

HOMERITZ

CORPORATION BERHAD

Registration No.: 200801004508 (805792-X)

WHERE LUXURY MEETS LEISURE

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ANNUAL REPORT 2025

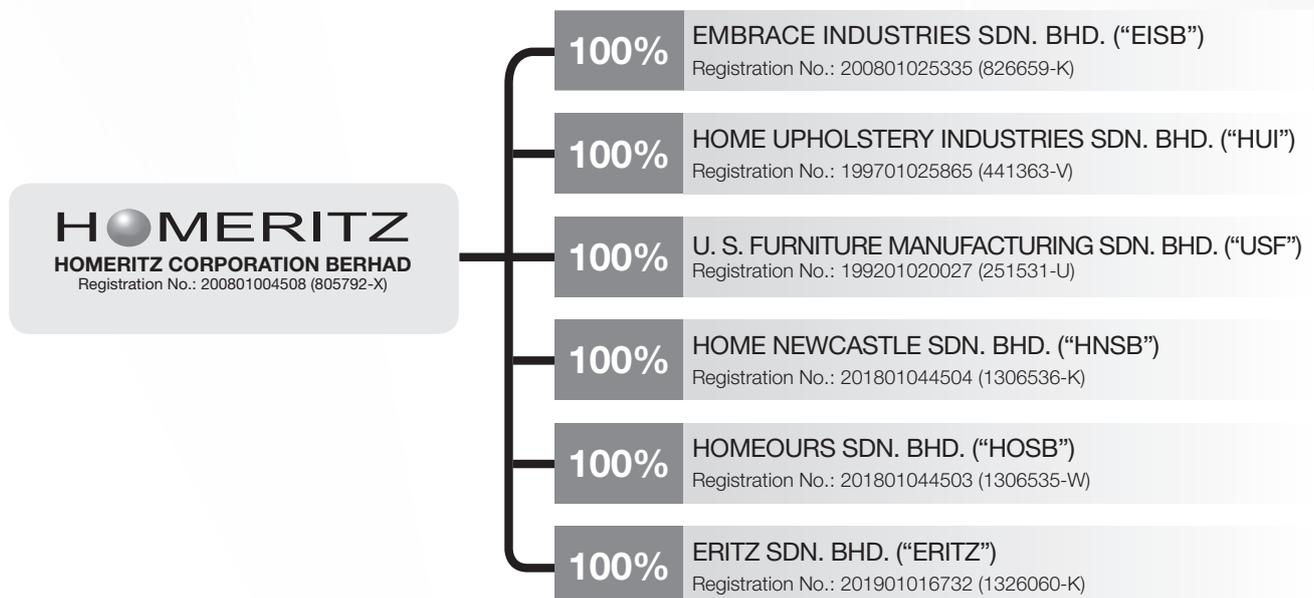


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CORPORATE STRUCTURE



CORPORATE INFORMATION

BOARD OF DIRECTORS

CHUA FEN FATT

(Managing Director)

TEE HWEE ING

(Executive Director)

PHOEBE CHUA CHI LER

(Executive Director)

(Appointed on 02 September 2025)

KEE TONG KIAK

(Senior Independent Non-Executive Director)

HAMSIAH BINTI KHALID

(Independent Non-Executive Director)

WONG WAI HUNG

(Independent Non-Executive Director)

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairman

Kee Tong Kiak

(Senior Independent Non-Executive Director)

Members

Hamsiah Binti Khalid

(Independent Non-Executive Director)

Wong Wai Hung

(Independent Non-Executive Director)

NOMINATING COMMITTEE

Chairman

Kee Tong Kiak

(Senior Independent Non-Executive Director)

Members

Hamsiah Binti Khalid

(Independent Non-Executive Director)

Wong Wai Hung

(Independent Non-Executive Director)

REMUNERATION COMMITTEE

Chairman

Wong Wai Hung

(Independent Non-Executive Director)

Members

Kee Tong Kiak

(Senior Independent Non-Executive Director)

Hamsiah Binti Khalid

(Independent Non-Executive Director)

COMPANY SECRETARIES

Ng Mei Wan (MIA 28862)
(SSM Practicing Certificate
No.: 201908000801)

Tan Hui Khim (LS 0009936)
(SSM Practicing Certificate
No.: 201908000859)

AUDITORS

Crowe Malaysia PLT
Registration No.: 201906000005
(LLP0018817-LCA) & AF 1018
Chartered Accountants
Muar Office
No. 8, Jalan Pesta 1/1
Taman Tun Dr. Ismail 1
Jalan Bakri 84000
Muar, Johor.

Tel. No. : +606 952 4328
Fax. No. : +606 952 7328

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.

Tel. No. : +603 2783 9299
Fax. No. : +603 2783 9222
Email : is.enquiry@vistra.com

REGISTERED OFFICE

No. 7 (1st Floor), Jalan Pesta 1/1
Taman Tun Dr. Ismail 1 Jalan Bakri
84000 Muar, Johor.
Tel. No. : +606 954 1705
Fax. No. : +606 954 1707
Email : lsca-muar@lsca.com.my

PRINCIPAL PLACE OF BUSINESS

Lot 8726 PTD 6023
Batu 8 Kawasan Perindustrian
Bukit Bakri
84200 Muar, Johor.
Tel. No. : +606 986 5000
Fax. No. : +606 986 0942
Website : www.homeritzcorp.com
Email : info@homeritzcorp.com

PRINCIPAL BANKERS

AmBank (M) Berhad
HSBC Bank (Malaysia) Berhad

DATE OF LISTING

19 February 2010

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad
Stock Name : HOMERIZ
Stock Code : 5160
Sector : Consumer Products

MANAGEMENT DISCUSSION AND ANALYSIS

1) OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

Homeritz Corporation Berhad (“Homeritz” or “the Group”) is one of the leading upholstered home furniture manufacturers in Malaysia. The Group is principally an integrated Original Design Manufacturer (“ODM”) and Original Equipment Manufacturer (“OEM”) player that produces a complete range of upholstered home furniture products. As an ODM, we design and manufacture furniture for sale to our customers whereas, as an OEM, we manufacture furniture based on the designs provided to us. The Group’s customers are mainly overseas wholesalers and retailers. The Group’s primary activity revolves around the design, manufacture and sales of upholstered home furniture which includes the following products: -

- upholstered sofas;
- upholstered dining chairs;
- upholstered bed frames; and
- other home furniture such as cushion seats, sofa beds and tables.

Our products are mainly focused on ‘medium to high-end range’ of upholstered home furniture and the designs are mostly catered to Western stylishness and preferences which are our focused markets. We have exported our products to more than 50 countries across the world covering Europe, Australasia, North and South America, Asia and Africa.

Presently, the Group’s manufacturing plants are all located in Kawasan Perindustrian Bukit Bakri, Muar, Johor. The close vicinity of these plants allows the Company to facilitate administrative control and to have better control over production costs as well as quality of the products, leading to greater efficiency, economic of scale and faster time-to-market.

The following are business strategies to sustain and expand our business: -

- Strengthen our R&D capabilities to continuously improve existing designs and develop new, innovative ones.
- Continuously upgrade our equipment and machinery to boost efficiency and productivity, while enhancing product quality.
- Diligently seek and test new raw materials to facilitate the production of high-quality products at competitive costs.
- Continue diversifying and introducing new products to clients.
- Adopt more aggressive marketing strategies and to continue to work hand-in-hand with our clients to secure bigger larger market segments.
- Improve production efficiency, thereby becoming more competitive in pricing.
- Continuously motivate our staff and personnel to achieve the highest levels of commitment and performance.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

2) FINANCIAL PERFORMANCE REVIEW

Financial Year End 31 August ("FYE")	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Revenue	164,903	243,294	162,644	229,721	225,122
Profit before tax ("PBT")	27,709	53,650	33,387	44,929	36,457
Profit after tax	22,329	40,988	25,994	34,151	27,527
Profit attributable to owners of the Company	22,329	40,988	25,994	34,151	27,527
Equity attributable to owners of the Company	204,487	259,967	281,328	308,072	307,064
Deposit, bank and cash balance	84,125	148,197	170,240	188,164	164,540
Number of ordinary shares in issue ('000)*	412,903	463,239	463,239	463,245	458,843
Net assets per share ("NA") (RM)*	0.50	0.56	0.61	0.67	0.67

* The comparative net assets per share and number of share in issue have been restated to reflect the bonus issue of 1 for every 4 existing ordinary share which was completed on 16 December 2020.

a) Revenue

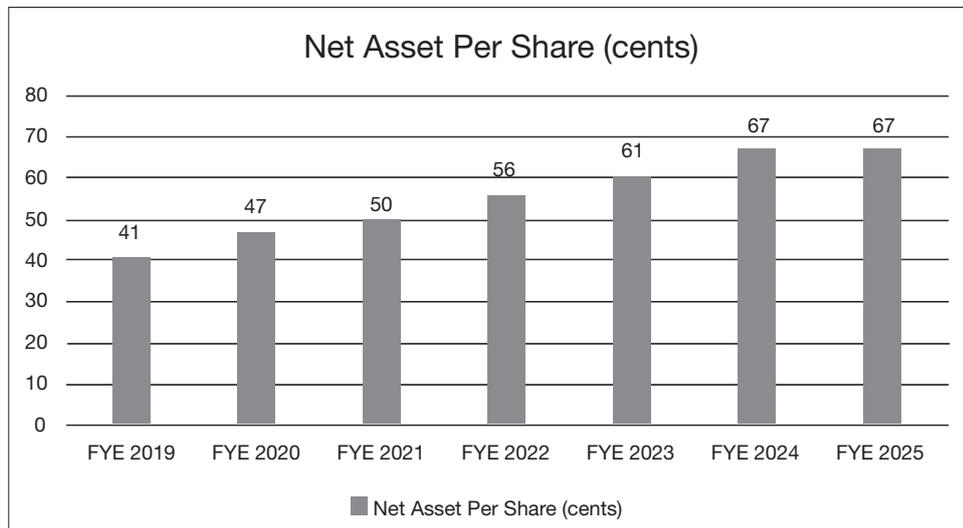
The Group's revenue for FYE 2025 decreased by 2.00% compared with the corresponding period of the last financial year. This was mainly attributed to the weakening of the USD, as the majority of the Group's revenue was denominated in USD.

b) Profit before tax

For FYE 2025, the Group's PBT decreased by 18.86% to RM 36.46 million. This was mainly attributed to the weakening of the USD and higher other expenses arising from the fire damage related to the incident on 12 December 2024.

c) Net Asset per Share

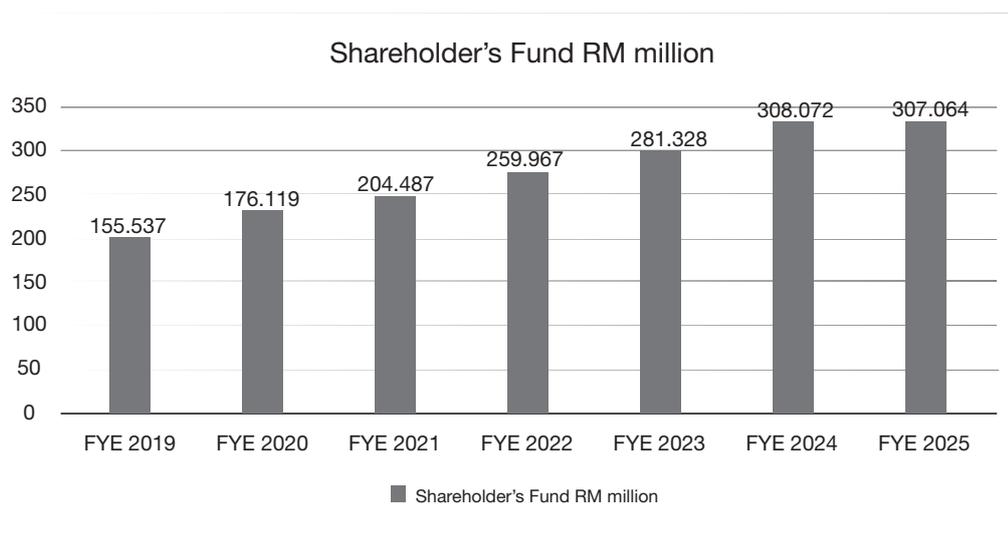
The following chart illustrates the Group's Net Asset per Share of the Group since FYE 2019:



MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

d) Shareholders' Funds

The following chart illustrates the Shareholders' Fund of the Group since FYE 2019:



e) Financial position and liquidity

The financial position and liquidity of the Group remained strong in FYE 2025, with average inventory turnover period of about 4 months and average trade receivables and payable turnover period of about 1 month at the end of FYE 2025. The Group is in net cash position with no bank borrowing.

f) Capital expenditure, infrastructure and resources

In order to support the business growth, the Group continually upgrades the infrastructure, equipment and machinery to boost efficiency and productivity and to enhance the product quality. The Group's capital expenditure incurred for FYE 2025 amounted to about RM 18.03 million, of which a sum of about RM 7.46 million was utilised for acquiring new equipment, machinery in new plant and upgrading existing machinery and equipment and the remaining of about RM 10.57 million is for construction of a new plant and hostel.

g) Associated business risks

Associated business risks are reasonably likely to have a material effect on the Group's operations, financial performance, financial condition and liquidity are those disclosed under risk relating to the business as set out at pages 6 and 7 of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

3) RISKS RELATING TO THE BUSINESS

a) Foreign Currency Exchange Risk

Most of the Group's products are exported to foreign countries, primarily those in Europe, Australasia, North and South America, Asia and Africa while certain raw materials like leather, PU and fabric are sourced from foreign countries such as Italy, India, Vietnam, Korea, Thailand and China.

The Group is exposed to foreign currency exchange risks as approximately 90% and 58% of our revenue and total purchases of raw materials respectively are denominated in USD. Fluctuations in USD exchange rate will have an impact on the prices of imported raw materials as well as export earnings, which will in turn affect the profitability of the Group. The Group's profit margin is generally expected to improve if the USD strengthens against RM which will then increase the profitability. Conversely, the weakening of USD against RM would generally reduce our profitability due to lower profit margin, dependent on the extent and effectiveness of the hedging strategies adopted.

At present, the Group has credit lines for foreign exchange forward contracts with several financial institutions. Should the need arise, the management can readily utilise such forward contracts to hedge the fluctuations in exchange rates between RM and USD, after taking into account the exposure period and the related transaction costs. Further, the Group also maintain a foreign currency account to facilitate the receipt of revenue collections which are denominated in USD to pay for some of our purchases which are also denominated in USD. Thus, it provides some form of natural hedging against any adverse foreign exchange fluctuations.

Notwithstanding the above, there is no assurance that any adverse fluctuations in foreign exchange rates would not have a material impact on the Group's financial performance.

b) Labour Market

The furniture industry is labour-intensive. As such, the Group is subject to risk of labour shortages and increase in labour costs. Therefore, the Group has to resort to recruiting foreign workers as we face difficulty in employing local workforce. Hence, the Group is required to comply with the policies imposed by the Government of Malaysia with regards to the employment of these foreign workers. Any future changes to such policies may adversely affect our ability to employ foreign workers. In such event, if the Group is unable to find suitable replacements, the production would be interrupted and consequently, the Group's revenue and profits would be adversely affected as well.

The Group actively liaise with the relevant Government and recruitment agencies for timely renewal of work permits of such foreign workers in adherence to the Government's policies. In addition, the Group endeavours to ensure all the foreign workers operate in a safe and conducive working environment. Measures that the Group has implemented include the enforcement of stringent safety measures to prevent hazards or any untoward events from occurring in the work environment and provision of access to medical treatment, where necessary.

Competitive remuneration and benefits packages, as well as training and career development opportunities are also extended to the foreign workers. Consequently, all efforts have resulted in the Group being able to enjoy a cordial working relationship with foreign workers.

Nevertheless, the risk of overdependence on labour is partly mitigated by the usage of automated equipment and machinery wherever possible in certain manufacturing processes of the Group. Through research activities, the management would also endeavour to review and improve the manufacturing process flow and techniques in order to minimise human handling and increase efficiency.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

c) Availability and Fluctuation in Prices of Raw Materials

Prices of certain raw materials used in the production such as leather, wood and wood frame, foam, PU and fabric may fluctuate rapidly due to intervening factors such as global demand and supply conditions. As such, the prices of raw materials at the point of commitment to the customers may differ from those at the time of actual billing. Raw leather hide is the principal raw material in the Group's upholstered furniture, accounting for almost half of the furniture upholstery cost. As such, the cost of upholstered furniture is exposed to fluctuations in the price of cattle raw hide. The supply of cattle raw hide is principally dependent on the consumption of beef. The cattle industry is also exposed to veterinary health issues like foot and-mouth and mad cow disease, which will have an impact on the slaughter rate of cattle. Fluctuations in the price of raw leather hides will significantly affect operating margins. If there are significant increases in the costs of the major raw materials and the Group is unable to pass on such increases in the costs to the customers or the Group is unable to find alternative sources for such raw materials at competitive prices, the Group's financial performance may be adversely affected.

d) Unfavourable Economic, Social and Political Conditions

Any adverse change in the political, economic and regulatory environment and uncertainties in Malaysia as well as countries that we export to could have unfavourable effect on our financial and business prospects. These include but not limited to the risk of war, terrorist attacks, riots, changes in political leadership, global economic downturn and unfavourable changes in government policies such as changes in the methods of taxation, interest rates, licensing or introduction of new regulations. Whilst we would continue to take effective measures such as prudent financial management and continue seeking new markets, there is no assurance that any change to these factors will not materially and adversely affect our financial position or business in the future.

4) FUTURE PROSPECT AND OUTLOOK OF THE GROUP

A special dividend of 3.9 sen per ordinary share in respect of financial year ending 31 August 2025 was declared by the Board on 6 December 2024 and subsequently paid on 31 December 2024 to all holders of ordinary shares whose names appear in the Record of Depositors at the close of business on 23 December 2024.

The Group is operating in global economic uncertainties as well as facing increases in its production costs and fluctuation in foreign exchange rates.

In view of the above, the Group will continue to remain focus in their core business of design, manufacture and sale of upholstered home furniture which includes upholstered sofas, upholstered dining chairs and upholstered bed frames. The Group will also continue its concerted efforts to develop new products, new design for existing products, deriving better cost efficiencies and effective cost management across all functions.

Barring any unforeseen circumstances and considering the aforementioned, the Board remains cautiously optimistic on the Group's performance for the next financial year.

BOARD OF DIRECTOR'S PROFILE

CHUA FEN FATT

Managing Director

Nationality : Malaysian
Aged/gender : 54, Male

Tenure of service: 16 years 1 month

Chua Fen Fatt was appointed to the Board on 2 November 2009. He is one of the founders of HUI in 1997 and since then, he has been the driving force in the Group and has been instrumental in the success, growth and development of the Group. He has had more than 38 years of hands-on experience in the furniture industry particularly in the upholstered home furniture. Throughout his working career, he has worked in different levels and capacities and involved in various aspects of the industry, from being a production operator to sample maker and product designer.

Prior to setting up of HUI, he was also involved in the sub-contracting of upholstered home furniture activities and started his own manufacturing business, Home Sofa Industries, in 1996. Over the years, he has accumulated various technical know-how and expertise in the art of manufacturing and designing upholstered home furniture.

As the Managing Director, he provides the Group with its corporate vision and business strategies and is primarily responsible for the overall business, strategic planning, design and development and the entire operations of the Group. Currently, he does not hold any directorship in any other public companies.

TEE HWEE ING

Executive Director

Nationality : Malaysian
Aged/gender : 54, Female

Tenure of service: 16 years 1 month

Tee Hwee Ing was appointed to the Board on 2 November 2009. She is the co-founder of HUI together with Chua Fen Fatt in 1997. Prior to joining the Group, she worked with UOB Card Centre (Singapore) and Avenue Securities Sdn. Bhd. in 1990 and 1992 respectively. She has over 28 years of working experience in the upholstered home furniture industry. As the Executive Director, she is primarily responsible for the overall corporate and administrative functions of the Group.

Currently, she does not hold any directorship in any other public companies.

PHOEBE CHUA CHI LER

Executive Director

Nationality : Malaysian
Aged/gender : 27, Female

Appointed on 02 September 2025

Phoebe Chua Chi Ler was appointed to the Board on 02 September 2025. She started her career as Marketing Coordinator at Home Upholstery Industries Sdn. Bhd. in 2019 and subsequently promoted as Marketing Executive in 2021. On 01 September 2025, she was appointed as Director of Home Upholstery Industries Sdn. Bhd., the subsidiary of the Company.

At present, she is actively involved in Research & Development, working closely with the design and production teams to create innovative furniture that aligns with the latest industry trends. She is also responsible for planning and managing international trade exhibitions and events, ensuring the Company maintains a strong presence in both local and international markets.

Currently, she does not hold any directorship in any other public companies.

