/ CONCERN	ENGAGEMENT APPROACH AND FREQUENCY	OUR RESPONSES
Suppliers, Vendors and Partners	<ul style="list-style-type: none"> Supply chain management Procurement transparency Technical collaboration and support 	<ul style="list-style-type: none"> Internal/external meetings Company events/activities Internal communication channels platform Company website (including annual report/ quarterly financial report) <p>Frequency: Monthly, Weekly, Daily</p>	<ul style="list-style-type: none"> Prioritise ethical sourcing Ensure transparency communication of procurement criteria and expectations to suppliers Strengthen ongoing partnerships with key suppliers and business partners
Authorities and Regulators	<ul style="list-style-type: none"> Service network quality and coverage Compliance and regulatory adherence Data privacy and security 	<ul style="list-style-type: none"> Internal/external meetings Regulatory submissions Company events/activities <p>Frequency: Annually, Quarterly, Monthly, Weekly</p>	<ul style="list-style-type: none"> Uphold highest standards of regulatory compliance and operational transparency Contribute to bridging the digital divide through government initiatives Close monitoring on network performance to meet national benchmarks
Shareholders/ Investors/ Analysts	<ul style="list-style-type: none"> Financial and business performance Outlook and priorities ESG strategies 	<ul style="list-style-type: none"> Analyst briefing General meetings (AGM/ EGM) Announcements to Bursa Securities Company website (including annual report/ quarterly financial report/ investor relations) <p>Frequency: Annually, Quarterly</p>	<ul style="list-style-type: none"> Uphold transparency in reporting disclosures Timely engagement to review business performance and outlook Consistent dividend payout
Financial Institutions	<ul style="list-style-type: none"> Financial resilience and liquidity management Strategic funding and capital allocation Compliance and regulatory adherence 	<ul style="list-style-type: none"> Board meetings General meetings (AGM/ EGM) Company website (including annual report/ quarterly financial report) <p>Frequency: Annually, Quarterly, As needed</p>	<ul style="list-style-type: none"> Timely engagement to discuss funding strategies to support telecommunication infrastructure expansion and strategic growth Uphold robust financial governance and compliance with all regulatory requirements

MATERIAL SUSTAINABLE MATTERS

The Group is dedicated to assessing, identifying and prioritizing material ESG matters as it advances its sustainability journey. Key sustainability matters have been established through an internal assessment of the Group's business operations, regulatory obligations and core operational risks. These matters were identified by Management with careful consideration of the specific environmental and social landscape of the telecommunications industry.

The SWG has identified the following sustainability matters as relevant to its current operations:

1. Anti-corruption and corporate governance
2. Network quality and coverage
3. Customer experience and satisfaction
4. Data privacy and security
5. Digital inclusion and innovation
6. Occupational health and safety
7. Diversity, equity and inclusion
8. Supply chain management
9. Environmental compliance and impact management
10. Community development

At the stage of this report, the Group has not conducted a formal materiality assessment involving external stakeholders for FY2025. The identification and prioritisation of material sustainability matters during the financial year were performed internally by Management, based on their understanding of the Group's operations, risk profile, and industry practices. The Group acknowledges the importance of incorporating external stakeholder perspectives and intends to progressively enhance its materiality assessment process to include broader stakeholder engagement in future reporting periods. This assessment will be conducted in tandem with the formalisation of the 2026 Sustainability Roadmap, facilitated by the recently appointed external ESG consultant.

SUSTAINABILITY STATEMENT

ENVIRONMENTAL

Year 2025 marks the Group's first year of systematically tracking and monitoring its energy, water usage and fuel consumption alongside the initiation of targeted efforts to minimise its environmental impact. Through this process, the Group has identified key areas for improvement and will implement more effective sustainability initiatives. Moving forward, the Group remains committed to optimising resource efficiency across its operations in alignment with sustainability best practices and industry standards.

ENERGY CONSUMPTION

ITEM	FY2025
Total energy consumption (MWh)	660.23

In FY2025, the Group consumed a total of 660.23 MWh of electricity across its main offices, teleport and diversity hubs and warehouse facility. Of this, 89.17% of the total consumption was concentrated within the teleport and diversity hubs, reflecting the continuous energy required to maintain connectivity infrastructure, ensuring equipment uptime and upholding service reliability.

To minimize environmental footprint, the Group has institutionalised several energy conservation measures centred on the integration of energy-efficient technologies. These initiatives include encouraging energy conservation through the use of energy-efficient equipment such as LED lighting, Energy Star-labelled electronics and inverter air conditioners.

Looking ahead, the Group will continue to monitor electricity usage closely and identify opportunities for better energy efficiency. The Group is evaluating the potential installation of solar panel systems at its teleports and warehouse facility as part of its ongoing commitment to reducing its environmental footprint and advancing the adoption of renewable energy solutions.

WATER MANAGEMENT

ITEM	FY2025
Total water consumption (m ³)	530.90

In FY2025, the Group recorded a total water consumption of 530.90 m³, with usage primarily concentrated within its main offices. Although water consumption is not a major environmental driver compared with electricity and fuel usage, the Group remains mindful of responsible water use and will continue promoting conservation practices at its offices and operational facilities. The Group will also continue its efforts to monitor water usage patterns to support efficient resource management.

FUEL CONSUMPTION

ITEM	FY2025
Total fuel consumption (L)	98,058.80

Fuel usage remains relevant to the Group due to the operational nature of its field support, infrastructure deployment, maintenance work and genset usage. In FY2025, total fuel consumption for company vehicles and gensets amounted to 98,058.80 litres, of which 97.41% was attributed to its vehicle fleet supporting installations, corrective and preventive maintenance at remote sites.

In addition, the Group separately tracked diesel consumption for specific operational use cases, including 2,306.98 litres for the genset powering its telecommunication lattice towers at the Baleh Dam, Kapit, and 228.84 litres for teleport and diversity hub gensets. The Group will continue monitoring its fuel usage to support operational planning and improve efficiency over time.

At this stage, the Group has begun tracking fuel and electricity consumption data, but a complete greenhouse gas emissions ("GHG") calculation has not been implemented. As such, Scope 1 and Scope 2 emissions have not yet been disclosed in this Statement.

ENVIRONMENTAL COMPLIANCE

ITEM	FY2025
Incidents of non-compliance with environmental laws and regulations	0

In FY2025, the Group recorded no instances of non-compliance with environmental laws and regulations resulting in fines or penalties. While no formal Environmental Impact Assessments were required or implemented for new projects delivered during the year, the Group recognises the growing importance of proactive environmental integration within its business operations.

Moving forward, as the Group further expands its service portfolio, it intends to integrate environmental considerations into the early stages of project planning and infrastructure deployment. By embedding these considerations into its core business segments, the Group aims to transition from a status of baseline regulatory compliance to a more proactive model of environmental stewardship ensuring long-term sustainability for both the business and the communities it serves.

SUSTAINABILITY STATEMENT

SOCIAL

The Group strives to empower both its employees and the wider community, aligning its strategic priorities with social responsibility. From nurturing an inclusive and supportive work environment to bridging the digital divide, the Group is committed to developing a diverse and skilled workforce while enhancing customer experience through reliable and secure internet services.

WORKFORCE AND DIVERSITY

ITEM	FY2025
Total number of employees	93

CATEGORY	MALE	FEMALE
Management	5	2
Executive	23	12
Non-executive	38	13
Total	66	27

AGE GROUP	BELOW 30	AGE 31-50	ABOVE 50
Management	-	4	3
Executive	12	22	1
Non-executive	29	22	-
Total	41	48	4

Notes:

- Management consists of Managing Director, Executive Director, C-Suite Officers, General Manager and Senior Managers.
- Executives consist of Managers, Assistant Managers, Senior Executives and Executives.
- Non-executives consist of Non-executives and Assistant Technicians.

In FY2025, the Group had 93 permanent employees and no contractors or temporary staff. Out of the total workforce, 66 were male and 27 were female, representing 29.0% female workforce participation.

At the core of the Group's success is a skilled, motivated and high-performing workforce. The Group is committed to fostering an inclusive and diverse environment that empowers its people to drive sustainable growth and achieve long-term strategic objectives. By prioritizing meaningful talent attraction and retention strategies, the Group ensures that its employees remain the primary drivers of its business excellence.

The Group is committed to supporting career development through transparent pathways for growth and advancement. In December 2025, the Group introduced a comprehensive Five-Pillar Key Performance Indicator framework ("KPI Framework"), with implementation commencing in January 2026. This framework is designed to align individual performance with the Group's broader growth trajectory, ensuring that every role contributes meaningfully to both individual professional development and the Group's overall success.

TALENT RECRUITMENT

ITEM	MALE	FEMALE
Talent recruitment (new hire)	7	3

The Group's recruitment strategy focuses on appointing the right individual for the right position based on their skills, professional experience and alignment with the Group's strategic objectives. The Group prohibits discrimination of any kind within its recruitment process ensuring that all candidates are evaluated fairly and equitably.

During FY2025, the Group recorded 10 new hires, comprising 7 male and 3 female employees. New recruits were evenly split between employees below 30 years old and those aged 31 to 50. Meanwhile, the total employee turnover during the year was 8 employees, all within the non-executive category.

TALENT DEVELOPMENT

CATEGORY	TRAINING PERIOD (HOURS)
Management	121.5
Executive	541.5
Non-executive	572.5
Total	1,235.5

Notes:

- Management consists of Managing Director, Executive Director, C-Suite Officers, General Manager and Senior Managers.
- Executives consist of Managers, Assistant Managers, Senior Executives and Executives.
- Non-executives consist of Non-executives and Assistant Technicians.

The Group continues to invest in employee capability. In FY2025, total training hours recorded amounted to 1,235.5 hours. Most of the job-related trainings and programmes were supported through the Human Resources Development Fund. The Group remains committed to providing all employees with equitable training opportunities to upskill and enhance their professional competencies as well as supporting workforce development.

TALENT RETENTION

The Group recognises the importance of talent retention being fundamental to maintaining business continuity and achieving long-term resilience. To this end, annual performance appraisals are conducted not only to evaluate individual contributions but also to gauge overall job satisfaction and identify areas for professional growth.

This commitment to excellence is further reinforced through the KPI Framework implementation which establishes clear progression pathways and a competitive performance-based reward system. This approach underscores the Group's dedication to recognising and rewarding high performance.

SUSTAINABILITY STATEMENT

OCCUPATIONAL HEALTH AND SAFETY

The Group takes a prudent and structured approach to providing a safe working environment, especially given the field-based and infrastructure-related nature of its operations. Governed by the Group's Health, Safety and Environment Policy, the Group enforces stringent safety measures to protect employees, stakeholders and suppliers. The Group remains steadfast in its goal of achieving zero fatalities and maintaining continuous efforts in managing lost-time injuries ("LTI") across all operations.

To ensure safety standards are practiced consistently, the Group has implemented proactive monitoring and reporting systems. The success of these frameworks is reflected in the Occupational Safety and Health ("OSH") records for FY2025:

ITEM	FY2025
Work-Related Fatalities	0
LTIs	0
Workers On Long Convalescence	0

Beyond maintaining a clean OSH record, employees were encouraged to attend safety-related training throughout the year. These programmes equip employees with the knowledge and practical skills needed to identify hazards, assess risks and implement effective control measures reinforcing a proactive safety culture across the organization.

In FY2025, a total of 30 employees participated in various safety-related training programmes, accumulating 306 training hours. Key training programmes directly related to the Group's business operations included:

ORGANIZER	PROGRAMMES
National Institute of Occupational Safety and Health (NIOSH)	<ul style="list-style-type: none">Occupational Safety and Health Awareness PassportHazard Identification, Risk Assessment and Control (HIRARC)NIOSH-TM Safety PassportSarawak Energy Safety Passport
Construction Industry Development Board (CIDB)	<ul style="list-style-type: none">Safety Induction for Construction Worker
St. John Ambulance of Malaysia	<ul style="list-style-type: none">First Aid

These initiatives not only enhance employees' safety competencies but also foster a culture of shared responsibility, vigilance, and continuous learning. By investing in structured OSH training, the Group ensures that workplace safety is embedded in daily operations while safeguarding the well-being of its workforce.

EMPLOYEE ENGAGEMENT AND COMMUNITY CONTRIBUTION

The Group places strong emphasis on cultivating employee engagement as an integral pillar of its workplace culture and communication approach. As such, the Group strives to foster an environment where employees feel consistently valued, motivated and empowered. In line with this commitment, the Group has strategically strengthened its employee engagement and community contribution efforts in FY2025 through a series of initiatives aimed at enhancing teamwork, promoting well-being and encouraging social responsibility.

SOCIAL AND RECREATIONAL ACTIVITIES

ACTIVITY	TIMELINE	DETAILS
Ramadhan buffet	March 2025	An annual tradition celebrating cultural unity and fostering inclusive social interaction among employees.
Bowling tournament	June 2025	The Group's first-ever bowling tournament aimed at building competitive spirit and strengthening camaraderie through healthy sportsmanship.
Annual company trip	November 2025	A dedicated trip to Sabah to promote team building and encourage interaction among employees from various regions.
Quarterly birthday celebrations	Throughout FY2025	Regular gatherings to recognise individual milestones.

HEALTH AND WELLNESS ACTIVITIES

ACTIVITY	TIMELINE	DETAILS
Badminton	Weekly	Regular sessions established to encourage active and healthy lifestyle.
Kuching Autistic Association Charity and Food Sales 2025	July 2025	Participated in a food sales drive to support the Kuching Autistic Association, promoting social responsibility and community engagement.
Yayasan Jantung Sarawak – World Heart Day 2025	September 2025	Participation in a community walk to promote heart health awareness.

SUSTAINABILITY STATEMENT

SOCIAL VALUE CREATION

ITEM	FY2025
Total amount invested in the community	RM 418,320

In FY2025, the Group reaffirmed its commitment to social development through a sustained investment of approximately RM418,320. This included corporate donations towards leadership development, social welfare and youth empowerment and supporting 18 active sites across the rural regions of Sarawak.

Central to these efforts is the Group's "WiFi Kamek CSR Broadband Service" ("WiFi Kamek") initiative which leverages satellite-based communications networks and services to deliver high-speed internet to underserved and remote communities. FY2025 marks the fifth consecutive year of the WiFi Kamek initiative, a milestone that underscores the Group's long-term commitment to fostering digital inclusion and bridging the urban-rural connectivity divide.

Beyond providing free internet access and supporting community-focused initiatives, the Group continues to prioritise the enhancement of essential digital infrastructure. These efforts are aimed at enabling long-term socio-economic empowerment and supporting sustainable development across the underserved communities.

GOVERNANCE

GOVERNANCE FRAMEWORK AND POLICIES

The Group's governance framework is guided by policies and procedures integrated across all business operations. The Group remains firmly committed to adhering to regulatory requirements and standards, thereby strengthening its overall governance and upholding the highest levels of integrity. To maintain a transparent and accountable corporate environment, the Group has established and strictly enforces the following core policies and terms:

- Board and Committee Oversight: Guided by formal Terms of Reference to ensure structured leadership.
- Ethical Standards: Upheld through the Code of Conduct and Ethics, a rigorous Anti-Bribery and Corruption Policy, and a No Gift Policy.
- Accountability: Supported by a Whistleblower Policy to encourage transparent reporting.
- Professional Integrity: Ensured through the Fit and Proper Policy and a Remuneration Policy.

The effectiveness of the Group's governance framework is validated by the Group's ethical performance metrics.

ITEM	FY2025
Operations assessed for corruption-related risks	100%
Confirmed incidents of corruption	0
Whistleblowing reports received	0
Substantiated human rights complaints	0

In FY2025, 100% of its operations were assessed for corruption-related risks and there were no confirmed incidents of corruptions, whistleblowing reports and substantiated human rights complaints. These series of key indicators reflect the Group's continued commitment to regulatory compliance, ethical conduct and internal accountability.

The Group also maintains ISO 9001:2015 Quality Management System certification covering all three business services, supporting consistency in service quality and operational processes.

REGULATORY COMPLIANCE AND CYBERSECURITY

Operating within the telecommunication sector, the Group recognises the significant risks associated with non-compliance with regulatory requirements and cybersecurity standards. The Group is guided by its Personal Data Protection Act (“PDPA”) Policy and requires all employees to adhere strictly to its provisions. The Group remains committed to safeguarding data, ensuring regulatory compliance and meeting stakeholder expectations.

ITEM	FY2025
Incidents of non-compliance resulting in fines or penalties	0
Incidents of non-compliance resulting in warnings	0
Non-monetary sanctions	0
Cases brought through dispute resolution mechanisms	0
Number of substantiate complaints concerning breaches of customer privacy and losses of customer data	0

In FY2025, the Group recorded no instances of non-compliance with regulatory requirements and cybersecurity standards, reflecting the effectiveness of its internal control and governance practices. To uphold these standards, the Group will continue to strengthen its compliance framework through regular reviews, internal monitoring mechanisms and employee awareness initiatives.

In addition, the Group adopts a prudent approach to risk management by identifying potential vulnerabilities, implementing preventive controls, and ensuring timely response to emerging threats. This includes safeguarding sensitive information, maintaining secure systems and reinforcing accountability across all levels of the organisation.

FUTURE PRIORITIES

The Group remains steadfast in its commitment to maturing its sustainability journey. Through the engagement of an external ESG consultant, the Group is actively enhancing its ESG management practices to meet evolving stakeholder expectations. More importantly, this strategic engagement serves to reinforce the Group’s long-term operational sustainability. Moving forward, the Group will focus on strengthening its sustainability reporting and operational management across several areas:

- 1) Environmental stewardship and carbon management:
 - Improving energy and fuel monitoring at both the asset and business-unit levels to drive operational efficiency.
 - Establishing a formal basis for GHG reporting to improve transparency regarding the Group’s carbon footprint.
 - Developing a structured approach to environmental target-setting over time.
- 2) Social responsibility and human capital:
 - Maintaining continuous investment in employee development and specialized safety competencies to ensure a future-ready workforce.
 - Upholding industry-leading service quality and customer trust standards to protect the Group’s market-leading reputation.
- 3) Governance and enhanced disclosure:
 - Expanding the depth of corporate disclosures in alignment with the Bursa Malaysia Main Market Listing Requirements.
 - Adopting industry best practices to enhance transparency and accountability.

By embedding these priorities into its core business segments, the Group aims to transition from baseline regulatory compliance to a proactive model of stewardship, ensuring sustainable value for both the business and the communities it serves.

SUSTAINABILITY STATEMENT

Reach Ten Holdings Berhad

BMLR Transition Period

Date & Time: 2026-04-23_08:40:59

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti-Corruption	a) Percentage of employees who have received training on anticorruption by employee category	Percentage	Management: 7% Executive: 2% Non-executive: -	Provide Anti-bribery and anti-corruption training to all employees.	No assurance
Anti-Corruption	b) Percentage of operations assessed for corruption-related risks	Percentage	100%	All operations to be assessed for corruption-related risks.	No assurance
Anti-Corruption	c) Confirmed incidents of corruption and action taken	Number	0	Zero incident.	No assurance
Community/Society	a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	Currency (RM)	RM 418,320	As and when required.	No assurance
Community/Society	b) Total number of beneficiaries of the investment in communities	Number	Nil	As and when required.	No assurance
Diversity	a) Percentage of employees by gender and age group, for each employee category	Percentage	Male management: 5% Female management: 2% Male executive: 25% Female executive: 13% Male non-executive: 41% Female non-executive: 14% Management below 30: 0% Management age 31-50: 4% Management above 50: 3% Executive below 30: 13% Executive age 31-50: 24% Executive above 50: 1% Non-executive below 30: 31% Non-executive age 31-50: 24% Non-executive above 50: 0%	Maintain zero employment of child labour across all operations.	No assurance
Diversity	b) Percentage of directors by gender and age group	Percentage	Male director: 57% Female director: 43% Above 50: 100%	Minimum 30% female directors.	No assurance
Energy Management	a) Total energy consumption	Megawatt hour	660.23	FY2025 data serves as the baseline and targets are currently under development.	No assurance

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SUSTAINABILITY STATEMENT

Reach Ten Holdings Berhad

BMLR Transition Period

Date & Time: 2026-04-23_08:40:59

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Health and safety	a) Number of work-related fatalities	Number	0	Zero fatality.	No assurance
Health and safety	b) Lost time incident rate	Number	0	Zero incident.	No assurance
Health and safety	c) Number of employees trained on health and safety standards	Number	30	At least 2 trained staff per department.	No assurance
Labour practices and standards	a) Total hours of training by employee category	Hours	Management: 121.5 Executive: 541.5 Non-executive: 572.5	At least 2 training (internal & external) per staff annually.	No assurance
Labour practices and standards	b) Percentage of employees that are contractors or temporary staff	Percentage	0%	Not more than 10% of staff strength.	No assurance
Labour practices and standards	c) Total number of employee turnover by employee category	Number	Management: 0 Executive: 0 Non-executive: 8	Not more than 10% of staff strength.	No assurance
Labour practices and standards	d) Number of substantiated complaints concerning human rights violations	Number	0	Zero violation.	No assurance
Supply chain and management	a) Proportion of spending on local suppliers	Percentage	Nil, data currently unavailable due to reporting system transitions.	Targets are currently under development.	No assurance
Data privacy and security	a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	Zero breach.	No assurance
Water	a) Total volume of water used	Kilolitre	530.90	FY2025 data serves as the baseline and targets are currently under development.	No assurance
Waste management	a) Total waste generated and a breakdown of the following: (i) total waste diverted from disposal (ii) total waste directed to disposal	Ton	Nil, data currently unavailable due to reporting system transitions.	Targets are currently under development.	No assurance

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SUSTAINABILITY STATEMENT

Reach Ten Holdings Berhad

BMLR Transition Period

Date & Time: 2026-04-23_08:40:59

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Emissions management	a) Scope 1 emissions in tonnes of CO2e	tCO2e	Nil, data currently unavailable due to reporting system transitions.	Targets are currently under development.	No assurance
Emissions management	b) Scope 2 emissions in tonnes of CO2e	tCO2e	Nil, data currently unavailable due to reporting system transitions.	Targets are currently under development.	No assurance

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CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (the “Board”) of Reach Ten Holdings Berhad (the “Company”) recognises that sound corporate governance is fundamental in promoting long-term sustainability, accountability and the overall performance of the Company and its subsidiaries (hereinafter, referred to as the “Group”). The Board therefore remains committed to ensuring that appropriate governance frameworks, policies and internal control mechanisms are in place to support responsible management, effective oversight and sustainable value creation for shareholders and other stakeholders.

In fulfilling its fiduciary responsibilities, the Board is guided by the principle of acting in the best interests of the Company and its shareholders, while giving due consideration to the interests of employees, customers, business partners, regulators and the wider community. The Board continuously strives to strengthen the Group’s governance practices by reinforcing transparency, integrity, ethical conduct and prudent decision-making across all levels of the organisation.

The Board also recognises that effective governance requires a clear governance structure, robust risk management and internal control systems, as well as an organisational culture that promotes accountability and responsible business conduct. Accordingly, the Board ensures that the Group’s governance practices remain aligned with applicable regulatory requirements and evolving best practices in corporate governance.