BOARD OF DIRECTOR'S PROFILE (Cont'd)

KEE TONG KIAK

Senior Independent Non-Executive Director

Nationality : Malaysian
Aged/gender : 58, Male

Tenure of service: 2 years 7 months

HAMSIAH BINTI KHALID

Independent Non-Executive Director

Nationality : Malaysian
Aged/gender : 54, Female

Tenure of service: 2 years 7 months

WONG WAI HUNG

Independent Non-Executive Director

Nationality : Malaysian
Aged/gender : 58, Male

Tenure of service: 2 years

Kee Tong Kiak was appointed to the Board on 15 May 2023. He is also the Chairman of the Audit and Risk Management & Nominating Committees and a member of the Remuneration Committee of the Company. He was admitted to the Malaysian Bar as an advocate and solicitor in March 1993. He is currently a partner of Chee Siah Le Kee & Partners specialising in civil litigation practice.

Currently, he is also an independent non-executive director of Tomypak Holdings Berhad and the independent non-executive Chairman of Gold Li Holdings Berhad and HSS Holdings Berhad.

Apart from Tomypak Holdings Berhad, Gold Li Holdings Berhad and HSS Holdings Berhad, he does not hold directorship in any other public companies and listed issuers.

Hamsiah Binti Khalid was appointed to the Board on 15 May 2023. She is also a member of the Remuneration, Audit and Risk Management and Nominating Committees of the Company. She obtained a Bachelor degree of Accountancy from University Pertanian Malaysia currently known as University Putra Malaysia. She is a Certified Chartered Accountant from Malaysia Institute of Accountants. She received her Master of Business Administration from Management & Science University. She has a background of more than 25 years working experience in management related position in sectors/industries such as oil and gas, power and environmental. Currently, she is the Group Chief Financial Officer of a private limited company.

Currently, she does not hold any directorship in any other public companies.

Wong Wai Hung was appointed to the Board on 15 December 2023. He is also the Chairman of the Remuneration Committee and a member of the Audit and Risk Management and Nominating Committees of the Company. He graduated from Tunku Abdul Rahman College with Diploma in Commerce (Management Accounting). He is a Chartered Accountant, a fellow Member and Chartered Global Management Accountant of The Chartered Institute of Management Accountants (CIMA) and an associate member of the Malaysian Institute of Accountants. He also obtained his Master of Business Administration in Electronic Commerce from Charles Stuart University, Australia. He has accumulated over 30 years of working experience mainly in public listed companies in the key management, operation, corporate finance for Construction, Manufacturing and Engineering industries.

Currently, he does not hold any directorship in any other public companies.

Notes to Directors' Profile:

- a) Tee Hwee Ing is the spouse of Chua Fen Fatt. Phoebe Chua Chi Ler is the daughter of Chua Fen Fatt and Tee Hwee Ing. Save as disclosed, none of the directors has any family relationship with any other director of the Company.
- b) All directors do not have conflict of interest with the Company and have not been convicted for any offences within the past 5 years other than for traffic offences, if any.
- c) Please refer to the analysis of shareholdings of this Annual Report for details of the directors' shareholdings in the Company.
- d) The details of number of Board meetings attended by directors during the financial year are set out in page 48 of this Annual Report.

SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

Homeritz Corporation Berhad (“Homeritz” or “the Group”) is pleased to present its Sustainability Statement (“SS”) for FY2025, which outlines the Group’s progress in managing our Material Matters and key sustainability indicators. Guided by our commitment to responsible business practices, we continue to pursue a better future through well-defined objectives and efficient operations.

Our Key Business Activities

The Group remains one of the leading manufacturers of upholstered home furniture, offering a wide range of high-quality and design-driven products for international markets. Backed by modern manufacturing facilities and a skilled workforce, we are dedicated to delivering comfort, innovation and superior craftsmanship in every product. Beyond furniture manufacturing, we uphold sustainable and responsible business practices by integrating Environmental, Social and Governance (“ESG”) principles into our operations—minimising environmental impact, promoting fair labour practices and creating lasting value for our stakeholders and communities.

Reporting Guidelines, Frameworks and Standards

This Sustainability Statement of Homeritz and its subsidiaries have been prepared in line with Bursa Malaysia’s Main Market Listing Requirements, guided by the Sustainability Reporting Guide (3rd Edition) and the National Sustainability Reporting Framework (“NSRF”) issued by the Advisory Committee on Sustainability Reporting (“ACSR”). The Report also reflects alignment with key principles and best practices from relevant national and international sustainability frameworks and standards, including:

Corporate Governance and Global Sustainability Alignment	<ul style="list-style-type: none"> • Malaysian Code on Corporate Governance (“MCCG”) by the Securities Commission Malaysia • United Nations Sustainable Development Goals (“UNSDGs”) • Task Force on Climate-related Financial Disclosures (“TCFD”) Recommendations (Part of IFRS Foundation¹)
Reporting Frameworks	<ul style="list-style-type: none"> • National Sustainability Reporting Framework (“NSRF”)² • IFRS Sustainability Disclosure Standards (S1 and S2) issued by the IFRS Foundation¹ • International <Integrated Reporting> Framework and Integrated Thinking Principles (Part of IFRS Foundation¹)
International Standards and Guidelines	<ul style="list-style-type: none"> • Accountability Standards <ul style="list-style-type: none"> ○ AA1000 AccountAbility Principles ○ AA1000 Stakeholder Engagement Standard • International Workshop Agreements (“IWA”) <ul style="list-style-type: none"> ○ IWA 48:2024 – Framework for Implementing Environmental, Social and Governance (“ESG”) Principles ○ IWA 42:2022 – Net Zero Guidelines • International Organisation for Standardisation (“ISO”) <ul style="list-style-type: none"> ○ ISO 14064-1:2018 – Greenhouse Gases (“GHG”) Standard ○ ISO 20400:2017 – Sustainable Procurement – Guidance ○ ISO 59004:2024 – Circular Economy – Vocabulary, Principles and Guidance for Implementation ○ ISO 59020:2024 – Circular Economy – Measuring and Assessing Circularity Performance

SUSTAINABILITY STATEMENT (Cont'd)

Reporting Guidelines, Frameworks and Standards. (Cont'd)

¹ The Group commenced the adoption of the IFRS Sustainability Disclosure Standards in its financial year ending 31 August 2025 (“FY 2025”), marking a significant step towards aligning with global best practices in sustainability reporting. As part of this initial phase, the Group has begun applying the core principles of both IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information) and IFRS S2 (Climate-related Disclosures).

As of 31 December 2024, no additional IFRS Sustainability Disclosure Standards had been issued by the International Sustainability Standards Board (“ISSB”).

While the Group has taken active steps to incorporate the IFRS S1 and S2 frameworks, the adoption is not yet comprehensive. The Group is progressively enhancing its reporting practices to align more fully with these standards over time, in line with internal readiness, data availability and evolving regulatory requirements.

² The NSRF outlines Malaysia’s strategic approach to adopting the IFRS S1 and S2 issued by the ISSB. The framework serves as a national baseline for consistent, comparable and reliable sustainability reporting, aimed at enhancing investor confidence and strengthening Malaysia’s global competitiveness.

Implementation of the NSRF will be phased starting from 2025, with full adoption—including mandatory disclosures of Scope 1 and Scope 2 greenhouse gas (“GHG”) emissions—required by 2027 for larger entities. In addition to disclosure requirements, the NSRF also sets out the development of assurance requirements to enhance the credibility and integrity of sustainability-related information disclosed by companies.

Reporting Period, Scope and Basis of Scope

This Sustainability Statement has been prepared for Homeritz, in compliance with the Malaysian Financial Reporting Standards (“MFRS”) issued by the Malaysian Accounting Standards Board (“MASB”) and Chapter 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The Report also refers to Practice Note 9A-A, which sets out the Saving and Transitional Provisions for the Sustainability Statement, covering both Part A: Contents of the Sustainability Statement and Part B: Disclosure of Common Sustainability Matters.

This Statement covers the period from 1 September 2024 to 31 August 2025, in line with Homeritz’s financial reporting. The scope includes the Group’s direct operations and extended value chain, consistent with its consolidated financial statements. Homeritz also considers sustainability risks and opportunities across short-, medium- and long-term horizons to support strategic planning, resilience, and value creation.

All financial data and disclosures presented in this report are stated in Malaysian Ringgit (“MYR”), consistent with the currency used in the Group’s consolidated financial statements.

Board of Directors’ Approval

The Board of Directors has reviewed and approved this Sustainability Statement, confirming that it presents a fair, balanced and accurate account of Homeritz’s sustainability performance and initiatives for the reporting year. The Board assumes full responsibility for the integrity of this Statement, supported by the Group’s strong governance framework and robust internal reporting processes.

Independent Assurance

The performance data presented in this report are primarily derived from Homeritz’s internal monitoring systems and verified records to ensure the accuracy, reliability and consistency of the reported information.

SUSTAINABILITY STATEMENT (Cont'd)

External Assurance

To enhance the credibility and transparency of our sustainability disclosures, Homeritz engaged ASAP Advisory PLT (“ASAP”), an independent verifier, to conduct a limited assurance engagement on selected sustainability indicators disclosed in this report. The assurance was carried out in accordance with ISAE 3000 (Revised), providing independent verification of the data presented.

ASAP was appointed solely to provide sustainability assurance and operates independently of Homeritz’s internal audit function. Its role and independence were assessed in accordance with the International Ethics Standards Board for Accountants (“IESBA”)’s ethical requirements, with appropriate safeguards in place to maintain objectivity and integrity throughout the assurance process.

Forward-looking Statements

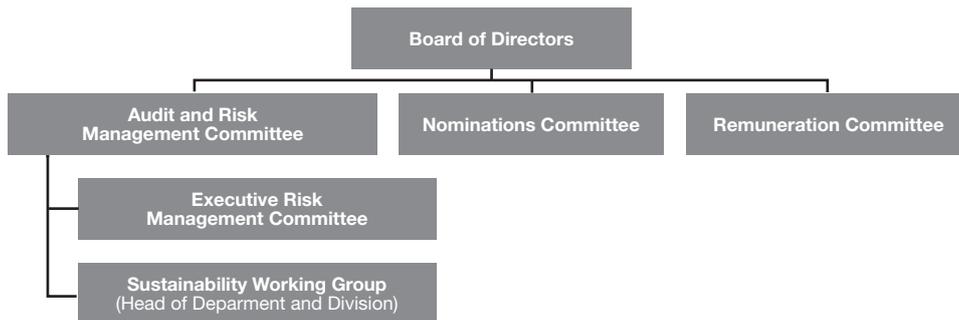
This Statement may contain forward-looking statements that reflect Homeritz’s sustainability vision, strategy and future plans. These statements are based on current expectations and assumptions and do not guarantee future performance. Stakeholders are advised to interpret these statements with due care and consideration.

Feedback

We welcome feedback from our stakeholders to help us enhance our sustainability practices and reporting. For comments, inquiries, or suggestions, please contact us at: info@homeritz.com

SUSTAINABILITY GOVERNANCE

Homeritz’s Board governance structure underscores the Group’s commitment to sustainable growth by aligning its business strategies with long-term sustainability objectives. Sustainability is integrated into our daily operations to promote responsible, ethical and transparent practices. The governance framework also establishes clear lines of oversight and accountability for managing sustainability matters across the Group.



Board of Directors

The Board of Directors provides overall oversight of Homeritz’s sustainability direction, ensuring that sustainability strategies are aligned with the Group’s long-term vision and business objectives. The Board reviews and monitors the progress of sustainability initiatives implemented across the organisation, providing strategic guidance to drive continuous improvement.

SUSTAINABILITY STATEMENT (Cont'd)

Audit and Risk Management Committee

The Audit and Risk Management Committee oversees transparent reporting, regulatory compliance and effective risk management throughout the Group. The Committee also reviews and approves the appointment of independent assurance providers for the Sustainability Statement, in accordance with ISAE 3000 (Revised) and the Bursa Malaysia Sustainability Reporting Framework, to ensure the accuracy and reliability of disclosed data.

Executive Risk Management Committee (“ERMC”)

Chaired by the Group Managing Director and consisting of members of senior management, the Executive Risk Management Committee provides oversight and strategic direction on risk management matters including sustainability (“ESG”) risk such as climate change. The Committee plays a key role in integrating risk considerations into business planning and operational decision-making processes.

Sustainability Working Group

Homeritz has established a cross-functional Sustainability Working Group (“SWG”), comprising Heads of Departments and Divisions, to embed sustainability principles into daily operations. The SWG is responsible for monitoring sustainability performance, implementing key initiatives and reporting progress to management.

STAKEHOLDER ENGAGEMENT

Homeritz believes that strong stakeholder relationships are vital to achieving sustainable and long-term business success. Our stakeholders — including customers, employees, suppliers, investors, government bodies and local communities — play an active role in shaping our strategies and decisions. We engage with them regularly to promote transparency, strengthen collaboration and ensure their perspectives are reflected in our sustainability efforts. Through these engagements, we identify and prioritise material matters that guide our business direction. Each department manages communication with its respective stakeholders, while significant matters are reported to management for further action. Ongoing engagement remains central to building trust, enhancing performance and supporting Homeritz’s sustainability objectives.

The table below outlines our key stakeholders, engagement approaches and outcomes that contribute to meaningful and sustainable relationships.

Key Stakeholders	Areas of Concern/ Interest	Engagement Approach	Our Responses
Customers	<ul style="list-style-type: none"> Product quality, safety and compliance Stringent quality assurance process In house product design and development Timely delivery of finished goods Customer service and experience (e.g. after sale services and timely response to requests) Competitive pricing Customer data protection 	<ul style="list-style-type: none"> Customer relationship management Reliable service Buyer quality control inspection and buyer audit Company visits Events or exhibitions 	<ul style="list-style-type: none"> Robust quality management and recall mechanism Prompt feedback to the customers’ enquiry Customer data protection system

SUSTAINABILITY STATEMENT (Cont'd)

Key Stakeholders	Areas of Concern/ Interest	Engagement Approach	Our Responses
Employees	<ul style="list-style-type: none"> • Health and safety • Welfare and remuneration • Workplace diversity • Training and career development • Value equal opportunities 	<ul style="list-style-type: none"> • Performance review • Management and staff meeting • Annual event • Training programmes 	<ul style="list-style-type: none"> • Encourage transparent communication with employees • Ensure equal employment opportunities for all individuals without discrimination • Provide reasonable benefits and remuneration package • Provide relevant trainings, upskilling and development opportunities • Provide healthy and safe working environment
Suppliers	<ul style="list-style-type: none"> • Transparent procurement practices • Timely performance of contractual obligations • Anti-bribery • Timely delivery of products • Pricing of services 	<ul style="list-style-type: none"> • Evaluation on performance • Direct communication • Supplier management system • Incoming quality control checking on raw materials • Supplier meetings 	<ul style="list-style-type: none"> • Prioritise the establishment of transparent and ethical procurement processes • Timely payment • Timely information disclosure • Maintaining long-term cooperation
Investors/ Shareholders	<ul style="list-style-type: none"> • Financial performance (Sustainable and stable return on investment) • Timely information disclosure • Business strategy • Shareholder value • Corporate governance • Corporate developments 	<ul style="list-style-type: none"> • Annual report • Annual General Meeting • Quarterly financial reports and announcements • Corporate website 	<ul style="list-style-type: none"> • Provide timely updates on the Group's strategy and financial performance through announcements • Uphold good governance practices across the Group and supply chain
Government Agencies	<ul style="list-style-type: none"> • Governance compliance • Environment management and compliance • Fair labour practices • Policy matters (Public, health and safety) • Anti-bribery 	<ul style="list-style-type: none"> • Annual report • Meeting and seminar • Public announcement • Inspection/Audit by local authority 	<ul style="list-style-type: none"> • Full compliance with regulatory requirements • Adoption of practices outlined in the Malaysian Code on Corporate Governance ("MCCG") • Engagement of legal professionals

SUSTAINABILITY STATEMENT (Cont'd)

Key Stakeholders	Areas of Concern/ Interest	Engagement Approach	Our Responses
Local Communities	<ul style="list-style-type: none"> Impact of business operation Contribution to community development 	<ul style="list-style-type: none"> Social contributions and donations Company visits 	<ul style="list-style-type: none"> Attend charity events and make donations

SUSTAINABILITY COMMITMENTS AND APPROACH

Sustainability Framework

Homeritz's sustainability framework is anchored on four core pillars — Economic, Environmental, Social and Governance ("EESG"). These pillars provide a structured approach to identifying and managing material sustainability matters while ensuring responsible and ethical practices are embedded across all aspects of our operations. The table below presents an overview of the Group's material topics, organised by operational areas and EESG categories.

	Corporate Headquarters and Staff Development	Manufacturing Operations and Supply Chain	Sales, Marketing and Distribution
Economic	<ul style="list-style-type: none"> Financial Performance Corporate Governance and Ethical Conduct Investment in Human Capital Risk Management and Internal Controls 	<ul style="list-style-type: none"> Operational Efficiency and Productivity Cost Optimisation and Resource Utilisation Responsible Supply Chain Management Product Quality and Innovation 	<ul style="list-style-type: none"> Market Expansion and Export Growth Customer Satisfaction and Retention Brand Reputation and Competitiveness Green and Sustainable Investment Economic Resilience and Long-term Value Creation
Environmental	<ul style="list-style-type: none"> Energy and Resource Efficiency GHG Emissions Reduction Initiatives Waste Minimisation and Recycling Water Conservation 	<ul style="list-style-type: none"> Energy Management and Emissions Control Sustainable Materials and Eco-friendly Design Compliance with Environmental Standards and Certifications 	<ul style="list-style-type: none"> Sustainable Packaging and Logistics
Social	<ul style="list-style-type: none"> Employee Health, Safety and Well-being Learning, Training and Career Development Diversity, Equity and Inclusion 	<ul style="list-style-type: none"> Occupational Safety and Worker Welfare Local Employment and Supplier Development Fair Labour Practices and Human Rights Community Engagement 	<ul style="list-style-type: none"> Community Engagement and Social Contribution Product Safety and Customer Well-being

SUSTAINABILITY STATEMENT (Cont'd)

	Corporate Headquarters and Staff Development	Manufacturing Operations and Supply Chain	Sales, Marketing and Distribution
Governance	<ul style="list-style-type: none"> • Anti-corruption and Ethical Conduct • Compliance with Regulations and Policies • Sustainability Reporting and Disclosure 	<ul style="list-style-type: none"> • Supply Chain Transparency and Compliance • Governance of Production and Quality Standards • Responsible Procurement Practices 	<ul style="list-style-type: none"> • Transparent Sales Practices • Data Privacy and Customer Information Protection

Homeritz's materiality assessment is guided by the International Integrated Reporting Council ("IIRC") Six Capitals framework — Financial, Manufactured, Governance, Human, Social and Natural. This framework enables us to systematically evaluate and manage sustainability impacts across our business operations. It is also aligned with the United Nations Sustainable Development Goals ("UNSDGs") and Bursa Malaysia's Common Sustainability Indicators¹, ensuring our priorities support global sustainability aspirations and local regulatory requirements.

Through this structured approach, we ensure our sustainability focus areas contribute to long-term value creation, address stakeholder expectations and remain adaptable to evolving industry standards. The following table highlights how each of the Six Capitals plays a role in shaping Homeritz's sustainability strategy and value creation journey.

Capitals	Definition	Aspects
Financial	Funds available for our Group's working capital requirements from the internal operations and internal/external financing sources	Financial Highlight Resources to support our Group's operations and to implement other Capitals
Manufacturing	Creating value through innovation and product quality and compliance	Marketplace Implementing sustainability through product quality and compliance
Governance	Good governance and robust internal control system and procedures	Governance Board engagement on strategy and sound governance of internal controls to enhance sustainability initiatives
Human	Skills, motivation and alignment with our organisational goals	Workplace Creating a safe and supportive working environment, training and self-development
Social	Relations with key institutions, stakeholder groups, shared norms and values, trust and confidence and its social license to operate	Community Contributing to local community development
Nature	Renewable and non-renewable natural elements and the eco-system, used as inputs by our Group now or in the past or future and the impacts from our Group's operations on them	Environment Improving our environment by utilising greener alternatives

¹ Bursa Malaysia's Common Sustainability Indicators provide a standardised set of ESG metrics to enhance the consistency and comparability of sustainability disclosures. Covering key economic, environmental and social areas, these indicators guide listed issuers in aligning with global frameworks such as IFRS S1/S2, TCFD and GRI and are mandatory for Main and ACE Market companies.

SUSTAINABILITY STATEMENT (Cont'd)

Material Topics

Homeritz conducts an annual review of its material sustainability topics to ensure they remain relevant, address stakeholder expectations and align with the Group's strategic priorities. This process, overseen by the Board and supported by management, enables the identification and management of the most significant economic, environmental and social impacts, including those related to human rights.

In line with the IFRS Sustainability Disclosure Standards (S1 and S2), Homeritz assesses each topic based on its likelihood and potential severity of impact, focusing on key sustainability risks and opportunities. The assessment also takes into account the IIRC's Six Capitals model, the United Nations Sustainable Development Goals ("UNSDGs") and Bursa Malaysia's Common Sustainability Indicators.

For FY 2025, Homeritz refined its material topics to reflect changes in its business environment, evolving regulations and stakeholder feedback, while outlining actions taken to address each priority area.

Material Topics	Risk and opportunities (IFRS S1 and S2)	Six Capitals	UNSDGS	Bursa Malaysia's Common Sustainability Indicators
Economic				
Financial Performance	<p>Risk: Economic fluctuations and cost increases may affect profitability.</p> <p>Opportunity: Improve efficiency and explore new markets to strengthen financial stability.</p>	Financial	<ul style="list-style-type: none"> SDG 8: Decent Work and Economic Growth 	N/A
Summary of management approach	Homeritz focuses on financial discipline, cost efficiency and innovation to drive sustainable long-term value.			
Environmental				
Climate Change (Energy Management and Emissions)	<p>Risk: Rising energy costs and stricter environmental regulations.</p> <p>Opportunity: Adopt energy-saving practices and renewable energy to reduce costs and emissions.</p>	Natural	<ul style="list-style-type: none"> SDG 11: Sustainable Cities and Communities SDG 12: Responsible Consumption and Production SDG 13: Climate Action 	<ul style="list-style-type: none"> B4(a) Total energy consumption B11(a) Scope 1 emissions in tonnes of CO₂e B11(b) Scope 2 emissions in tonnes of CO₂e B11(c) Scope 3 emissions in tonnes of CO₂e (at least for the categories of business travel and employee commuting)
Summary of management approach	Homeritz continues focus on improving operational efficiency and identifying practical measures to reduce energy intensity over time. As the Group prepares for Scope 3 disclosures in 2026, strengthening data accuracy and supplier engagement remains a priority.			

SUSTAINABILITY STATEMENT (Cont'd)

Material Topics	Risk and opportunities (IFRS S1 and S2)	Six Capitals	UNSDGS	Bursa Malaysia's Common Sustainability Indicators
Waste Management	<p>Risk: Improper waste handling may cause fines and environmental harm.</p> <p>Opportunity: Enhance recycling and waste reduction to improve efficiency and compliance.</p>	Natural	<ul style="list-style-type: none"> SDG 12: Responsible Consumption and Production SDG 13: Climate Action 	<ul style="list-style-type: none"> B10 (a) Total waste generated, and a breakdown of the following: <ul style="list-style-type: none"> (i) Total waste diverted from disposal (ii) Total waste directed to disposal
Summary of management approach	Homeritz adopts sustainable sourcing and waste management practices to reduce environmental impact and support long-term sustainability.			
Water	<p>Risk: Water shortages or inefficient use may disrupt operations.</p> <p>Opportunity: Increase water recycling and conservation to ensure sustainable use.</p>	Natural	<ul style="list-style-type: none"> SDG 6: Clean Water and Sanitation SDG 12: Responsible Consumption and Production 	B9(a) Total volume of water used
Summary of management approach	Homeritz is committed to responsible water management by improving efficiency and promoting conservation across our operations.			
Social				
Product and Service Quality	<p>Risk: Product defects or quality issues may reduce customer trust.</p> <p>Opportunity: Strengthen quality control and innovation to enhance customer satisfaction.</p>	Manufactured	<ul style="list-style-type: none"> SDG 9: Industry, Innovation, and Infrastructure SDG 12: Responsible Consumption and Production 	N/A
Summary of management approach	Homeritz maintains a robust quality management framework focused on compliance, continuous improvement and customer satisfaction to ensure products meet the industry standards.			

SUSTAINABILITY STATEMENT (Cont'd)

Material Topics	Risk and opportunities (IFRS S1 and S2)	Six Capitals	UNSDGS	Bursa Malaysia's Common Sustainability Indicators
Diversity and Inclusion	<p>Risk: Lack of diversity may hinder innovation and teamwork.</p> <p>Opportunity: Promote an inclusive workplace to boost creativity and employee engagement.</p>	Human	<ul style="list-style-type: none"> • SDG 5: Gender Equality • SDG 8: Decent Work and Economic Growth 	<ul style="list-style-type: none"> • B3(a) Percentage of employees by gender and age group, for each employee category • B3(b) Percentage of directors by gender and age group • B6(b) Percentage of employees that are contractors or temporary staff • B6(d) Number of substantiated complaints concerning human rights violation
<p>Summary of management approach</p> <p>Employee Management</p>	<p>Homeritz is committed to fostering a diverse and inclusive workplace built on mutual respect, equal opportunity and zero tolerance for discrimination or harassment.</p> <p>Risk: Limited training may lead to lower productivity and higher turnover.</p> <p>Opportunity: Provide continuous training to build skills and improve performance.</p>	Human	<ul style="list-style-type: none"> • SDG 1: No Poverty • SDG 4: Quality Education • SDG 8: Decent Work and Economic Growth • SDG 10: Reduced Inequalities 	<ul style="list-style-type: none"> • B6(a) Total hours of training by employee category • B6(c) Total number of employee turnover by employee category
Summary of management approach	Homeritz is dedicated to developing a skilled and motivated workforce by providing continuous learning opportunities, fair rewards and a supportive, inclusive work environment.			

SUSTAINABILITY STATEMENT (Cont'd)

Material Topics	Risk and opportunities (IFRS S1 and S2)	Six Capitals	UNSDGS	Bursa Malaysia's Common Sustainability Indicators
Health and Safety	<p>Risk: Workplace accidents may cause injury and disrupt operations.</p> <p>Opportunity: Strengthen safety culture and awareness to protect employees.</p>	Human	<ul style="list-style-type: none"> SDG 3: Good Health and Well-being SDG 8: Decent Work and Economic Growth 	<ul style="list-style-type: none"> B5(a) Number of work-related fatalities B5(b) Lost time incident rate B5(c) Number of employees trained on health and safety standards
Summary of management approach	Homeritz proactively ensures employee safety, health and well-being through robust OHS governance, risk prevention and continuous safety culture development.			
Contributing to Local Communities	<p>Risk: Limited community involvement may weaken stakeholder relationships.</p> <p>Opportunity: Support local causes to build goodwill and strengthen community ties.</p>	Social	<ul style="list-style-type: none"> SDG 8: Decent Work and Economic Growth 	<ul style="list-style-type: none"> B2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer B2(b) Total number of beneficiaries of the investment in communities
Summary of management approach	Homeritz actively fosters community well-being by supporting charitable initiatives, strengthening local partnerships and continuously enhancing our CSR efforts for lasting social impact.			
Governance				
Anti-corruption	<p>Risk: Unethical behaviour may lead to reputational or legal issues.</p> <p>Opportunity: Promote integrity and transparency to maintain stakeholder trust.</p>	Governance	<ul style="list-style-type: none"> SDG 16: Peace, Justice and Strong Institutions 	<ul style="list-style-type: none"> B1(a) Percentage of employees who have received training on anti-corruption by employee category B1(b) Percentage of operations assessed for corruption-related risks B1(c) Confirmed incidents of corruption and action taken
Summary of management approach	Homeritz upholds a culture of integrity and good governance through robust policies, ethical training and zero-tolerance for corruption or non-compliance.			

SUSTAINABILITY STATEMENT (Cont'd)

Material Topics	Risk and opportunities (IFRS S1 and S2)	Six Capitals	UNSDGS	Bursa Malaysia's Common Sustainability Indicators
Cybersecurity and Data Privacy	<p>Risk: Data breaches may compromise sensitive information.</p> <p>Opportunity: Strengthen cybersecurity and staff awareness to protect data and systems.</p>	Governance	<ul style="list-style-type: none"> SDG 16: Peace, Justice and Strong Institutions 	<ul style="list-style-type: none"> B8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data
Summary of management approach	Homeritz ensures robust data privacy and protection through strong security measures, controlled access and continuous employee training to safeguard stakeholder information.			
Sustainable Supply Chain	<p>Risk: Supplier non-compliance or disruptions may affect production and reputation.</p> <p>Opportunity: Strengthen supplier evaluation and promote ethical sourcing</p>	Governance	<ul style="list-style-type: none"> SDG 8: Decent Work and Economic Growth 	<ul style="list-style-type: none"> B7(a) Proportion of spending on local suppliers
Summary of management approach	Homeritz ensures a sustainable and ethical supply chain through responsible procurement, supplier collaboration and transparent vendor management.			

SUSTAINABILITY STATEMENT (Cont'd)

Materiality Matrix

The Materiality Matrix presents Homeritz’s key sustainability topics for FY 2025, identified through our latest materiality assessment. It reflects the issues that are most important to our stakeholders and critical to the Group’s long-term business success.

High-priority topics—those with the greatest impact and relevance to our operations and value creation—are closely monitored and embedded into our sustainability strategy to guide effective management and decision-making.

Level of Stakeholder Concerns	High		E1 – Financial Performance G3 – Sustainable Supply Chain	S1 – Product and Service Quality S4 – Health and Safety G1 – Anti-corruption
	Medium	S5 – Contributing to Local Communities	S2 – Diversity and Inclusion S3 – Employee Management	G2 – Cybersecurity and Data Privacy
	Low		ENV1 – Climate Change (Energy Management and Emissions) ENV2 – Waste Management ENV3 – Water	
		Low	Medium	High
Impact on Business Operations				

Legend: Low Risk Medium Risk High Risk

FTSE4GOOD Bursa Malaysia Index

Homeritz is proud to be evaluated under the FTSE4Good Bursa Malaysia Index, which assesses public-listed companies on their ESG practices. In FY 2025, Homeritz achieved a 3-star rating within the Consumer Products and Services sector, reflecting the Group’s ongoing efforts to strengthen ESG governance and transparency. The Group will continue to enhance its ESG management and disclosures at a pace aligned with business priorities and regulatory developments.

SUSTAINABILITY STATEMENT (Cont'd)

ECONOMIC

Economic Performance

Economic performance is essential to Homeritz's long-term sustainability and growth. We create value by providing employment, supporting local suppliers, contributing taxes and delivering quality products to global customers. We remain committed to maintaining financial stability and managing costs efficiently, while continuing to invest in innovation and technology to strengthen productivity and resilience.

In FY 2025, Homeritz generated MYR 27.5 million in total economic value, compared to MYR 34.1 million in FY 2024, mainly due to lower revenue. Despite this, we remain focused on financial discipline and sustainable value creation for our stakeholders.

	2023 MYR'000	2024 MYR'000	2025 MYR'000
Economic value generated (e.g., revenue, other operating income and others)	170,971	239,731	234,136
Economic value distributed:			
• Operating expenses	137,584	194,803	197,679
• Taxation	7,393	10,777	8,930
Economic value retained	25,994	34,151	27,527

Material Topic: Financial Performance

Align with	Financial Capital SDG 8: Decent Work and Economic Growth
Summary of management approach	Homeritz focuses on financial discipline, cost efficiency and innovation to drive sustainable long-term value.

ENVIRONMENTAL

Climate Change (Energy Management and Emissions)

Scope 1 – Base Year Establishment

The current reporting year has been set as the base year for Scope 1 emissions, providing a benchmark for future comparisons. Total Scope 1 emissions were 65.68 tCO₂e, mainly from petrol-fuelled passenger vehicles and diesel-powered trucks and equipment used for operations and logistics. The assessment also indicates opportunities to improve fuel-use monitoring and trip planning, as well as to explore lower-emission or electric vehicle options. These steps will help enhance emissions tracking and support future expansion into value-chain reporting.

Scope 2 – Electricity Consumption

Electricity use remains the Group's largest source of emissions. Using the latest Malaysian grid emission factor (0.774 kg CO₂e/kWh), total Scope 2 emissions are estimated at 5,328 tCO₂e based on 6.88 million kWh consumed. The Group is currently fully dependent on grid electricity and emissions have been calculated using the most recent available national factor. The Group is now in the process of installing solar panels, which is expected to help reduce future electricity-related emissions.

SUSTAINABILITY STATEMENT (Cont'd)

Preparation for Scope 3

With Scope 1 and 2 methodologies established, the Group is preparing to expand its reporting boundary to Scope 3 in 2026. This will require stronger data collection processes and clearer documentation and verification controls. Reducing energy and fuel use now will support this transition, as key Scope 3 categories—such as employee commuting and business travel—are directly influenced by current operational practices.

	Unit	2023	2024	2025
B11(a) Scope 1 emissions in tonnes of CO ₂ _e – company cars; fuel & diesel	tCO ₂ _e	–	–	65.68
B11(b) Scope 2 emissions in tonnes of CO ₂ _e – electrical	tCO ₂ _e	3,281.83*	4,674.11*	5,327.57
B11(c) Scope 3 emissions in tonnes of CO ₂ _e (staff claims – petrol and diesel, air travel, and employee commuting)**	tCO ₂ _e	N/A	N/A	N/A
<i>*Restated</i>	Unit	2023	2024	2025
B4(a) Total energy consumption	MWh	4,238.80	6,038.90	6,881.90

** The Group is preparing to expand its reporting boundary to Scope 3 in FYE 2026.

Material Topic: Climate Change (Energy Management and Emissions)	
Align with	Natural Capital SDG 11: Sustainable Cities and Communities SDG 12: Responsible Consumption and Production SDG 13: Climate Action
Summary of management approach	Homeritz continues to focus on improving operational efficiency and identifying practical measures to reduce energy intensity over time. As the Group prepares for Scope 3 disclosures in 2026, strengthening data accuracy and supplier engagement remains a priority.

Waste Management

Operating in a resource-intensive industry, we take proactive steps to minimise our environmental footprint throughout the production cycle. We prioritise responsible sourcing, efficient material use and effective waste management to reduce impacts and support long-term sustainability. We emphasise the use of renewable and recyclable materials, including sustainable options such as rubberwood and eco-friendly packaging, to lessen dependency on finite resources and promote responsible production practices. To further support environmental stewardship, we apply strict waste control measures through proper segregation, recording and handling of waste. Wherever possible, materials are reused or recycled, while non-recyclable waste is disposed of responsibly. These practices enable us to track performance accurately and drive continuous improvement in our environmental management efforts.

	Unit	2023	2024	2025
B10(a) Total waste generated, and a breakdown of the following:	MT	472.46	636.82	561.64
(i) Total waste diverted from disposal	MT	454.30	622.45	547.15
(ii) Total waste directed to disposal	MT	18.16	14.37	14.49

SUSTAINABILITY STATEMENT (Cont'd)

Material Topic: Waste Management	
Align with	Natural Capital
	SDG 12: Responsible Consumption and Production SDG 13: Climate Action
Summary of management approach	Homeritz adopts sustainable sourcing and waste management practices to reduce environmental impact and support long-term sustainability

Water

In FY 2025, Homeritz recorded a total water consumption of 66.89 megalitres. Although usage increased slightly during the year, we remain committed to conserving this vital resource and reducing our environmental footprint. Moving forward, we aim to strengthen water management practices, enhance operational efficiency and promote greater employee awareness on water conservation. Through these ongoing efforts, we strive to protect local ecosystems and support long-term environmental sustainability.

	Unit	2023	2024	2025
B9(a) Total volume of water used	Megalitres	42.31	38.72	66.89

Material Topic: Water	
Align with	Natural Capital
	SDG 6: Clean Water and Sanitation SDG 12: Responsible Consumption and Production
Summary of management approach	Homeritz is committed to implement better water management by improving efficiency and promoting conservation across our operations.

SOCIAL

Product and Service Quality

Quality management is deeply embedded in how Homeritz operates. We adhere to all applicable laws, high regulations and industry standards to ensure that every product we deliver meets the expectations for quality and safety. Through rigorous quality assurance, continuous improvement and close monitoring at every stage of production, we are committed to providing reliable, durable, and high quality furniture products to our customers.

We place strong emphasis on using premium materials, implementing strict quality controls and striving for zero-defect production. Beyond product quality, we strive for innovation in design—balancing functionality, comfort and aesthetics to enhance the user experience. We also uphold transparency by providing accurate product information, enabling customers to make informed and confident choices.

Customer satisfaction remains a core priority for Homeritz. We actively engage with customers for their feedback and maintain a responsive after-sales service to ensure prompt resolution of any issues. Our consistent focus on quality and customer trust has built a solid reputation over the years, with no major complaints related to product quality, health, or safety reported over the past three financial years.

Looking ahead, Homeritz will continue to strengthen its quality management framework and foster a culture of excellence and continuous improvement to support long-term growth and customer satisfaction.

SUSTAINABILITY STATEMENT (Cont'd)

Material Topic: Product and Service Quality	
Align with	Manufactured Capital
	SDG 9: Industry, Innovation, and Infrastructure SDG 12: Responsible Consumption and Production
Summary of management approach	Homeritz maintains a robust quality management framework focused on compliance, continuous improvement and customer satisfaction to ensure products meet the industry standards.

Diversity and Inclusion

Living in a multi-ethnic and multicultural society provides valuable opportunities for Homeritz to embrace diversity and inclusion within our workforce. We believe that a diverse and inclusive workplace—where individuals from all backgrounds feel valued, respected and empowered—drives innovation, engagement and long-term success. By fostering unity and creativity, we are better equipped to understand and serve our diverse global customer base.

At Homeritz, we uphold fair and respectful employment practices in line with our Code of Conduct. Every employee is treated with equality and dignity, free from discrimination or harassment. We ensure equal access to opportunities at all levels, from recruitment and training to career development and leadership progression.

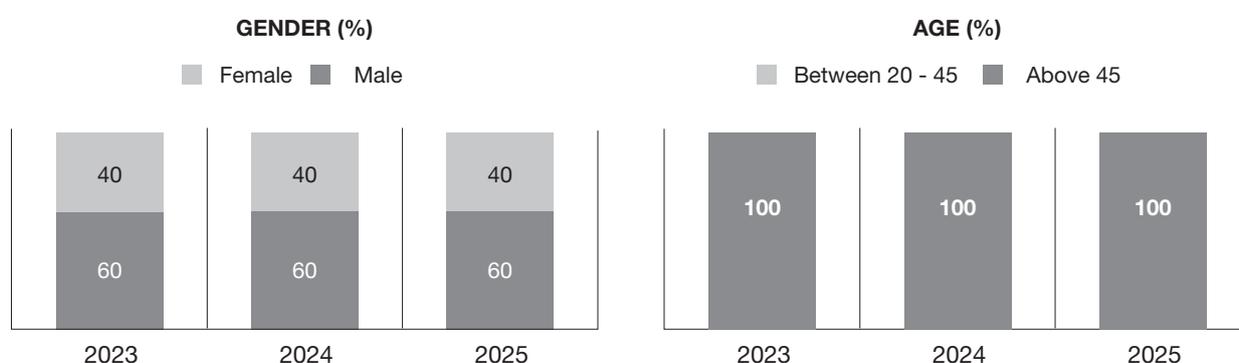
We are dedicated to empowering our employees through continuous learning and professional growth, cultivating a workplace built on teamwork, mutual respect and accountability. In FY 2025, no incidents of discrimination or human rights violations were reported, underscoring our commitment to ethical conduct and an inclusive workplace culture.

	2023	2024	2025
B6(d) Number of substantiated complaints concerning human rights violation	0	0	0

The following charts illustrate Homeritz’s Board diversity and overall workforce composition, reflecting our ongoing commitment to fostering a balanced, inclusive and equitable workplace.