This Corporate Governance Overview Statement (“Statement”) outlines the manner in which the Company has applied the following three (3) key principles of the Malaysian Code on Corporate Governance (“MCCG”) during the financial year ended 31 December 2025 (“FY2025”):

Principle A : Board Leadership and Effectiveness

Principle B : Effective Audit and Risk Management

Principle C : Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders

Prepared in accordance with the requirements of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), this Statement should be read together with the Company’s Corporate Governance Report (“CG Report”), which provides a more comprehensive description of the Company’s application of the practices under the MCCG. The CG Report is available on the Company’s website at <https://www.reach10.com/>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES

The Board has overall responsibility for the leadership, strategic direction and long-term success of the Group. In carrying out its fiduciary and stewardship responsibilities, the Board ensures that the Group is managed in a manner that promotes sustainable value creation while safeguarding the interests of shareholders and other stakeholders.

The Board is primarily responsible for setting the strategic direction of the Group and overseeing the implementation of the Group's business strategies by Management. In doing so, the Board reviews and approves the Group's strategic plans, annual business plans and major capital investments, while monitoring the performance of Management to ensure that the Group's objectives are achieved effectively and responsibly.

The Board also plays a key role in overseeing the Group's governance framework, risk management practices and internal control systems to ensure that appropriate policies, procedures and controls are in place. In addition, the Board ensures that the Group conducts its business in compliance with applicable laws, regulations and ethical standards.

In carrying out its duties, the Board is supported by several Board Committees, which assist the Board in overseeing specific areas of governance and management oversight. The roles, responsibilities and authority of the Board, as well as matters reserved for the Board's decision, are set out in the Board Charter, which serves as a guiding document for the Board in the discharge of its responsibilities.

Further details on the Board's governance structure, including the composition of the Board, its Committees, the separation of roles between the Chairman and Management, and other governance practices adopted by the Company, are set out in the following sections of this Corporate Governance Overview Statement.

SEPARATION OF ROLES OF CHAIRMAN AND MANAGING DIRECTOR

The Company maintains a clear separation of roles and responsibilities between the Chairman of the Board and the Managing Director, which promotes an appropriate balance of power, authority and accountability within the Company's leadership structure.

The Board is chaired by Datuk Amar Jaul Anak Samion ("Datuk Amar"), an Independent Non-Executive Director, who provides leadership to the Board and is responsible for ensuring its effectiveness in discharging its responsibilities. The Chairman facilitates constructive and open discussions among Board members, ensures that Board meetings are conducted in an orderly manner and promotes a culture of good corporate governance within the Group. The Chairman also ensures that Directors receive timely and relevant information to enable them to make informed decisions.

The Managing Director, Mr Chin Yu Lay, is responsible for the day-to-day management of the Group's operations and the implementation of the strategies and policies approved by the policies approved by the Board.

The Managing Director leads the management team in executing the Group's business plans and operational objectives, while reporting to the Board on the Group's performance and key operational developments.

This clear division of responsibilities ensures that the Board maintains effective oversight of Management, while Management focuses on the operational management of the Group's business. The separation of roles also supports objective decision-making and reinforces the Company's commitment to sound corporate governance practices.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

BOARD COMPOSITION AND INDEPENDENCE

The Board currently comprises seven (7) members, consisting of one (1) Managing Director, one (1) Executive Director and five (5) Independent Non-Executive Directors. The Board composition reflects an appropriate balance between executive and non-executive representation, with a majority of Independent Directors, which is in line with the Listing Requirements of Bursa Securities and the recommendations of the MCCG.

The presence of a majority of Independent Non-Executive Directors ensures that the Board maintains independence and objectivity in its deliberations and decision-making processes. The Independent Directors provide constructive challenge and independent judgement to the Board's discussions, particularly in matters relating to strategy, performance, risk management and governance. In the event of any vacancy on the Board resulting in non-compliance with the required number of independent directors, such vacancy shall be filled within three (3) months.

Collectively, the Directors bring to the Board a broad range of expertise and experience in areas such as business management, finance, telecommunications infrastructure, corporate governance and regulatory compliance. This diverse mix of skills and experience enables the Board to effectively discharge its responsibilities in guiding the strategic direction and oversight of the Group. In accordance with the Company's Constitution, all Directors who are appointed by the Board are subject to election by shareholders at the first Annual General Meeting of the Company after their appointment. An election of Directors shall take place every year where one-third (1/3) of the Directors for the time being or, if their number is not three (3) or multiple of three (3), then the number nearest to one-third (1/3) shall retire but shall be eligible for re-election; provided always that all Directors shall retire from office at least once in every three (3) years.

The independence of each Independent Director is assessed annually by the Board, taking into consideration the criteria set out under the Listing Requirements of Bursa Securities. Based on the assessment conducted for the financial year, the Board is satisfied that the Independent Directors continue to demonstrate independence of character and judgement in the discharge of their duties and responsibilities.

BOARD COMMITTEES

To assist in the effective discharge of its duties and responsibilities, the Board has established three (3) Board Committees, namely the Audit and Risk Management Committee ("ARMC"), Nomination Committee ("NC") and Remuneration Committee ("RC"). These committees support the Board by providing focused oversight and recommendations on specific areas of governance and management. All committees comprise no fewer than three (3) members.

Each committee operates within clearly defined Terms of Reference, which outline the committee's roles, authority and responsibilities. The Terms of Reference are periodically reviewed to ensure that they remain aligned with regulatory requirements and best practices in corporate governance. The Terms of Reference for the respective committees are also available on the Company's website.

The Board Committees comprise predominantly Independent Non-Executive Directors, which promotes objectivity and independence in the deliberation of matters within their respective scopes. The committees review matters within their terms of reference and make recommendations to the Board for consideration and approval where appropriate.

The chairman of each committee reports to the Board on key deliberations, findings and recommendations arising from Committee meetings. Through this structure, the Board is able to maintain effective oversight over critical areas such as financial reporting, risk management, board composition, succession planning and remuneration practices.

Further details on the roles and activities of the respective Board Committees are set out in the following sections.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

AUDIT AND RISK MANAGEMENT COMMITTEE

The Board has established an ARMC to assist the Board in overseeing the integrity of the Group's financial reporting, the effectiveness of the Group's internal control and risk management framework, and the performance and independence of the external and internal auditors.

The ARMC comprises solely Independent Non-Executive Directors, namely Ms Vong Wan Yin (Chairperson), Datin Sng Bee Seio and Ms Wong Siew Si. This composition ensures that the committee maintains independence and objectivity in carrying out its responsibilities.

The ARMC operates in accordance with its Terms of Reference, which outline the committee's authority, duties and responsibilities. The Terms of Reference are available on the Company's website. In discharging its functions, the ARMC reviews the Group's financial statements prior to their submission to the Board for approval, focusing on matters such as the quality and integrity of financial reporting, compliance with applicable accounting standards and regulatory requirements, and significant financial reporting issues.

The ARMC also oversees the effectiveness of the Group's risk management and internal control systems. This includes reviewing the adequacy of the Group's internal audit function, assessing the scope and results of internal audit activities, and monitoring the implementation of corrective actions to address any control weaknesses identified.

In addition, the ARMC reviews and evaluates the performance, suitability and independence of the external auditor and makes recommendations to the Board on the appointment or reappointment of the external auditor, subject to shareholders' approval at the Annual General Meeting ("AGM").

Through these responsibilities, the ARMC supports the Board in ensuring that the Group maintains a sound governance framework and robust financial reporting processes.

NOMINATION COMMITTEE

The Board has established an NC to assist the Board in overseeing matters relating to the composition of the Board, board appointments, succession planning and the evaluation of the effectiveness of the Board and its committees.

The NC comprises Mr Terence Goh Seng Chua (Chairperson), Ms Wong Siew Si, and Ms Vong Wan Yin, all of whom are Independent Non-Executive Directors. The composition of the NC ensures that matters relating to board appointments, evaluations and succession planning are considered objectively and independently.

The Company was listed on the Main Market of Bursa Securities on 2 May 2025. As such, the NC did not convene any meeting during the financial year. The NC operates in accordance with its Terms of Reference, which set out the committee's authority, roles and responsibilities. The Terms of Reference are available on the Company's website.

Among its key responsibilities, the NC reviews the structure, size and composition of the Board to ensure that it has an appropriate balance of skills, experience, independence and diversity to effectively discharge its duties. The NC also evaluates the independence of Independent Directors annually in accordance with the criteria set out in the Listing Requirements of Bursa Securities.

In addition, the NC is responsible for assessing the effectiveness of the Board as a whole, the Board Committees and the contribution of each Director through an annual board evaluation process. The outcome of the evaluation assists the Board in identifying areas for improvement and supports the NC in making recommendations on matters relating to board composition, re-election of Directors and succession planning.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

REMUNERATION COMMITTEE

The Board has established an RC to assist the Board in overseeing matters relating to the remuneration framework for the Directors and Senior Management of the Group.

The RC comprises Ms Wong Siew Si (Chairperson), Datin Sng Bee Seio, and Ms Vong Wan Yin, all of whom are Independent Non-Executive Directors. The composition of the RC ensures that matters relating to remuneration are reviewed in an objective and independent manner.

The RC operates in accordance with its Terms of Reference, which set out the committee's authority, duties and responsibilities. The Terms of Reference are available on the Company's website.

In discharging its responsibilities, the RC reviews and makes recommendations to the Board on the remuneration packages of Executive Directors and Senior Management, taking into consideration factors such as the individual's responsibilities, experience, performance and prevailing market practices. The RC also reviews the level of directors' fees and benefits payable to Non-Executive Directors, which are subject to approval by shareholders at the Company's general meeting.

Through this process, the RC seeks to ensure that the Company's remuneration framework remains fair, transparent and aligned with the Group's performance and long-term strategic objectives. The Company provides detailed disclosure of the remuneration of individual Directors on a named basis in the Corporate Governance Report for FY2025. The remuneration breakdown includes directors' fees, salaries, bonuses, benefits-in-kind and other emoluments, where applicable.

BOARD MEETINGS AND ACCESS TO INFORMATION

The Board meets regularly throughout the financial year to review the Group's business operations, financial performance and strategic matters. Additional meetings may be convened as and when necessary to consider urgent or significant matters requiring the Board's attention. The Board is provided with a structured agenda for each meeting to facilitate effective deliberation and decision-making.

Board meeting materials, including the agenda and relevant reports, are circulated to Directors in advance of the meetings to allow sufficient time for review and consideration. The information provided to the Board includes, among others, updates on the Group's financial performance, operational developments, risk management matters and other significant issues affecting the Group.

During Board meetings, the Directors actively participate in discussions and provide constructive input on matters presented for deliberation. Where appropriate, members of Senior Management may be invited to attend Board meetings to provide further clarification or insights on matters under discussion.

The Directors have unrestricted access to timely and accurate information relating to the Group's business and affairs to enable them to discharge their duties effectively. The Board may also seek independent professional advice, at the Company's expense, where necessary to assist in the decision-making process.

Below are details showing the attendance of the Directors at the Board meetings held for the FY2025:

NAMES OF DIRECTOR	BOARD OF DIRECTORS MEETING	PERCENTAGE OF ATTENDANCE
Datuk Amar Jaul Anak Samion	5/5	100%
Chin Yu Lay	5/5	100%
Lu Pak Lim	5/5	100%
Datin Sng Bee Seio	5/5	100%
Terence Goh Seng Chua	5/5	100%
Vong Wan Yin	5/5	100%
Wong Siew Si	5/5	100%

CORPORATE GOVERNANCE OVERVIEW STATEMENT

COMPANY SECRETARY

The Board is supported by a qualified and experienced Company Secretary, Ms Pauline Kon Suk Khim (MAICSA), who possesses over twenty (20) years of professional experience in corporate secretarial and governance matters. As a Fellow member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA), she is qualified to act as a Company Secretary under the Companies Act 2016 (the "Act").

The Company Secretary plays an important advisory role in supporting the Board to discharge its duties effectively. She advises the Board on matters relating to corporate governance, regulatory compliance and directors' statutory duties, and ensures that the Board operates in accordance with the Act, the Listing Requirements of Bursa Securities, and other applicable regulatory requirements.

The Company Secretary also ensures that proper procedures are followed in the conduct of Board and Board Committee meetings. She is responsible for organising and attending these meetings, preparing and maintaining accurate records of the proceedings and resolutions passed, and ensuring that statutory and regulatory filings are made in a timely manner.

The Directors have direct access to the Company Secretary at all times and may seek her advice on governance and regulatory matters where necessary. The Company Secretary also keeps the Board informed of relevant developments in corporate governance practices and regulatory requirements to facilitate the adoption of best practices within the Group.

BOARD EVALUATION AND ASSESSMENT

The Board undertakes an annual evaluation to assess the effectiveness of the Board as a whole, the Board Committees and the performance of each Director. The evaluation process is overseen by the NC, in accordance with its Terms of Reference.

The assessment is carried out through a structured evaluation process, which includes the completion of evaluation questionnaires and assessments by members of the Board. The evaluation covers various aspects of the Board's performance, including the effectiveness of the Board's composition, the quality of Board deliberations and decision-making, the effectiveness of the Board Committees and the contribution, performance and independence of individual Directors.

The outcome of the evaluation is reviewed by the NC and subsequently deliberated by the Board. Based on the results of the evaluation, the Board identifies areas for improvement where necessary and considers the findings in relation to matters such as board composition, succession planning and the re-election of Directors at the Company's AGM.

For the financial year, the Board is satisfied that the Board and its Committees have discharged their responsibilities effectively, and that each Director has continued to demonstrate the necessary commitment, competence and independence in performing their duties.

DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

The Board recognises the importance of continuous training and professional development for Directors to ensure that they remain well informed of developments in the business environment, regulatory requirements and corporate governance practices. All Directors have completed the Mandatory Accreditation Programme Part I & II within the prescribed timeframe. During FY2025, the Directors attended various training programmes, with each Director participating in the following training program to further enhance their knowledge and capabilities in discharging their duties and responsibilities:

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DIRECTORS	COURSE	DATE
Datuk Amar Jaul Anak Samion	• Mandatory Accreditation Programme Part II – Leading for Impact (LIP)	15-16 April 2025
	• Anti-Bribery and Anti-Corruption Awareness	31 July 2025
	• Cybersecurity Awareness Webinar	11 December 2025
Chin Yu Lay	• Mandatory Accreditation Programme Part II – Leading for Impact (LIP)	16-17 July 2025
Lu Pak Lim	• Mandatory Accreditation Programme Part II – Leading for Impact (LIP)	16-17 July 2025
	• Conduct of Directors and Common Breaches of Listing Requirements	25 September 2025
Datin Sng Bee Seio	• Mandatory Accreditation Programme Part II – Leading for Impact (LIP)	16-17 July 2025
Wong Siew Si	• CGSI 17th Annual Corporate Day – The Rise of an Asian Tiger	7-8 January 2025
	• Forum Ekonomi Malaysia 2025	9 January 2025
	• ICDM BSC Advocacy Dialogue & Debate Session – Impact in Action from Leadership to Stewardship	14 February 2025
	• E-Invoicing Essentials for Board Directors – Navigating the Compliance Landscape	20 February 2025
	• Masterclass 2025 – Carbon Pricing & Markets: EU Insights & Implications for Malaysia	24 February 2025
	• Anti-Money Laundering Countering the Financing of Terrorism and Countering Proliferation Financing in Capital Markets	10-16 March 2025
	• Board Leadership in Industry Disruption – Steering Company through Market Shifts	13 March 2025
	• Financial Masterclass – Bitcoin & Cryptocurrencies, the Future of Wealth in a Digital World	22 March 2025
	• Empowering Stock Market Professionals with Today's AI for the Capital Markets of Tomorrow	26 March 2025
	• Trump, Trade & Trends – Navigating Economic Uncertainties	16 April 2025
	• Financial Masterclass – Delivering Impactful Presentations by using the Storytelling Method & AI Assistance	19 April 2025
	• EXPO 2025 Special Symposium – Shaping the Future of Asean & Japan	21 April 2025
	• ICDM Advocacy Dialogue Session – E-Invoicing & its Impact on Directors	9 May 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DIRECTORS	COURSE	DATE
Wong Siew Si	• Valuation on Mergers & Acquisitions	25 May 2025
	• Asean Business Forum 2025 – From Vision to Reality: Asean Partnership Fueling Sustainable Growth	29 May 2025
	• The Age of Artificial Intelligence – The Impact & Applications in Financial Services	31 May 2025
	• CGM Directors Masterclass – Overview of Climate-related Physical Risks	1 July 2025
	• ICDM BNRC Dialogue – Implementing Strategies with Skill Matrix	8 July 2025
	• Powertalk 2025 Series – Leading for Longevity: The Board’s Role in Driving Innovation	16 July 2025
	• ICDM BRMC Dialogue – Governance in an Era of Trade Uncertainty: Navigating Tariffs, Risks and Opportunities	25 July 2025
	• Urban Biodiversity Conference: “Coexistence” – Shared Environment for Balance & Resilience	5 August 2025
	• MyFinTech 2025 – Building AI Knowledge Base to Combat Investment Scams – The Evolving Scam Landscape, Trends & Technologies – Cross-Agency Enforcement: Coordinated Takedown of a Scam Network	7 August 2025
	• Sustainable Construction Symposium 2025 – Building Trends Redefined: The Next Level	13 August 2025
	• Navigating Anti-Corruption – Insights on the US Foreign Corrupt Practices ACT (FCPA) & the Impact on Asean Business	23 September 2025
	• Malaysia’s Natural Heritage – Are we Protecting What Truly Matters?	30 September 2025
	• CGM Roundtable Series 2025 – Carbon Sinks Sector Part 1: Building Verifiable Carbon Sinks for Malaysia Net Zero Future	1 October 2025
	• CGM Roundtable Series 2025 – Carbon Markets & Transition Credits	2 October 2025
	• CGM Roundtable Series 2025 – Power: Energy & Efficiency Building a Stronger Energy Efficiency Ecosystem	2 October 2025
	• CGM Roundtable Series 2025 – Building Better: Low-Carbon Materials & Circular Construction	8 October 2025
	• CGM Roundtable Series 2025 – Blended Finance Access	13 October 2025
	• CGM Roundtable Series 2025 – Built Environment: Restoring Urban Biodiversity & Natural Heritage	14 October 2025
	• Malaysian Carbon Market Forum 2025	15 October 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

DIRECTORS	COURSE	DATE
Wong Siew Si	• Code of Conduct Training	23 October 2025
	• Inside the Boardroom Malaysia – Chapter 2	28 October 2025
	• Annual Conference Financial Street Forum 2025 – Integrating Finance, Expertise & Commerce for High Quality Belt & Road Cooperation	29 October 2025
	• CIB EPPM Presidential Dialogue – Resilient Construction: Forging Ahead in Uncertain Times	30 October 2025
	• Directors’ Masterclass Series – Responsible Climate Risk Management by Investors	31 October 2025
	• How do Boards Track Sustainability Reporting	4 November 2025
	• Applying the IFRS Sustainability Disclosure Standards	14 November 2025
Terence Goh Seng Chua	• Mandatory Accreditation Programme Part II – Leading for Impact (LIP)	16-17 July 2025
Vong Wan Yin	• E-Invoice Implementation in Malaysia and Navigating the Myinvois Portal	13 May 2025
	• How Internal Auditors can help Organisation Navigate Current Volatile Business Landscape	20 May 2025
	• Directors’ Interest in Contracts and Conflicts of Interest	12 June 2025
	• Mandatory Accreditation Programme Part II – Leading for Impact (LIP)	16-17 July 2025
	• Company Resolutions	21 July 2025
	• SST Updates Unpacked – What Every Developer and Contractor Needs to Know	6 November 2025

GOOD BUSINESS CONDUCT

The Board is committed to promoting a culture of integrity, transparency and ethical behaviour throughout the Group. In line with this commitment, the Board has established a Code of Conduct and Ethics (the "Code") which sets out the standards of conduct expected of Directors, Senior Management and employees in the performance of their duties and responsibilities.

The Code provides guidance on ethical business practices and addresses matters such as conflicts of interest, confidentiality of information, compliance with laws and regulations, and the prevention of corruption and misconduct. The Code reinforces the Group’s commitment to conducting its business with professionalism, honesty and accountability.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

GOOD BUSINESS CONDUCT (CON'T)

In addition, the Group has implemented an Anti-Bribery and Corruption Policy, which reflects the Group's zero-tolerance approach towards bribery and corruption in all its business dealings. The policy outlines the responsibilities of Directors and employees in complying with the Malaysian Anti-Corruption Commission Act 2009 and establishes guidelines to prevent bribery and corrupt practices within the Group.

The Company has also established a Whistleblowing Policy, which provides a confidential channel for employees and stakeholders to report any suspected or actual misconduct, unethical behaviour or breaches of laws and regulations. The policy ensures that individuals who report concerns in good faith are protected from retaliation and that such concerns are properly investigated.

These policies and practices reinforce the Group's commitment to maintaining high standards of corporate governance and ethical business conduct across its operations.

SUSTAINABILITY GOVERNANCE

The Board recognises the importance of integrating Environmental, Social and Governance ("ESG") considerations into the Group's business strategies and operations to support long-term sustainable growth. The Board, together with Management, assumes overall responsibility for overseeing the Group's sustainability initiatives and ensuring that sustainability considerations are taken into account in the Group's strategic planning and operational activities.

To strengthen the Group's sustainability governance, the Company has an external ESG consultant to provide advisory support on ESG matters. The ESG consultant assists the Group in identifying relevant sustainability risks and opportunities, monitoring ESG developments and guiding the Group in implementing sustainability practices aligned with regulatory expectations and industry best practices.

From an environmental perspective, the Group has implemented various initiatives to minimise its environmental footprint. These include encouraging energy conservation through the use of energy-efficient equipment such as LED lighting, Energy Star-labelled electronics and inverter air conditioners. The Group also promotes responsible waste management practices, including waste separation and recycling, paperless operations and a comprehensive electronic waste recycling programme to ensure the responsible disposal of end-of-life electronic devices. In addition, the Group encourages water conservation among employees and monitors water usage through routine maintenance and checks to detect potential leaks.

In terms of social initiatives, the Group places strong emphasis on employee welfare, community engagement and digital inclusion. The Group prioritises employee health and safety through regular safety training sessions, ergonomic workplace equipment and the implementation of emergency response plans for situations such as fires, natural disasters and medical emergencies. The Group also promotes employee development through training programmes, mentorship initiatives and career advancement opportunities, while maintaining a clean, safe and inclusive workplace environment.

The Group is also committed to contributing positively to the communities in which it operates. During FY2025, the Group invested approximately RM418,320 including corporate donations towards leadership development, social welfare and youth empowerment, as well as supporting 18 active sites across the rural regions of Sarawak under its 'WiFi Kamek CSR Broadband Service' ("WiFi Kamek") initiative. Under WiFi Kamek, the Group provides high-speed and reliable internet services to underserved communities in remote areas, bridging the digital divide and improving access to online resources in rural areas.

From a governance perspective, the Group maintains strong governance practices supported by policies such as the Board Charter, Code of Conduct and Ethics, Anti-Bribery and Corruption Policy and Whistleblowing Policy, which promote ethical conduct, transparency and accountability across the organisation.

Through these initiatives, the Board seeks to ensure that sustainability considerations are embedded within the Group's business operations and decision-making processes, while creating long-term value for its stakeholders.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT AND RISK MANAGEMENT COMMITTEE

The Board has established an ARMC to assist the Board in fulfilling its responsibilities in relation to the oversight of financial reporting, risk management and internal control within the Group. The ARMC provides independent and objective oversight to ensure that the Group maintains a sound governance framework and robust financial reporting processes.

The ARMC comprises Ms Vong Wan Yin (Chairperson), Datin Sng Bee Seio and Ms Wong Siew Si, all of whom are Independent Non-Executive Directors. The ARMC is chaired by Ms Vong Wan Yin, who is not the Chairperson of the Board, thereby ensuring an appropriate level of independence in the Committee's oversight of financial reporting and audit matters.

The ARMC operates in accordance with its Terms of Reference, which set out the committee's authority, responsibilities and functions. The Terms of Reference are available on the Company's website. The committee meets at least four (4) times annually, or more frequently where necessary, to discharge its duties effectively. For FY2025, the ARMC convened four (4) meetings.

The quorum for ARMC meetings is two (2) members, with the majority being Independent Directors. Meetings may be conducted either physically or through teleconference or other communication facilities to facilitate participation by members. Decisions of the committee are made by a simple majority, and in circumstances where only two (2) members form a quorum, no casting vote is exercised. Members who have an interest in any matter under discussion are required to declare their interest and abstain from deliberation and voting on the relevant matter.

The Chief Financial Officer, internal auditors and external auditors may be invited to attend ARMC meetings to provide clarification or input on matters within their respective areas of responsibility. The ARMC also meets with the external auditors without the presence of Management at least once a year to enable open and independent discussions on audit findings and other relevant matters.

The Company Secretary acts as the secretary to the ARMC and is responsible for preparing the meeting agenda in consultation with the Chairperson and circulating the notice of meeting at least five (5) business days prior to the meeting. Meeting papers are circulated in advance to ensure that members have sufficient time to review the materials. The Company Secretary also records the proceedings and resolutions of the meetings, and the minutes are maintained at the Company's registered office and circulated to the ARMC members and the Board for notation.

The ARMC maintains regular communication with both the internal and external auditors to ensure that any significant audit findings, internal control issues or financial reporting matters are addressed appropriately. Through these responsibilities, the ARMC supports the Board in maintaining the integrity and reliability of the Group's financial reporting and governance framework.

Where appropriate, written resolutions approved by all members of the ARMC are deemed to have been duly passed, in accordance with the committee's Terms of Reference.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

FINANCIAL REPORTING

The Board is responsible for ensuring that the Group's financial statements provide a true and fair view of the financial position and performance of the Company and are prepared in accordance with the applicable Malaysian Financial Reporting Standards, the Act, and the Listing Requirements of Bursa Securities.

In discharging this responsibility, the ARMC assists the Board in reviewing the Group's quarterly and annual financial statements prior to their submission to the Board for approval. The review focuses on, among others, the appropriateness of accounting policies applied, the reasonableness of significant estimates and judgements made by Management, compliance with accounting standards and regulatory requirements, as well as any significant or unusual transactions.

The ARMC also discusses significant financial reporting issues with Management and the external auditors to ensure that the financial statements are prepared with integrity and transparency. Where necessary, the ARMC seeks clarification from Management and the external auditors to ensure that appropriate disclosures are made in the financial statements.

Through this review process, the ARMC provides assurance to the Board that the Group's financial reporting processes are robust and that the financial statements present a balanced and meaningful assessment of the Group's financial performance and position.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board acknowledges its overall responsibility for maintaining a sound risk management and internal control framework to safeguard the Group's assets, protect shareholders' interests and ensure the effectiveness and efficiency of the Group's operations. The Board also recognises that such systems are designed to manage, rather than eliminate, the risk of failure to achieve business objectives and can only provide reasonable, but not absolute, assurance against material misstatement or loss.

The Board has delegated the oversight of the Group's risk management and internal control framework to the ARMC, which assists the Board in reviewing the adequacy and effectiveness of the Group's risk management practices and internal control systems. The ARMC reviews significant risks affecting the Group's operations and ensures that appropriate measures are implemented to manage and mitigate these risks.

Management is responsible for identifying, evaluating and managing the risks faced by the Group in its day-to-day operations, as well as implementing appropriate internal controls and mitigation measures. The ARMC receives periodic reports from Management and the internal audit function on risk management and internal control matters and reports its findings and recommendations to the Board.

Further details on the Group's risk management and internal control framework are set out in the Statement on Risk Management and Internal Control in this Annual Report.

INTERNAL AUDIT FUNCTION

The ARMC oversees the effectiveness and independence of the Group's internal audit function to ensure that it provides objective assurance on the adequacy and effectiveness of the Group's governance, risk management and internal control processes.

In accordance with the ARMC's Terms of Reference, the internal audit function reports directly to the ARMC to maintain its independence from the activities it audits. The ARMC reviews the adequacy of the internal audit function's scope, competency and resources to ensure that it has the necessary authority and capability to carry out its responsibilities effectively.

The ARMC reviews the internal audit plan, programmes and processes to ensure that the internal audit activities are appropriately structured and aligned with the Group's operational and governance requirements. The committee also reviews the findings of internal audit reports and investigations, and monitors whether appropriate corrective actions are taken by Management to address any control weaknesses or issues identified.

In addition, the ARMC is responsible for approving the appointment or termination of members of the internal audit function and conducting an annual evaluation of the performance of the internal audit function. The ARMC also reviews the level of cooperation and assistance provided by Management and employees to the internal auditors in the course of their work.

Where necessary, the ARMC may request the conduct of special audit reviews on specific areas of concern to ensure that the Group's internal control and governance processes remain robust and effective.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

EXTERNAL AUDITORS

The ARMC maintains an appropriate and transparent relationship with the Company's external auditors to ensure the integrity of the Group's financial reporting process. The ARMC reviews the scope of the audit, the audit plan and the findings of the external auditors to ensure that the audit is conducted effectively and that significant issues arising from the audit are appropriately addressed.

The ARMC also assesses the suitability, independence and performance of the external auditors on an annual basis. In performing this assessment, the ARMC considers, among others, the quality of audit services provided, the competence and experience of the audit engagement team, the adequacy of resources allocated to the audit, and the auditors' independence and objectivity. The ARMC also reviews the nature and extent of any non-audit services provided by the external auditors to ensure that such services do not impair their independence.

The external auditors are invited to attend ARMC meetings to present their audit plan, discuss significant audit findings and highlight any issues relating to the Group's financial reporting and internal control environment. The ARMC also meets with the external auditors without the presence of Management at least once a year, providing an opportunity for open discussion on matters relating to the audit and the Group's financial reporting processes.

Based on the annual assessment carried out, the ARMC makes recommendations to the Board on the appointment or reappointment of the external auditors, which is subject to approval by shareholders at the Company's AGM.

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

CORPORATE DISCLOSURE AND TRANSPARENCY

The Board is committed to maintaining a high standard of corporate disclosure and transparency to ensure that shareholders and stakeholders are provided with timely, accurate and comprehensive information regarding the Group's financial performance, operations and corporate developments.

The Company complies with the Listing Requirements of Bursa Securities, which require the timely disclosure of material information that may have an impact on the Company's performance or share price. All announcements and disclosures are made in a prompt and transparent manner through Bursa Securities' electronic disclosure platform, ensuring that shareholders and the investing public have equal access to relevant information.

In addition to regulatory announcements, the Company communicates important information through various corporate documents such as the Annual Report, corporate governance disclosures, sustainability-related information, and other statutory announcements. These disclosures provide stakeholders with a balanced and meaningful understanding of the Group's business activities, financial performance, governance practices and sustainability initiatives.

To further promote transparency, key corporate governance documents and policies, including the Board Charter, Code of Conduct and Ethics, Anti-Bribery and Corruption Policy, Whistleblowing Policy and the Terms of Reference of the Board Committees, are made available on the Company's website. This enables stakeholders to access relevant governance information and gain a better understanding of the Company's governance framework and ethical standards.

Through these practices, the Board seeks to uphold transparency and accountability in its corporate reporting and ensure that stakeholders are able to make informed decisions in relation to the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

WHISTLEBLOWING AND REPORTING MECHANISMS

The Company has established a Whistleblowing Policy to provide employees and external stakeholders with a safe and confidential channel to report suspected misconduct, unethical behaviour, fraud or breaches of laws, regulations or company policies.

The policy encourages individuals to raise concerns in good faith without fear of retaliation. Reports may be made through designated reporting channels, and all reports are treated with strict confidentiality to protect the identity of the whistleblower.

The Company is committed to ensuring that all reported concerns are assessed and investigated appropriately. Where necessary, appropriate actions will be taken to address any identified issues and strengthen the Group's governance and internal control environment.

Through this mechanism, the Company seeks to promote transparency, accountability and ethical conduct across the organisation.

INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION

The Board recognises the importance of maintaining effective communication with shareholders, investors and other stakeholders to ensure that they are kept informed of the Group's business developments, financial performance and corporate initiatives.

The Company adopts a proactive approach to investor relations by providing timely and transparent disclosures through announcements made to Bursa Securities, which serve as the primary channel for disseminating material information to the market. In addition, the Company's corporate website serves as an important communication platform where shareholders and stakeholders can access relevant information, including corporate announcements, financial reports, corporate governance policies and other key corporate information.

The Board also encourages open and constructive engagement with shareholders during general meetings, which provide an important forum for shareholders to interact directly with the Board and Senior Management. During these meetings, shareholders are given the opportunity to raise questions and seek clarification on matters relating to the Group's operations, financial performance and strategic direction.

Through these communication channels, the Company aims to foster transparency, strengthen investor confidence and promote a better understanding of the Group's business and governance practices among its stakeholders.

ANNUAL GENERAL MEETING

The AGM serves as an important platform for shareholders to engage directly with the Board and Senior Management, enabling them to gain insights into the Group's performance, strategic direction and other matters affecting the Company.

In line with good corporate governance practices, the Company provides shareholders with at least twenty-eight (28) days' notice prior to the AGM to allow sufficient time for shareholders to review the agenda items and make informed decisions on the resolutions to be tabled at the meeting. The notice of AGM is accompanied by the relevant explanatory notes and supporting information to facilitate shareholders' understanding of the matters to be discussed.

During the AGM, the Chairman presides over the meeting and ensures that the proceedings are conducted in an orderly manner, while encouraging active participation from shareholders. Shareholders are also given the opportunity to submit questions in advance of the AGM, which will be addressed during the meeting where appropriate. The question-and-answer session is conducted prior to the commencement of the poll voting process, allowing shareholders to obtain clarification on the matters to be voted on before casting their votes.

The poll voting process is conducted in the presence of an independent scrutineer to validate the votes cast and ensure the integrity of the voting results. In addition, the minutes of the general meeting are published on the Company's website within thirty (30) business days after the conclusion of the meeting, providing shareholders with access to a summary of the key matters discussed and the responses provided during the meeting.

This Statement is made in accordance with the resolution of the Board of Directors dated 14 April 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

COMPOSITION OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee ("ARMC") is a Board Committee established to assist the Board in fulfilling its oversight responsibilities over the Group's financial reporting process, risk management framework, internal control system, and internal and external audit functions.

The composition of the ARMC during the financial year ended 31 December 2025 ("FY2025") was as follows:

NAME	DESIGNATION	DIRECTORSHIP
Vong Wan Yin	Chairperson	Independent Non-Executive Director
Datin Sng Bee Seio	Member	Independent Non-Executive Director
Wong Siew Si	Member	Independent Non-Executive Director

The composition of the ARMC complies with the requirements of Paragraph 15.09 of the Listing Requirements of Bursa Securities, whereby all members are Non-Executive Directors and a majority are Independent Directors. The ARMC comprises no fewer than three (3) members, with no alternate Directors appointed. In line with Paragraph 15.10 of the Listing Requirements of Bursa Securities, the Chairperson of the ARMC is an Independent Director. The Chairman of the Board does not sit on the Committee, and the Company Secretary serves as secretary to the ARMC.

The ARMC comprises Chairperson Vong Wan Yin, a Member of the Institute of Chartered Accountants of New Zealand and the Malaysian Institute of Accountants since 2001; Datin Sng Bee Seio, a Member of the Institute of Chartered Accountants of New Zealand, the New Zealand Society of Accountants, and the Malaysian Institute of Accountants; and Wong Siew Si, a Member of the Association of Accounting Technicians, United Kingdom, awarded Full Membership in 2022. Together, the ARMC members demonstrate a balanced and complementary set of competencies to provide effective oversight of the Company's financial reporting and risk management.

MEETINGS AND ATTENDANCE

During FY2025, the ARMC held four (4) meetings. The attendance of each member at the ARMC meetings is as follows:

NAME	ATTENDANCE
Vong Wan Yin	4/4
Datin Sng Bee Seio	4/4
Wong Siew Si	4/4

The Chief Financial Officer, internal auditors and external auditors attended the meetings by invitation to provide clarifications and insights on matters tabled.

The ARMC also met with the external auditors without the presence of management on 25 February 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

SUMMARY OF ACTIVITIES OF THE ARMC

During FY2025, the ARMC carried out its duties in accordance with its Terms of Reference. The key activities undertaken were as follows:

a. Financial Reporting

In overseeing the integrity of the Group's financial reporting, the ARMC performed the following:

- Reviewed the quarterly financial results prior to recommending them to the Board for approval.
- Reviewed the annual audited financial statements of the Company and the Group before submission to the Board.
- Assessed the appropriateness of accounting policies adopted and any changes thereto.
- Reviewed significant accounting estimates, judgments, and unusual transactions.
- Reviewed audit adjustments proposed by the external auditors.
- Assessed the going concern assumption used in preparing the financial statements.
- Evaluated compliance with applicable accounting standards and regulatory requirements.
- Ensured that the financial statements present a true and fair view of the financial position and performance of the Group.

b. External Audit

The ARMC maintained a transparent and professional relationship with the external auditors.

The principal activities undertaken during the year included:

- Reviewed the external audit plan, including the scope of audit and areas of focus.
- Reviewed the results of the external audit, including audit findings and recommendations.
- Discussed significant audit matters and accounting issues arising from the audit.
- Reviewed the management letter issued by the external auditors and management's responses thereto.
- Evaluated the performance, suitability, objectivity and independence of the external auditors.
- Reviewed the provision of non-audit services to ensure that such services did not impair the auditors' independence.
- Recommended to the Board the re-appointment of the external auditors, subject to shareholders' approval.

During FY2025, the fees paid or payable to the external auditors, Crowe Malaysia PLT, were as follows:

TYPE OF FEES	GROUP (RM)	COMPANY (RM)
Statutory Audit Fees	253,500	75,000
Non-Audit Fees	124,850	112,550
Total	378,350	187,550

The non-audit fees include services performed in connection with the Company's initial public offering, the review of Statement of Risk Management and Internal Control, the quarterly review of interim results, preparation of transfer pricing documentation and tax compliance services.

The external auditors confirmed that they have complied with the relevant ethical requirements regarding their independence throughout the audit and that the provision of the non-audit services to the Company has not compromised their independence, nor were they aware of any relationships between them and the Group that may reasonably be thought to have impaired their independence.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

SUMMARY OF ACTIVITIES OF THE ARMC (CON'T)

c. Risk Management and Internal Control

The ARMC assists the Board in overseeing the adequacy and effectiveness of the Group's risk management and internal control systems.

Key activities included:

- Reviewed the Group's risk management framework and policies.
- Reviewed significant risks affecting the Group and the corresponding mitigation measures implemented by management.
- Evaluated the adequacy and effectiveness of the internal control environment.
- Reviewed updates on operational, financial, compliance and other key risks.
- Monitored management's actions in addressing identified risk exposures.

d. Related Party Transactions and Conflict of Interest

The ARMC reviewed related party transactions entered into by the Group on quarterly basis to ensure that such transactions were conducted at arm's length and on normal commercial terms.

INTERNAL AUDIT FUNCTION

The ARMC oversees the internal audit function to ensure its independence and effectiveness.

The ARMC undertook the following:

- Reviewed and approved the internal audit plan.
- Reviewed the internal audit reports, findings and recommendations.
- Monitored management's implementation of corrective actions arising from internal audit findings.
- Reviewed the adequacy of resources, competency and independence of the internal audit function.
- Assessed the overall effectiveness of the internal audit function.

The internal audit function is outsourced to an independent professional firm. The internal auditors report directly to the ARMC and provide independent and objective assurance on the adequacy and effectiveness of the Group's system of internal control and risk management processes.

The total cost incurred for the internal audit function for FY2025 is RM26,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (“the Board”) of Reach Ten Holdings Berhad (“the Company”) acknowledges its responsibility for maintaining a sound system of risk management and internal control across the Company and its subsidiaries (collectively, the “Group”).

The Board is pleased to present the Statement on Risk Management and Internal Control (“Statement”) for FY2025. This Statement details the Group’s risk management framework and internal control measures in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Malaysian Code on Corporate Governance (“MCCG”).

BOARD RESPONSIBILITY

The Board affirms its overall responsibility for maintaining an effective system of risk management and internal control to safeguard shareholders’ interests and the Group’s assets, as well as ensuring that an appropriate governance framework is in place. These systems are designed to manage risks within acceptable parameters rather than eliminate them entirely. Accordingly, it can only provide reasonable, and not absolute, assurance against material misstatement, fraud or financial loss.

The oversight of risk management and internal control is supported by the ARMC, where both the ARMC and Management share a mutual understanding of their roles in managing risks and maintaining internal controls within the Group.

Following the completion of internal audits, the results and observations are reported to the ARMC and the Board. Any significant issues identified are normally escalated to the relevant level of management and corrective actions are implemented to address the identified control weaknesses.

RISK MANAGEMENT AND INTERNAL CONTROL

The Group has established Risk Management and Internal Control Framework which is embedded in its business processes. The framework provides a structured process for identifying, evaluating, monitoring and managing significant risks that may affect the achievement of the Group’s business objectives. The Board and Management maintain continuous oversight of the Group’s risk profile and risk exposure through periodic discussions and reporting mechanisms.

The Group is willing to accept risks arising from business opportunities and operational activities, provided that the level of acceptable risk remains within the tolerance levels agreed by the Board and Management.

All employees are expected to adhere to established policies, procedures and internal controls to ensure that risks are appropriately managed and mitigated.

The key components of the Group’s risk management and internal control framework include:

- governance oversight by the Board and ARMC
- risk identification and monitoring processes
- implementation of internal control policies and procedures
- periodic review and monitoring of risk exposures

The Group’s risk management framework is assessed to be at a defined maturity level, characterised by formally documented risk management policies, structured risk identification and assessment processes, and consistent implementation across the Group’s operations. Risk registers and reporting mechanisms are in place to facilitate periodic monitoring and review of key risks by Management and the ARMC. While risk management practices are established and operational, the Group continues to strengthen its framework towards greater integration with business planning, performance monitoring and strategic decision-making. Risk assessments are carried out periodically to identify and evaluate key risks across the Group’s operations.

Significant risks identified are documented and communicated to Management and the Board through their Risk Register.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

RISK MANAGEMENT FRAMEWORK

In reviewing the Group's risk management framework, the Board considers the following factors:

- the nature and extent of risks facing the Group
- the extent and sources of risks considered acceptable by the Group
- the likelihood of significant risks materialising
- the Group's ability to mitigate risks and manage their impact on the business
- the costs of operating specific control measures relative to the benefits derived

The principal categories of risks identified include:

MARKET AND CUSTOMER CONCENTRATION RISK

The Group is exposed to customer concentration risk, as a significant portion of its revenue is derived from the provision of services to a few key customers. Consequently, the Group's performance is closely linked to the ongoing initiatives of government-linked entities within the telecommunications sector. This includes participation in national and regional digital transformation programs such as Jalinan Digital Negara ("JENDELA"), Sarawak Linking Urban, Rural and Nation ("SALURAN"), Malaysia Digital Economy Blueprint, Malaysia Smart City Framework and Sarawak Digital Economy Blueprint 2030.

To address this concentration risk, the Group is strategically utilising its Initial Public Offering ("IPO") proceeds as outlined in its Prospectus to broaden its customer base and diversify its revenue streams. The Group remains committed to high standards of transparency, providing detailed disclosures regarding the utilisation of proceeds in its quarterly and annual financial reporting.

OPERATIONAL RISK

The Group faces operational risks related to project execution, service delivery and network performance including challenges with project timelines, contractor performance and equipment availability. Furthermore, the ability to commence telecommunications construction works is contingent upon timely regulatory approvals such as wayleave and siting plan applications from relevant local authorities. Any delays in these administrative processes may adversely impact the deployment timeline, materially affecting the Group's business and financial performance.

To proactively mitigate these risks, the Group continues to implement strategic initiatives aimed at driving operational excellence and enhancing network resilience. The Group has prioritised investments in manpower planning and advanced predictive monitoring software, enabling early detection and rapid remediation of network disruptions to minimise

downtime and ensure service continuity. Additionally, the Group's Network Operations Centre ("NOC") operates as a 24 hours daily central hub for real-time surveillance, ensuring customer support remains responsive and that service recovery is prioritised.

While the Group maintains rigorous internal controls, there are underlying risks beyond the Group's immediate control. This includes network failures and disruptions caused by external factors such as third-party incidents, vandalism and natural disaster. To manage these eventualities, the Group maintains comprehensive insurance coverage and disaster recovery procedures to ensure business continuity and protect stakeholder interests.

SUPPLY CHAIN RISK

The Group's ability to deliver seamless connectivity, particularly in remote regions is dependent on the technical integrity and availability of third-party satellite operators. The Group is exposed to risks associated with the operational failure, signal degradation or total unavailability of these satellite assets due to, among others, operational, commercial or regulatory disruptions. Any prolonged interruption in satellite-based bandwidth services could impede the Group's ability to fulfil service obligations, potentially resulting in a material and adverse effect on our operations, business and overall financial performance.

To mitigate dependencies on key bandwidth suppliers, the Group actively manages its supply chain by sourcing bandwidth from various satellite service provider. Moreover, the Group remains committed to meeting Service Level Agreements ("SLAs") for all ongoing projects, ensuring that end-users remain connected to a stable network.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

FINANCIAL RISK

The Group remains vigilant regarding global and domestic financial uncertainties that could impact the Group's overall financial obligations. Key risks include volatility in the cost of raw materials and telecommunications equipment, including fibre optic components and specialized hardware. Fluctuations in global commodity prices and supply chain inflation may increase project costs and compress margins, particularly for long-term infrastructure deployments.

Despite the evolving economic market, the Group adheres to a disciplined capital management framework and is committed to maintaining a healthy and stable financial position. The Group will continue to monitor interest rate movements and the availability of credit, which are essential for sustaining the Group's capital-intensive infrastructure expansion.