Board Diversity
Total Directors of 5 in FY 2025

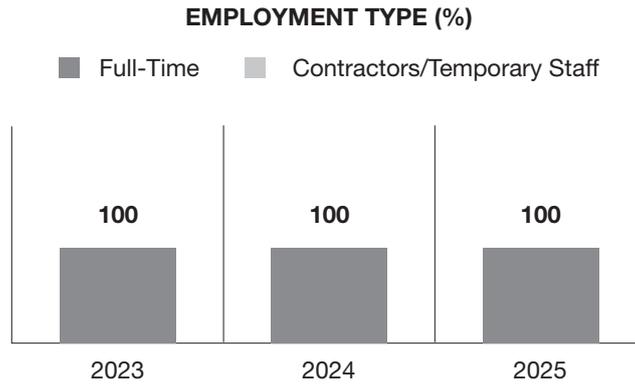
B3(b) Percentage of directors by gender and age group



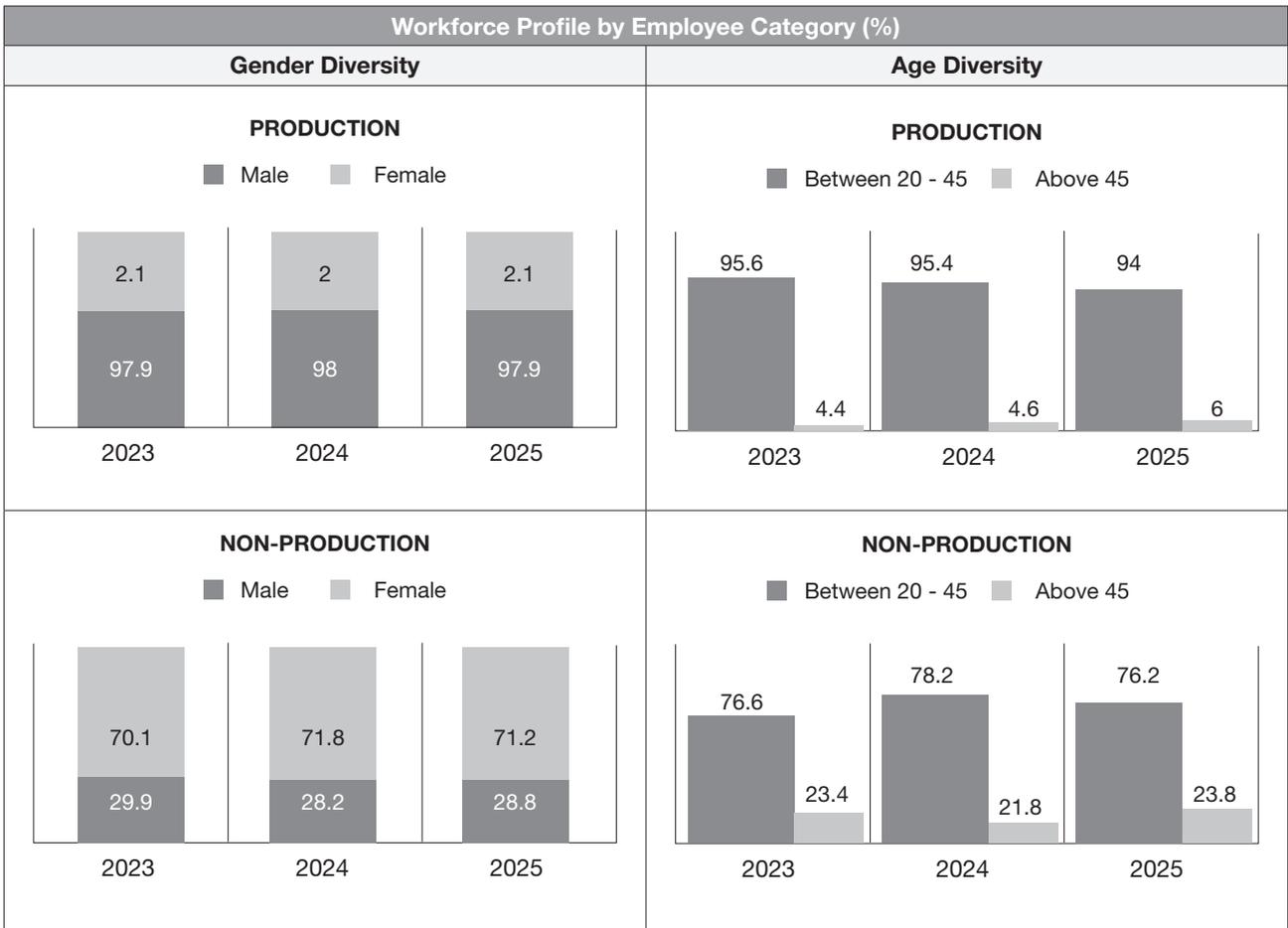
SUSTAINABILITY STATEMENT
(Cont'd)

Workforce Profile
(based on total employees of 831 as of 31 August 2025)

B3(b) Percentage of directors by gender and age group



B3(a) Percentage of employees by gender and age group, for each employee category



SUSTAINABILITY STATEMENT (Cont'd)

Material Topic: Diversity and Inclusion	
Align with	Human Capital
	SDG 5: Gender Equality SDG 8: Decent Work and Economic Growth
Summary of management approach	Homeritz is committed to fostering a diverse and inclusive workplace built on mutual respect, equal opportunity and zero tolerance for discrimination or harassment.

Employee Management

At Homeritz, we recognise that our employees are key to our success. We strive to create a supportive and inclusive workplace that values well-being, growth and fairness. Our focus is on developing employee skills, providing equal opportunities and rewarding performance based on merit. Through these efforts, we aim to nurture a motivated workforce that contributes to long-term, sustainable growth.

- **Training and Development**

We place strong emphasis on employee growth and capacity building as part of our long-term sustainability strategy. Homeritz is committed to nurturing a culture of continuous learning, where every individual is encouraged to enhance their skills and contribute meaningfully to the Group's success. Through continuous investment in professional development, we aim to strengthen both individual competencies and organisational excellence.

Recognising the challenge of attracting younger talent to the manufacturing sector, we continue to foster an engaging and forward-looking workplace that offers opportunities for innovation and career advancement. In FY 2025, Homeritz invested in training programmes focused on environmental management, occupational safety and regulatory compliance. Our employees collectively completed 553.50 training hours, underscoring our commitment to building a skilled, motivated and safety-conscious workforce.

The table below shows the total training hours completed by Homeritz over the past three years. For non-production employees, this includes 98.50 hours of training completed by our Board of Directors.

B6(a) Total hours of training by employee category	2023	2024	2025
Production	24*	161*	35
Non-Production	383.50*	986*	518.50

* Restated

- **Remuneration Packages and Performance Management**

Homeritz recognises that employees are the cornerstone of the Group's sustainable growth. We promote a culture of accountability and continuous improvement through annual performance evaluations, enabling clear feedback and professional development. The Group also provides competitive employee benefits, including annual, maternity, paternity and medical leave, as well as medical fee subsidies. In FY 2025, Homeritz recorded a total of 114 employee turnovers.

B6(c) Total number of employee turnover by employee category	2023	2024	2025
Production	148	123	104
Non-Production	26	26	10

SUSTAINABILITY STATEMENT (Cont'd)

Material Topic: Employee Management	
Align with	Human Capital SDG 1: No Poverty SDG 4: Quality Education SDG 8: Decent Work and Economic Growth SDG 10: Reduced Inequalities
Summary of management approach	Homeritz is dedicated to developing a skilled and motivated workforce by providing continuous learning opportunities, fair rewards and a supportive, inclusive work environment.

Health and Safety

At Homeritz, the safety, health and well-being of every employee remain a core priority. Our established occupational health and safety (“OHS”) framework provides a strong foundation for managing workplace risks. In FY 2025, the number of lost-time injuries was higher than in previous years. However, the cases involved only minor injuries.

	2023	2024	2025
B5(a) Number of work-related fatalities	0	0	0
B5(b) Lost time incident rate	0.72	0.47	1.81

Homeritz is looking forward to strengthening OHS efforts by reinforcing a culture of safety awareness and ensuring shared responsibility across all employees. The Group also continues to support foreign workers with accommodation that meets the Perakuan Penginapan requirements under the Workers’ Minimum Standards of Housing and Amenities Act 1990 (Act 446). These ongoing initiatives aim to further enhance workplace safety and employee well-being in the years ahead.

	2023	2024	2025
B5(c) Number of employees trained on health and safety standards	0	82	48

Material Topic: Health and Safety	
Align with	Human Capital SDG 3: Good Health and Well-being SDG 8: Decent Work and Economic Growth
Summary of management approach	Homeritz proactively ensures employee safety, health and well-being through robust OHS governance, risk prevention and continuous safety culture development.

Contributing to Local Communities

The Group is dedicated to being a responsible and caring corporate citizen, supporting the well-being of the communities in which we operate. In FY 2025, we contributed a total of MYR 18,320 to local charitable organisations and community initiatives, reflecting our commitment to creating positive social impact. Looking ahead, we aim to revitalise our CSR efforts by identifying meaningful opportunities that deliver lasting value and strengthen our engagement with the communities we serve.

SUSTAINABILITY STATEMENT (Cont'd)

	2023	2024	2025
B2(a) Total amount invested in the community where the target beneficiaries are external to Homeritz (MYR)	228,070	47,565	18,320
B2(b) Total number of beneficiaries of the investment in the communities	10	11	7

Material Topic: Contributing to Local Communities	
Align with	Social Capital
	SDG 8: Decent Work and Economic Growth
Summary of management approach	Homeritz actively fosters community well-being by supporting charitable initiatives, strengthening local partnerships and continuously enhancing our CSR efforts for lasting social impact.

GOVERNANCE

Anti-corruption



Homeritz is committed to upholding good corporate governance, ensuring that all operations are conducted with integrity, transparency and accountability. Recognising that effective governance underpins sustainable growth and stakeholder trust, the Group follows the Malaysian Code on Corporate Governance (“MCCG”) 2021 and has established a comprehensive risk management and internal control framework to guide ethical decision-making.

Our Code of Conduct, supported by the Anti-Bribery and Corruption (“ABC”) Policy and Whistleblowing Policy, reinforces our zero-tolerance stance on corruption, fraud, money laundering and other unethical practices, while providing employees with a safe and confidential way to report concerns. All new hires are also required to sign the ABC declaration on their first day, demonstrating Homeritz’s continued commitment to fostering a culture of integrity and ethical business practices.

B1(a) Percentage of employees who have received training on anti-corruption by employee category	2023	2024	2025
Production	100	100	100
Non-Production	100	100	100

We also recorded zero cases of corruption or non-compliance, underscoring our dedication to fostering a culture of integrity and strong governance as the cornerstone of our sustainable business practices.

	2023	2024	2025
B1(b) Percentage of operations assessed for corruption-related risks	100	100	100
B1(c) Confirmed incidents of corruption and action taken	0	0	0

SUSTAINABILITY STATEMENT (Cont'd)

The Group is also a proud member of several key industry associations, reflecting our commitment to best practices, responsible sourcing, and continuous industry engagement. These include:

- Muar Furniture Association (“MFA”)
- Malaysian Furniture Council (“MFC”)
- Forest Stewardship Council (“FSC”)

Material Topic: Anti-corruption	
Align with	Governance Capital
	SDG 16: Peace, Justice, and Strong Institutions
Summary of management approach	Homeritz upholds a culture of integrity and good governance through robust policies, ethical training and zero-tolerance for corruption or non-compliance.

Cybersecurity and Data Privacy

We are committed to safeguarding the privacy of our customers, employees, suppliers and partners, recognising that protecting personal data is a core aspect of ethical business conduct. We adopt robust security measures that comply with industry best practices and the Personal Data Protection Act (“PDPA”) to ensure sensitive information is well-protected.

Our approach includes comprehensive data governance, regular security assessments and ongoing employee training to mitigate risks and promote responsible handling of data. All information is securely stored on company servers with firewall protection, while Active Directory ensures access is restricted to authorised users only. Each department is also secured with a door access control system to limit entry to authorised personnel.

These measures support Homeritz’s commitment to building trust with stakeholders and we are proud to have maintained a flawless record of zero data breaches or losses over the past three financial years.

	2023	2024	2025
B8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	0	0	0

Material Topic: Cybersecurity and Data Privacy	
Align with	Governance Capital
	SDG 16: Peace, Justice, and Strong Institutions
Summary of management approach	Homeritz ensures robust data privacy and protection through strong security measures, controlled access and continuous employee training to safeguard stakeholder information.

SUSTAINABILITY STATEMENT (Cont'd)

Sustainable Supply Chain

Homeritz is dedicated to fostering a sustainable and ethical supply chain through responsible procurement and close collaboration with our suppliers. We adopt a clear and transparent process to ensure that all suppliers meet our expectations for quality, reliability and ethical conduct.

Understanding that our business impacts extend beyond our own operations, we work with suppliers to source materials responsibly, minimising environmental and social impacts. This sustainable approach strengthens supplier relationships, mitigates risks, reduces waste and encourages innovations that benefit our products, business and the wider community. We also prioritise transparency and accountability in our supply chain through established vendor evaluation and selection procedures, ensuring a pool of qualified suppliers aligned with our values.

	2023	2024	2025
B7(a) Proportion of spending on local suppliers (%)	43	45	42

Material Topic: Sustainable Supply Chain	
Align with	Governance Capital
	SDG 8: Decent Work and Economic Growth
Summary of management approach	Homeritz ensures a sustainable and ethical supply chain through responsible procurement, supplier collaboration and transparent vendor management.

SUSTAINABILITY STATEMENT (Cont'd)

BMLR TRANSITION PERIOD					
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Anti-Corruption)	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Production	Percentage	100.00	—	Internal
Bursa (Anti-Corruption)	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Non-production	Percentage	100.00	—	Internal
Bursa (Anti-Corruption)	Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	—	Internal
Bursa (Anti-Corruption)	Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	—	Internal
Bursa (Community/Society)	Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	18,320.00	—	No assurance
Bursa (Community/Society)	Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	7	—	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category: Production Between 20-45	Percentage	94.00	—	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category: Production Above 45	Percentage	6.00	—	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category: Non-production Between 20-45	Percentage	76.20	—	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Age Group by Employee Category: Non-production Above 45	Percentage	23.80	—	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Gender Group by Employee Category: Production Male	Percentage	97.90	—	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Gender Group by Employee Category: Production Female	Percentage	2.10	—	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Gender Group by Employee Category: Non-production Male	Percentage	28.80	—	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender and age group, for each employee category - Gender Group by Employee Category: Non-production Female	Percentage	71.20	—	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by gender and age group - Male	Percentage	60.00	—	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by gender and age group - Female	Percentage	40.00	—	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by gender and age group - Between 20-45	Percentage	0.00	—	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by gender and age group - Above 45	Percentage	100.00	—	No assurance

SUSTAINABILITY STATEMENT (Cont'd)

BMLR TRANSITION PERIOD(CONT'D)					
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Bursa (Energy management)	Bursa C4(a) Total energy consumption	Megawatt	6,881.90	—	External (Limited)
Bursa (Health and safety)	Bursa C5(a) Number of work-related fatalities	Number	0	—	No assurance
Bursa (Health and safety)	Bursa C5(b) Lost time incident rate ("LTIR")	Rate	1.81	—	No assurance
Bursa (Health and safety)	Bursa C5(c) Number of employees trained on health and safety standards	Number	48	—	No assurance
Bursa (Labour practices and standards)	Bursa C6(a) Total hours of training by employee category - Production	Hours	35	—	Internal
Bursa (Labour practices and standards)	Bursa C6(a) Total hours of training by employee category - Non-production	Hours	518.50	—	Internal
Bursa (Labour practices and standards)	Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	0.00	—	No assurance
Bursa (Labour practices and standards)	Bursa C6(c) Total number of employee turnover by employee category - Production	Number	104	—	Internal
Bursa (Labour practices and standards)	Bursa C6(c) Total number of employee turnover by employee category - Non-production	Number	10	—	Internal
Bursa (Labour practices and standards)	Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	—	No assurance
Bursa (Supply chain management)	Bursa C7(a) Proportion of spending on local suppliers	Percentage	42.00	—	No assurance
Bursa (Data privacy and security)	Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	—	Internal
Bursa (Water)	Bursa C9(a) Total volume of water used	Megalitres	66.89	—	No assurance
Bursa (Waste management)	Bursa C10(a) Total waste generated	Metric tonnes	561.64	—	No assurance
Bursa (Waste management)	Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	54.75	—	No assurance
Bursa (Waste management)	Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	14.49	—	No assurance
Bursa (Emissions management)	Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	tCO ₂ e	65.68	—	External (Limited)
Bursa (Emissions management)	Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	tCO ₂ e	5,327.57	—	External (Limited)
Bursa (Emissions management)	Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	tCO ₂ e	N/A	—	External (Limited)

SUSTAINABILITY STATEMENT (Cont'd)

ASSURANCE STATEMENT

To bolster the credibility of our Sustainability Statement, specific sections have been subjected to the following:

- a) Internal Review by Homeritz's Management Internal Audit Team
- b) Independent Assurance in accordance with recognised standards for selected indicators and has been approved by Homeritz's Audit and Risk Management Committee (Refer to Independent Limited Assurance Statement on page 38)

The Scope, Subject Matter(s) covered and Conclusion (where applicable) are provided below:

Type of Assurance	Material Matters	Subject Matter	Scope	Conclusion
Review by Independent Assurance Auditor	Climate Change	Total energy consumption	Operations assessed: Malaysia	Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter as presented in Homeritz's Sustainability Statement 2025 have not been prepared and presented fairly, in all material respects, in accordance with the Criteria defined below.
		Scope 1 emissions in tonnes of CO ₂ e		
		Scope 2 emissions in tonnes of CO ₂ e		
		Scope 3 emissions in tonnes of CO ₂ e		
Internal Review by Management Internal Audit Team	Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category	Operations assessed: Malaysia	Currently in review by the management team.
		Percentage of operations assessed for corruption-related risk		
		Confirmed incidents of corruption and action taken		
	Cybersecurity and Data Protection	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data		
		Employee Management		
		Total number of employee turnover by employee category		

SUSTAINABILITY STATEMENT (Cont'd)

Moving forward, we are committed to enhancing the accuracy and quality of our data to bolster our disclosures. We aim to achieve this by subjecting all indicators to independent assurance over the next five years. This proactive approach underscores our dedication to transparency and accountability in our sustainability reporting practices.

* *Note: In preparing the Subject Matter mentioned above, Homeritz applied the following criteria:*

- *IFRS Foundations - International Integrated Reporting Framework and Integrated Thinking Principles*
- *Task Force on Climate related Financial Disclosures ("TCFD")*
- *Homeritz's relevant policies and procedures*

LOOKING FORWARD

In FY 2025, Homeritz continued to uphold transparency, integrity and accountability as the pillars of its corporate governance practices. As a responsible and forward-looking organisation, we recognise that strong governance is essential for safeguarding stakeholder confidence and sustaining long-term business performance.

Our Anti-Bribery and Corruption Policy, together with our Whistleblowing Policy, forms the backbone of our ethical conduct framework. These policies reinforce our zero-tolerance stance against bribery, fraud and any form of misconduct, ensuring that ethical behaviour and responsible decision-making are firmly embedded across all levels of the Group.

Looking ahead, Homeritz will further strengthen its governance structures, enhance disclosure and reporting practices and encourage open, transparent engagement with stakeholders—ensuring that accountability, trust and sustainability remain integral to our business strategy.

TCFD-ALIGNED DISCLOSURES

(As recommended by IFRS1 and IFRS2, we can continue using the TCFD recommendations)

TCFD Recommendation	Homeritz Disclosure	Reference
Governance – Disclose the organisation's governance around climate-related risks and opportunities		
a) Describe the Board's oversight of climate -related risks and opportunities	<ul style="list-style-type: none"> • Risk management Climate change – Board's skills and experience • Sustainability Committee – role and focus 	<ul style="list-style-type: none"> • Governance
b) Describe management's role in assessing and managing climate-related risks and opportunities.	<ul style="list-style-type: none"> • Risk management Climate change – managing risk and opportunity • Sustainability Committee – role and focus in the FY 2025 	<ul style="list-style-type: none"> • Governance • Environmental
Strategy – Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning where such information is material		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	<ul style="list-style-type: none"> • Risk management – Risk factors (climate change, greenhouse gas emissions and energy) • Climate change – managing risk and opportunity 	<ul style="list-style-type: none"> • Materiality Topics
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy and financial planning.	<ul style="list-style-type: none"> • Risk management – Risk factors (climate change, greenhouse gas emissions and energy) • Climate change – managing risk and opportunity 	<ul style="list-style-type: none"> • Materiality Topics
c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	<ul style="list-style-type: none"> • Climate change – evaluating the resilience of our portfolio 	<ul style="list-style-type: none"> • Environmental

SUSTAINABILITY STATEMENT (Cont'd)

TCFD Recommendation	Homeritz Disclosure	Reference
Risk management – Disclose how the organisation identifies, assesses and manages climate-related risks		
a) Describe the organisation's processes for identifying and assessing climate-related risks.	<ul style="list-style-type: none"> Risk management 	<ul style="list-style-type: none"> Materiality Topics
b) Describe the organisation's processes for managing climate-related risks.	<ul style="list-style-type: none"> Risk management – Risk factors (climate change, greenhouse gas emissions and energy) 	<ul style="list-style-type: none"> Materiality Topics Environmental
c) Describe how processes for identifying, assessing and managing climate related risks are integrated into the organisation's overall risk management.	<ul style="list-style-type: none"> Risk management non-financial KPIs – sustainability KPIs Risk management – Risk factors (climate change, greenhouse gas emissions and energy) 	<ul style="list-style-type: none"> Materiality Topics Environmental
Metrics and targets – Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<ul style="list-style-type: none"> Non-financial KPIs – sustainability KPIs Climate change – Operational emissions Climate change – Scope 3 emissions 	<ul style="list-style-type: none"> Environmental
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ("GHG") emissions and the related risks.	<ul style="list-style-type: none"> Non-financial KPIs – sustainability KPIs Climate change – operational emissions performance Climate change – Scope 3 emissions performance Climate change data 	<ul style="list-style-type: none"> Environmental
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<ul style="list-style-type: none"> Non-financial KPIs – sustainability KPIs Climate change – operational emissions performance for the FY 2025 performance outcomes 	<ul style="list-style-type: none"> Environmental

SUSTAINABILITY STATEMENT (Cont'd)



ASAP ADVISORY PLT
No 17-04, Blok B, Austin V, Jalan Austin Perdana 3/2,
Taman Austin Perdana, 81100 Johor Bahru, Johor.
Tel: 07-3595983

INDEPENDENT LIMITED ASSURANCE STATEMENT

Independent Limited Assurance Statement to the Directors of Homeritz Corporation Berhad on Sustainability Metrics within the Sustainability Report 2025.