INVESTMENT RISK

As disclosed in the Prospectus, approximately 57.69% of the IPO proceeds are allocated to expanding existing fibre infrastructure in Kuching and establishing fibre footprint in Miri, Sibul and Bintulu. This capital-intensive deployment is subject to risks such as fluctuating subcontractor costs, technical deployment challenges and evolving regulatory requirements.

INTERNAL AUDIT

The Group's internal audit function is outsourced to an independent professional consultancy firm, ensuring objectivity across all audited activities. Utilizing a risk-based approach, the internal audit team reviews the Group's risk identification procedures and internal control systems to pinpoint potential weaknesses and areas for enhancement. The annual internal audit plan is reviewed and approved by the ARMC, to whom all significant findings and recommendations are directly reported for further oversight.

During the financial year, the internal auditors conducted the following reviews:

REPORT DATE	COMPANY	AUDIT AREA
August 2025	The Group	Financial Management Control
November 2025	The Group	Network Operations and General Information Technology Control

The internal audit reports together with Management's responses and corrective actions were presented to the ARMC for deliberation. The internal auditors continuously monitor the progress of these agreed actions, providing periodic updates to the ARMC to ensure timely resolution.

Aside from the specific matters highlighted during these reviews, no significant control failures or weaknesses were identified that would materially impact the Group's operations.

The cost incurred for the internal audit function during FY2025 was RM26,000.

The Group upholds rigorous standards in engaging subcontractors, ensuring they possess the technical expertise and financial stability required for high-quality delivery. The Group maintains a disciplined approach to capital allocation, prioritising investments in high-growth corridors to maximise return on investment.

GOVERNANCE AND COMPLIANCE RISK

The Group operates in a highly regulated environment where its core business activities and environmental impact are governed by federal and regional legislation. These include, among others, the Communications and Multimedia Act 1998, the Construction Industry Development Board Act 1994 and Sarawak Multimedia Authority Ordinance 2017. Non-compliance with these statutory requirements could result in financial penalties, license revocation or reputational damage.

The Group has not experienced any material interruptions or non-compliance incidents that significantly affected its performance during FY2025. That being said, the Group maintains a robust compliance framework with regular reviews of the operational processes against evolving regulatory benchmarks.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INFORMATION, COMMUNICATION AND MONITORING

The Board receives timely and relevant information on the Group's performance and risk exposures through periodic management reports and updates. Management communicates risk management responsibilities to employees through internal policies, procedures and operational guidelines. Key management staff and Head of Departments are responsible for identifying and managing risks within their respective functions.

Significant risks identified are communicated to senior management and subsequently reported to the Board during scheduled Board meetings.

The Group has established monitoring mechanisms including:

- periodic management meetings
- internal audit reviews
- reporting of key risk exposures
- monitoring of internal control implementation

The Group has also established a whistleblowing mechanism to enable employees and stakeholders to report suspected misconduct or irregularities.

ASSURANCE TO THE BOARD

The Board has received assurance from the Managing Director and Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively in all material respects.

Based on the reviews conducted and the assurances received from Management, the Board is satisfied that the Group's risk management and internal control system is adequate and effective throughout the financial year and up to the date of approval of this Statement.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITOR

In accordance with Paragraph 15.23 of the Listing Requirements of Bursa Securities, the external auditors are mandated to review this Statement. This review adheres to the guidelines outlined in the Audit and Assurance Practice Guide 3 ("AAPG3") issued by the Malaysian Institute of Accountants.

Following the principles set out in AAPG3, the external auditors have reviewed this Statement. They have reported to the Board that nothing has come to their attention that would lead them to believe the explanation disclosed in this Statement is inconsistent with their understanding of the processes adopted by the Board and Management in their risk management and internal control systems within the Group.

CONCLUSION

The Board is satisfied that the Group has a sound and effective process for identifying, evaluating and managing significant risks which provides reasonable assurance that the Group's business objectives can be achieved and that its assets are adequately safeguarded for the financial year and up to the date of this Statement.

The Board and Management remain committed to continuously enhancing the Group's risk management and internal control framework to ensure its ongoing relevance and effectiveness in addressing the evolving business environment and regulatory requirements.

This Statement has been approved by the Board on 14 April 2026.

OTHER COMPLIANCE INFORMATION

The following information is provided in accordance with Paragraph 9.25 of the Listing Requirements of Bursa Securities.

RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE

The related party transactions are disclosed on pages 128 to 129 of this Annual Report.

UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

As at 31 December 2025, the gross proceeds derived from the Public Issue in conjunction with the listing of the Company on the Main Market of Bursa Securities on 2 May 2025 had been utilised in the following manner:

DETAILS OF UTILISATION OF PROCEEDS	PROPOSED UTILISATION RM'000	%	ACTUAL UTILISATION RM'000	BALANCE TO BE UTILISED RM'000
Expansion and establishment of fibre optic communication networks infrastructure	60,000	57.69	10,304	49,696
Construction of telecommunication towers	25,000	24.04	-	25,000
Enhancing our satellite-based communication networks and services capability	4,300	4.14	2,043	2,257
Repayment of bank borrowings	1,700	1.63	1,700	-
Working capital	5,000	4.81	104	4,896
Listing expenses	8,000	7.69	8,000	-
Total	104,000	100.00	22,151	81,849

The use of proceeds as disclosed above should be read in conjunction with the Prospectus.

There were no other corporate proposals during the financial year.

SHARES BUY-BACK

There were no shares buy-back during FY2025.

OTHER COMPLIANCE INFORMATION

MATERIAL CONTRACTS INVOLVING DIRECTORS AND MAJOR SHAREHOLDERS

Save as disclosed below, there were no other material contracts, not being contracts entered into in the ordinary course of business, involving Directors' and major shareholders' interests either subsisting at the end of the financial year or entered into since the end of the previous financial year.

- a. Underwriting agreement dated 5 March 2025 between Reach Ten and M&A Securities Sdn Bhd for the underwriting of 75,000,000 ordinary shares in Reach Ten ("Underwritten Shares") in relation to the initial public offering undertaken in conjunction with the listing of Reach Ten on the Main Market of Bursa Securities, with an underwriting commission of 2.5% of the total value of the Underwritten Shares (or RM975,000.00), fully satisfied by cash.

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for the purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include the 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'000	2024 RM'000
Revenue		111,524	170,851
Dividend income		406	-
Interest income		1,680	1,832
Other income	Other income	315	5,568
Other income	Fair value adjustment on financial assets	45	-
Total		113,970	178,251
Total Assets		256,469	145,369

(b) Business Activities

SHARIAH NON-COMPLIANT ACTIVITIES	GROUP	
	2025 RM'000	2024 RM'000
Interest income	617	830
Total	617	830

OTHER COMPLIANCE INFORMATION

(c) Component of Financial Position (i) Cash Component

REMARKS	GROUP	
	2025 RM'000	2024 RM'000
Islamic Account/Instruments		
Money market instruments	145,758	-
Cash at bank (exclude cash in hand)	6,524	19,628
Deposits with licensed bank	2,074	20,074
Total Cash	154,356	39,702
Conventional Accounts/Instruments		
Cash at bank (exclude cash in hand)	5,412	12,222
Deposits with licensed bank	5,015	22,111
Total Cash	10,407	34,333

(ii) Debt Component

REMARKS	GROUP	
	2025 RM'000	2024 RM'000
Islamic Financing		
Current		
Islamic Hire purchase payables	155	181
Non-Current		
Islamic Hire purchase payables	165	167
Total Financing	320	348
Conventional Borrowing		
Current		
Invoice financing	643	504
Repurchase agreements	823	-
Term loans	-	69
Non-Current		
Term loans	-	1,925
Total Borrowing	1,466	2,498

DIRECTORS' RESPONSIBILITY STATEMENT

In relation to the preparation of the annual audited financial statements of Reach Ten Holdings Berhad ("Reach Ten" or "the Company") and its subsidiaries ("the Group"), the Board of Directors ("the Board") is responsible for ensuring that the financial statements are drawn up 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 ("FY2025"), and of their financial performance and cash flows for the financial year ended.

The Board confirms that these financial statements comply with the Malaysian Financial Reporting Standards ("MFRS") and the requirements of the Companies Act 2016 (the "Act") in Malaysia.

In preparing the financial statements, the Board has:

- i. applied suitable accounting policies consistently across the Group;
- ii. exercised prudent and reasonable judgements in making all necessary estimates;
- iii. adhered to all applicable financial reporting standards and statutory requirements; and
- iv. prepared financial statements on a going concern basis.

The Board also ensures that the Group's quarterly reports and annual audited financial statements are released to Bursa Malaysia Securities Berhad in a timely manner, upholding our commitment to transparency and keeping the investing public informed of the Group's latest performance.

The Board holds the overall responsibility for ensuring that the Group maintains proper accounting records in accordance with the Act and for taking reasonable steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

This Statement has been approved by the Board on 14 April 2026.

FINANCIAL STATEMENT

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DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holdings. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	The Group RM	The Company RM
Profit after taxation for the financial year	35,770,297	27,922,517

DIVIDENDS

Dividends paid or declared by the Company since 31 December 2024 are as follows:-

Ordinary Share

In respect of the financial year 31 December 2025

A first interim single-tier dividend of 1 sen per ordinary share,
declared on 30 May 2025 and paid on 21 July 2025

RM

10,000,000

A second interim single-tier dividend of 1 sen per ordinary share,
declared on 26 November 2025 and paid on 15 January 2026

10,000,000

20,000,000

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

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DIRECTORS' REPORT

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) the Company increased its issued and paid-up share capital from RM1 to RM164,000,001 by way of:-
- (i) Issuance of 799,999,999 new ordinary shares at a price of RM0.075 per ordinary share for a total cash consideration of RM60,000,000, as part of the Pre-Initial Public Offering (“IPO”) capital raising exercise, for the acquisition of the entire equity interest in its wholly-owned subsidiaries, Reach Ten Communication Sdn. Bhd., Reach Ten Multimedia Sdn. Bhd., Reach Ten Metro Network Sdn. Bhd. and Reach Ten Nexus Sdn. Bhd. on 5 February 2025.
 - (ii) Issuance of 125,000,000 new ordinary shares at a price of RM0.52 per ordinary share for a total cash consideration of RM65,000,000 to selected investors by way of private placement to Bumiputera investors approved by MITI in conjunction with the IPO on the Main Market of Bursa Malaysia Securities Berhad.
 - (iii) Issuance of 75,000,000 new ordinary shares at a price of RM0.52 per ordinary share for a total cash consideration of RM39,000,000 to the Malaysian Public, eligible Directors, and employees of the Group by way of public issue in conjunction with the IPO on the Main Market of Bursa Malaysia Securities Berhad (comprising 50,000,000 shares to the Malaysian Public and 25,000,000 shares to eligible Directors and employees).

The listing expenses arising from the issuance of new ordinary shares amounting to RM4,920,000 were offset against share capital of the Company.

The new ordinary shares issued rank *pari passu* in all respects with the existing ordinary shares of the Company.

- (b) there were no issues of debentures by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

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

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

CURRENT ASSETS

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

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

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the year of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations when they fall due other than those disclosed in Note 42 to the financial statements.

CHANGE OF CIRCUMSTANCES

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

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

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, in the opinion of the directors, 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.

DIRECTORS' REPORT

DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Chin Yu Lay
Lu Pak Lim
Datuk Amar Jaul Anak Samion
Datin Sng Bee Seio
Terence Goh Seng Chua
Wong Siew Si
Vong Wan Yin

The names of directors of the Company's subsidiaries who served during the financial year end up to the date of this report, not including those directors mentioned above, are as follows:-

Azmi Bin Yusof (Appointed on 10.2.2025)
Chung Teck Loong (Appointed on 10.2.2025)
Eddyson Effe Kuehjin Anak Bika
Kueh Kian Jin
Wong Kiing Ting
Nicholas Wong Chung Lee (Alternate director to Wong Kiing Ting)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares of the Company during the financial year are as follows:-

The Company	Number of Ordinary Shares			
	At 1.1.2025	Bought	Sold	At 31.12.2025
<i>Direct Interests</i>				
Chin Yu Lay	1	176,631,799	-	176,631,800
Lu Pak Lim	-	146,581,000	-	146,581,000
Datuk Amar Jaul Anak Samion	-	800,000	-	800,000
Datin Sng Bee Seio	-	475,000	-	475,000
Terence Goh Seng Chua	-	425,000	-	425,000
Wong Siew Si	-	300,000	-	300,000
Vong Wan Yin	-	500,000	-	500,000

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 39(b) to the financial statements.

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

DIRECTORS' REMUNERATION

The detail of the directors' remuneration paid or payables to the directors of the Company during the financial year are as follows:-

	From the Company	From the Subsidiaries	Total
	RM	RM	RM
Fees	384,000	28,000	412,000
Salaries, bonuses and other benefits	38,000	780,000	818,000
Contributions to defined contribution benefits	-	97,644	97,644
	422,000	905,644	1,327,644
	422,000	905,644	1,327,644

INDEMNITY AND INSURANCE COSTS

During the financial year, the amount of insurance effected for the directors and officers of the Company and its subsidiaries was RM10,000,000.

SUBSIDIARIES

The details of the subsidiary name, place of incorporation, principal activities and percentage of issued share capital held by the Company in each subsidiary are disclosed in Note 5 to the financial statements.

The available auditors' reports on the financial statements of the subsidiaries did not contain any qualification.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

The significant events during the financial year are disclosed in Note 44 to the financial statements.

DIRECTORS' REPORT

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:-

	The Group RM	The Company RM
Audit fees	253,500	75,000
Non-audit fees	124,850	112,550
	<hr/>	<hr/>
	378,350	187,550

Signed on behalf of the Board in accordance with a resolution of the directors dated 14 April 2026.

Chin Yu Lay

Lu Pak Lim

STATEMENT BY DIRECTORS

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

We, Chin Yu Lay and Lu Pak Lim, being two of the directors of Reach Ten Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on page 80 to 161 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed on behalf of the Board in accordance with a resolution of the directors dated 14 April 2026.

Chin Yu Lay

Lu Pak Lim

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(b) OF THE COMPANIES ACT 2016

I, Lu Pak Lim, MIA membership number: 3244, being the director primarily responsible for the financial management of Reach Ten Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on page 80 to 161 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Lu Pak Lim
at Kuching
in the State of Sarawak
on this 14 April 2026.

Lu Pak Lim

Before me

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF REACH TEN HOLDINGS BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Reach Ten Holdings Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2025, 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 80 to 161.

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 their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF REACH TEN HOLDINGS BERHAD

Key Audit Matters

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

We have determined the matter described below to be the key audit matters to be communicated in our report.

Revenue recognition - Satellite-based Communication Networks and Services and Telecommunication Infrastructure Services and Managed Services Refer to Note 29 in the financial statements	
Key audit matters	How our audit addressed the key audit matters
<p>Revenue from both satellite-based communication networks and services and telecommunications infrastructure services and managed services up to 31 December 2025 approximately RM81.8 million representing 73% of the total revenue of the Group.</p> <p>The Group's information systems process large volumes of data which consists of individually low value transactions. In addition, it also involved in advance billings to certain customers and high risk of material misstatement in the timing and amount of the recognition of revenue. Thus, we considered this to be a key audit matter.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> • Tested key manual controls to confirm the accuracy of revenue recognition, including timely updates of approved rate changes in the billing system. • Evaluated management's estimate of unbilled revenue by comparing such amounts to the billings raised subsequent to the reporting period. • Checked to supporting evidence such as customer contracts, invoices and relevant supporting documents to test the accuracy of revenue recognition on a sampling basis. • Test the accuracy of calculation of amounts billed to customers. • Performed cut-off procedures to determine if revenue is recorded in the correct accounting period.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF REACH TEN HOLDINGS BERHAD

Key Audit Matters (Cont'd)

Revenue recognition - Fibre Optic Communication Networks and Services	
Refer to Note 29 in the financial statements	
Key audit matters	How our audit addressed the key audit matters
<p>Revenue from fibre optic communication networks and services up to 31 December 2025 approximately RM27.8 million representing 25% of the total revenue of the Group.</p> <p>The Group also undertakes long-term construction project and provides maintenance and support services which span more than one accounting period and the revenue from the construction and maintenance services is recognised as over time basis and input method applied in measuring progress towards complete satisfaction of the performance obligations.</p> <p>Accounting for construction and maintenance and support services requires significant estimates and exercise of judgement. Therefore, we determined this to be a key audit matter.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> • Reviewed contracts to understand specific terms and conditions. • Obtained an understanding of the Group's internal controls over revenue recognition accuracy and timing, including management's controls for estimating total contract costs and, where applicable, total estimated revenue. • Assessed assumptions used in estimating total contract costs by examining supporting documentation on a sample basis. • Reviewed and recomputed the progress toward complete satisfaction of the performance obligation using the input method, including tracing of the actual costs incurred to date to invoices. • Discussed progress of the project with project leaders and corroborated the information gathered from these discussions with letters of award and/or customer-acknowledged user acceptance forms.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF REACH TEN HOLDINGS BERHAD

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF REACH TEN HOLDINGS BERHAD

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF REACH TEN HOLDINGS BERHAD

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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.

Crowe Malaysia PLT
201906000005 (LLP0018817-LCA) & AF 1018
Chartered Accountants

Chong Tian Poh
01580/02/2027 J
Chartered Accountant

Kuching

14 April 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

		The Group		The Company	
	NOTE	2025 RM	2024 [#] RM	2025 RM	2024 RM
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	5	-	-	60,037,578	-
Property, plant and equipment	6	30,881,985	22,719,827	-	-
Right-of-use assets	7	894,814	505,561	-	-
Other investments	8	4,216,337	-	-	-
Deferred tax assets	9	620,964	360,979	-	-
		<u>36,614,100</u>	<u>23,586,367</u>	<u>60,037,578</u>	<u>-</u>
CURRENT ASSETS					
Inventories	10	3,364,873	1,973,608	-	-
Trade receivables	11	15,574,068	13,063,128	-	-
Other receivables, deposits and prepayments	12	13,054,279	16,215,083	25,925	-
Contract assets	13	19,788,784	14,796,808	-	-
Amount owing by a subsidiary	14	-	-	20,000,000	-
Short-term investments	15	145,757,540	-	96,224,276	-
Current tax assets		3,291,496	1,698,061	-	-
Fixed deposits with licensed banks	16	7,088,622	42,185,052	-	-
Cash and bank balances		11,935,552	31,850,554	442,146	1
		<u>219,855,214</u>	<u>121,782,294</u>	<u>116,692,347</u>	<u>1</u>
TOTAL ASSETS		<u>256,469,314</u>	<u>145,368,661</u>	<u>176,729,925</u>	<u>1</u>

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

		The Group		The Company	
	NOTE	2025 RM	2024 [#] RM	2025 RM	2024 RM
EQUITY AND LIABILITIES					
EQUITY					
Share capital	17	159,080,001	1	159,080,001	1
Invested share capital	17	-	6,700,005	-	-
Reserves	18	(53,337,573)	-	-	-
Retained Profits/(Accumulated losses)		110,943,699	95,173,402	7,337,332	(585,185)
TOTAL EQUITY		216,686,127	101,873,408	166,417,333	(585,184)
NON-CURRENT LIABILITIES					
Bank borrowings	19	165,458	2,091,525	-	-
Lease liabilities	24	480,283	311,611	-	-
Deferred tax liabilities	9	1,085,016	773,164	-	-
		1,730,757	3,176,300	-	-
CURRENT LIABILITIES					
Trade payables	25	15,595,291	21,937,615	-	-
Contract liabilities	13	3,663,208	1,265,037	-	-
Other payables and accruals	26	6,663,422	10,995,236	310,732	181,490
Amount owing to directors	27	69,550	107,000	-	-
Amount owing to a subsidiary	14	-	-	-	403,695
Bank borrowings	19	1,620,978	753,678	-	-
Lease liabilities	24	438,121	210,008	-	-
Dividend payables	28	10,000,000	-	10,000,000	-
Current tax liabilities		1,860	5,050,379	1,860	-
		38,052,430	40,318,953	10,312,592	585,185
TOTAL LIABILITIES		39,783,187	43,495,253	10,312,592	585,185
TOTAL EQUITY AND LIABILITIES		256,469,314	145,368,661	176,729,925	1

Note:-

As disclosed in Note 4.3 to the financial statements, the comparative figures in the Group's financial statements are presented as if the reorganisation had occurred before the start of the earliest period presented.

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

		The Group		The Company	
	NOTE	2025 RM	2024 [#] RM	2025 RM	2024 RM
REVENUE	29	111,523,924	170,851,463	31,916,545	-
COST OF SALES		(56,404,593)	(71,130,254)	-	-
GROSS PROFIT		55,119,331	99,721,209	31,916,545	-
OTHER INCOME	30	2,446,211	7,399,767	55,544	-
		57,565,542	107,120,976	31,972,089	-
ADMINISTRATIVE EXPENSES		(11,128,662)	(13,580,473)	(4,042,212)	(580,485)
FINANCE COSTS	31	(249,217)	(229,443)	-	-
NET IMPAIRMENT REVERSAL ON FINANCIAL ASSETS	32	459,673	833,557	-	-
PROFIT/(LOSS) BEFORE TAXATION	33	46,647,336	94,144,617	27,929,877	(580,485)
INCOME TAX EXPENSE	34	(10,877,039)	(22,986,911)	(7,360)	-
PROFIT/(LOSS) AFTER TAXATION TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE FINANCIAL YEAR		35,770,297	71,157,706	27,922,517	(580,485)
BASIC AND DILUTED EARNINGS PER SHARE ("EPS") (Sen)	35	4	1,062		

Note:-

As disclosed in Note 4.3 to the financial statements, the comparative figures in the Group's financial statements are presented as if the reorganisation had occurred before the start of the earliest period presented.

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The Group	NOTE	Share Capital RM	Invested Share Capital RM	Reorganisation Reserve RM	Retained Profits RM	Total Equity RM
Balance at 1.1.2024		1	6,703,004	-	52,015,696	58,718,701
Profit after taxation for the financial year		-	-	-	71,157,706	71,157,706
Acquisition of a subsidiary	17	-	(3,000)	-	-	(3,000)
Transaction with a shareholder	17	-	1	-	-	1
Dividends	36	-	-	-	(28,000,000)	(28,000,000)
Balance at 31.12.2024		1	6,700,005	-	95,173,402	101,873,408

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The Group	NOTE	Share Capital RM	Invested Share Capital RM	Reorganisation Reserve RM	Retained Profits RM	Total Equity RM
Balance at 1.1.2025		1	6,700,005	-	95,173,402	101,873,408
Profit after taxation for the financial year		-	-	-	35,770,297	35,770,297
Issuance of shares:						
- acquisition of subsidiaries	17	60,000,000	(6,700,005)	(53,337,573)	-	(37,578)
- public issuance	17	104,000,000	-	-	-	104,000,000
Share issuance expenses	17	(4,920,000)	-	-	-	(4,920,000)
Dividends	36	-	-	-	(20,000,000)	(20,000,000)
Total contributions by and distributions to owners		159,080,000	(6,700,005)	(53,337,573)	(20,000,000)	79,042,422
Balance at 31.12.2025		159,080,001	-	(53,337,573)	110,943,699	216,686,127

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

The Company	NOTE	Share Capital RM	(Accumulated Losses)/ Retained Profits RM	Total Equity RM
Balance at 1.1.2024		1	(4,700)	(4,699)
Loss after taxation/Total comprehensive expenses for the financial year		-	(580,485)	(580,485)
Balance at 31.12.2024/1.1.2025		1	(585,185)	(585,184)
Profit after taxation/Total comprehensive income for the financial year		-	27,922,517	27,922,517
Issurance of shares:				
- acquisition of subsidiaries	17	60,000,000	-	60,000,000
- public issuance	17	104,000,000	-	104,000,000
Share issuance expenses	17	(4,920,000)	-	(4,920,000)
Dividends	36	-	(20,000,000)	(20,000,000)
		159,080,000	(20,000,000)	139,080,000
Balance at 31.12.2025		159,080,001	7,337,332	166,417,333

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	The Group		The Company	
	2025 RM	2024 [#] RM	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit/(Loss) before taxation	46,647,336	94,144,617	27,929,877	(580,485)
Adjustments for:-				
Allowance for impairment losses on trade receivables	86,571	306,034	-	-
Bad debts written off	27,482	136,234	-	-
Depreciation of property, plant and equipment	3,082,698	2,165,761	-	-
Depreciation of right-of-use assets	554,547	510,649	-	-
Finance costs	249,217	229,443	-	-
Inventories written down	6,023	-	-	-
Property, plant and equipment written off	221,392	103,915	-	-
Dividend income	(2,322,525)	-	(1,916,545)	-
Gain on disposal of property, plant and equipment	(35,000)	(48,033)	-	-
Gain on disposal of investment properties	-	(952,830)	-	-
Gain on disposal of short-term investments	(3,124)	-	-	-
Gain on lease modification	(2,382)	(12,183)	-	-
Gain on lease reassessment	(9,102)	-	-	-
Fair value gain on short-term investments	(45,234)	-	(24,037)	-
Interest income	(1,679,809)	(1,831,530)	(31,507)	-
Waiver from payables	-	(57,863)	-	-
Reversal of impairment losses on trade receivables	(546,244)	(991,591)	-	-
Reversal of impairment losses on other receivables	-	(148,000)	-	-
Operating profit/(loss) before working capital changes	46,231,846	93,554,623	25,957,788	(580,485)
CASH FROM/(FOR) OPERATING ACTIVITIES CARRIED FORWARD	46,231,846	93,554,623	25,957,788	(580,485)

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	The Group		The Company	
	2025 RM	2024 [#] RM	2025 RM	2024 RM
CASH FROM/(FOR) OPERATING ACTIVITIES BROUGHT FORWARD	46,231,846	93,554,623	25,957,788	(580,485)
(Increase)/Decrease in inventories	(1,397,288)	1,330,555	-	-
Decrease/(Increase) in trade and other receivables	1,082,055	6,508,753	(25,925)	-
Increase in contract assets	(4,991,976)	(10,542,950)	-	-
Increase in amount owing by a subsidiary	-	-	(20,000,000)	-
Decrease in amount owing by related companies	-	36,329	-	-
Increase/(Decrease) in contract liabilities	2,398,171	(873,498)	-	-
(Decrease)/Increase in trade and other payables	(10,674,138)	(9,717,069)	129,242	176,790
Decrease in amount owing to a director	(37,450)	-	-	-
(Decrease)/Increase in amount owing to a subsidiary	-	-	(403,695)	403,695
CASH FROM OPERATIONS	32,611,220	80,296,743	5,657,410	-
Income tax paid	(17,520,894)	(24,118,282)	(5,500)	-
Income tax refunded	53,766	76,780	-	-
Real property gain tax paid	-	(50,538)	-	-
NET CASH FROM OPERATING ACTIVITIES	15,144,092	56,204,703	5,651,910	-

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	The Group		The Company		
	NOTE	2025 RM	2024 [#] RM	2025 RM	2024 RM
CASH FLOWS FOR INVESTING ACTIVITIES					
Acquisition of a subsidiary, net of cash and cash equivalents acquired		(37,578)	-	(37,578)	-
Dividend received		2,322,525	-	1,916,545	-
Interest income received		1,679,809	1,831,530	31,507	-
Purchase of property, plant and equipment	37(a)	(11,242,248)	(11,166,685)	-	-
Purchase of short-term investments		(197,939,182)	-	(129,930,239)	-
Purchase of other investments		(4,216,337)	-	-	-
Proceeds from disposal of property, plant and equipment		35,000	3,264,000	-	-
Proceeds from disposal of short-term investments		52,230,000	-	33,730,000	-
Withdrawal of/(Additions to) fixed deposits with tenure more than 3 months		33,611,423	(2,089,979)	-	-
Additions to pledged fixed deposits		(437,814)	(2,340,716)	-	-
NET CASH FOR INVESTING ACTIVITIES		(123,994,402)	(10,501,850)	(94,289,765)	-

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	NOTE	The Group		The Company	
		2025 RM	2024 [#] RM	2025 RM	2024 RM
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Dividend paid		(10,000,000)	(49,000,000)	(10,000,000)	-
Interest paid		(249,217)	(229,443)	-	-
Net drawdown of invoice financing		138,952	88,385	-	-
Net drawdown of factoring financing		822,542	-	-	-
Drawdown of term loans		-	2,040,000	-	-
Net proceeds from issuance of ordinary shares		99,080,000	1	99,080,000	-
Repayment of lease liabilities	37(b)	(535,529)	(523,842)	-	-
Repayment of hire purchase payables	37(b)	(250,375)	(254,696)	-	-
Repayment of term loans	37(b)	(1,993,886)	(2,547,965)	-	-
NET CASH FROM/(FOR) FINANCING ACTIVITIES		87,012,487	(50,427,560)	89,080,000	-
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(21,837,823)	(4,724,707)	442,145	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		33,773,375	38,498,082	1	1
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	37(d)	11,935,552	33,773,375	442,146	1

Note:-

As disclosed in Note 4.3 to the financial statements, the comparative figures in the Group's financial statements are presented as if the reorganisation had occurred before the start of the earliest period presented.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Board of Bursa Malaysia Securities Berhad. The registered office and principal place of business are as follows:-

Registered office : E289, 1st Floor, Block E Icom Square,
93450 Kuching, Sarawak.

Principal place of business : AT612, Level 6,
Block A1, Icom Square, Jalan Pending,
93450 Kuching, Sarawak.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as “the Group”.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency.

The financial statement were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 14 April 2026.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holdings. The principal activities of the subsidiaries are set out in Note 5 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

3. BASIS OF PREPARATION (CONT'D)

- 3.1 During the current financial year, the Group and the Company have adopted the following new accounting standard and/or interpretation (including the consequential amendments, if any):-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

Amendments to MFRS 121: Lack of Exchangeability

The adoption of the above accounting standard and/or interpretation (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

- 3.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

MFRSs and/or IC Interpretations (Including The Consequential Amendments)

	Effective Date
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group upon their initial application except as follows:-

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and sets out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and their accompanying notes. The statements of financial position and the statements of cash flows will also be affected. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years other than as disclosed below:-

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 6 to the financial statements.

(b) Impairment of Property, Plant and Equipment and Rights-of-use Assets

The Group determines whether its property, plant, equipment and rights-of-use assets is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. The carrying amount of property, plant and equipment, and rights-of-use assets as at the reporting date are disclosed in Notes 6 and 7 to the financial statements respectively.

(c) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The contract assets are grouped with trade receivables for impairment assessment because they have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables and contract assets. The carrying values of trade receivables and contract assets as at the reporting date are disclosed in Notes 11 and 13 to the financial statements respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(d) Write-down of inventories

Management periodically reviews damaged, obsolete, and slow-moving inventory. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 10 to the financial statements.

(e) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires The Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables as at the reporting date is disclosed in Notes 12 to the financial statements.

(f) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

(g) Discount Rates used in Leases

Where the interest rate implicit in the lease cannot be readily determined, The Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Critical Judgements Made in Applying Accounting Policies

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

4.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial Liabilities

Financial Liabilities Through Profit or Loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 FINANCIAL INSTRUMENTS (CONT'D)

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

(d) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Group and the Company as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

4.3 BASIS OF CONSOLIDATION

The acquisitions of subsidiaries have been accounted for as a business combination amongst entities under common control. Accordingly, the financial statements of the Group have been consolidated using the merger method of accounting.

Under merger method of accounting, the results of the subsidiaries are presented as if the merger had been effected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carry amounts from the perspective of the common control shareholder at the date of transfer.

4.4 INVESTMENTS IN SUBSIDIARIES

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

4.5 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.5 PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

Buildings	50 to 60 years
Computer software	10% to 20%
Furniture and fittings	10%
Machineries	10% to 14%
Motor vehicles	10% to 20%
Office equipment	10% to 20%
Office renovation	10%
Signboard	10%
Telecommunication network and equipment	10% to 20%

Capital work-in-progress represent telecommunication network and equipment under construction and installation. They are not depreciated until such time when the asset is available for use.

4.6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities' incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.7 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first in, first out cost method and comprises all costs of purchase plus other costs incurred in bringing the inventories to their present location and condition.

5. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2025	2024
	RM	RM
Unquoted shares, at cost	60,037,578	-

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:-

Name of Subsidiaries	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2025	2024	
<i>Subsidiaries of the Company</i>				
Reach Ten Communication Sdn. Bhd.	Malaysia	100%	-	Provision of satellite and fibre optic communication networks and services, telecommunication infrastructure services and managed services
Reach Ten Multimedia Sdn. Bhd.	Malaysia	100%	-	Provision of fibre optic communication services
Reach Ten Metro Network Sdn. Bhd.	Malaysia	100%	-	Provision of fibre optic communication services
Reach Ten Nexus Sdn. Bhd.	Malaysia	100%	-	Dormant
<i>Subsidiaries of Reach Ten Communication Sdn. Bhd.</i>				
Reach Ten Engineering Sdn. Bhd.	Malaysia	100%	-	Provision of telecommunication infrastructure services and managed services
Reach Ten Sdn. Bhd.	Malaysia	100%	-	Investment holding and trading of telecommunication equipment

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

- (a) Investments in subsidiaries, which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairments losses, if any. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.
- (b) The acquisitions of subsidiaries have been accounted for as a business combination amongst entities under common control. Accordingly, the financial statements of the Group have been consolidated using the merger method of accounting.

Under merger method of accounting, the results of the subsidiaries are presented as if the merger had been effected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carry amounts from the perspective of the common control shareholder at the date of transfer.

- (c) On 24 July 2024, the Company acquired the entire equity interest in Reach Ten Communication Sdn. Bhd. for a purchase consideration of RM42,834,000, which was fully satisfied through the issuance of 571,119,999 new ordinary shares at an issue price of RM0.075 each.
- (d) On 24 July 2024, the Company acquired the entire equity interest in Reach Ten Multimedia Sdn. Bhd. for a purchase consideration of RM12,474,000, which was fully satisfied by the issuance of 166,320,000 new ordinary shares at an issue price of RM0.075 each.
- (e) On 24 July 2024, the Company acquired the entire equity interest in Reach Ten Metro Network Sdn. Bhd. for a purchase consideration of RM4,692,000, which was satisfied by the issuance of 62,560,000 new ordinary shares at an issue price of RM0.075 each.
- (f) On 24 July 2024, the Company acquired the entire equity interest in Reach Ten Nexus Sdn. Bhd. comprising 2 ordinary shares for a purchase consideration of RM37,578, which was fully satisfied in cash.
- (g) Management reviews the investments in subsidiaries for impairment when there is an indication of impairment. Recoverable amounts of the investments in subsidiaries are assessed by reference to the fair value less cost to sell of the underlying assets if the respective subsidiaries.

During the financial year, the Company assessed the recoverable amounts of the investments in subsidiaries. No impairment losses were recognised as the amounts are negligible.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

6. PROPERTY, PLANT AND EQUIPMENT

	At 1.1.2025	Additions	Reclassification	Written off	Depreciation charges	At 31.12.2025
The Group	RM	RM	RM	RM	RM	RM
2025						
<i>Carrying amount</i>						
Buildings	3,805,840	-	-	-	(103,871)	3,701,969
Computer software	29,598	6,220	-	-	(12,880)	22,938
Furniture and fittings	100,906	52,870	-	-	(14,111)	139,665
Machineries	92,954	-	-	-	(10,908)	82,046
Motor vehicles	686,503	233,000	-	-	(341,153)	578,350
Office equipment	220,850	35,104	(14,677)	-	(63,156)	178,121
Office renovation	984,559	162,528	-	-	(113,316)	1,033,771
Signboard	8,159	-	-	-	(1,036)	7,123
Telecommunication network and equipment	16,602,579	10,117,147	965,895	(221,392)	(2,422,267)	25,041,962
Capital work-in-progress	187,879	859,379	(951,218)	-	-	96,040
	<u>22,719,827</u>	<u>11,466,248</u>	<u>-</u>	<u>(221,392)</u>	<u>(3,082,698)</u>	<u>30,881,985</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

	At 1.1.2024 RM	Additions RM	Disposal RM	Written off RM	Depreciation charges RM	At 31.12.2024 RM
The Group						
2024						
<i>Carrying amount</i>						
Buildings	2,879,408	1,000,000	-	-	(73,568)	3,805,840
Computer software	35,581	5,000	-	-	(10,983)	29,598
Furniture and fittings	28,679	79,628	-	-	(7,401)	100,906
Machineries	5,692	98,076	-	-	(10,814)	92,954
Motor vehicles	748,005	249,000	(1,967)	-	(308,535)	686,503
Office equipment	195,897	108,284	-	-	(83,331)	220,850
Office renovation	19,329	1,009,845	-	-	(44,615)	984,559
Signboard	5,434	3,520	-	-	(795)	8,159
Telecommunication network and equipment	9,682,760	8,649,453	-	(103,915)	(1,625,719)	16,602,579
Capital work-in-progress	-	187,879	-	-	-	187,879
	13,600,785	11,390,685	(1,967)	(103,915)	(2,165,761)	22,719,827

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

The Group	At cost RM	Accumulated depreciation RM	Carrying amount RM
2025			
Buildings	4,005,891	(303,922)	3,701,969
Computer software	119,802	(96,864)	22,938
Furniture and fittings	176,658	(36,993)	139,665
Machineries	122,328	(40,282)	82,046
Motor vehicles	2,039,528	(1,461,178)	578,350
Office equipment	826,288	(648,167)	178,121
Office renovation	1,264,000	(230,229)	1,033,771
Signboard	10,590	(3,467)	7,123
Telecommunication network and equipment	34,362,218	(9,320,256)	25,041,962
Capital work-in-progress	96,040	-	96,040
	43,023,343	(12,141,358)	30,881,985

The Group	At cost RM	Accumulated depreciation RM	Carrying amount RM
2024			
Buildings	4,005,891	(200,051)	3,805,840
Computer software	113,582	(83,984)	29,598
Furniture and fittings	123,788	(22,882)	100,906
Machineries	122,328	(29,374)	92,954
Motor vehicles	1,850,028	(1,163,525)	686,503
Office equipment	805,984	(585,134)	220,850
Office renovation	1,101,472	(116,913)	984,559
Signboard	10,590	(2,431)	8,159
Telecommunication network and equipment	23,529,677	(6,927,098)	16,602,579
Capital work-in-progress	187,879	-	187,879
	31,851,219	(9,131,392)	22,719,827

- (a) The buildings of the Group have been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 19 to the financial statements.
- (b) Included in property, plant and equipment of the Group were motor vehicles held under hire purchase arrangement with a total carrying amount of RM400,623 (2024 – RM409,174). These assets have had been pledged as security for the hire purchase payables as disclosed in Note 22 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. RIGHT-OF-USE ASSETS

The Group	At 1.1.2025 RM	Additions (Note 24) RM	Depreciation Charges RM	Reassessment of Lease Liabilities RM	Derecognition due to Lease Modification RM	At 31.12.2025 RM
<i>Carrying Amount</i>						
Office	57,352	304,833	(106,653)	-	(40,568)	214,964
Land and space	319,779	65,894	(102,024)	-	(72,045)	211,604
Telecommunication network and equipment	128,430	780,408	(345,870)	(94,722)	-	468,246
	505,561	1,151,135	(554,547)	(94,722)	(112,613)	894,814

	At 1.1.2024 RM	Additions (Note 24) RM	Depreciation Charges RM	Exchange Differences RM	Derecognition due to Lease Modification RM	At 31.12.2024 RM
<i>Carrying Amount</i>						
Office	117,854	103,553	(58,219)	-	(105,836)	57,352
Land and space	-	415,699	(95,920)	-	-	319,779
Telecommunication network and equipment	483,692	59,050	(356,510)	107,438	(165,240)	128,430
	601,546	578,302	(510,649)	107,438	(271,076)	505,561

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

7. RIGHT-OF-USE ASSETS (CONT'D)

The Group leases office, telecommunication network and equipment and land and space of which the leasing activities are summarised below:-

- | | | |
|-------|---|--|
| (i) | Office | The Group has leased an office that run from 24 to 48 months, with an option to renew the lease after that date for the financial year 31 December 2025. |
| (ii) | Telecommunication network and equipment | The Group has leased telecommunication network and equipment that run from 20 to 60 months, with an option to renew the lease after that date for the financial year ended 31 December 2025. |
| (iii) | Land and space | The Group has leased a land and space that run from 14 to 36 months with an option to renew the lease after that date for the financial year ended 31 December 2025. |

8. OTHER INVESTMENTS

	The Group	
	2025	2024
	RM	RM
<u>Non-current</u>		
Unquoted ordinary shares, at carry amount	4,216,337	-
(a)	The Company holds investments in unquoted equity instruments that are not held for trading. In accordance with MFRS 9, these investments are measured at cost less impairment, as their fair value cannot be reliably determined.	
(b)	Management has assessed that no impairment indicators exist as at the reporting date.	
(c)	There was no disposal of equity investment during the financial year.	

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

9. DEFERRED TAX ASSETS/(LIABILITIES)

The Group	At 1.1.2025 RM	Recognised in Profit of Loss (Note 34) RM	At 31.12.2025 RM
2025			
<u>Deferred Tax Liabilities</u>			
Property, plant and equipment	(1,166,228)	(745,086)	(1,911,314)
Right-of-use assets	(821,323)	69,052	(752,271)
	<u>(1,987,551)</u>	<u>(676,034)</u>	<u>(2,663,585)</u>
<u>Deferred Tax Assets</u>			
Contract liabilities	297,369	323,967	621,336
Lease liabilities	831,745	(67,034)	764,711
Provision	446,252	367,234	813,486
	<u>1,575,366</u>	<u>624,167</u>	<u>2,199,533</u>
	<u>(412,185)</u>	<u>(51,867)</u>	<u>(464,052)</u>
2024			
<u>Deferred Tax Liabilities</u>			
Property, plant and equipment	(18,383)	(1,147,845)	(1,166,228)
Right-of-use assets	-	(821,323)	(821,323)
	<u>(18,383)</u>	<u>(1,969,168)</u>	<u>(1,987,551)</u>
<u>Deferred Tax Assets</u>			
Contract liabilities	503,076	(205,707)	297,369
Lease liabilities	-	831,745	831,745
Provision	71,846	374,406	446,252
	<u>574,922</u>	<u>1,000,444</u>	<u>1,575,366</u>
	<u>556,539</u>	<u>(968,724)</u>	<u>(412,185)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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

For the purpose of presentation in the consolidated statements of financial position, certain deferred tax assets and liabilities have been offset in the table above. The following is the analysis of the deferred tax balances for financial reporting purpose:-

	The Group	
	2025	2024
	RM	RM
Deferred tax assets	620,964	360,979
Deferred tax liabilities	(1,085,016)	(773,164)
	(464,052)	(412,185)

10. INVENTORIES

	The Group	
	2025	2024
	RM	RM
Fibre and pole	969,909	1,185,364
Telecommunication parts	2,394,964	658,866
Goods-in-transit	-	129,378
	3,364,873	1,973,608
Recognised in profit or loss:-		
Inventories recognised as cost of sales	4,611,547	4,805,683
Inventories written down	6,023	-

11. TRADE RECEIVABLES

	The Group	
	2025	2024
	RM	RM
Third parties	16,860,929	14,809,662
Less: Allowance for impairment losses (Note 43.1(b)(iii))	(1,286,861)	(1,746,534)
	15,574,068	13,063,128

The normal trade credit terms of the Group is 30 days (2024 – 30 days). Other credit terms are assessed and approved on a case-by-case basis.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other receivables:				
- third parties	53,093	582,016	-	-
Advance	-	416	-	-
Deposits	3,724,409	4,110,875	4,500	-
Prepayments	9,276,777	11,521,776	21,425	-
	<u>13,054,279</u>	<u>16,215,083</u>	<u>25,925</u>	<u>-</u>

13. CONTRACT ASSETS/(LIABILITIES)

CONTRACT ASSETS

	The Group	
	2025 RM	2024 RM
At 1 January	14,796,808	4,278,858
Performance obligations performed	40,898,684	11,812,903
Transfer to trade receivables	(35,906,708)	(1,294,953)
At 31 December	<u>19,788,784</u>	<u>14,796,808</u>
Represented by:-		
Fibre optic communication networks and services	13,067,300	6,313,975
Satellite-based communication networks and services	5,491,536	6,494,399
Telecommunications infrastructure services and managed services	1,229,948	1,988,434
	<u>19,788,784</u>	<u>14,796,808</u>

The contract assets primarily relate to the Group's right to consideration for work completed but not yet billed as at the reporting date. The amount will be transferred to trade receivables when the Group issues billing in the manner as established in the contracts with customers.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

13. CONTRACT ASSETS/(LIABILITIES) (CONT'D)

CONTRACT LIABILITIES

	The Group	
	2025 RM	2024 RM
At 1 January	(1,265,037)	(2,163,535)
Performance obligations performed	1,290,037	2,163,535
Amount billed for unfulfilled performance obligations	(3,688,208)	(1,265,037)
At 31 December	<u>(3,663,208)</u>	<u>(1,265,037)</u>
Represented by:-		
Fibre optic communication networks and services	(100,509)	(1,260,870)
Satellite-based communication networks and services	(3,562,449)	(4,167)
Telecommunications infrastructure services and managed services	(250)	-
	<u>(3,663,208)</u>	<u>(1,265,037)</u>

The contract liabilities primarily relate to advances received from customers to render the fibre optic communication networks and services, satellite-based communication networks and services and telecommunications infrastructure services and managed services. The amount will be recognised as revenue when the performance obligations are satisfied.

14. AMOUNT OWING BY/(TO) A SUBSIDIARY

The amount owing by/(to) a subsidiary of the Company is unsecured, non-trade in nature, interest-free and repayable on demand.