Our Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter as presented in Homeritz's Sustainability Statement 2025 have not been prepared and presented fairly, in all material respects, in accordance with the Criteria defined below.

Scope of Work

ASAP Advisory PLT ("ASAP" or "we") was engaged by Homeritz Corporation Berhad ("Homeritz") to perform a 'limited assurance engagement,' as defined by the International Standard on Assurance Engagements ("ISAE") 3000 Revised, Assurance Engagement other than Audits or Review of Historical Financial Information, on selected subject matters ("Subject Matter") included in Homeritz's 2025 Sustainability Statement ("SS2025") for the financial year ended 31st August 2025.

Subject Matter

Our limited assurance engagement was performed for the Subject Matter listed in the table below, as presented in the SS2025:

Material Matters	Subject Matter	Scope
Climate Change	Total energy consumption	Operations assessed: Malaysia (Peninsular)
	Scope 1 emissions in tonnes of CO ₂ e	
	Scope 2 emissions in tonnes of CO ₂ e	
	Scope 3 emissions in tonnes of CO ₂ e	

The scope of our work was limited to the Subject Matter presented in the SS2025 and did not include coverage of data sets or information unrelated to the data and information underlying the Subject Matter and related disclosures; nor did it include information reported outside of the SS2025, comparisons against historical data, or management's forward-looking statements.

Criteria applied by Homeritz

In preparing the Subject Matter mentioned above, Homeritz applied the following criteria:

- IFRS Foundations - International Integrated Reporting Framework and Integrated Thinking Principles Task Force on Climate related Financial Disclosures ("TCFD")
- Homeritz's relevant policies and procedures

Homeritz's Responsibilities

Homeritz's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

SUSTAINABILITY STATEMENT (Cont'd)



ASAP ADVISORY PLT
No 17-04, Blok B, Austin V, Jalan Austin Perdana 3/2,
Taman Austin Perdana, 81100 Johor Bahru, Johor.
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ASAP's responsibilities

Our responsibility is to express our conclusion on whether anything has come to our attention that causes us to believe that the Subject Matter and related disclosures as presented in the SS2025 are not prepared, in all material respects, in accordance with the Criteria.

We have performed our limited assurance engagement in accordance with the terms of reference for this engagement agreed with Homeritz, including performing the engagement in accordance with the ISAE 3000, issued by the International Auditing and Assurance Standards Board. This Standard requires that we plan and perform our engagement to obtain limited assurance about whether the Subject Matter and related disclosures as presented in the SS2025 are free from material misstatement.

A limited assurance engagement undertaken in accordance with ISAE 3000 involves assessing the suitability in the circumstances of Homeritz's use of the criteria specified as the basis of preparation used for the selected Subject Matter and related disclosures presented in the SS2025, assessing the risks of material misstatement thereof, whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter and related disclosures in the SS2025. We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our Independence and Quality Control

This assurance has been conducted at a limited level according to Global Internal Audit Standards from the IIA2, at a minimum the internal audit function should provide the following assurance over ESG reporting;

- 1) Review reporting metrics for relevancy, accuracy, timeliness and consistency;
- 2) Review reporting for consistency with formal financial disclosure filings;
- 3) Conduct materiality or risk assessments on ESG reporting;

including the Principles of the IFRS Foundation – International Integrated Reporting Council (“IIRC”), the Task Force on Climate-related Financial Disclosures (“TCFD”), and IFRS Sustainability Disclosure Standards S1 and S2.

Statement of Independence and Competence

ASAP provides a range of services, including internal audit, internal control review, risk management, and environmental, social, and ethical auditing and training. Additionally, we offer assurance services for environmental, social, sustainability, and ESG reports.

We affirm our independence from Homeritz, ensuring objectivity, freedom from bias, and the absence of conflicts of interest with the organisation, its subsidiaries, and stakeholders. For this assurance engagement, a specialised team was carefully assembled based on their expertise, experience, and relevant qualifications, ensuring a thorough and credible review.

ASAP's role and independence were assessed in accordance with professional ethical requirements, and adequate safeguards were implemented to preserve assurance integrity.

SUSTAINABILITY STATEMENT (Cont'd)



ASAP ADVISORY PLT
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Description of Procedures Performed

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Gaining an understanding of Homeritz's business, internal processes and approach to sustainability.
- Conducting interviews with key personnel and collating evidence to understand Homeritz's process for reporting performance indicators and disclosures, including inquiring regarding risks of misstatement and quality controls to address risks
- Conducting limited assurance procedures over the selected Subject Matter and disclosures, including:
 - Undertaking analytical procedures to support the reasonableness of the data.
 - Checking that the calculation Criteria have been applied in accordance with the methodologies for the Subject Matter within the Statement.
 - Identifying and testing assumptions supporting calculations.
 - Testing, on a sample basis, underlying source information to check accuracy of the data.
 - Performing recalculations of performance indicators using input data.
 - Checking that measurements made at the end of the reporting period are timely entered in the records and the sustainability statement.
 - Obtaining appropriate representations from management, in the form of a management representation letter addressed to us to confirm that the management believes that it has fulfilled its responsibilities.

We also performed such other procedures as we considered necessary in the circumstances.

Inherent Limitations

Inherent limitations of assurance engagements include use of judgement and selective testing of data, which means that it is possible that fraud, error or non-compliance may occur and not be detected in the course of performing the engagement. Accordingly, there is some risk that a material misstatement may remain undetected. Further, our limited assurance engagement is not designed to detect fraud or error that is immaterial.

SUSTAINABILITY STATEMENT (Cont'd)



ASAP ADVISORY PLT
No 17-04, Blok B, Austin V, Jalan Austin Perdana 3/2,
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There are additional inherent risks associated with assurance engagements performed for non-financial information given the characteristics of the subject matter and associated with the compilation of source data using definitions and methods for determining, calculating, and estimating such information that are developed internally by management. The absence of a significant body of established practice on which to draw, allows for the selection of different but acceptable measurement techniques which can result in materially different measurements and can impact comparability. The precision of different measurement techniques may also vary. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. In particular, where the information relies on factors derived by independent third parties, our assurance work has not included examination of the derivation of those factors and other third-party information.

Other Matters

Information relating to prior reporting periods has not been subject to assurance procedures. Our report does not extend to any disclosures or assertions relating to future performance plans and/or strategies disclosed in the SS2025. The maintenance and integrity of Homeritz's website is the responsibility of Homeritz's management. Our procedures did not involve consideration of these matters and, accordingly we accept no responsibility for any changes to the Subject Matter and related disclosures, the SS2025 or to our independent limited assurance report that may have occurred since the initial date of presentation on the Homeritz's website.

Restriction of use

Our work has been undertaken to enable us to express a limited assurance conclusion on the matters stated above in our report provided to the directors of Homeritz in accordance with the terms of our engagement, and for no other purpose.

Our report is intended solely for the directors of Homeritz and should not be used by any other parties. To the fullest extent permitted by the law, we do not accept or assume liability to any party other than the directors of Homeritz, for our work, for this report, or for the conclusion we have reached.

We agree to the publication of this assurance report in Homeritz's SS2025 for the financial year ended 31st August 2025, provided it is clearly understood by recipients of the SS2025 that they enjoy such receipt for information only and that we accept no duty of care to them whatsoever in respect of this report.

ASAP Advisory PLT
201804000474 (LLP0014854-LGN)

Johor Bahru, Malaysia
11 November 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of Homeritz Corporation Berhad (“Company” or “Homeritz”) acknowledges the importance of practising good corporate governance practices under the leadership of the Board of Directors (“Board”), as guided by the Malaysian Code on Corporate Governance (“MCCG”) within the Company and the subsidiaries (“the Group”). It is being applied as a fundamental part of discharging the directors’ responsibilities to protect and to enhance shareholders’ value.

The Board of Directors of Homeritz presents this statement to provide shareholders and investors with an overview of the corporate governance practices of the Company under the leadership of the Board during the financial year 31 August (“FYE”) 2025. This statement takes guidance from the key Corporate Governance principles as set out in the MCCG. The detailed application for each practice as set out in the MCCG is disclosed in the Corporate Governance Report 2025 which is available on the Company website at <http://www.homeritzcorp.com>.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

PART I – BOARD RESPONSIBILITIES

1. Board’s Leadership on Objectives and Goals

1.1 Company’s strategic aims, values and standards

The Board is responsible for formulating the strategic plans and establishing visions and goals for delivery of long-term values and ensures effective leadership through oversight on management and continuously monitoring, overseeing and evaluating the Group’s strategies, policies and performance so as to protect and to enhance shareholders’ and other stakeholders’ value.

There is a division of functions between the Board and the Management. The Board is focused on the Group’s overall governance by ensuring the implementation of strategic plans and objectives are in line with its vision and missions; and that accountability to the Group and stakeholders is monitored effectively. The Board does not actively manage but rather oversees the overall management of the Group which is delegated to the Managing Director who is responsible for the day-to-day management of the business and operations of the Group. He is supported by the Executive Directors and the Senior Management Team.

To ensure the effective discharge of its function and responsibilities, the Board also delegates some of the Board’s authorities and discretion to the properly constituted Board Committees, namely the Audit and Risk Management Committee (“ARMC”), Nominating Committee and Remuneration Committee, which are entrusted with specific responsibilities to oversee the Group’s affairs, with authority to act on behalf of the Board in accordance with their respective Terms of Reference. The ultimate responsibility for the final decision on all matters deliberated in these Committees, however, lies with the Board. Besides that, the Chairman of the relevant Board Committees also reports to the Board on key issues deliberated by the Board Committees at their respective meetings.

The Board may also delegate specific functions to ad hoc committees as and when required. The powers delegated to these committees are set out in the Terms of Reference of each of the Committees as approved by the Board.

The Board meets quarterly and at such time as it deems necessary to fulfil its responsibilities. The Board is kept informed of key strategic initiatives, significant operational issues and the Group’s performance through the comprehensive status report tabled and deliberated in the meetings. Various Key Performance Indicators (“KPIs”) are set and monitored from time to time.

The Independent Non-Executive Directors provide objective and independent judgement to the decision making of the Board which provides an effective check and balance to the Board’s decision-making process.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

1.2 The Chairman

The Board is of the opinion that the current Board size is optimum and well-managed under the leadership of the Board as a whole. With a strong and effective representation of Independent Non-Executive Directors, which forms a majority in the Board, the necessary check and balance is in place. Hence, the Board is of the view to maintain the current well-balanced board composition until such time where the need for a Chairman arises. The Board as a whole is wholly responsible for matters pertaining to the overall conduct of the Group and is committed to good corporate governance practices.

1.3 Separation of positions of the Chairman and Group Chief Executive Officer (“CEO”)

Given that the size of the Group is relatively small, the Group does not have a Chairman and a CEO. The Group is of the view that the current Board size is optimum and caters effectively to the scope of the Group’s operations. The strong and majority representation of Independent Non-Executive Directors in the Board provides the necessary check and balance to safeguard the interests of all shareholders and stakeholders and to preserve a balance of authority, power and accountability. The Managing Director leads the senior management of the Company in the day-to-day management and running of the Group as well as the implementation of the Board’s decisions and policies. Mr. Kee Tong Kiak as the Senior Independent Non-Executive Director, facilitates communication with shareholders and stakeholders in order to address and deal appropriately with any concerns raised.

1.4 Qualified and Competent Company Secretaries

The Board is supported by two (2) professionally qualified Company Secretaries. Both Company Secretaries have the requisite credentials and are qualified to act as company secretary under Section 235(2) of the Companies Act 2016 (“the Act”). The Company Secretaries play an important advisory role and is a source of information and advice to the Board and its committees on issues relating to compliance with laws, rules, procedures and regulations affecting the Company and Group.

1.5 Meeting Materials

The Board is provided with an agenda, reports and other relevant information at least seven (7) days prior to the Board Meetings, covering various aspects of the Group’s operations, so that they have a comprehensive understanding of the matters to be deliberated during meetings. All scheduled meetings held during the year were preceded with a formal agenda issued by the Company Secretaries. Management and advisers are invited to attend Board Meetings, where necessary, to provide additional information and insights on the relevant agenda tabled at Board Meetings. Upon conclusion of the meetings, the minutes are circulated in a timely manner to all board members.

The Directors have the right to fully access of the advice and services of Company Secretaries and all information pertaining to the Group for the purpose of discharging their duties. The Board may, when necessary, obtain independent professional advice and information on specific matters, in the furtherance of their duties, at the cost of the Company.

The Company Secretaries attend and ensure that the deliberations and decisions at Board and Board Committee meetings are well documented in the minutes, including matters where Directors abstained from voting or deliberation.

2. Demarcation of Responsibilities

2.1 Board Charter

The Board is guided by the Board Charter which sets out the roles, functions, authority, responsibilities, membership, key matters reserved for the Board, relationships with management and other matters. The Board reviews the Board Charter from time to time and updates the Board Charter in accordance with the needs of the Company and any new regulations that may have an impact on the discharge of the Board’s responsibilities to ensure its effectiveness. The Board Charter is made available at the Company’s website at <http://www.homeritzcorp.com>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

3. Good Business Conduct and Healthy Corporate Culture

3.1 Code of Conduct and Ethics

The Board is committed in maintaining a corporate culture which engenders ethical conduct. A Code of Conduct and Ethics is formalised and incorporated in the Board Charter with the aim to cultivate good corporate conduct that permeates throughout the Group through transparency, accountability and integrity.

The Code describes what the Group must endeavour to do proactively in order to increase corporate value, and which describes the areas in daily activities that require caution in order to minimise any risks that may occur.

Directors are required to disclose any conflict of interest situations or any material personal interest that they may have in the affairs of the Group as soon as they become aware of the interest and abstain themselves from any deliberations on the matter.

The Code of Conduct is made available for reference at the Company's website at <http://www.homeritzcorp.com>.

3.2 Whistleblowing Policy and Procedure

The Board has established the Whistleblowing Policy and Procedure and is committed to maintain the highest possible standard of professionalism, ethics and legal conduct in the Group's business activities. The Company's Whistleblowing Policy and Procedure provides a mechanism for its Board members, all levels of employees, contractors, suppliers, bankers, customers and business associates to report suspected or instances of wrong doing in the conduct of its business, whether in matters of financial reporting or other malpractices, at the earliest opportunity and in an appropriate way.

The Whistleblowing Policy and Procedure is available on the Company's website at <http://www.homeritzcorp.com>.

3.3 Anti-Bribery and Corruption Policy

The Group acknowledges the importance in conducting business in an ethical and honest manner and is committed to implement and enforce systems that ensure bribery is prevented.

Following the implementation of the corporate liability provision involving commercial organisations under Section 17A of the Malaysian Anti-Corruption Commission Act 2009 which was enforced on 1 June 2020, the Group adopted the Anti-Bribery and Corruption Policy ("ABC Policy") which elaborates and provides guidance to whom the policy applies on and how to address improper solicitation, bribery and other corrupt activities and issues that may arise in the course of business.

The ABC Policy is available on the Company's website at <http://www.homeritzcorp.com>.

3.4 Directors' Fit and Proper Policy

The Board had adopted the Directors' Fit and Proper Policy. The Policy served as guidance to the Nominating Committee ("NC") and the Board in their review and assessment of candidates that are to be appointed onto the Board as well as Directors who are seeking for election or re-election. This Policy is to ensure that Directors must possess the character, integrity, relevant range of skills, knowledge, experience, competence and time commitment to carry out their roles and responsibilities effectively in the best interest of the Company and its stakeholders. The fit and proper criteria will be applicable at the time of appointment as a director and on a continuing basis as all directors of the Company and/or its subsidiaries are expected to conduct themselves with highest integrity and professionalism as well as to comply with all relevant legal and regulatory obligations.

The Directors' Fit and Proper Policy is available on the Company's website at <http://www.homeritzcorp.com>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

4. Sustainability measure to support the Company's long-term strategy and success

4.1 Strategic Management of Material Sustainability Matters

Our sustainability efforts represent our commitment towards maximising opportunities and efficiency to continuously operate as a profitable entity and to create long term values to all stakeholders after taking into consideration the aspects of economic, environment and social ("EES"). The Group has an Enterprise Risk Management Committee ("ERMC"), which is chaired by the Group Managing Director and comprises senior management of the Group, to provide oversight role of monitoring sustainability activities, where the relevant material sustainability matters ("MSM") are identified by the ERMC in tandem with the normal risk management initiatives.

The ERMC will conduct a materiality review internally to identify MSM that were and remained relevant and significant to the Group and its stakeholders in influencing business decisions. The ERMC report to the Audit and Risk Management Committee ("ARMC") on the sustainability developments. The MSM list will table to the Board by ARMC for the Board's approval.

Please refer to the Sustainability Statement for the relevant measures in managing the sustainability matters.

4.2 Delivery of Sustainability Consideration to Stakeholder

The Board had engaged with the stakeholders proactively such as Shareholders, Customers, Employees, Suppliers, Government and Regulator accordingly, to ensure that the Board meet the stakeholders' expectation and satisfaction for the Company's sustainability growth.

The Company had also disclosed the sustainability measures and forms of engagement with the stakeholder in the Sustainability Statement which also formed part of the Annual Report 2025 to the stakeholders.

PART II – BOARD COMPOSITION

5. Board's Objectivity

5.1 Composition of the Board

As of the date of this Corporate Governance Overview Statement, the Board has six (6) members, comprising three (3) Executive Directors, one (1) Senior Independent Non-Executive Director and two (2) Independent Non-Executive Directors. This Board composition complies with the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") to have at least one third (1/3) of Independent Directors in the Board.

Notwithstanding that the Board does not have an Independent Chairman, the existing Independent Non-Executive Directors, who make up half of the Board, provide the necessary checks and balances to safeguard the interest of the shareholders and stakeholders.

The current Board composition is also in conformity with MCCG whereby at least half of the Board comprises Independent Directors.

5.2 Re-election of Director

In accordance with the Constitution of the Company, all directors shall retire from office once in every three (3) years but shall be eligible for re-election and one-third (1/3) of the directors shall retire from office and be eligible for re-election at each Annual General Meeting ("AGM").

Newly appointed directors during the financial year shall hold office until the next following AGM and shall then be eligible for re-election. This requirement has been adhered to by the Board members in AGM.

The Nominating Committee is responsible for recommending to the Board those Directors who are eligible to stand for re-election.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

5.3 Tenure of Independent Directors

As at the date of this Statement, none of the Independent Non-Executive Director has reached nine (9) years of service since their appointment as Director. Their tenure of service is set out in the Board of Directors' Profile of this Annual Report.

The Board is satisfied with the level of independence demonstrated by all the Independent Non-Executive Directors and their ability to act in the best interests of the Company.

5.4 Policy on Independent Director's Tenure

The Board is of the view that the independence of Directors is assessed based on their independent judgement, courage to confront management for clarification and raise any issue of concern, to weigh the management proposals rationally and objectively.

The Board Charter has reviewed and adopted the MCCG to justify and seek shareholders' approval annually through a two-tier voting process in the event the Board desires to retain a director who has served in the capacity for more than nine (9) years as an Independent Director.

5.5 Diverse Board and Senior Management

The Nominating Committee is responsible for reviewing and assessing the mix of skills, expertise, composition, size, experience and effectiveness of the Board, its Committees and senior management.

This process ensures that the Board membership accurately reflects the long-term strategic direction and needs of the Company while it determines the skills matrix needed to support the strategic direction and needs of the Company.

The Board recognises that a diverse Board can offer greater depth and breadth compared to non-diverse Board. Board diversity provides for discussion of the same ideas in differing ways, allowing constructive debates that lead to better decision-making.

Appointment of Board and Key Senior Management are based on objective criteria, merit and besides gender diversity, due regard is placed for diversity in skills, experience, age and cultural background. Please refer to the Board of Directors' Profile and Profiles of Key Senior Management on pages 8 to 9 and 64 respectively for further information.

5.6 Gender Diversity Policy

The Board acknowledges the importance of gender diversity in the Board and senior management and the recommendation of the MCCG pertaining to the establishment of a gender diversity policy. Hence, the Board had always been in support of a policy of non-discrimination on the basis of race, religion and gender. The Board encourages a dynamic and diverse composition by nurturing suitable and potential candidates equipped with the competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Company.

As at 31 August 2025, the Board has 40% female representation on the Board, which meets the gender equality principles as set out in the MCCG.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

5.7 New Candidates for Board Appointment

The Nominating Committee is responsible for identifying, assessing and recommending suitable candidates for Board membership and also for evaluating the performance of the Directors on an on-going basis. This process shall ensure that the Board membership accurately reflects the long-term strategic direction and needs of the Company while it determines the skills matrix needed to support the strategic direction and needs of the Company.