15. SHORT-TERM INVESTMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Unit trusts, at fair value	<u>145,757,540</u>	<u>-</u>	<u>96,224,276</u>	<u>-</u>

16. FIXED DEPOSITS WITH LICENSED BANKS

- (a) The fixed deposits with licensed banks of the Group at the end of the reporting period bore effective interest rates ranging from 1.75% to 3.90% (2024 – 2.00% to 4.10%) per annum. The fixed deposits have maturity periods ranging from 1 to 12 months (2024 – 1 to 12 months) for the Group.
- (b) Included in the fixed deposits with licensed banks of the Group at the end of the reporting period was an amount of RM5,014,896 (2024 – RM4,577,082) which has been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Note 19 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

17. SHARE CAPITAL

(a) Share Capital

	The Group/The Company			
	2025	2024	2025	2024
	Number of Shares		RM	RM
Issued and Fully Paid-Up				
Ordinary shares				
At 1 January	1	1	1	1
Public issuance	200,000,000	-	104,000,000	-
Shares issued for acquisition of subsidiaries	799,999,999	-	60,000,000	-
Share issuance expenses	-	-	(4,920,000)	-
At 31 December	1,000,000,000	1	159,080,001	1

- (i) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.
- (ii) During the financial year, the Company increased its issued and paid-up share capital from RM1 to RM164,000,001 by way of:-
- Issuance of 799,999,999 new ordinary shares at a price of RM0.075 per ordinary share for a total cash consideration of RM60,000,000 for the acquisition of the entire equity interest in its wholly-owned subsidiaries on 5 February 2025.
 - Issuance of 200,000,000 new ordinary shares at a price of RM0.52 per ordinary share for a total cash consideration of RM104,000,000 in conjunction with the initial public offering and listing of the Company on Bursa Malaysia Securities Berhad.

The listing expenses arising from the issuance of new ordinary shares amounting to RM4,920,000 were offset against share capital of the Company.

The new ordinary shares issued rank pari passu in all respects with the existing ordinary shares of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

17. SHARE CAPITAL (CONT'D)

(b) Invested Share Capital

	The Group			
	2025	2024	2025	2024
	Number of Shares		RM	RM
Issued and Fully Paid-Up				
Ordinary shares				
At 1 January	6,700,005	6,703,004	6,700,005	6,703,004
Acquisition of a subsidiary	-	(3,000)		(3,000)
Transaction with a shareholder	-	1		1
Effect of group restructuring exercise	(6,700,005)	-	(6,700,005)	-
At 31 December	-	6,700,005	-	6,700,005

Invested share capital for the financial year ended 31 December 2025 represents the aggregate number of issued and fully paid-up ordinary shares of combining entities within the Group. During the financial year, the amount was reversed pursuant to the completion of the acquisition of subsidiaries.

18. RESERVES

Reorganisation Reserve

The reorganisation reserve arose from the business combination of Reach Ten Holdings Berhad and its subsidiaries which was accounted for under the merger method of accounting principles. Under the merger method of accounting principles, the difference between the carrying value of the investment and the nominal value of the shares of subsidiary will be reflected within equity as reorganisation reserve.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

19. BANK BORROWINGS

	The Group	
	2025 RM	2024 RM
Short term borrowings:-		
Invoice financing (Note 20)	643,000	504,048
Factoring financing (Note 21)	822,542	-
Hire purchase payables (Note 22)	155,436	180,587
Term loan (Note 23)	-	69,043
	1,620,978	753,678
Long term borrowings:-		
Hire purchase payables (Note 22)	165,458	166,682
Term loan (Note 23)	-	1,924,843
	165,458	2,091,525
Total borrowings:-		
Invoice financing (Note 20)	643,000	504,048
Factoring financing (Note 21)	822,542	-
Hire purchase payables (Note 22)	320,894	347,269
Term loan (Note 23)	-	1,993,886
	1,786,436	2,845,203

- a. The bank borrowings are secured by ways of:-
- i. A first party fixed legal charge over the property, plant and equipment of the Group as disclosed in Note 6 to the financial statements;
 - ii. Pledged over fixed deposits as disclosed in Note 16 to the financial statements;
 - iii. Joint and severally guarantee by certain the directors of the Group; and
 - iv. Corporate guarantee for RM7,000,000 to be executed by the Company.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

20. INVOICE FINANCING

The invoice financing of the Group at the end of the reporting period bore effective interest rates ranging from 4.60% to 4.63% (2024 – 5.10% to 5.12%) per annum.

21. FACTORING FINANCING

The factoring financing of the Group at the end of the reporting period bore effective interest rate at 4.14% (2024 – Nil) per annum.

22. HIRE PURCHASE PAYABLES

	2025 RM	2024 RM
Minimum hire purchase payments:		
- not later than one year	166,577	191,856
- later than one year and not later than five years	170,173	172,759
	<hr/> 336,750	<hr/> 364,615
Less: Future finance charges	(15,856)	(17,346)
	<hr/> 320,894	<hr/> 347,269
Present value of hire purchase payables		
Analysed by:-		
Current liabilities	155,436	180,587
Non-current liabilities	165,458	166,682
	<hr/> 320,894	<hr/> 347,269

- (a) The hire purchase payables are secured by the motor vehicles of the Group as disclosed in Note 6 to the financial statements.
- (b) The hire purchase payables of the Group at the end of the reporting period bore effective interest rates ranging from 4.25% to 4.96% (2024 - 4.44% to 4.96%) per annum.

23. TERM LOANS (SECURED)

	The Group	
	2025 RM	2024 RM
Current liabilities	-	69,043
Non-current liabilities	-	1,924,843
	<hr/> -	<hr/> 1,993,886

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

23. TERM LOANS (SECURED) (CONT'D)

- (a) The term loans of the Group are secured by:-
- (i) A first fixed charge over the property, plant and equipment of the Group as disclosed in Note 6 to the financial statements; and
 - (ii) A joint and several guarantee provided by certain directors of the Group.
- (b) The interest rate profile of the term loans are summarised below:-

	Effective Interest Rate %	The Group 2025 RM	2024 RM
Floating rate	6.65%	-	1,993,886

24. LEASE LIABILITIES

	The Group 2025 RM	2024 RM
At 1 January	521,619	644,157
Additions (Note 7 and 37(b))	1,151,135	578,302
Interest expense recognised in profit or loss (Note 33)	63,318	31,873
Changes due to reassessment of lease payment (Note 37(b))	(103,824)	-
Derecognition due to lease modification (Note 37(b))	(114,997)	(165,975)
Repayment of principal	(535,529)	(523,842)
Repayment of interest expense	(63,318)	(31,873)
Foreign exchange adjustments	-	(11,023)
At 31 December	918,404	521,619
Analysed by:-		
Current liabilities	438,121	210,008
Non-current liabilities	480,283	311,611
	918,404	521,619

Lease liabilities of the Group at the end of reporting period bore weighted average effective interest rates ranging from 3.50% to 6.02% (2024 – 3.50% to 6.17%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

25. TRADE PAYABLES

	The Group	
	2025	2024
	RM	RM
Third parties	15,595,291	21,937,615

The dealing with suppliers of the Group is either on cash or credit terms. The normal trade credit term granted to the Group is 30 days (2024 – 30 days). Other credit terms may be negotiated with suppliers on a case-by-case basis.

26. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Other payables:				
- third parties	1,214,790	1,352,536	148,984	131,500
Accruals	3,118,106	5,921,923	161,748	49,990
Deposits	1,265,648	2,621,624	-	-
Retention	3,618	3,618	-	-
Sales and service tax payable	1,061,260	1,095,535	-	-
	<u>6,663,422</u>	<u>10,995,236</u>	<u>310,732</u>	<u>181,490</u>

27. AMOUNT OWING TO DIRECTORS

The amount owing to directors of the Group is unsecured, interest-free and repayable on demand.

28. DIVIDEND PAYABLES

	The Group/The Company	
	2025	2024
	RM	RM
A second interim single-tier dividend of 1 sen (2024 - Nil) per ordinary share, declared on 26 November 2025 and paid on 15 January 2026	10,000,000	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

29. REVENUE

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Revenue from Contracts with customers				
<u>Recognised over time</u>				
Satellite-based communication networks and services	69,254,732	148,230,402	-	-
Fibre optic communication networks and services	25,126,243	15,422,021	-	-
Telecommunications infrastructure services and managed services	4,729,963	3,297,316	-	-
	<u>99,110,938</u>	<u>166,949,739</u>	<u>-</u>	<u>-</u>
<u>Recognised at a point in time</u>				
Satellite-based communication networks and services	1,015,953	2,051,634	-	-
Fibre optic communication networks and services	2,675,258	56,816	-	-
Telecommunications infrastructure services and managed services	6,805,230	1,793,274	-	-
	<u>10,496,441</u>	<u>3,901,724</u>	<u>-</u>	<u>-</u>
Revenue from Other Sources				
Dividend income	1,916,545	-	31,916,545	-
	<u>111,523,924</u>	<u>170,851,463</u>	<u>31,916,545</u>	<u>-</u>

- (a) The Group have applied the practical expedient for not adjusting the sales price for the effects of a significant financing component when the period between the transfer of the promised goods or services to the customer and payment by the customer is 1 year or less.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

29. REVENUE (CONT'D)

(b) The information about the performance obligations in contracts with customers is summarised below:-

Nature of Goods or Services	Timing and Method of Revenue Recognition	Significant Payment Terms	Variable Considerations	Warranty and Obligation for Returns or Refunds
Satellite-based communication networks and services	At a point in time when good and/or services are rendered and accepted by customers.	Credit period of 30 days (2024 - 30 days) from the invoice date. Other credit terms are assessed by and approved on a case-by-case basis.	Not applicable.	Discounts are permissible contingent on fulfilling performance obligations. Not applicable for individual end-user.
Fibre optic communication networks and services	Over time revenue recognition using the cost incurred method as the contracts would meet the no alternative use and the Group has rights to payment for work performed.			
Telecommunications infrastructure services and managed services				

(c) The information of the revenue from other sources is summarised below:-

Dividend Income

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

30. OTHER INCOME

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Dividend income	405,980	-	-	-
Fair value gain on financial assets measured at fair value through profit or loss mandatorily:				
- short-term investments	45,234	-	24,037	-
Gain on disposal of property, plant and equipment	35,000	48,033	-	-
Gain on disposal of investment properties	-	952,830	-	-
Gain on disposal of short-term investments	3,124	-	-	-
Gain on lease modification	2,382	12,183	-	-
Gain on lease reassessment	9,102	-	-	-
Interest income	1,679,809	1,831,530	31,507	-
Lease income	72,600	48,000	-	-
Realised gain on foreign exchange	3,265	32,218	-	-
Sundry income	189,715	755,260	-	-
USP fund exemption	-	3,719,713	-	-
	2,446,211	7,399,767	55,544	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

31. FINANCE COSTS

	The Group	
	2025 RM	2024 RM
Bank guarantee charges	35,723	56,898
Factoring financing interests	16,887	-
Hire purchase interests	17,866	20,823
Invoice financing interests	28,447	7,431
Lease interests	63,318	31,873
Term loan interests	86,976	112,418
	<u>249,217</u>	<u>229,443</u>

32. NET IMPAIRMENT REVERSAL ON FINANCIAL ASSETS

	The Group	
	2025 RM	2024 RM
Impairment lossess (Note 43.1(b) (iii))		
- trade receivables	86,571	306,034
Reversal of impairment lossess (Note 43.1(b) (iii))		
- trade receivables	(546,244)	(991,591)
- other receivables	-	(148,000)
	<u>(459,673)</u>	<u>(833,557)</u>

33. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) before taxation				
is arrived at after charging:-				
Auditors' remuneration:				
- audit fees:				
- current year provision	253,500	176,500	75,000	2,500
- overprovision in the previous financial year	-	(10,500)	-	-
- non-audit fees*	124,850	524,623	112,550	2,000
Directors' remuneration (Note 38(a))	<u>1,630,789</u>	<u>1,318,175</u>	<u>422,000</u>	<u>128,000</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

33. PROFIT/(LOSS) BEFORE TAXATION (CONT'D)

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Profit/(Loss) before taxation				
is arrived at after charging (Cont'd):-				
Material Expenses				
Bad debts written off	27,482	136,234	-	-
Depreciation:				
- property, plant and equipment	3,082,698	2,165,761	-	-
- right-of-use assets	554,547	510,649	-	-
Inventories written down	6,023	-	-	-
Lease expenses:				
- short-term leases	732,146	658,149	-	-
- low value assets	208,602	421,296	-	-
Property, plant and equipment written off	221,392	103,915	-	-
Staff costs: (including other key management personnel as disclosed in Note 38)				
- salaries, wages, bonuses and allowances	4,672,837	4,795,586	-	-
- E.P.F. contribution	551,540	521,129	-	-
- SOCSO contribution	58,015	97,520	-	-
- E.I.S. contribution	6,528	5,704	-	-

* Non-audit fees include services performed in connection with the Company's initial public offering, the review of Statement of Risk Management and Internal Control, the quarterly review of interim results, preparation of transfer pricing documentation and tax compliance services.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. INCOME TAX EXPENSE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax expense:				
- for the financial year	11,044,597	21,818,176	7,360	-
- (over)/underprovision in the previous financial year	(219,425)	149,473	-	-
	10,825,172	21,967,649	7,360	-
Real property gains tax	-	50,538	-	-
	10,825,172	22,018,187	7,360	-
Deferred tax expense (Note 9):				
- for the financial year	665,240	921,671	-	-
- underprovision in the previous financial year	(613,373)	47,053	-	-
Total income tax expenses	51,867	968,724	-	-
	10,877,039	22,986,911	7,360	-

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

34. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company are as follows:-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit/(Loss) before taxation	46,647,336	94,144,617	27,929,877	(580,485)
Tax at the statutory tax rate of:-				
15% (2024 - 15%) on the first RM150,000	22,500	22,500	-	-
17% (2024 - 17%) on the next RM450,000	76,500	76,500	-	-
24% (2024 - 24%) on the remaining balance	11,051,361	22,450,708	6,703,170	(139,316)
Tax effects of:-				
Non-deductible expenses	1,770,832	416,337	824,086	139,316
Non-taxable income	(1,235,873)	(228,679)	(7,519,896)	-
Real property gains tax arising from disposal of investment properties	-	50,538	-	-
Deferred tax assets not recognised during the financial year	24,517	2,481	-	-
(Over)/underprovision in the previous financial year:				
- deferred tax	(613,373)	47,053	-	-
- income tax	(219,425)	149,473	-	-
Income tax expense for the financial year	10,877,039	22,986,911	7,360	-

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

35. BASIC AND DILUTED EARNINGS PER SHARE

(a) Basic Earning Per Share

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	The Group	
	2025 RM	2024 RM
Profit after taxation attributable to owners of the Company (RM)	35,770,297	71,157,706
Weighted average number of ordinary shares in issue	1,000,000,000	6,700,005
Basic earnings per share (sen)	4	1,062

(b) Diluted Earning Per Share

The diluted earnings per share is equal to the basic earnings per share because there were no potential ordinary shares during the financial year.

36. DIVIDENDS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<u>Reach Ten Holdings Berhad</u>				
First interim dividend of 1 sen (2024 - Nil) per ordinary share in respect of the current financial year	10,000,000	-	10,000,000	-
Second interim dividend of 1 sen (2024 - Nil) per ordinary share in respect of the current financial year	10,000,000	-	10,000,000	-
<u>Reach Ten Communication Sdn. Bhd.</u>				
First interim dividend of Nil (2024 - RM4) per ordinary share in respect of the current financial year	-	20,000,000	-	-
BALANCE CARRIED FORWARD	20,000,000	20,000,000	20,000,000	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

36. DIVIDENDS (CONT'D)

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
BALANCE BROUGHT FORWARD	20,000,000	20,000,000	20,000,000	-
<u>Reach Ten Multimedia Sdn. Bhd.</u>				
Second interim dividend of Nil (2024 - RM0.83) per ordinary share in respect of the previous financial year	-	1,000,000	-	-
First interim dividend of Nil (2024 - RM2.50) per ordinary share in respect of the current financial year	-	3,000,000	-	-
<u>Reach Ten Metro Network Sdn. Bhd.</u>				
First interim dividend of Nil (2024 - RM7.99) per ordinary share in respect of the previous financial year	-	4,000,000	-	-
	20,000,000	28,000,000	20,000,000	-

37. CASH FLOW INFORMATION

- (a) The cash disbursed for the purchase of property, plant and equipment and the addition of right-of-use assets are as follows:-

	The Group	
	2025 RM	2024 RM
Property, plant and equipment		
Cost of property, plant and equipment purchased (Note 6)	11,466,248	11,390,685
Less: Acquired through hire purchase arrangements	(224,000)	(224,000)
	11,242,248	11,166,685
Right-of-use assets		
Cost of right-of-use assets acquired (Note 7)	1,151,135	578,302
Less: Addition of new lease liabilities (Note 24)	(1,151,135)	(578,302)
	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:-

The Group	Lease Liabilities RM	Hire Purchase Payables RM	Term Loans RM	Invoice Financing RM	Factoring Financing RM	Total RM
2025						
At 1 January	521,619	347,269	1,993,886	504,048	-	3,366,822
<u>Changes in Financing Cash Flows</u>						
Proceeds from drawdown	-	224,000	-	3,160,413	822,542	4,206,955
Repayment of principal	(535,529)	(250,375)	(1,993,886)	(3,021,461)	-	(5,801,251)
Repayment of interests	(63,318)	(17,866)	(86,976)	(28,447)	16,887	(179,720)
	(598,847)	(44,241)	(2,080,862)	110,505	839,429	(1,774,016)
<u>Other Changes</u>						
Acquisition of new leases (Note 24)	1,151,135	-	-	-	-	1,151,135
Derecognition due to lease modification (Note 24)	(114,997)	-	-	-	-	(114,997)
Reassessment of leases (Note 24)	(103,824)	-	-	-	-	(103,824)
Interest expense recognised in profit or loss	63,318	17,866	86,976	28,447	(16,887)	179,720
	995,632	17,866	86,976	28,447	(16,887)	1,112,034
At 31 December	918,404	320,894	-	643,000	822,542	2,704,840

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows (Cont'd):-

The Group	Lease Liabilities RM	Hire Purchase Payables RM	Term Loans RM	Invoice Financing RM	Total RM
2024	644,157	377,965	2,501,851	415,663	3,939,636
At 1 January					
<u>Changes in Financing Cash Flows</u>					
Proceeds from drawdown	-	224,000	2,040,000	504,048	2,768,048
Repayment of principal	(523,842)	(254,696)	(2,547,965)	(415,663)	(3,742,166)
Repayment of interests	(31,873)	(20,823)	(112,418)	(7,431)	(172,545)
	(555,715)	(51,519)	(620,383)	80,954	(1,146,663)
<u>Other Changes</u>					
Acquisition of new leases (Note 24)	578,302	-	-	-	578,302
Derecognition due to lease modification (Note 24)	(165,975)	-	-	-	(165,975)
Foreign exchange adjustment	(11,023)	-	-	-	(11,023)
Interest expense recognised in profit or loss	31,873	20,823	112,418	7,431	172,545
	433,177	20,823	112,418	7,431	573,849
At 31 December	521,619	347,269	1,993,886	504,048	3,366,822

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

37. CASH FLOW INFORMATION (CONT'D)

(c) The total cash outflow for leases as a lessee are as follow: -

	The Group	
	2025	2024
	RM	RM
Payment of short-term leases	732,146	658,149
Payment of low-value assets	208,602	421,296
Interest paid on lease liabilities	63,318	31,873
Payment of lease liabilities	535,529	523,842
	1,539,595	1,635,160

(d) The cash and cash equivalents comprise the following: -

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fixed deposits with licensed banks	7,088,622	42,185,052	-	-
Cash and bank balances	11,935,552	31,850,554	442,146	1
	19,024,174	74,035,606	442,146	1
Less: Fixed deposits pledged to licensed banks	(5,014,896)	(4,577,082)	-	-
Less: Fixed deposits with tenure more than 3 months	(2,073,726)	(35,685,149)	-	-
	11,935,552	33,773,375	442,146	1

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

38. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and the Company.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
(a) Directors				
<u>Directors of the Company</u>				
Short-term employee benefits:				
- fees	412,000	128,000	384,000	128,000
- salaries, bonuses and other benefits	818,000	-	38,000	-
	1,230,000	128,000	422,000	128,000
Defined contribution benefits	97,644	-	-	-
	1,327,644	128,000	422,000	128,000
 <u>Directors of the Subsidiaries</u>				
Short-term employee benefits:				
- fees	34,500	25,000	-	-
- salaries, bonuses and other benefits	237,000	1,035,500	-	-
	271,500	1,060,500	-	-
Defined contribution benefits	31,645	129,675	-	-
	303,145	1,190,175	-	-
Total directors' remuneration	1,630,789	1,318,175	422,000	128,000
 (b) Other Key Management Personnel				
Short-term employee benefits	994,667	615,000	-	-
Defined contribution benefits	125,888	77,451	-	-
	1,120,555	692,451	-	-
Total compensation for other key management personnel	1,120,555	692,451	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

39. RELATED PARTY DISCLOSURES

(a) Subsidiaries

The subsidiaries are disclosed in Note 5 to the financial statements.

(b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Companies in which directors of the Group have substantial financial interests				
<u>Activepoint Sdn. Bhd.</u>				
Reimbursement of general expenses	-	3,130	-	-
Lease liability and lease interest	104,400	104,400	-	-
<u>NX Management Sdn. Bhd.</u>				
Lease liability and lease interest	31,200	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

39. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant Related Party Transactions and Balances (Cont'd)

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year (Cont'd):-

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Companies in which directors of the Group have substantial financial interests				
<u>NX Synergy Sdn. Bhd.</u>				
Proceeds from disposal of investment properties	-	(3,124,000)	-	-
Gain of disposal of investment properties	-	(952,830)	-	-
Maintenance services	-	15,328	-	-
<u>Mega Scope Berhad</u>				
Inventory management and transportation services	-	1,980	-	-
<u>WW Netone Technology Sdn. Bhd.</u>				
Lease liability and lease interest	-	4,400	-	-
Transactions with a related party connected to a director				
Provision of services and purchase of vehicle and others	-	11,000	-	-
<u>Emilia Chin & Co.</u>				
Provision of legal services	50,875	30,145	-	-

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in the respective notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. OPERATING SEGMENTS

Operating segments are prepared in a manner consistent with the internal reporting provided to the Board of Directors as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their services provided.

The Group is organised into 4 main reportable segments as follows:-

Nature of Goods or Services	Services
Satellite-based communication networks and services	This segment relates to provision of satellite-based communication networks and services (including supporting network infrastructure such as teleports, VSAT infrastructure that creates terrestrial links to internet, network equipment, hardware and software enabling telecommunication applications and customer support) to government entities, enterprise customers and rural community users.
Fibre optic communication networks and services	This segment relates to designing, building, owning and operating the fibre optic communication networks and services where broadband services and point-to-point leased line are provided by laying fibre optic cables outside plant (also known as distribution cabling whereby cables are commonly buried underground beneath roads and pavements) or inside plant (also known as structured cabling whereby laying of fibre optic cables are done within a building).
Telecommunications infrastructure services and managed services	This segment relates to provision of telecommunications and infrastructure services and managed services. Provision of telecommunications infrastructure services includes constructing, erecting, connecting, testing and configuring telecommunications infrastructure at identified locations as well as purchase of project related materials. In terms of managed services, the Group operates and maintain the telecommunication and its related passive infrastructure and lease out its site space to mobile network operators for them to install their active equipment to enable communications.
Others	This segment related to the investments and other activities.

The Management assesses the performance of the reportable segments based on their profit before taxation and finance cost. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Each reportable segment assets are measured based on all assets of the segment other than tax-related assets.

Each reportable segment liabilities are measured based on all liabilities of the segment other than tax-related liabilities.

Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. OPERATING SEGMENTS (CONT'D)

40.1 BUSINESS SEGMENT (CONT'D)

2025	Satellite-based Communication Networks and Services RM	Fibre Optic Communication Networks and Services RM	Telecommunications Infrastructure Services and Managed Services RM	Others RM	Consolidation Adjustments RM	The Group RM
Revenue						
External revenue	70,270,684	27,801,501	11,535,193	1,916,545	-	111,523,924
Inter-segment revenue	14,932,350	4,540,695	-	30,000,000	(49,473,044)	-
	85,203,034	32,342,196	11,535,193	31,916,545	(49,473,044)	111,523,924
Results						
Segment profit before interest and tax	38,100,804	8,387,517	2,592,136	27,919,817	(30,103,721)	46,896,553
Finance costs	(206,575)	(155,519)	(14,054)	-	126,931	(249,217)
	37,894,229	8,231,998	2,578,082	27,919,817	(29,976,790)	46,647,336

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. OPERATING SEGMENTS (CONT'D)

40.1 BUSINESS SEGMENT (CONT'D)

2025	Satellite-based Communication Networks and Services RM	Fibre Optic Communication Networks and Services RM	Telecommunications Infrastructure Services and Managed Services RM	Others RM	Consolidation Adjustments RM	The Group RM
<u>Other information</u>						
Dividend income						
- short-term investments	(241,778)	(147,753)	(16,449)	-	-	(405,980)
Fair value gain on financial assets measured at fair value through profit or loss mandatorily:						
- short-term investments	(10,094)	(10,416)	(687)	(24,037)	-	(45,234)
Gain on disposal of property, plant and equipment	(29,130)	(3,888)	(1,982)	-	-	(35,000)
Gain on lease modification	(1,982)	(265)	(135)	-	-	(2,382)
Gain on lease reassessment	(7,575)	(1,011)	(515)	-	-	(9,102)
Interest income	(1,046,139)	(530,620)	(71,173)	(31,877)	-	(1,679,809)
Lease income	(425,379)	(86,781)	(28,940)	-	468,500	(72,600)
Realised gain on foreign exchange	(2,717)	(363)	(185)	-	-	(3,265)
Reversal of impairment losses on trade receivables	(353,617)	(168,569)	(24,058)	-	-	(546,244)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. OPERATING SEGMENTS (CONT'D)

40.1 BUSINESS SEGMENT (CONT'D)

2025	Satellite-based Communication Networks and Services RM	Fibre Optic Communication Networks and Services RM	Telecommunications Infrastructure Services and Managed Services RM	Others RM	Consolidation Adjustments RM	The Group RM
<u>Other information (Cont'd)</u>						
Bad debts written off	15,271	11,172	1,039	-	-	27,482
Bank guarantee charges	29,732	3,969	2,023	-	-	35,723
Factoring financing interest	14,055	1,876	956	-	-	16,887
Hire purchase interests	14,870	1,985	1,012	-	-	17,866
Inventory written down	-	6,023	-	-	-	6,023
Invoice financing interests	23,676	3,160	1,611	-	-	28,447
Lease expenses:						
- short-term leases	481,513	542,624	32,759	-	(324,751)	732,146
- low value assets	173,615	23,175	11,812	-	-	208,602
Lease interests	51,854	134,867	3,528	-	(126,931)	63,318
Term loan interests	72,388	9,663	4,925	-	-	86,976
Depreciation:						
- property, plant and equipment	2,376,101	544,943	161,655	-	-	3,082,698
- right-of-use assets	442,195	2,554,545	30,084	-	(2,472,277)	554,547
Impairment losses:						
- trade receivables	72,045	9,625	4,901	-	-	86,571
Plant and equipment written off	184,260	24,596	12,536	-	-	221,392

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. OPERATING SEGMENTS (CONT'D)

40.1 BUSINESS SEGMENT (CONT'D)

2025	Satellite-based Communication Networks and Services RM	Fibre Optic Communication Networks and Services RM	Telecommunications Infrastructure Services and Managed Services RM	Others RM	Consolidation Adjustments RM	The Group RM
Assets						
Segment assets	114,284,738	45,434,673	7,775,207	176,756,007	(87,781,311)	256,469,314
Consolidated total assets						<u>256,469,314</u>
Additions to non-current assets other than financial instruments and deferred tax assets:-						
Property, plant and equipment	11,232,030	241,218	-	-	(7,000)	11,466,248
Right-of-use assets	915,718	2,315,271	62,300	-	(2,142,154)	1,151,135
Liabilities						
Segment liabilities	(36,617,344)	(18,058,597)	(2,491,211)	(10,317,090)	27,701,055	(39,783,187)
Consolidated total liabilities						<u>(39,783,187)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. OPERATING SEGMENTS (CONT'D)

40.1 BUSINESS SEGMENT (CONT'D)

2024	Satellite-based Communication Networks and Services RM	Fibre Optic Communication Networks and Services RM	Telecommunications Infrastructure Services and Managed Services RM	Others RM	Consolidation Adjustments RM	The Group RM
Revenue						
External revenue	150,453,351	15,307,522	5,090,590	-	-	170,851,463
Inter-segment revenue	15,360,357	9,243,156	-	-	(24,603,513)	-
	165,813,708	24,550,678	5,090,590	-	(24,603,513)	170,851,463
Results						
Segment profit before interest and tax	87,023,754	12,069,129	2,528,390	(674,179)	(6,573,034)	94,374,060
Finance costs	(182,951)	(167,260)	(5,691)	-	126,459	(229,443)
	86,840,803	11,901,869	2,522,699	(674,179)	(6,446,575)	94,144,617

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. OPERATING SEGMENTS (CONT'D)

40.1 BUSINESS SEGMENT (CONT'D)

2024	Satellite-based Communication Networks and Services RM	Fibre Optic Communication Networks and Services RM	Telecommunications Infrastructure Services and Managed Services RM	Others RM	Consolidation Adjustments RM	The Group RM
<u>Other information</u>						
Gain on disposal of other investment	-	(9)	-	-	-	(9)
Gain on disposal of plant, property and equipments.	(43,679)	(2,868)	(1,486)	-	-	(48,033)
Gain on disposal of investment properties	-	(952,830)	-	-	-	(952,830)
Gain on lease modification	(10,969)	(841)	(373)	-	-	(12,183)
Lease income	(481,057)	(55,581)	(16,362)	-	505,000	(48,000)
Interest income	(1,580,539)	(197,228)	(53,758)	(5)	-	(1,831,530)
Realised gain on foreign exchange	(29,299)	(1,923)	(996)	-	-	(32,218)
Reversal of impairment losses on trade receivables	(793,913)	(179,384)	(18,294)	-	-	(991,591)
Reversal of impairment losses on other receivables	-	(148,000)	-	-	-	(148,000)
Waiver of payabels	(52,619)	(3,454)	(1,790)	-	-	(57,863)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. OPERATING SEGMENTS (CONT'D)

40.1 BUSINESS SEGMENT (CONT'D)

2024	Satellite-based Communication Networks and Services RM	Fibre Optic Communication Networks and Services RM	Telecommunications Infrastructure Services and Managed Services RM	Others RM	Consolidation Adjustments RM	The Group RM
<u>Other information (Cont'd)</u>						
Bad debts written off	96,460	36,493	3,281	-	-	136,234
Bank guarantee charges	51,741	3,397	1,760	-	-	56,898
Hire purchase interests	20,128	458	237	-	-	20,823
Invoice financing interests	6,757	444	230	-	-	7,431
Lease expenses:						
- short-term leases	574,964	507,511	1,524	-	(425,850)	658,149
- low value assets	383,114	25,151	13,031	-	-	421,296
Lease interests	28,424	129,025	883	-	(126,459)	31,873
Term loan interests	75,900	33,936	2,582	-	-	112,418
Depreciation:						
- property, plant and equipment	1,750,081	344,807	55,721	15,152	-	2,165,761
- right-of-use assets	428,283	2,176,241	12,995	-	(2,106,870)	510,649
Impairment losses:						
- trade receivables	306,034	-	-	-	-	306,034

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. OPERATING SEGMENTS (CONT'D)

40.1 BUSINESS SEGMENT (CONT'D)

2024	Satellite-based Communication Networks and Services RM	Fibre Optic Communication Networks and Services RM	Telecommunications Infrastructure Services and Managed Services RM	Others RM	Consolidation Adjustments RM	The Group RM
Assets						
Segment assets	117,152,092	29,928,458	3,645,953	1,026,090	(6,383,932)	145,368,661
Consolidated total assets						<u>145,368,661</u>
Additions to non-current assets other than financial instruments and deferred tax assets:-						
Property, plant and equipment	9,428,858	649,880	311,947	1,000,000	-	11,390,685
Right-of-use assets	481,578	5,612,917	12,857	-	(5,529,050)	578,302
Liabilities						
Segment liabilities	(36,188,574)	(10,750,912)	(1,207,206)	(1,666,605)	6,318,044	(43,495,253)
Consolidated total liabilities						<u>(43,495,253)</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

40. OPERATING SEGMENTS (CONT'D)

40.2 MAJOR CUSTOMERS

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:-

	Revenue		Segment
	2025 RM	2024 RM	
Customer #1	46,005,469	46,341,215	Satellite-based communication networks and services and fibre optic communication networks and services
Customer #2	24,626,790	90,817,512	Satellite-based communication networks and services and telecommunications infrastructure services and managed services
Customer #3	13,707,073	5,686,861	Fibre optic communication networks and services

41. CAPITAL COMMITMENTS

	The Group	
	2025 RM	2024 RM
Purchase of plant and equipment	7,027,638	-

42. CONTINGENT LIABILITIES

No provisions are recognised on the following matters as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement:-

	The Group	
	2025 RM	2024 RM
Performance guarantee to third parties	5,517,663	6,172,911

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS

The activities of the Group are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

43.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

(a) Market Risk

(i) Foreign Currency Risk

The Group are exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currencies of entities within the Group. The currencies giving rise to this risk are primarily United States Dollar ("USD"). Foreign currency risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

Foreign Currency Exposure

Any reasonably possible change in the foreign currency exchange rates at the end of the reporting period against the respective functional currencies of the entities within the Group does not have a material impact on the profit after taxation and equity of the Group and hence, no sensitivity analysis is presented.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group adopt a policy of obtaining the most favourable interest rates available by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate debt instruments of the Group is not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 19 to the financial statements.

Interest Rate Risk Sensitivity Analysis

Any reasonably possible change in the interest rates of floating rate term loans at the end of the reporting period does not have a material impact on the profit after taxation and equity of the Group and hence, no sensitivity analysis is presented.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

The policies in respect of the major areas of treasury activity are as follows (Cont'd):-

(a) Market Risk (Cont'd)

(iii) Equity Price Risk

The Group does not have any quoted investments and hence, is not exposed to equity price risk.

(b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

Also, the Group's and the Company's expose to credit risk includes corporate guarantee given to financial institutions for credit facilities granted to subsidiaries.

(i) Credit Risk Concentration Profile

At the end of the reporting period, the Group's major concentration of credit risk related to the amount owing by 5 (2024 - 2) customers which constituted approximately 85% (2024 - 75%) of its trade receivables and contract assets (including related parties), net of loss allowance.

(ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Group's and the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries of RM320,900 and RM6,244 (2024 - RM203,814 and Nil) respectively, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

(iii) Assessment of Impairment Losses

The Group has an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group evaluates whether any of financial assets at amortised cost and contract assets are credit impaired.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate. The Group uses a more lagging past due criterion for certain trade receivables when it is more appropriate to reflect their loss patterns.

Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables and contract assets.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

To measure the expected credit losses on a collective basis, trade receivables (including related parties) and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of revenue over certain period from the measurement date and the corresponding historical credit losses experience within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment Losses

The reconciliation of allowance for impairment losses are as follows:-

The Group	Non-credit Impaired RM	Credit Impaired RM	Total RM
<u>Trade Receivables</u>			
Balance at 1.1.2024	1,037,704	1,394,387	2,432,091
Additions (Note 32)	257,792	48,242	306,034
Reversal (Note 32)	(33,643)	(957,948)	(991,591)
	<hr/>	<hr/>	<hr/>
Balance at 31.12.2024/1.1.2025	1,261,853	484,681	1,746,534
Additions (Note 32)	57,451	29,120	86,571
Reversal (Note 32)	(454,185)	(92,059)	(546,244)
	<hr/>	<hr/>	<hr/>
Balance at 31.12.2025	865,119	421,742	1,286,861

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iv) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses (Cont'd)

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows:-

The Group	Gross Amount RM	Individual Lifetime Allowance RM	Collective Lifetime Allowance RM	Carrying Amount RM
2025				
Current				
(not past due)	5,923,372	(37)	(165,711)	5,757,624
1 to 30 days past due	1,167,582	(538)	(144,686)	1,022,358
31 to 60 days past due	6,331,512	(4,291)	(145,282)	6,181,939
61 to 90 days past due	1,361,694	(635)	(227,613)	1,133,446
90 to 120 days past due	373,726	(646)	(40,154)	332,926
121 to 150 days past due	82,577	(5,157)	-	77,420
151 to 180 days past due	636,014	(138,429)	-	497,585
181 to 210 days past due	571,894	(1,124)	-	570,770
Credit impaired	412,558	(88,829)	(323,729)	-
Trade receivables	16,860,929	(239,686)	(1,047,175)	15,574,068
Contract assets	19,788,784	-	-	19,788,784
	36,649,713	(239,686)	(1,047,175)	35,362,852

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iv) Assessment of Impairment Losses (Cont'd)

Trade Receivables and Contract Assets (Cont'd)

Allowance for Impairment Losses (Cont'd)

The information about the credit exposure and loss allowances recognised for trade receivables and contract assets are as follows:-

The Group	Gross Amount RM	Individual Lifetime Allowance RM	Collective Lifetime Allowance RM	Carrying Amount RM
2024				
Current				
(not past due)	926,882	-	(425,828)	501,054
1 to 30 days				
past due	1,308,732	-	(44,148)	1,264,584
31 to 60 days				
past due	11,174,280	-	(683,859)	10,490,421
61 to 90 days				
past due	366,845	-	(37,504)	329,341
90 days to 120				
days past due	548,242	-	(70,514)	477,728
Credit impaired	484,681	-	(484,681)	-
Trade receivables	14,809,662	-	(1,746,534)	13,063,128
Contract assets	14,796,808	-	-	14,796,808
	29,606,470	-	(1,746,534)	27,859,936

Trade receivables and contract assets that are individually determined to be impaired relate to debtors who are in significant financial difficulties and have defaulted on payments. These debtors are not secured by any collateral or credit enhancements.

Trade receivables and contract assets that are collectively determined to be impaired relate to expected credit losses measured based on the Group's observed default rates.

There has not been any significant change in the gross amounts of trade receivables and contract assets that impacted the allowance for impairment losses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables

The Group applies the 3-stage general approach to measuring expected credit losses for its other receivables.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

Under this approach, the Group assesses whether there is a significant increase in credit risk for receivables by comparing the risk of a default as at the reporting date with the risk of default as at the date of initial recognition. The Group considers there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 90 days past due in making a contractual payment.

The Group uses 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

<u>Category</u>	<u>Definition of Category</u>	<u>Loss Allowance</u>
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Non-performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. The remaining receivables are grouped based on shared credit risk characteristics and assessed on collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Other Receivables(Cont'd)

In deriving the PD and LGD, the Group considers the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

Allowance for Impairment losses

	The Group	
	2025 RM	2024 RM
At 1 January	-	148,000
Reversals	-	(148,000)
At 31 December	-	-

The allowance for impairment losses (determined on an individual basis) relates to credit impaired other receivables that are in significant financial difficulties and have defaulted on payments. No impairment losses are provided for the remaining other receivables because there have been no significant changes in their credit quality and the amounts are considered recoverable but with slower repayment records.

There has been no significant change in the gross amounts of other receivables that has impacted the allowance for impairment losses.

Based on the assessment performed, the identified impairment loss was immaterial and hence, it is not provided for.

Fixed Deposits with Licensed Banks, Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(b) Credit Risk (Cont'd)

(iii) Assessment of Impairment Losses (Cont'd)

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to a subsidiary are financial guarantee contract.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

The Company closely monitors the subsidiary' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when the subsidiary's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary is unlikely to repay its obligation to the bank in full; or
- The subsidiary is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

Allowance for Impairment Losses

All of the financial guarantee contracts are considered to be performing, have low risks of default and historically there were no instances where these financial guarantee contracts were called upon by the parties of which the financial guarantee contracts were issued to. Accordingly, no loss allowances were identified based on 12-month expected credit losses.

(c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

The Group	Contractual Coupon/ Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
2025						
<u>Non-derivative Financial Liabilities</u>						
Hire purchase payables	4.25% - 4.96%	320,894	336,750	166,577	170,173	-
Lease liabilities	3.50% - 6.02%	918,404	972,425	481,735	490,690	-
Factoring financing	4.14%	822,542	838,428	838,428	-	-
Invoice financing	4.60% - 4.63%	643,000	649,784	649,784	-	-
Trade payables	-	15,595,291	15,595,291	15,595,291	-	-
Other payables and accruals	-	4,332,896	4,332,896	4,332,896	-	-
Amount owing to directors	-	69,550	69,550	69,550	-	-
Dividend payable	-	10,000,000	10,000,000	10,000,000	-	-
Financial guarantee contracts in relation to corporate guarantee to certain subsidiaries	4.25% - 4.96%	320,900	336,617*	166,444	170,173	-
		33,023,477	33,131,741	32,300,705	831,036	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

The Group	Contractual Coupon/ Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
2024						
<u>Non-derivative Financial Liabilities</u>						
Term loans	4.25%	1,993,886	2,880,324	151,596	606,384	2,122,344
Hire purchase payables	4.44% - 4.96%	347,269	364,615	191,856	172,759	-
Lease liabilities	3.50% - 6.17%	521,619	583,461	238,896	344,565	-
Invoice financing	5.10% - 5.12%	504,048	511,479	511,479	-	-
Trade payables	-	21,937,615	21,937,615	21,937,615	-	-
Other payables and accruals	-	7,274,459	7,274,459	7,274,459	-	-
Amount owing to directors	-	107,000	107,000	107,000	-	-
Financial guarantee contracts in relation to corporate guarantee to certain subsidiaries	4.96%	203,814	218,054*	80,520	137,534	-
		32,889,710	33,877,007	30,493,421	1,261,242	2,122,344

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis (Cont'd)

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

The Company	Contractual Coupon/ Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
2025						
<u>Non-derivative Financial Liabilities</u>						
Other payables and accruals	-	310,732	310,732	310,732	-	-
Dividend payables	-	10,000,000	10,000,000	10,000,000	-	-
Financial guarantee contracts in relation to corporate guarantee to certain subsidiaries	-	6,244	6,244*	6,244	-	-
		10,316,976	10,316,976	10,316,976	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(c) Liquidity Risk (Cont'd)

Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period) (Cont'd):-

The Company	Contractual Coupon/ Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 – 5 Years RM	Over 5 Years RM
2024						
<u>Non-derivative Financial Liabilities</u>						
Other payables and accruals	-	181,490	181,490	181,490	-	-
Amount owing to a subsidiary	-	403,695	403,695	403,695	-	-
		585,185	585,185	585,185	-	-

* The potential exposure of the financial guarantee contracts is equivalent to the outstanding amount of the credit facilities of the said subsidiaries at the end of the reporting period. The financial guarantees have not been recognised in the financial statements because their fair values on initial recognition were not material.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.2 CAPITAL RISK MANAGEMENT

The Group and the Company manage their capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support its businesses and maximise shareholders value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

The Group and the Company manage their capital based on debt-to-equity ratio. The debt-to-equity ratio of the Group and the Company at the end of the reporting period is not presented as its cash and cash equivalents exceeded the total external borrowings.

There were no changes in the approach to capital management during the financial year.

43.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Short-term investments	145,757,540	-	96,224,276	-
<u>Amortised Cost</u>				
Trade receivables	15,574,068	13,063,128	-	-
Other receivables	53,093	582,016	-	-
Amount owing by a subsidiary	-	-	20,000,000	-
Fixed deposits with licensed banks	7,088,622	42,185,052	-	-
Cash and bank balances	11,935,552	31,850,554	442,146	1
	34,651,335	87,680,750	20,442,146	1

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.4 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial Liabilities				
<u>Amortised Cost</u>				
Trade payables	15,595,291	21,937,615	-	-
Other payables and accruals	4,332,896	7,274,459	310,732	181,490
Amount owing to directors	69,550	107,000	-	-
Amount owing to a subsidiary	-	-	-	403,695
Bank borrowings	1,786,436	2,845,203	-	-
Lease liabilities	918,404	521,619	-	-
Dividend payables	10,000,000	-	10,000,000	-
	32,702,577	32,685,896	10,310,732	585,185

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.5 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss by:				
- mandatorily required by MFRS 9	32,402,225	-	31,940,582	-
<hr/>				
<u>Amortised cost</u>				
Net gains/(losses) recognised in profit or loss	2,080,455	2,540,910	(31,507)	-
<hr/>				
Financial Liabilities				
<u>Amortised cost</u>				
Net losses recognised in profit or loss	(185,406)	(171,580)	-	-
<hr/>				

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.6 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period:-

	Fair Value of Financial Instruments Carried At Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1	Level 2	Level 3		
	RM	RM	RM		
The Group					
2025					
<u>Financial Assets</u>					
Short-term investments					
- unit trusts					
	-	145,757,540	-	145,757,540	145,757,540

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.6 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (Cont'd):-

	Fair Value of Financial Instruments Carried At Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1	Level 2	Level 3		
	RM	RM	RM		
The Group					
2024					
<u>Financial Liabilities</u>					
Term loans					
- floating rate	-	1,993,886	-	1,993,886	1,993,886

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.6 FAIR VALUE INFORMATION (CONT'D)

The following table sets out the fair value profile of financial instruments that are carried at fair value and those not carried at fair value at the end of the reporting period (Cont'd):-

	Fair Value of Financial Instruments Carried At Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM		
The Company					
2025					
<u>Financial Assets</u>					
Short-term investments					
- unit trusts	-	96,224,276	-	96,224,276	96,224,276

(a) Fair Value of Financial Instruments Carried at Fair Value

- (i) The fair value of unit trusts is determined by reference to statements provided by the respective financial institutions, with which the investments were entered.