The process for the appointment of a new director is summarised as follows: -

- 1) A candidate is identified through recommendation of existing Directors, senior management staff, other consultants and/or independent sources;
- 2) In evaluating the suitability of candidates to the Board, the Nominating Committee considers, inter alia, the competency, experience, commitment, contribution and integrity of the candidates and in the case of candidates proposed for appointment as Independent Non-Executive Directors, the candidate's independence;
- 3) The Nominating Committee will make recommendation to the Board if the proposed candidate is found to be suitable. This includes recommendation for appointment as a member of the various Board committees, where necessary; and
- 4) The final decision as to who shall be appointed as Director remains the responsibility of the full Board after considering the recommendation of the Nominating Committee.

5.8 Nominating Committee

The Nominating Committee has three (3) members comprising exclusively Non-Executive Directors, all of whom are Independent Directors. The Nominating Committee meets at least once in a year with additional meetings to be convened, if necessary. During the financial year under review, the Nominating Committee had met twice and full attendance by the members was recorded.

Directors	Number of Meetings Attended
Chairman	
Kee Tong Kiak <i>Senior Independent Non-Executive Director</i>	2/2
Members	
Hamsiah Binti Khalid <i>Independent Non-Executive Director</i>	2/2
Wong Wai Hung <i>Independent Non-Executive Director</i>	2/2

The Nominating Committee is responsible for assessing the performance of the existing Directors, reviewing the training needs of Directors and assessing the independence of the Independent Directors. The Board has established an annual performance evaluation process to assess the performance and effectiveness of the Board and Board Committees, as well as the performance of each Director and each ARMC Member.

The Terms of Reference ("ToR") of the Nominating Committee is available on the Company's website at <http://www.homeritzcorp.com>.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

6. Overall Board Effectiveness

6.1 Annual Evaluation and Directors Training

The Board, together with the Nominating Committee, determines the size and composition of the Board that facilitates the decision-making process of the Company. The Board comprises of directors with a broad and relevant range of skills, diversity, expertise and experience.

The Nominating Committee conducted its annual evaluation on the effectiveness of the Board, its Committees and the contribution of each Director.

The assessment of the Board is based on specific criteria, covering areas such as the Board structure, Board operations, relationship with management, roles and responsibilities of the Board, the Board Committee and the Chairman and corporate governance.

These assessments and comments by all Directors were summarised and discussed at the Nominating Committee meeting which were then reported to the Board at the Board meeting held thereafter. This will allow the Directors to know their standing and the Board to take appropriate remedial actions when necessary.

There were no major concerns from the results of the annual assessment. The Nominating Committee is satisfied that the size of the Board is optimum and there is an appropriate mix of experience and expertise in the composition of the Board and its Committees.

Based on the annual board assessment and evaluation, the Nominating Committee has recommended the re-election of Mr Kee Tong Kiak, Puan Hamsiah Binti Khalid and Ms Phoebe Chua Chi Ler as directors at the forthcoming 18th AGM. The Board (saved for the interested directors) is satisfied that these three (3) directors have continued to contribute to the Board effectiveness and have discharged their fiduciary duties and responsibilities as directors in accordance with their respective ToR.

The Directors are aware of the time commitment expected from each of them to attend to the matters of the Group generally, including attendance at Board, Board Committee and other types of meetings. The Directors would notify the Company prior to accepting any new directorship in a public listed company ("PLC"). None of our Directors hold more than five (5) directorships in PLC. The Board is satisfied that the present directorships in external organizations held by the Directors do not give rise to any conflict of interests nor impair their ability to discharge their responsibilities to the Group.

The Board has committed to meet at least four (4) times a year, usually before the announcement of quarterly results to Bursa Securities, with additional meetings convened when necessary.

During the FYE 2025, five (5) Board Meetings were held and the attendance is as follows: -

Directors	Number of Meetings Attended
Chua Fen Fatt	5/5
Tee Hwee Ing	5/5
Phoebe Chua Chi Ler (<i>Appointed on 02 September 2025</i>)	N/A
Kee Tong Kiak	5/5
Hamsiah Binti Khalid	5/5
Wong Wai Hung	5/5

The Board acknowledges that continuous education is vital in keeping them abreast with developments in the market place, new statutory and regulatory requirements updates, as well as enhancing professionalism and knowledge in enabling them to discharge their roles in an effective manner.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

During the financial year under review, all the Directors have attended the seminars and training programmes as follows:

Directors	Training Programme Attended
Chua Fen Fatt	Chemical Safety Training Mandatory Accreditation Programme Part II: Leading for Impact (LIP) Occupational Safety and Health at Workplace
Tee Hwee Ing	Chemical Safety Training Mandatory Accreditation Programme Part II: Leading for Impact (LIP) Occupational Safety and Health at Workplace
Phoebe Chua Chi Ler <i>(Appointed on 02 September 2025)</i>	Not applicable
Kee Tong Kiak	Mandatory Accreditation Programme Part II: Leading for Impact (LIP) ISSB: Applying the IFRS Sustainability Disclosure Standards MIA Webinar Series: Sustainability- Related Risks and Opportunities
Hamsiah Binti Khalid	Mandatory Accreditation Programme Part II: Leading for Impact (LIP) MIA International Accountants Conference 2025 – Collaborative Leadership for A Sustainable Future
Wong Wai Hung	Building Sustainable Credibility: Assurance, Greenwashing and The Rise of Green-Hushing Board Ethics: Growing Concerns from New Technology, Stakeholder Interest & Conflict of Interest

PART III – REMUNERATION

7. Level and Composition of Remuneration

7.1 Remuneration Policy

The Company aims to set remuneration at levels which are sufficient to attract and to retain Directors and senior management to run the business successfully taking into consideration all relevant factors including the function, workload and responsibilities involved. The remuneration policy and procedures are available on the Company's website at <http://www.homeritzcorp.com>.

For Executive Directors and senior management, the components of the remuneration package are linked to corporate and individual performance. For Non-Executive Directors, they receive a fixed Director's fee, meeting and travelling allowance for attending meetings of the Board and its Committees. Other allowance may also be paid for performance of specific job assignment.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

7.2 Remuneration Committee

The Remuneration Committee has three (3) members of whom all are Independent Non-Executive Directors.

Directors	Number of Meetings Attended
Chairman Wong Wai Hung <i>Independent Non-Executive Director</i>	1/1
Members Kee Tong Kiak <i>Senior Independent Non-Executive Director</i>	1/1
Hamsiah Binti Khalid <i>Independent Non-Executive Director</i>	1/1

The Remuneration Committee is guided by its Terms of Reference, which is available on the Company's website, <http://www.homeritzcorp.com>. The Remuneration Committee is responsible for setting and reviewing policies and procedures on matters relating to the remuneration of the Board and Senior Management.

The Remuneration Committee makes recommendation to the Board on all elements of remuneration and terms of employment of Executive Directors and Senior Management. Non-Executive Directors' remuneration will be a matter to be decided by the Board as a whole with the Director concerned abstaining from deliberations and voting decisions in respect of his individual remuneration. The Directors' fees and allowances are subject to the approval of the shareholders of the Company at the AGM.

The current remuneration payable to Non-Executive Directors comprises Directors' fees and meeting allowance, based on the number of meetings they attended for a year.

Meetings of the Remuneration Committee are held as and when necessary and at least once a year. The Members met once in the FYE 2025 and full attendance by the members was recorded.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

8. Remuneration for Directors and Senior Management

8.1 Directors' Remuneration

The details of the remuneration received and receivable by the Directors of the Company and the Group for FYE 2025 are as follows: -

Company

Directors	Salaries and Bonus (RM'000)	EPF, SOCSO, and EIS Contribution (RM'000)	Director Fee (RM'000)	Meeting Allowance (RM'000)	Benefits-in-kind (RM'000)	Total (RM'000)
Executive Directors:						
Chua Fen Fatt	-	-	-	4	-	4
Tee Hwee Ing	-	-	-	4	-	4
Phoebe Chua Chi Ler <i>(Appointed on 02 September 2025)</i>	N/A	N/A	N/A	N/A	N/A	N/A
Total	-	-	-	8	-	8
Non-Executive Directors:						
Kee Tong Kiak	-	-	54	4	-	58
Hamsiah Binti Khalid	-	-	42	4	-	46
Wong Wai Hung	-	-	42	4	-	46
Total	-	-	138	12	-	150

Group

Directors	Salaries and Bonus (RM'000)	EPF, SOCSO, and EIS Contribution (RM'000)	Director Fee (RM'000)	Meeting Allowance (RM'000)	Benefits-in-kind (RM'000)	Total (RM'000)
Executive Directors:						
Chua Fen Fatt	1,970	357	-	4	19	2,350
Tee Hwee Ing	1,970	357	-	4	-	2,331
Phoebe Chua Chi Ler <i>(Appointed on 02 September 2025)</i>	N/A	N/A	N/A	N/A	N/A	N/A
Total	3,940	714	-	8	19	4,681
Non-Executive Directors:						
Kee Tong Kiak	-	-	54	4	-	58
Hamsiah Binti Khalid	-	-	42	4	-	46
Wong Wai Hung	-	-	42	4	-	46
Total	-	-	138	12	-	150

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

Aggregate Directors' Remuneration

Categories of Remuneration	Group		Company	
	Executive Directors (RM'000)	Non-Executive Directors (RM'000)	Executive Directors (RM'000)	Non-Executive Directors (RM'000)
Salaries and bonus	3,940	–	–	–
EPF, SOCSO and EIS Contribution	714	–	–	–
Director Fee	–	138	–	138
Meeting Allowance	8	12	8	12
Benefits-in-kind	19	–	–	–
	4,681	150	8	150

Total remuneration of Directors in respect of the FYE 2025, in bands of RM100,000 is tabulated below:

Range of Remuneration	Numbers of Directors
Non-Executive Directors: RM 1 to RM100,000	3
Executive Directors: RM2,300,001 to RM2,400,000	2

8.2 Senior Management's Remuneration

With regard to the disclosure of remuneration of Group's senior management, the Board has opined that it is not in the best interest of the Company to make such disclosures on the remuneration of the senior management due to the sensitivity of their remuneration package, privacy, competition and issue of staff poaching.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

PART I – AUDIT AND RISK MANAGEMENT COMMITTEE (“ARMC”)

9. Effective and Independent ARMC

The ARMC of the Company presently comprises of all three (3) members as Independent Non-Executive Directors. The Chairman of the ARMC namely Mr Kee Tong Kiak is distinct from the Chairman of the Board.

The members of the ARMC have a mix of legal, commercial, banking, financial skills, management and accounting experience. Arrangements will be made by the Company for the members of the Committee to attend seminars to continue to keep abreast of relevant developments in accounting and auditing standards, practices and rules.

The ARMC is tasked to assist the Board in overseeing the Group’s financial reporting processes and reviewing the financial statements to ensure that the financial statements are properly drawn up in accordance to the provisions of the Companies Act 2016 and applicable Malaysian Financial Reporting Standards by the Malaysian Accounting Standards Board (“MASB”) with the objective to give a true and fair view of the state of affairs of the Group.

The Board, through the ARMC, establishes a formal and transparent arrangement with the external auditors of the Company in seeking professional advice and in ensuring compliance with the relevant Malaysian Financial Reporting Standards issued by MASB.

The ARMC communicated directly and independently with the auditors without the presence of the Executive Directors at least twice a year during each financial year to discuss the audit findings and/or any issues detected during the course of audit work.

The ARMC is delegated with the task of assessing the suitability, competence, objectivity and independence of Messrs. Crowe Malaysia PLT as the External Auditor of the Company, taking into consideration the level of non-audit services rendered by Crowe Malaysia PLT to the Company during the financial year under review. The ARMC also seeks written assurance and declaration from the External Auditor, confirming that they are and have been, independent throughout the audit engagement with the Company in accordance with the independence criteria set out by the Malaysian Institute of Accountants. Based on the recommendation of ARMC on the re-appointment of External Auditor, the Board would then seek shareholders’ approval at the AGM.

Further details of the roles and responsibilities of the ARMC, including the activities undertaken during the year under review, are set out in the ARMC on pages 58 to 60 of this Annual Report.

PART II – RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

10. Risk Management and Internal Control Framework

10.1 Effective Risk Management and Internal Control Framework

The Board affirms its overall responsibilities for the Group’s system of internal control which includes the establishment of an appropriate control environment and framework as well as reviewing its adequacy and effectiveness.

The Board recognises the Company’s level of risk tolerance and actively identify, assess and monitor significant business risks on an ongoing basis to safeguard shareholders’ investments and Company’s assets. Appropriate internal control systems are put in place as measures to manage and mitigate the impact of the key risk within cost levels appropriate to the significance of the risks.

The Group has an outsourcing arrangement with an independent internal audit service provider (“Internal Auditor”) in relation to its internal audit function to examine and evaluate the adequacy and effectiveness of the Group’s internal control systems. The Internal Auditor reports directly to the ARMC during the quarterly ARMC meetings. Further details of the Group’s internal audit function are set out in the Statement on Risk Management and Internal Control section of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

10.2 Features, Adequacy and Effectiveness of Risk Management and Internal Control Framework

The Board has adopted a systematic approach to oversee the actual performance and provides guidance to the Management on measures to improve the business performance and minimise risk impacts. The Group has an adequate and effective risk management framework and a sound internal control system in place. The Group's risk management function is being assigned to the ARMC to monitor and mitigate the significant key business risks. The ARMC will perform a risk oversight role by reviewing the adequacy and effectiveness of the Group's system of internal control and risk management function and advises the Board accordingly.

The Board is committed towards improving the risk management to meet its corporate objectives and to support all types of businesses and operations within the acceptable level of risks which are aligned with the Group's risk appetite. The Board is of the view that the existing system of risk management and internal control is sound and sufficient to protect the Group's interest and that of its stakeholders. The features of risk management and internal control framework are adequately disclosed in the Audit and Risk Management Committee Report, Corporate Governance Overview Statement and Statement on Risk Management and Internal Control of this Annual Report.

11. Effective Governance, Risk Management and Internal Control

The Board emphasized on the internal control and risk management which safeguard the Group's assets and shareholder's interest. To maintain independency, the Company has engaged internal audit function to an external independent consultant ("Internal Auditor"). The ARMC has opined that the internal audit team had carried out their duties objectively, impartially and independently in accordance with the Internal Audit Charter, International Professional Practice Framework for Internal Auditing and Code of Ethics for Internal Auditors. The ARMC is satisfied that the Internal Auditor had maintained a high degree of independence and professionalism in carrying out their duties.

Besides, the ARMC has reviewed the adequacy of resource requirements and competencies of the audit staff as well as the annual audit plan and their audit works. The ARMC has obtained reasonable assurance that the internal audit function has advised the Board accordingly and remained effective. As such, the Board is confident that the Internal Auditor is competent enough to provide value added services and able to meet all its audit objectives.

The processes of corporate governance, risk management and internal control framework are adequately disclosed in the Audit and Risk Management Committee Report, Corporate Governance Overview Statement and Statement on Risk Management and Internal Control of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

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

PART I – ENGAGEMENT WITH STAKEHOLDERS

12. Continuous Communication between Company and Stakeholders

The Board acknowledges the importance of an effective communication channel between the Board, shareholders and general public and at the same time, fully compliance with the Bursa Securities' disclosure framework to provide investors and the public with complete and accurate information on a timely basis. Hence, the Board has established Corporate Disclosure Policy to promote timely and high-quality disclosure of material information to the public.

The Board is also mindful that information that is expected to be material must be handled with caution and announced immediately. The annual reports, quarterly results and any announcements on material corporate exercises are the primary modes of disseminating information on the Group's business activities and financial performance.

The Board will continue to assess and improve on the reporting and disclosure. The Company further ensures that shareholders are kept fully informed through information provided on the Bursa Securities' and Company's websites at <http://www.bursamalaysia.com> and <http://www.homeritzcorp.com> respectively and it is accessible by public.

PART II – CONDUCT OF GENERAL MEETINGS

13. Encourage Shareholders' Participation at General Meetings

The Board values the participation of shareholders at general meetings and recognises their contributions as valuable feedback for the conduct of the Group's businesses. Notice of AGM and Annual Reports are sent to shareholders at least twenty-eight (28) days prior to the meeting.

This would allow the shareholders to make necessary arrangements to attend and participate either in person, by corporate representative, by proxy or by attorney together with the Notice of AGM, which provides information to shareholders with regard to, among others, details of the AGM, their entitlement to attend the AGM, the right to appoint proxy and also qualification of proxy.

All the Directors shall endeavour to present in person to engage directly with and be accountable to the shareholders for their stewardship of the Company at the 18th AGM. The proceedings of the 18th AGM will include the Chairperson's briefing on the Company's overall performance for FYE 2025, the presentation of the external auditors' unqualified report to the shareholders and a Question & Answer ("Q&A") session which the Chairperson will invite shareholders to raise questions pertaining to the Company's financial statements and other items for adoption at the meeting, before putting a resolution to vote. The Directors and external auditors will be in attendance to respond to the shareholders' queries.

Under Paragraph 8.29A(1) of the Listing Requirements, a PLC must, among others, ensure that any resolution set out in the notice of any general meeting, is voted by poll. For this purpose, the share registrar will be appointed as the Poll Administrator and an independent scrutineer will be appointed to validate the votes cast at the 18th AGM. All shareholders or proxies will be briefed on the voting procedures prior to the poll voting by the Share Registrar.

The outcome of the 18th AGM will be announced to Bursa Securities on the same meeting day.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

COMPLIANCE STATEMENT

The Board is pleased to report this Statement, together with the Corporate Governance Report which is available on the Company's website at <http://www.homeritzcorp.com>, provides the corporate governance practices of the Company with reference to the MCGG. The Board considers and is satisfied that the Company has fulfilled its obligations under the board Principles set out in the MCGG. However, the Board has reserved several of the Practices and has rationalised and provided justifications for the deviations in the Corporate Governance Report. Nevertheless, the Company will continue to strengthen its governance practices to safeguard the best interests of its shareholders and other stakeholders.

This Statement was approved at the meeting of the Board on 5 December 2025.

ADDITIONAL COMPLIANCE INFORMATION

1. UTILISATION OF PROCEEDS

There were no proceeds raised from any proposal during the financial year.

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred for the services rendered to the Group by the External Auditors for the financial year under review are as per table below:

	Company (RM)	Subsidiaries (RM)
Audit fees	30,000	97,500
Non-audit fees	5,000	-
	35,000	97,500

3. MATERIAL CONTRACTS

During the financial year under review, there were no material contracts entered into by the Company and its subsidiaries involving Directors' and / or substantial Shareholders' interests.

4. RECURRENT RELATED PARTY TRANSACTIONS

Details of the recurrent related party transactions undertaken by the Group during the financial year are disclosed in Note 30 of the Financial Statements herein.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Audit and Risk Management Committee (“ARMC”) comprises three (3) members, all of whom are Independent Non-Executive Directors. The current composition meets the requirement of paragraphs 15.09 and 15.10 of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). Should there be a vacancy in the ARMC resulting in the non-compliance of paragraphs 15.09(1) and 15.10 of the Listing Requirements, the Company must fill up the vacancy within three (3) months thereof.

The ARMC reviews and updates its Term of Reference (“ToR”) from time to time as to keep itself up to date with new changes in regulations and best practices and to ensure its effectiveness and relevance to the Board’s objectives. The salient features of the ToR can be viewed on the Company’s website at <http://www.homeritzcorp.com>.