(b) Fair Value of Financial Instruments Not Carried at Fair Value

The fair values, which are for disclosure purposes, have been determined using the following basis:-

- (i) The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

43. FINANCIAL INSTRUMENTS (CONT'D)

43.6 FAIR VALUE INFORMATION (CONT'D)

(c) Fair Value of Financial Instruments Not Carried at Fair Value (Cont'd)

The fair values, which are for disclosure purposes, have been determined using the following basis (Cont'd):-

- (ii) The fair value of term loan that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	The Group	
	2025 RM	2024 RM
Term loans (floating rate)	-	1,993,886

44. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) Corporate restructuring

- (i) On 24 July 2024, the Company has acquired the entire equity interest in Reach Ten Communication Sdn. Bhd. for a purchase consideration of RM42,834,000, which was fully satisfied through the issuance of 571,119,999 new ordinary shares at an issue price of RM0.075 each.
- (ii) On 24 July 2024, the Company has acquired the entire equity interest in Reach Ten Multimedia Sdn. Bhd. for a purchase consideration of RM12,474,000, which was fully satisfied through the issuance of 166,320,000 new ordinary shares at an issue price of RM0.075 each.
- (iii) On 24 July 2024, the Company has acquired the entire equity interest in Reach Ten Metro Network Sdn. Bhd. for a purchase consideration of RM4,692,000, which was fully satisfied through the issuance of 62,560,000 new ordinary share at an issue price of RM0.075 each.
- (iv) On 24 July 2024, the Company has acquired the entire equity interest in Reach Ten Nexus Sdn. Bhd. comprising 2 ordinary shares for a purchase consideration of RM37,578, which was fully satisfied in cash.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

44. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONT'D)

- (b) Initial Public Offering (“IPO”) and listing of the Company on Bursa Malaysia Securities Berhad.

In conjunction with the Company’s listing on the Main Market of Bursa Malaysia Securities Berhad, the Company issued its Prospectus for its IPO entailing the following:

- (i) Public issue of 200,000,000 new ordinary shares (“Public Issue Shares”) at an IPO price of RM0.52 per share allocated in the following manner:
- a. 50,000,000 Public Issue Shares made available for application by the Malaysian Public;
 - b. 125,000,000 Public Issue Shares by way of private placement to Bumiputera investors approved by the Ministry of Investment, Trade and Industry;
 - c. 25,000,000 Public Issue Shares made available for application by the eligible directors and employees of the Group; and persons who have contributed to the success of the Group; and
- (ii) Offer for sale of 100,000,000 existing ordinary shares (“Offer Shares”) of the Company by way of private placement to selected investors.
- (iii) The admission of the Company to the Official List of Bursa Securities on 2 May 2025 and the quotation for the entire enlarged issued share capital of the Company comprising 1,000,000,000 shares on the Main Market of Bursa Malaysia Securities Berhad.

45. COMPARATIVE FIGURE

i. The Group

The acquisition of the entire issued and paid-up share capital of Reach Ten Communication Sdn. Bhd., Reach Ten Multimedia Sdn. Bhd., Reach Ten Metro Network Sdn. Bhd. and Reach Ten Nexus Sdn. Bhd. by the Company was accounted for as a capital reorganisation arising from a transaction under common control and did not result in any change in economic substance. Accordingly, the Group is a continuation of the acquired entity and accounted for as follows:

- (i) the assets and liabilities of the acquired entity are recognised and measured in the consolidated financial statements at the pre-combination carrying amounts, without restatement to fair value;
- (ii) the retained profits and other equity balances of acquired entity immediately before the business combination are those of the Group; and
- (iii) the equity structure, however, reflects the equity structure of the Company and the difference arising from the change in equity structure of the Group will be accounted for in reorganisation reserves.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

45. COMPARATIVE FIGURE (CONT'D)

ii. The Company

The following figures have been reclassified to conform with the presentation of the current financial year:-

	As Restated RM	As Previously Reported RM
Statements of Financial Position (Extract):-		
Amount owing to a related party	-	403,695
Amount owing to a subsidiary	403,695	-
	403,695	-

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LIST OF PROPERTIES

LIST OF PROPERTIES AS AT 31 DECEMBER 2025

REACH TEN COMMUNICATION SDN BHD

Location	Description	Tenure	Area	Existing Use	Approximate Age (Years)	Cost (NBV (RM))	Date of Acquisition
E-G-40, E-1-40, E-2-40, Block E, Jalan PJU 1A/3A, Taipan	Land	Leasehold	1,798 sq ft	E-G-40 (basement) – storage	2	2,345,667	21 Sep 2023
Damansara 2, Ara Damansara, 47500 Petaling Jaya, Selangor	Building		6,458 sq ft	E-G-40 – rented out to third party as storage E-1-40 – office E-2-40 – vacant			

REACH TEN MULTIMEDIA SDN BHD

Location	Description	Tenure	Area	Existing Use	Approximate Age (Years)	Cost (NBV (RM))	Date of Acquisition
Parcel No. AT 612, Sixth Floor, Block A of Icom Square, Jalan Pending, Kuching Sarawak	Land	Leasehold	279,646 sq ft	Office	15	425,417	18 Mar 2011
	Building		2,238 sq ft				

REACH TEN SDN BHD

Location	Description	Tenure	Area	Existing Use	Approximate Age (Years)	Cost (NBV (RM))	Date of Acquisition
Lot 2007 Section 66 Kuching Town Land District, Jalan Semangat, Pending Industrial Estate Kuching, Kuching Sarawak	Land	Leasehold	9,999 sq ft	Warehouse	2	939,394	21 Jul 2023
	Building		3,861 sq ft				

ANALYSIS OF SHAREHOLDINGS

ANALYSIS OF SHAREHOLDINGS AS AT 31 MARCH 2026

Issued share capital	: 1,000,000,000 ordinary shares
Class of shares	: Ordinary shares
Voting rights	: One (1) vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

HOLDINGS	NO. OF SHAREHOLDERS	NO. OF SHARES HELD	% OF SHAREHOLDINGS
Less than 100 shares	0	0	0.00*
100 – 1,000 shares	388	128,000	0.012
1,001 – 10,000 shares	665	3,596,400	0.359
10,001 – 100,000 shares	617	25,181,300	2.518
100,001 – less than 5% of issued shares	285	368,495,100	36.849
5% and above of issued shares	4	602,599,200	60.259
Total	1,959	1,000,000,000	100.00

* Less than 0.01%

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (BASED ON RECORD OF SHAREHOLDERS)

NO.	ACCOUNT HOLDER	NO. OF SHARES HELD	PERCENTAGE (%)
1.	Chin Yu Lay	176,631,800	17.66
2.	Eddyryson Effe Kuehjin Anak Bika	150,420,000	15.04
3.	Lu Pak Lim	146,581,000	14.66
4.	Wong Kiing Ting	128,966,400	12.90
5.	Kueh Kian Jin	39,200,000	3.92
6.	Chung Teck Loong	37,133,600	3.71
7.	Citigroup Nominees (Asing) Sdn Bhd Exempt An For Citibank New York (Norges Bank 22)	28,300,000	2.83
8.	Chew Pang Hua	21,067,200	2.11
9.	Citigroup Nominees (Asing) Sdn Bhd Exempt An For Citibank New York (Norges Bank 14)	16,249,900	1.62

ANALYSIS OF SHAREHOLDINGS

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (BASED ON RECORD OF SHAREHOLDERS) (CON'T)

NO.	ACCOUNT HOLDER	NO. OF SHARES HELD	PERCENTAGE (%)
10.	Phillip Nominees (Tempatan) Sdn Bhd Octowill Trustees Berhad for Proven Venture Capital PLT	15,129,800	1.51
11.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Eastspring Investments Small-Cap Fund	13,683,600	1.37
12.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (PHEIM)	10,000,000	1.00
13.	City Exotic Sdn. Bhd. Pledged Securities Account for Faisol Bin Mustapha Idris	9,133,300	0.91
14.	Citigroup Nominees (Tempatan) Sdn Bhd Lembaga Tabung Haji (Eastspring)	8,830,300	0.88
15.	PM Nominees (Tempatan) Sdn Bhd Pledged Securities Account – Eco Asia Ventures Sdn Bhd for Headwin Resources Sdn Bhd	8,600,000	0.86
16.	City Exotic Sdn Bhd Pledged Securities Account for Lloyd Tayan Salang	7,044,200	0.70
17.	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (Espring ABSR EQ)	5,900,600	0.59
18.	Citigroup Nominees (Tempatan) Sdn Bhd Kumpulan Wang Persaraan (Diperbadankan) (ESPG IV SC E)	4,296,300	0.43
19.	Maybank Nominees (Tempatan) Sdn Bhd ICLIF (IFM Kenanga-i) (419237)	3,529,000	0.35
20.	Maybank Nominees (Tempatan) Sdn Bhd INCEIF (IFM Kenanga-i) (419238)	3,505,000	0.35
21.	CIMB Group Nominees (Tempatan) Sdn Bhd Exempt An for Petroliam Nasional Berhad (PET-MAM-EQET)	3,000,000	0.30
22.	HSBC Nominees (Tempatan) Sdn Bhd BNPP Sin/2s for Pertubuhan Keselamatan Sosial (PKSMAMSB EQ)	3,000,000	0.30
23.	Citigroup Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (EASTSPRINGESG)	2,558,000	0.26
24.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Gaik Eng	2,400,000	0.24
25.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad Deutsche Trustees Malaysia Berhad for Eastspring Investments My Focus Fund	2,245,900	0.22

ANALYSIS OF SHAREHOLDINGS

LIST OF THIRTY (30) LARGEST SHAREHOLDERS (BASED ON RECORD OF SHAREHOLDERS) (CON'T)

NO.	ACCOUNT HOLDER	NO. OF SHARES HELD	PERCENTAGE (%)
26.	Phillip Nominees (Asing) Sdn Bhd Exempt An for Phillip Securities Pte Ltd (Client Account)	2,170,000	0.22
27.	Phillip Nominees (Tempatan) Sdn Bhd Exempt An For Phillip Capital Management Sdn Bhd	2,134,800	0.21
28.	Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lee Yoke Ming	2,065,000	0.21
29.	Chin Yat Yin	1,900,000	0.20
30.	Citigroup Nominees (Asing) Sdn Bhd UBS AG	1,860,600	0.19
Total		857,536,300	85.75

LIST OF SUBSTANTIAL SHAREHOLDERS (BASED ON REGISTER OF SUBSTANTIAL SHAREHOLDERS)

		DIRECT		INDIRECT	
		NO. OF SHARES	%	NO. OF SHARES	%
1.	Chin Yu Lay	176,681,800	17.67	-	-
2.	Eddyson Effe Kuehjin Anak Bika	150,420,000	15.04	-	-
3.	Lu Pak Lim	146,581,000	14.66	-	-
4.	Wong Kiing Ting	128,966,400	12.90	-	-

LIST OF DIRECTORS' SHAREHOLDINGS (BASED ON REGISTER OF DIRECTORS' SHAREHOLDINGS)

		DIRECT		INDIRECT	
		NO. OF SHARES	%	NO. OF SHARES	%
1.	Chin Yu Lay	176,681,800	17.67	-	-
2.	Lu Pak Lim	146,581,000	14.66	-	-
3.	Datuk Amar Jaul Anak Samion	800,000	0.08	-	-
4.	Vong Wan Yin	500,000	0.05	-	-
5.	Datin Sng Bee Seio	475,000	0.05	3,400	0.00*
6.	Terence Goh Seng Chua	425,000	0.04	-	-
7.	Wong Siew Si	300,000	0.03	-	-

* Less than 0.01%

NOTICE OF 2ND ANNUAL GENERAL MEETING

NOTICE OF 2ND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Second (2nd) Annual General Meeting (“AGM”) of Reach Ten Holdings Berhad (“Reach Ten” or “the Company”) shall be held physically at the Auditorium of Chung Hua Middle School No. 1, Pending Road, 93450 Kuching, Sarawak, on Monday, 25 May 2026 at 9.00 a.m. to transact the following business: -

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 December 2025, together with the Reports of the Directors and Auditors thereon. **Please refer to Explanatory Note (A)**
2. To approve the payment of Directors’ fees amounting to RM384,000 payable to the Directors of the Company for the financial year ending 31 December 2026. **Ordinary Resolution 1**
3. To approve the payment of Directors’ meeting attendance allowances and any other benefits for an amount of up to RM150,000 from the date of the passing of this Ordinary Resolution until the next AGM. **Ordinary Resolution 2**
4. To re-elect the following Directors who retire by rotation pursuant to Clause 91 of the Company’s Constitution, and being eligible, offer themselves for re-election: -
 - a) Mr Chin Yu Lay **Ordinary Resolution 3**
 - b) Mr Terence Goh Seng Chua **Ordinary Resolution 4**
5. To re-appoint Messrs. Crowe Malaysia PLT as Auditors of the Company for the ensuing year and to authorize the Board of Directors to fix their remuneration. **Ordinary Resolution 5**

SPECIAL BUSINESS

To consider and, if thought fit, pass the following ordinary resolutions:

6. **Authority to Issue and Allot Shares of the Company Pursuant to Sections 75, 76, and 85 of the Companies Act 2016** **Ordinary Resolution 6**

“THAT the Directors of the Company be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016 (“Act”), to issue and allot shares in the Company at any time to such persons and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being;

THAT pursuant to Section 85 of the Act and Clause 16 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of new shares in the Company pursuant to Section 76 of the Act;

THAT the Directors be and are also empowered to obtain approval from Bursa Malaysia Securities Berhad (“Bursa Securities”) for the listing of and quotation for the additional shares so issued;

AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company, subject always to the Act, the Constitution of the Company, the Main Market Listing Requirements (“Listing Requirements”) of Bursa Securities and approvals of the relevant authorities, where required (“General Mandate”).”

NOTICE OF 2ND ANNUAL GENERAL MEETING

7. Proposed Purchase of its Own Shares by the Company (“Proposed Share Buy-Back”) Ordinary Resolution 7

“THAT subject always to the Act, the Company’s Constitution, the Listing Requirements of Bursa Securities and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, purchase such number of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company provided that: -

- (i) the aggregate number of shares to be purchased shall not exceed ten percent (10%) of the total number of issued shares of the Company at the time of purchase;
- (ii) the maximum funds to be allocated by the Company for the Proposed Share Buy-Back shall not exceed the retained profits of the Company;

THAT such authority shall commence immediately upon the passing of this 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 such resolution was passed, at which time it will lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (ii) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting.

whichever is earlier;

AND THAT the Directors of the Company be and are hereby authorised to deal with the shares purchased in their absolute discretion in the following manner:-

- (i) cancel all or part of the ordinary shares so purchased;
- (ii) retain all or part of the ordinary shares purchased as treasury shares as defined in Section 127 of the Act;
- (iii) distribute all or part of the treasury shares as dividends to the shareholders of the Company;
- (iv) resell all or part of the treasury shares on the market of Bursa Securities;
- (v) transfer all or part of the treasury shares as purchase consideration;
- (vi) in such other manner as allowed by the Act, Listing Requirements, applicable laws, rules, regulations, guidelines, requirements and/or orders of any relevant authorities for the time being in force.

AND FURTHER THAT the Directors of the Company be and are authorised to take all such steps as may be necessary or expedient (including without limitation, the opening and maintaining of central depository account(s) under Securities Industry (Central Depositories) Act, 1991, and the entering into all other agreements, arrangements and guarantee with any party or parties) to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed by the relevant authorities.”

8. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company

NOTICE OF 2ND ANNUAL GENERAL MEETING

By order of the Board

PAULINE KON SUK KHIM
(CCM Practicing Certificate No. 202008001607)
(MAICSA 7014905)
Company Secretary
Date: 24 April 2026

Notes:

1. To determine a member who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 65 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991, to issue a General Meeting Record of Depositors as of 19 May 2026. Only a depositor whose name appears on the General Meeting Record of Depositors as of 19 May 2026 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.
2. A member who is entitled to attend and vote at this AGM is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company, and a member may appoint any person to be his/her proxy.
3. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.
4. Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.
5. The Form of Proxy, in the case of an individual, shall be signed by the appointer or his/her attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorized.
6. To be valid, the Form of Proxy must be deposited at the office of the Share Registrar, 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, or alternatively, in the drop-in box located at Unit G-1, Ground Floor, Vertical Podium, Avenue 3, Bangsar South No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or submit it electronically via Vistra Share Registry and IPO (MY) portal at <https://srmy.vistra.com>, not less than forty-eight (48) hours before the time appointed for this Second (2nd) AGM or any adjournment thereof.

EXPLANATORY NOTES:

A. AUDITED FINANCIAL STATEMENTS

The Audited Financial Statements are laid before the shareholders for discussion only as they do not require shareholders' approval pursuant to Section 340(1) of the Act. Hence, this matter will not be put for voting.

B. ORDINARY RESOLUTION 1 AND 2

Payment of Directors' Fees, Meeting Allowances and any other Benefits

Section 230(1) of the Act requires that the Directors' fees, meeting allowances and benefits payable to the Directors of a public company must be approved at a general meeting. Accordingly, shareholders' approval is sought for the payment of Directors' fees, meeting attendance allowances and any other benefits which shall take effect from the date of passing of this ordinary resolution until the next AGM.

C. ORDINARY RESOLUTION 3 AND 4

Re-election of Directors Pursuant to Clause 91 of the Constitution of the Company

In accordance with Clause 91 of the Company's Constitution, Mr Chin Yu Lay and Mr Terence Goh Seng Chua are due to retire by rotation, and being eligible, have offered themselves for re-election.

The Nomination Committee ("NC") assessed the performance of Mr Chin Yu Lay and Mr Terence Goh Seng Chua (collectively "the retiring Directors") according to the fit and proper criteria. The retiring Directors have satisfied the criteria of character and integrity, experience and competence, as well as time and commitment, as set out in the Company's Fit and Proper Policy. Based on the recommendation of the NC, the Board is satisfied with the performance and contributions of the retiring Directors and supports their re-election.

The profiles of the Directors who are standing for re-election are set out in the Board of Directors Profiles of the 2025 Annual Report of the Company.

NOTICE OF 2ND ANNUAL GENERAL MEETING

EXPLANATORY NOTES (CON'T):

D. ORDINARY RESOLUTION 6

Authority to Issue and Allot Shares of the Company Pursuant to Sections 75, 76 and 85 of the Act

This Ordinary Resolution, if passed, will empower the Directors of the Company to issue and allot shares in the Company and to make or grant offers, agreements, rights or options in respect of new shares in the Company pursuant to the General Mandate obtained, up to 10% of the total number of issued shares of the Company. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM in 2027.

In connection with the authority granted above, this Ordinary Resolution, if passed, will also have the effect of the shareholders of the Company agreeing to waive their pre-emptive rights in respect of the allotment and issuance of new ordinary shares in the Company pursuant to Section 85 of the Act, read together with Clause 16 of the Constitution of the Company.

This General Mandate, if approved, will provide flexibility to the Company for any possible fundraising activities, including but not limited to further placing of shares, to fund future investment project(s), working capital and/or acquisitions and to avoid any delay or costs involved in convening a general meeting for such issuance of shares.

E. ORDINARY RESOLUTION 7

Proposed Share Buy-Back

This Ordinary Resolution, if passed, will empower the Directors of the Company from the date of this AGM, the authority to purchase up to ten percent (10%) of the total issued share capital of the Company. This authority will, unless revoked or varied by the Company in a general meeting, expire at the next AGM of the Company.

Please refer to the Statement to Shareholders dated 24 April 2026 for further details.

STATEMENT ACCOMPANYING THE NOTICE OF AGM

There is no person seeking election as a Director of the Company at this Second (2nd) AGM.

PERSONAL DATA PRIVACY

By submitting proxy form(s) appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

REACH TEN HOLDINGS BERHAD
Registration No. 202301050171 (1544085-P)
(Incorporated in Malaysia)

No. of Shares held	
CDS Account No.	

PROXY FORM

I/We, of being member/members of the abovenamed Company hereby appoint of or failing him, of or *the Chairman of the Meeting as my/our proxy to vote for me/us and on my/our behalf at the 2nd Annual General Meeting of the Company to be held at the Auditorium of Chung Hua Middle School No. 1, Pending Road, 93450 Kuching, Sarawak on Monday, 25th day of May 2026 at 9.00 a.m. and, at any adjournment thereof for/against* the resolutions to be proposed thereat.

Resolution No	Ordinary Business	FOR	AGAINST
Ordinary Resolution 1	Approval for payment of Directors' fees		
Ordinary Resolution 2	Approval for payment of Directors' meeting attendance allowances and any other benefits		
Ordinary Resolution 3	Re-election of Mr Chin Yu Lay as Director		
Ordinary Resolution 4	Re-election of Mr Terence Goh Seng Chua as Director		
Ordinary Resolution 5	Re-appoint Messrs. Crowe Malaysia PLT as Auditors for the ensuing year and to authorize the Board of Directors to fix their remuneration		
Special Business			
Ordinary Resolution 6	Authority to issue and allot shares		
Ordinary Resolution 7	Proposed purchase of its own shares by the company		

(Please indicate with an "X" or "✓" in the spaces provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion)

The proportions of my holdings to be presented by my *proxy/our proxies are as follows:

	Numbers of Shares	Percentage
First-Named Proxy A		%
Second Named Proxy B		%
Total		100%

In case of a vote taken by a show of hands, the First Proxy A/Second Proxy B shall vote on *my/our behalf.

*Strike out whichever is not desired. (unless otherwise instructed the proxy may vote as he thinks fit)

Dated this day of 2026

Signature of Member(s)/Common Seal

Notes:

- To determine a member who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 65 of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act, 1991, to issue a General Meeting Record of Depositors as at 19 May 2026. Only a depositor whose name appears on the General Meeting Record of Depositors as at 19 May 2026 shall be entitled to attend the said meeting or appoint proxies to attend and/or vote on his/her behalf.*
- A member who is entitled to attend and vote at this AGM is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his/her proxy.*
- Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.*

4. *Where a member of the Company is an exempt authorized nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.*
5. *The Form of Proxy, in the case of an individual, shall be signed by the appointer or his/her attorney, and in the case of a corporation, either under its common seal or under the hand of an officer or attorney duly authorized.*
6. *To be valid, the Form of Proxy must be deposited at the office of the Share Registrar, 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 or alternatively, in the drop-in box located at Unit G-1, Ground Floor, Vertical Podium, Avenue 3, Bangsar South No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or submit it electronically via Vistra Share Registry and IPO (MY) portal at <https://srmy.vistra.com>, not less than forty-eight (48) hours before the time appointed for this Second (2nd) AGM or any adjournment thereof.*
7. *If the appointer is a corporation, this form must be executed under its seal or the hand of an officer or an attorney duly authorised.*

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AFFIX
STAMP

THE SHARE REGISTRAR OF

REACH TEN HOLDINGS BERHAD

Registration No. 202301050171 (1544085-P)

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

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Reach Ten Holdings Berhad
Registration No. 202301050171 (1544085-P)

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