SUMMARY OF ACTIVITIES

A total of five (5) ARMC meetings were held for the financial year ended 31 August (“FYE”) 2025. The details of attendance of each ARMC member are as follows:

Members	Attendance
Chairman	
Kee Tong Kiak <i>Senior Independent Non-Executive Director</i>	5/5
Members	
Hamsiah Binti Khalid <i>Independent Non-Executive Director</i>	5/5
Wong Wai Hung <i>Independent Non-Executive Director</i>	5/5

The main activities undertaken by the Committee during the financial year under review included the following:

- a) Ensuring Financial Statements comply with applicable Accounting Standards and other legal requirement
 - reviewed the unaudited quarterly financial results, audited financial statements and annual report of the Group and the Company and ensured of amongst others, that it complies with applicable Malaysian Financial Reporting Standards prior to making recommendations for the Board’s approval and subsequent announcements;
 - reviewed any changes in the implementation of major accounting policies and practices, major judgmental and risk areas, significant adjustments resulting from the audit, the going concern assumption, compliance with accounting standards, compliance with Listing Requirements of Bursa Securities and other legal requirements; and
 - monitored the integrity of the financial statements of the Company and assessed whether the financial report represents a true and fair view of the Company’s performance and ensured compliance with the regulatory requirements.
- b) Related Party Transactions
 - reviewed the potential related party transaction and any conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (Cont'd)

c) External Audit

- reviewed and evaluated factors relating to the independence of the External Auditors. The ARMC worked closely with the External Auditors in establishing procedures in assessing the suitability and independence of the External Auditors, in confirming that they are and have been, independent throughout the conduct of the audit engagement with the Group in accordance with the independence criteria set out by the International Federation of Accountants and the Malaysian Institute of Accountants;
- considered and recommended to the Board of Directors the re-appointment of Crowe Malaysia PLT as the External Auditors and payments of fees including fees paid for non-audit services during the financial year;
- reviewed with the External Auditors the audit planning memorandum covering the audit objectives and approach, audit plan, key audit areas and relevant technical pronouncements and accounting standards issued by Malaysian Accounting Standards Board;
- reviewed with the External Auditors the audit review memorandum covering the results of the audited financial statements and audit report in particular, accounting issues and significant audit adjustments arising from the external audit; and
- conducted private meetings with the external auditors without the presence of Executive Directors or employees of the Group.

d) Internal Audit

- considered and recommended to the Board of Directors the appointment of the Internal Auditors and payments of fees;
- reviewed the adequacy of the scope, function, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
- reviewed the internal audit programme and results of the internal audit process and where necessary, ensure that appropriate action is taken on the recommendations of the internal audit function;
- reviewed the performance and competency of the Internal Auditors;
- reviewed internal audit reports, recommendations and Management's responses and assessed on the actual and potential impact of any failure or weakness of the internal controls in place. Improvement actions in the areas of internal control, systems and efficiency enhancements suggested by the Internal Auditors were discussed together with the Management Team in a separate forum; and
- reviewed implementation of the recommendations made by the Internal Auditors through follow-up internal audit reports to the ARMC.

e) Whistleblowing and Fraud

- reviewed the whistle-blowing policy for adoption to the Board; and
- cultivated the awareness of the employees and ensured the whistleblower could report directly to the ARMC on any possible wrongdoings or fraud detected.

f) Risk Management

- reviewed the principal risks which may affect the Group directly or indirectly and if deemed necessary, recommend additional course(s) of action to mitigate such risks;
- reviewed on the adequacy and effectiveness of the enterprise risk management framework;
- reviewed the material sustainability matters of the Group and recommended the same to the Board for approval; and
- reviewed the Statement of Risk Management and Internal Control and the Sustainability Statement of Annual Report.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (Cont'd)

g) Overseeing the Governance Practices in the Group

- reviewed the application of Corporate Governance principles and the extent of the Group's compliance with the recommendations set out under the new Malaysian Code of Corporate Governance;
- reviewed the Corporate Governance Overview Statement, Corporate Governance Report and ARMC Report to ensure adherence to legal and regulatory reporting requirements and appropriate resolution of all accounting matters requiring significant judgement and recommended the same to the Board for approval;
- reviewed the minutes of meeting of the ARMC;
- reviewed and recommended to the Board for approval the Anti-Bribery and Corruption Policy and revision thereto;
- reviewed the revised Term of Reference of the ARMC; and
- reviewed, monitor and report any conflict of interest ("COI") situations that involve directors and key senior management within the Group included those COI situations that arose, persist or may arise and the measures taken to resolve, eliminate or mitigate such COI situations. During the financial year, there were no COI situations that involved directors and key senior management within the Group.

INTERNAL AUDIT FUNCTION

The Board acknowledges that it is responsible for maintaining sound systems of internal control which provide reasonable assessment of effective operations, internal financial controls and compliance with laws and regulations as well as with internal procedures and guidelines.

The Group has engaged an external independent consultant ("Internal Auditors" or "IA") to carry out the internal audit function to assist the ARMC in maintaining sound systems of internal control. The internal audits were undertaken to provide independent assessment on the accuracy, efficiency and effectiveness of the Group's internal control systems. The IA report directly to the ARMC. The IA present and discuss Internal Audit Plan with the ARMC and present the result of reviews directly to the ARMC which includes significant internal audit findings, recommendations for improvements, management's response and proposed action plans.

During the FYE 2025, the external independent consultant has conducted review on internal control of the selected subsidiaries focusing on the following areas:

- o Procurement, planning and replenishment monitoring;
- o Sourcing strategy for key material;
- o Pre-qualification of supplier / vendors and selection procedures;
- o Ordering processing to receiving for key materials;
- o Vendor management;
- o Ascertain effectiveness of the processes for receiving, put-away, issuing, picking and shipping;
- o Ascertain cycle counts are complete and any variances identified are researched and adjusted properly;
- o Ascertain controls over safeguarding of inventories, physical access and security during night time; and
- o Ascertain processes to identify obsolesces and slow-moving inventories.

An overview of the Group's approach in maintaining sound systems of internal control is set out in the Statement on Risk Management and Internal Control on pages 61 to 63 of this Annual Report.

The professional fee incurred for the internal audit function for the financial year 2025 was RM 22,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

In pursuant to Paragraph 15.26 (b) of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”), the Board is pleased to present its Statement on Risk Management and Internal Control which outlines the nature and scope of risk management and internal control of the Group for the financial year ended 31 August 2025.

BOARD’S RESPONSIBILITY

The Board acknowledges its responsibility for ensuring that a sound system of risk management and internal control is maintained. It has reviewed the effectiveness of these systems to safeguard shareholders’ interests and the Group’s assets.

During the financial year under review, the Board is of the view that the Company’s overall risk management and internal control system is operating adequately and effectively in all material aspects, based on the risk management framework and practices adopted by the Group. The Board has also received the same assurance from both the Managing Director and the Accountant of the Company.

Notwithstanding the above, in view of limitations that are inherent in any systems of risk management and internal control, such systems are designed to manage, rather than eliminate the risks of failure to achieve the Group’s business objectives. They can only provide reasonable, rather than absolute assurance against material misstatement or loss.

RISK MANAGEMENT FRAMEWORK

The Board recognizes that effective risk management is essential for achieving the Group’s strategic and operational objectives and goals.

Risk management is an integral part of the Group’s decision making and routine management and it is incorporated into the strategic and operational planning processes at all levels across the Group.

To achieve a sound system of risk management and internal control, the Board and management ensure that the risk management and control framework is embedded in the culture, processes and structures of the Group.

The Group has an Enterprise Risk Management Committee, headed by the Managing Director and comprising Senior Management, to provide oversight and added impetus to the risk management process for the Group as a whole.

The steps for managing the risks identified in the risk register are outlined below:

- a) Identifying the risks to achieve strategic and operational objectives;
- b) Determining and assessing the existing controls in place;
- c) Assessing the impact and likelihood of the risk after taking into account the existing controls to derive the residual risk; and
- d) Determining further control improvements to mitigate the risk and indicating the expected impact on residual risk once they are fully implemented.

The Heads of Departments are required to conduct risk assessments related to their business plans, strategies and other significant activities and to maintain risk registers that reflect an appropriate risk profile. These risk registers are used as one of the business tools to highlight the risk exposures and risk mitigation. The risk registers are updated as and when there are changes to business environment or regulatory guidelines. Policies, procedures, guidelines and templates are being developed to ensure awareness of acceptable levels of risk and to manage risks and opportunities consistently and effectively across the Group. Periodic operational and management meetings are held to monitor the identified risks and communicate related internal controls to management.

The Board affirms that there is an ongoing process for identifying, evaluating and managing the significant risks faced by major companies within the Group. The results of this process, including the risk mitigation measures taken by Management to address key identified risks, are periodically reviewed by the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (Cont'd)

INTERNAL CONTROL SYSTEM

Internal Audit Function

The Board recognises that continuous monitoring is a vital component of effective internal control systems. The Group has an outsourcing arrangement with an independent internal audit service provider to examine and evaluate the adequacy and effectiveness of the internal control systems across its business units. The internal audit adopts a risk-based approach and prepares its audit strategy and plan based on the risk profiles of individual business units of the Group. These plans are regularly updated and approved by the Audit and Risk Management Committee ("ARMC").

The Group has outsourced its internal audit function, which conducts audits in accordance with the internal audit plan approved by the ARMC. The results of these reviews are reported directly to the ARMC which includes significant internal audit findings, recommendations for improvements, Management's responses and proposed action plans. Follow-up reviews of the implementation of action plans are carried out to ensure that the matters highlighted in the internal audit reports have been adequately addressed. Based on the internal audit reviews conducted, none of the weaknesses noted have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this annual report. The internal audit also appraises and contributes to improving the Group's risk management and internal control systems and reporting to the ARMC on a regular basis. The professional fee incurred for the internal audit function in respect of 31 August ("FYE") 2025 was RM 22,000.

The other features of the Group's systems of internal control include the following:

a) Control Environment

i. Policies and Procedures

The defined policies and procedures are in place and are continually undergoing improvements to ensure they effectively support the Group's business activities as it continues to grow.

ii. Organisational Structure and Authorisation Procedures

The Group maintains a formal organisational structure with clearly defined lines of reporting to the Board Committees and Senior Management, which includes roles and responsibilities, authority limits, review procedures and approval processes, etc.

iii. Whistleblowing Policy and Procedure

The Group has a whistleblowing policy and procedure that provides a platform for staff and external parties to report any breaches or suspected breaches of laws, regulations, or the Group's policies and procedures in a safe and confidential manner.

iv. Key Financial Performance Indicator

Key financial performance indicators serve as tools for measuring and tracking progress, which is essential for the Company's performance.

v. Human Resource Management Policy

The appointment of staff is based on the required qualifications, experience and competencies needed to fulfill their responsibilities. Training and development are provided for selected staff to further enhance their skills and capabilities. Additionally, a formal employee appraisal is conducted at least once a year to evaluate and measure employees' performance and competencies.

vi. Succession Planning

Identify and groom middle management in all key areas as an integral part of the management succession plan. The plan also includes offering a competitive remuneration package and providing training and career development opportunities for employees across all key functions of the Group's operations.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

b) Information and Communication

- i. Pertinent information needed to meet the Group's business objectives is communicated through established reporting lines across the Group. This ensures that matters requiring the Board's and Senior Management's attention are highlighted for review, deliberation and resolution on the timely basis.
- ii. Periodic management meetings are held to provide a forum where management takes overall responsibility for conducting reviews, identifying, discussing and resolving key operational issues, thereby enhancing effectiveness.

c) Review and Monitoring Process

- i. Periodic management meetings are held to provide a forum where management takes overall responsibility for periodic reviews to identify, discuss and resolve key operational issues, thereby enhancing effectiveness. Additionally, scheduled and ad-hoc meetings are held at both operational and management levels to address business and operational issues as necessary.
- ii. The Board monitors the Group's performance by reviewing quarterly financial results, the annual report, audited financial statements, the Group's risk profile and internal control issues identified by the External Auditors, Internal Auditors and management, the announcement to Bursa Securities. These documents are reviewed by the ARMC before being presented to the Board for approval.
- iii. The ARMC also monitors the implementation of the recommendations proposed by the External Auditors and Internal Auditors.

REVIEW OF THIS STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of the Main Market Listing Requirement of the Bursa Malaysia Securities Berhad, the External Auditors have reviewed this Statement. Their review was performed in accordance with Audit and Assurance Practice Guide 3 ("AAPG") 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control, issued by the Malaysian Institute of Accountants. Based on their review, the External Auditors have reported to the Board that nothing has come to their attention that causes them to believe that the Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the Group's internal control system. AAPG 3 does not require the External Auditors to and they did not, consider whether this Statement covers all risk and controls, or to form an opinion on the effectiveness of the Group's risk and control procedures.

CONCLUSION

The Board has reviewed the adequacy and effectiveness of the system of risk management and internal control and that relevant actions have been or are being taken, as the case may be, to remedy any significant weaknesses identified from the review based on the outcome of observations raised by the Internal Auditors and External Auditors directly to the ARMC.

The Board is of the view that the risk management and internal control systems are satisfactory with no significant internal control deficiencies or weaknesses that would result in material losses or contingencies to warrant disclosure in the Group's Annual Report for the financial year under review.

This Statement was approved at the meeting of the Board on 5 December 2025.

PROFILES OF KEY SENIOR MANAGEMENT

CHUA FEN FATT

Managing Director

Gender	Male
Age	54
Nationality	Malaysian

Chua Fen Fatt is one of the founders of HUI in 1997 and since then, he has been the driving force in the Group and has been instrumental in the success, growth, and development of the Group.

TEE HWEE ING

Executive Director

Gender	Female
Age	54
Nationality	Malaysian

Tee Hwee Ing is the co-founder of HUI together with Chua Fen Fatt in 1997. As the Executive Director, she is primarily responsible for the overall corporate and administrative functions of the Group.

PHOEBE CHUA CHI LER

Executive Director

(Appointed on 02 September 2025)

Gender	Female
Age	27
Nationality	Malaysian

Phoebe Chua Chi Ler was appointed as Executive Director on 02 September 2025. She is currently involved in Research and Development and is responsible for planning and managing international trade exhibitions and events.

All the key members of senior management are also members of the Board. Their profiles are set out on page 8.

STATEMENT ON DIRECTORS' RESPONSIBILITIES

IN RELATION TO THE AUDITED FINANCIAL STATEMENTS

The Directors are responsible for the preparation of financial statements for each financial year. They are responsible for ensuring that these financial statements give a true and fair view of the state of affairs of the Group and of the Company and the results and cash flows of the Group and of the Company for the financial year ended. The financial statements are prepared on a going concern basis, in accordance with applicable approved accounting standards and comply with the provisions of the Companies Act 2016. It is the duty of the Directors to review the appropriateness of the basis before adopting the financial statements and present them before the Annual General Meeting together with their Report and the Auditors' Report thereon.

The Directors are responsible for ensuring that proper accounting and other records are kept to sufficiently explain the transactions recorded. In preparing the financial statements, the Directors are required to exercise judgement to make certain estimates that are reasonable, prudent and relevant to be incorporated in the financial statements. The Directors are also responsible for safeguarding the assets of the Group and hence to take reasonable steps to prevent and detect fraud and other irregularities.

This above statement is approved at the meeting of the Board on 5 December 2025.

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 August 2025.

PRINCIPAL ACTIVITIES

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

The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in each subsidiary company are set out in the "Subsidiaries" section of this report.

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 tax for the financial year	27,527,159	27,279,707

DIVIDENDS

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

A final dividend of 1.70 sen per ordinary share amounting to RM7,832,081 in respect of the financial year ended 31 August 2024 was approved by the shareholders at the Annual General Meeting held on 21 January 2025 and paid on 7 March 2025. The payment was made to the shareholders whose name appeared in the Company's Record of Depositors on 14 February 2025.

A special dividend of 3.90 sen per ordinary share amounting to RM18,066,547 in respect of the financial year ended 31 August 2025 was declared on 6 December 2024 and paid on 31 December 2024. The payment was made to the shareholders whose names appeared in the Company's Record of Depositors on 23 December 2024.

The directors do not recommend the payment of any further dividends for the financial year.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:

- (a) there were no changes in the issued and paid-up share capital of the Company; and
- (b) there were no issues of debentures by the Company.

DIRECTORS' REPORT (Cont'd)

TREASURY SHARES

During the financial year, the Company purchased 4,402,300 of its issued ordinary shares from the open market at an average price of approximately RM0.60 per share. The total consideration paid for the purchase was RM2,636,181 including transaction costs. The shares purchased are being held as treasury shares in accordance with Section 127(6) of the Companies Act 2016 and are presented as a deduction from equity.

As at 31 August 2025, the Company held as treasury shares a total of 4,402,300 of its 463,244,952 issued and fully paid-up ordinary shares. The treasury shares are held at a carrying amount of RM2,636,181.

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 there are no known bad debts and that no allowance for impairment losses on receivables is required.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the 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 period 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.

DIRECTORS' REPORT (Cont'd)

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

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

Chua Fen Fatt
Tee Hwee Ing
Kee Tong Kiak
Hamsiah Binti Khalid
Wong Wai Hung
Phoebe Chua Chi Ler (Appointed on 2 September 2025)

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 and its related corporations during the financial year are as follows:

	Number of ordinary shares			
	At 01.09.2024	Transferred	Sold	At 31.08.2025
Chua Fen Fatt - Direct	152,015,881	-	-	152,015,881
- Indirect ⁽¹⁾	93,526,281	-	-	93,526,281
Tee Hwee Ing - Direct	93,526,281	-	-	93,526,281
- Indirect ⁽¹⁾	152,015,881	-	-	152,015,881

Notes:

(1) Deemed interest by virtue of his/her spouse's interests in the Company.

By virtue of their shareholdings in the Company, Chua Fen Fatt and Tee Hwee Ing are deemed to have an interest in the shares in all of its subsidiaries during the financial year to the extent of the Company's interest, in accordance with Section 8 of the Companies Act 2016.

The other directors holding office at the end of the financial year had no interest in shares, options over unissued shares or debentures of the Company or its related corporations during the financial year.

DIRECTORS' REPORT (Cont'd)

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 the following transactions:

	The Group RM
Director	
Short-term lease	9,600

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 details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:

	The Group RM	The Company RM
Executive directors of the Company		
Short-term employee benefits:		
- salaries, bonuses and other benefits	3,949,746	7,000
- defined contribution plan	710,600	-
	4,660,346	7,000
Estimated monetary value of benefits-in-kind	18,625	-
Non-executive directors of the Company		
Short-term employee benefits:		
- fees	138,000	138,000
- other benefits	10,500	10,500
	148,500	148,500

DIRECTORS' REPORT (Cont'd)

INDEMNITY AND INSURANCE COST

No indemnities were given to, nor insurance effected for, the directors, officers or auditors of the Company.

SUBSIDIARIES

(a) The details of the subsidiaries (all of which are incorporated in Malaysia) are follows:

Name of subsidiaries	Percentage of issued share capital held by parent	Principal activities
Home Upholstery Industries Sdn. Bhd.	100%	Design, manufacture and sale of upholstery furniture products.
U.S. Furniture Manufacturing Sdn. Bhd.	100%	Property investment holding.
Embrace Industries Sdn. Bhd.	100%	Design, manufacture and sale of furniture and furniture parts.
Homeours Sdn. Bhd.	100%	Property investment holding.
Home Newcastle Sdn. Bhd.	100%	Property investment holding.
Eritz Sdn. Bhd.	100%	Dormant.

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

SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 12 December 2024, a fire incident occurred at one of the factory buildings belonging to a subsidiary, Embrace Industries Sdn. Bhd.. The incident affected one of the spraying lines and inventory work-in-progress at the premise located at Lot No. 8721, PN 9639, Mukim of Jalan Bakri, District of Muar, State of Johor.

The book value of the property, plant and equipment and inventories damaged by the fire amounting to RM1,161,985 and RM1,639,249 respectively had been recognised as an expense in profit or loss for the financial year 2025.

**DIRECTORS' REPORT
(Cont'd)****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	127,500	30,000
Non-audit fees	5,000	5,000
	132,500	35,000

Signed in accordance with a resolution of the directors dated 5 December 2025

Chua Fen Fatt

Tee Hwee Ing

STATEMENT BY DIRECTORS

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

We, Chua Fen Fatt and Tee Hwee Ing, being two of the directors of Homeritz Corporation Berhad, state that, in the opinion of the directors, the financial statements set out on pages 76 to 117 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 August 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 5 December 2025

Chua Fen Fatt

Tee Hwee Ing

STATUTORY DECLARATION

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

I, Chua Fen Fatt, being the director primarily responsible for the financial management of Homeritz Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 76 to 117 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 Chua Fen Fatt at Muar in the State of Johor Darul Takzim on this 5 December 2025

Chua Fen Fatt

Before me

Lim Pei Ling (No. J 238)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF HOMERITZ CORPORATION BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Homeritz Corporation Berhad, which comprise the statements of financial position as at 31 August 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 76 to 117.

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

Key Audit Matters

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

Carrying Value of Inventories Refer to Note 10 to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The Group held inventories with carrying amount of RM52,741,631 as at 31 August 2025.</p> <p>The carrying value of inventories is stated at the lower of cost and net realisable value.</p> <p>We have considered carrying value of inventories as a key area of our audit as management periodically reviews the inventories for potential write-down by considering their aging profile, estimation of market price fluctuation and net realisable value. These reviews involve judgements and estimation uncertainty in forming expectations about future consumptions, sales and demands.</p>	<p>Our procedures included, among others:</p> <ul style="list-style-type: none"> ▪ Compared the net realisable value to the cost of inventories at the end of the reporting period to assess the reasonableness of inventories write-down. ▪ Performed test on the inventory ageing report to ensure inventories were grouped into the appropriate age bracket. ▪ Reviewed the consistency of inventories write-down by checking such write-down against the corresponding age profile of inventories according to the group policy.

INDEPENDENT AUDITORS' REPORT (Cont'd)

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information 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.

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.

INDEPENDENT AUDITORS' REPORT (Cont'd)

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

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's 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.

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

Goh Siow Yen
03557/03/2027 J
Chartered Accountant

Muar, Johor Darul Takzim

Date : 5 December 2025

STATEMENTS OF FINANCIAL POSITION

AS AT 31 AUGUST 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
NON-CURRENT ASSETS					
Investment in subsidiaries	5	–	–	62,795,872	62,795,872
Property, plant and equipment	6	79,645,754	68,264,144	–	–
Right-of-use assets	7	8,026,105	8,120,448	–	–
Prepaid lease payments	8	8,980,344	8,980,344	–	–
Goodwill	9	478,506	478,506	–	–
		97,130,709	85,843,442	62,795,872	62,795,872
CURRENT ASSETS					
Inventories	10	52,741,631	44,360,172	–	–
Trade receivables	11	13,753,586	14,383,704	–	–
Other receivables, deposits and prepayments	12	6,262,634	4,930,815	665,467	375,089
Amount owing by subsidiaries	13	–	–	47,413	23,737
Derivative assets	14	8,752	25,412	–	–
Fixed deposits with licensed banks	15	125,309,067	151,228,405	32,845,861	37,884,300
Cash and bank balances		39,230,492	36,935,998	5,930,230	2,451,163
		237,306,162	251,864,506	39,488,971	40,734,289
TOTAL ASSETS		334,436,871	337,707,948	102,284,843	103,530,161
EQUITY AND LIABILITIES					
EQUITY					
Share capital	16	98,023,596	98,023,596	98,023,596	98,023,596
Retained profits		211,676,509	210,047,978	6,643,528	5,262,449
Treasury shares	17	(2,636,181)	–	(2,636,181)	–
TOTAL EQUITY		307,063,924	308,071,574	102,030,943	103,286,045
NON-CURRENT LIABILITIES					
Lease liabilities	18	109,369	233,565	–	–
Deferred tax liabilities	19	3,936,000	4,336,000	–	–
		4,045,369	4,569,565	–	–
CURRENT LIABILITIES					
Trade payables	20	8,420,748	9,411,908	–	–
Other payables and accruals	21	14,397,702	13,825,283	168,000	167,492
Lease liabilities	18	420,977	281,118	–	–
Current tax liabilities		88,151	1,548,500	85,900	76,624
		23,327,578	25,066,809	253,900	244,116
TOTAL LIABILITIES		27,372,947	29,636,374	253,900	244,116
TOTAL EQUITY AND LIABILITIES		334,436,871	337,707,948	102,284,843	103,530,161

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 AUGUST 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
REVENUE	22	225,122,497	229,720,854	26,500,000	8,000,000
OTHER INCOME		2,955,360	3,041,639	-	-
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		(1,127,821)	8,101,708	-	-
RAW MATERIALS USED		(106,372,118)	(115,704,699)	-	-
DEPRECIATION		(5,978,688)	(5,850,124)	-	-
STAFF COSTS	24	(49,038,203)	(47,785,290)	(155,500)	(156,667)
FINANCE COSTS		(40,068)	(29,127)	-	-
OTHER EXPENSES		(35,123,337)	(33,534,034)	(236,636)	(194,439)
RESULTS FROM OPERATING ACTIVITIES		30,397,622	37,960,927	26,107,864	7,648,894
INTEREST INCOME		6,059,452	6,967,909	1,525,383	1,677,629
PROFIT BEFORE TAX	25	36,457,074	44,928,836	27,633,247	9,326,523
INCOME TAX EXPENSE	26	(8,929,915)	(10,777,367)	(353,540)	(390,883)
PROFIT AFTER TAX / TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		27,527,159	34,151,469	27,279,707	8,935,640
PROFIT AFTER TAX / TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Owners of the Company		27,527,159	34,151,469	27,279,707	8,935,640
EARNINGS PER SHARES (SEN)	27				
- Basic		5.97	7.37		
- Diluted		5.97	7.37		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2025

The Group					
	Note	Share capital RM	Treasury shares RM	Distributable Retained profits RM	Total equity RM
Balance at 1 September 2023		98,019,936	–	183,308,427	281,328,363
Profit after tax / Total comprehensive income for the financial year		–	–	34,151,469	34,151,469
Contributions by and distributions to owners of the Company:					
- Dividends	28	–	–	(7,411,918)	(7,411,918)
- Issuance of new shares upon warrants exercised		3,660	–	–	3,660
Balance at 31 August 2024 / 1 September 2024		98,023,596	–	210,047,978	308,071,574
Profit after tax / Total comprehensive income for the financial year		–	–	27,527,159	27,527,159
Contributions by and distributions to owners of the Company:					
- Dividends	28	–	–	(25,898,628)	(25,898,628)
- Purchase of treasury shares	17	–	(2,636,181)	–	(2,636,181)
Balance at 31 August 2025		98,023,596	(2,636,181)	211,676,509	307,063,924

STATEMENTS OF CHANGES IN EQUITY (Cont'd)

The Company					
	Note	Share capital RM	Treasury shares RM	Distributable Retained profits RM	Total equity RM
Balance at 1 September 2023		98,019,936	–	3,738,727	101,758,663
Profit after tax / Total comprehensive income for the financial year		–	–	8,935,640	8,935,640
Contributions by and distributions to owners of the Company:					
- Dividends	28	–	–	(7,411,918)	(7,411,918)
- Issuance of new shares upon warrants exercised		3,660	–	–	3,660
Balance at 31 August 2024 / 1 September 2024		98,023,596	–	5,262,449	103,286,045
Profit after tax / Total comprehensive income for the financial year		–	–	27,279,707	27,279,707
Contributions by and distributions to owners of the Company:					
- Dividends	28	–	–	(25,898,628)	(25,898,628)
- Purchase of treasury shares	17	–	(2,636,181)	–	(2,636,181)
Balance at 31 August 2025		98,023,596	(2,636,181)	6,643,528	102,030,943

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2025

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		36,457,074	44,928,836	27,633,247	9,326,523
Adjustments for:					
Depreciation of property, plant and equipment		5,423,230	5,455,425	–	–
Depreciation of right-of-use assets		555,458	394,699	–	–
Fair value loss/(gain) on derivative		16,660	(25,412)	–	–
Inventories written off		1,639,249	–	–	–
Loss/(Gain) on reassessment/ modification of leases		11,760	(2,210)	–	–
Property, plant and equipment written off		1,170,741	7,035	–	–
Dividend income		–	–	(26,500,000)	(8,000,000)
Gain on disposal of property, plant and equipment		(16,841)	(155,817)	–	–
Unrealised (gain)/loss on foreign exchange		(69,147)	997,807	–	–
Interest expense on lease liabilities		40,068	29,127	–	–
Interest income		(6,059,452)	(6,967,909)	(1,525,383)	(1,677,629)
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES					
		39,168,800	44,661,581	(392,136)	(351,106)
Inventories		(10,020,708)	(10,645,753)	–	–
Trade and other receivables, deposits and prepayments		(668,825)	(5,040,847)	(290,378)	(105,189)
Trade and other payables and accruals		(116,661)	7,706,271	508	(14,995)
CASH FROM/(FOR) OPERATIONS					
		28,362,606	36,681,252	(682,006)	(471,290)
Dividend received		–	–	26,500,000	8,000,000
Interest received		6,059,452	6,967,909	1,525,383	1,677,629
Tax paid		(10,809,640)	(11,350,227)	(363,640)	(391,683)
Tax refund		19,376	–	19,376	–
NET CASH FROM OPERATING ACTIVITIES					
		23,631,794	32,298,934	26,999,113	8,814,656
BALANCE CARRIED FORWARD					
		23,631,794	32,298,934	26,999,113	8,814,656

STATEMENTS OF CASH FLOWS (Cont'd)

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
BALANCE BROUGHT FORWARD		23,631,794	32,298,934	26,999,113	8,814,656
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Additional investments in existing subsidiaries		–	–	–	(9,536,670)
(Advances to)/Repayment of advances from subsidiaries		–	–	(23,676)	9,511,406
(Additions)/Withdrawal of fixed deposits with tenure more than 3 months		(189,950)	3,652,673	(5,728,094)	11,173,483
Proceeds from disposal of property, plant and equipment		76,000	190,000	–	–
Purchase of property, plant and equipment	29(a)	(18,221,106)	(5,957,964)	–	–
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(18,335,056)	(2,115,291)	(5,751,770)	11,148,219
CASH FLOWS (FOR) FINANCING ACTIVITIES					
Dividend paid		(25,898,628)	(7,411,918)	(25,898,628)	(7,411,918)
Interest paid	29(b)	(40,068)	(29,127)	–	–
Repayment of lease liabilities	29(b)	(457,212)	(385,194)	–	–
Proceeds from issuance of new shares upon warrants exercised		–	3,660	–	3,660
Purchase of treasury shares		(2,636,181)	–	(2,636,181)	–
NET CASH (FOR) FINANCING ACTIVITIES		(29,032,089)	(7,822,579)	(28,534,809)	(7,408,258)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(23,735,351)	22,361,064	(7,287,466)	12,554,617
EFFECT OF FOREIGN EXCHANGE TRANSLATION		(79,443)	(784,189)	–	–
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		63,045,286	41,468,411	13,217,696	663,079
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	29(d)	39,230,492	63,045,286	5,930,230	13,217,696

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The registered office and principal place of business are as follows:

Registered office : No. 7 (1st Floor), Jalan Pesta 1/1
Taman Tun Dr. Ismail 1
Jalan Bakri
84000 Muar
Johor Darul Takzim

Principal place of business : Lot 8726, PTD 6023 Batu 8
Kawasan Perindustrian Bukit Bakri
84200 Muar
Johor Darul Takzim

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 statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 5 December 2025.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and the provision of management services. The principal activities of its 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 in compliance with Malaysian Financial Reporting Standards (“MFRSs”), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

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

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

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

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

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. BASIS OF PREPARATION (CONT'D)

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
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
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 and the Company upon their initial application except as follows:

MFRS 18 Presentation and Disclosure in Financial Statements

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 the accompanying notes. The statement of financial position and the statement 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 have yet to be assessed.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

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 year 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

The Group determines whether an item of its property, plant and equipment 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 as at the reporting date is disclosed in Note 6 to the financial statements.

(c) Impairment of goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at the reporting date is disclosed in Note 9 to the financial statements.

(d) Write-down of inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. 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 trade receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. 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 values of trade receivables. The carrying amount of trade receivables as at the reporting date is disclosed in Note 11 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.1 Critical accounting estimates and judgements (Cont'd)

Key sources of estimation uncertainty (Cont'd)

(f) Income taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise 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. The carrying amount of current tax liabilities of the Group and of the Company as at the reporting date are RM88,151 and RM85,900 (2024: RM1,548,500 and RM76,624) respectively.

(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.

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 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.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.2 Financial instruments (Cont'd)

(a) Financial assets (Cont'd)

Financial assets through other comprehensive income

The Group has elected to designate the equity instruments as financial assets through other comprehensive income at initial recognition.

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

(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 expense.

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.

(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.

Treasury shares

Treasury shares are recorded on initial recognition at the consideration paid less directly attributable transaction costs incurred. The treasury shares are not remeasured subsequently.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the treasury shares. If such shares are issued by resale, any difference between the sales consideration received and the carrying amount of the treasury shares is recognised in equity. Where treasury shares are cancelled, their carrying amounts are shown as a movement in retained profits.

(d) Derivatives

Derivatives are initially measured at fair value. Subsequent to the initial recognition, the derivatives are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.3 Goodwill

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

4.4 Investment 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 initial recognition, all property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Freehold land is not depreciated. 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:

Factory buildings	2%
Factory equipment, plant and machinery	12.5 - 20%
Showroom, renovation, office equipment, furniture and fittings	10 - 20%
Motor vehicles	10 - 20%

Capital work-in-progress represents factory buildings under construction and production machinery under 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 applies the "short-term lease" and "lease of low-value assets" recognition exemption. For these leases, the Group recognises 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 (Cont'd)

4. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

4.7 Research and development costs

Research and developments costs that do not meet the criteria for capitalisation are recognised as an expense when they are incurred.

Capitalised development costs are initially measured at cost. Subsequent to the initial recognition, the development costs are stated at cost less accumulated amortisation and any accumulated impairment losses.

Capitalised development costs are amortised from the point at which the asset is available for use using the straight-line method over a periods of 5 years. Prior to that, the capitalised development costs are tested for impairment annually and whenever there is an indication that they may be impaired.

4.8 Inventories

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

5. INVESTMENT IN SUBSIDIARIES

	The Company	
	2025 RM	2024 RM
Unquoted shares, at cost	62,795,872	62,795,872

The details of the subsidiaries (all of which are incorporated in Malaysia) are as follows:

Name of subsidiaries	Percentage of issued share capital held by parent		Principal activities
	2025	2024	
Home Upholstery Industries Sdn. Bhd.	100%	100%	Design, manufacture and sale of upholstery furniture products.
U.S. Furniture Manufacturing Sdn. Bhd.	100%	100%	Property investment holding.
Embrace Industries Sdn. Bhd.	100%	100%	Design, manufacture and sale of furniture and furniture parts.
Homeours Sdn. Bhd.	100%	100%	Property investment holding.
Home Newcastle Sdn. Bhd.	100%	100%	Property investment holding.
Eritz Sdn. Bhd.	100%	100%	Dormant.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

5. INVESTMENT IN SUBSIDIARIES (CONT'D)

In the previous financial year, the Company subscribed additional:

- (i) 483,240 ordinary shares at an issue price of RM 1 each in the capital of U.S. Furniture Manufacturing Sdn. Bhd. ("USF") by way of offsetting amount due from USF of RM483,240;
- (ii) 4,516,830 ordinary shares at an issue price of RM 1 each in the capital of Homeours Sdn. Bhd. ("HOSB") by way of offsetting amount due from HOSB of RM4,516,830;
- (iii) 4,516,840 ordinary shares at an issue price of RM 1 each in the capital of Home Newcastle Sdn. Bhd. ("HNSB") by way of offsetting amount due from HNSB of RM4,516,840 and
- (iv) 19,760 ordinary shares at an issue price of RM 1 each in the capital of Eritz Sdn. Bhd. ("ERITZ") by way of offsetting amount due from ERITZ of RM19,760.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

6. PROPERTY, PLANT AND EQUIPMENT

The Group	Freehold land RM	Factory buildings RM	Factory equipment, plant and machinery RM	Showroom, renovation, office equipment, furniture and fittings RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
2025							
At cost							
At 1 September 2024	17,540,348	37,503,309	44,724,911	6,705,595	7,797,230	5,273,412	119,544,805
Additions	-	-	2,873,972	346,588	4,240,335	10,573,845	18,034,740
Disposals	-	-	-	-	(362,000)	-	(362,000)
Write-off	-	(10,800)	(1,089,684)	(670,852)	(135,000)	-	(1,906,336)
At 31 August 2025	17,540,348	37,492,509	46,509,199	6,381,331	11,540,565	15,847,257	135,311,209
Less: Accumulated depreciation							
At 1 September 2024	-	7,074,080	36,313,961	3,794,373	4,022,439	-	51,204,853
Charge for the financial year	-	671,323	3,452,666	542,923	756,318	-	5,423,230
Disposals	-	-	-	-	(302,841)	-	(302,841)
Write-off	-	(1,224)	(612,502)	(110,619)	(11,250)	-	(735,595)
At 31 August 2025	-	7,744,179	39,154,125	4,226,677	4,464,666	-	55,589,647
Less: Impairment losses							
At 1 September 2024 / 31 August 2025	75,808	-	-	-	-	-	75,808
Carrying amount							
At 31 August 2025	17,464,540	29,748,330	7,355,074	2,154,654	7,075,899	15,847,257	79,645,754

NOTES TO THE FINANCIAL STATEMENTS
(Cont'd)

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

The Group	Freehold land RM	Factory buildings RM	Factory equipment, plant and machinery RM	Showroom, renovation, office equipment, furniture and fittings RM	Motor vehicles RM	Capital work-in-progress RM	Total RM
2024							
At cost							
At 1 September 2023	17,540,348	37,458,329	43,038,949	5,703,598	7,210,418	4,316,559	115,268,201
Additions	-	44,980	2,579,552	1,097,996	1,248,475	956,853	5,927,856
Disposals	-	-	-	-	(661,663)	-	(661,663)
Write-off	-	-	(893,590)	(95,999)	-	-	(989,589)
At 31 August 2024	17,540,348	37,503,309	44,724,911	6,705,595	7,797,230	5,273,412	119,544,805
Less: Accumulated depreciation							
At 1 September 2023	-	6,402,805	33,640,234	3,352,260	3,964,163	-	47,359,462
Charge for the financial year	-	671,275	3,562,620	535,774	685,756	-	5,455,425
Disposals	-	-	-	-	(627,480)	-	(627,480)
Write-off	-	-	(888,893)	(93,661)	-	-	(982,554)
At 31 August 2024	-	7,074,080	36,313,961	3,794,373	4,022,439	-	51,204,853
Less: Impairment losses							
At 1 September 2023 / 31 August 2024	75,808	-	-	-	-	-	75,808
Carrying amount							
At 31 August 2024	17,464,540	30,429,229	8,410,950	2,911,222	3,774,791	5,273,412	68,264,144

There is no property, plant and equipment in the Company throughout the current and previous financial years.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

7. RIGHT-OF-USE ASSETS

The Group	At 01.09.2024 RM	Depreciation charges RM	Reassessment/ Modification of lease liabilities RM	Derecognition due to lease modification RM	At 31.08.2025 RM		
2025							
<i>Carrying amount</i>							
Leasehold lands	7,605,616	(93,262)	-	-	7,512,354		
Factories	358,089	(149,031)	-	-	209,058		
Hostels	88,976	(250,610)	513,390	(52,275)	299,481		
Shophouse	67,767	(62,555)	-	-	5,212		
	8,120,448	(555,458)	513,390	(52,275)	8,026,105		
The Group	At 01.09.2023 RM	Reclassification RM	Additions RM	Depreciation charges RM	Reassessment/ Modification of lease liabilities RM	Derecognition due to lease modification RM	At 31.08.2024 RM
2024							
<i>Carrying amount</i>							
Leasehold lands	1,489,908	-	-	(20,887)	-	-	7,605,616
Factories	-	447,094	-	(89,005)	-	-	358,089
Hostels	271,338	-	-	(222,251)	78,410	(38,521)	88,976
Shophouse	5,212	125,111	-	(62,556)	-	-	67,767
	1,766,458	572,205	6,136,595	(394,699)	78,410	(38,521)	8,120,448

The Group leases certain pieces of leasehold lands, factories, hostels and shophouse of which the leasing activities are summarised below:

- (i) Leasehold lands The Group has entered into 4 (2024: 4) non-cancellable operating lease agreements for the use of land. The leases are for a period of 99 (2024: 99) years with no renewal or purchase option included in the agreements. The leases do not allow the Group to assign, transfer or sublease or create any charge, lien or trust in respect of or dispose of the whole or any part of the land. A tenancy is, however, allowed with the consent of the lessor.
- (ii) Factories The Group has leased 2 (2024: 2) factories that run for 2 (2024: 2) years with an option to renew the lease after that date.
- (iii) Hostels The Group has leased 6 (2024: 6) hostels that run for 2 (2024: 1 to 2) years, with an option to renew the lease after that date.
- (iv) Shophouse The Group has leased 1 (2024: 1) unit of shophouse that runs for 1 (2024:1) year, with an option to renew the lease after that date.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

8. PREPAID LEASE PAYMENTS

	The Group	
	2025 RM	2024 RM
Leasehold land		
At 1 September/31 August	8,980,344	8,980,344

These represents progress claims paid for 4 pieces of leasehold land.

9. GOODWILL

	The Group	
	2025 RM	2024 RM
At cost		
At 1 September/ 31 August	478,506	478,506

Impairment testing of goodwill

Goodwill arising from business combinations has been allocated to the cash-generating unit ("CGU") for impairment testing on an annual basis by comparing the carrying amount with the recoverable amount of the CGU based on value-in-use. The goodwill was allocated to design, manufacturing and sale of furniture and furniture parts, which comprises a CGU namely Embrace Industries Sdn. Bhd.. Value-in-use is determined by discounting the future cash flows to be generated from the continuing use of the CGU based on the following assumptions:

- Cash flows are projected based on the management's five-year business plan.
- Discount rates used for cash flows discounting purpose are the pre-tax discount rate which reflects specific risks relating to the relevant operating segments. The discount rate applied for cash flow projection is 8.30% (2024: 8.00%).
- Annual growth rate of 5.10% (2024: 6.60%) for the CGU is determined based on the management's estimate of the industry trends and past performances of the CGU.

The management is not aware of any reasonably possible change in the above key assumptions that would cause the carrying amounts of the CGU to materially exceed their recoverable amounts.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

10. INVENTORIES

	The Group	
	2025 RM	2024 RM
Raw materials	40,913,071	31,448,830
Work-in-progress	8,335,297	7,646,425
Finished goods	3,279,712	5,096,405
Consumable tools	213,551	168,512
	52,741,631	44,360,172
Recognised in profit or loss:		
Inventories recognised as cost of sales	107,499,939	107,602,991

Included in the above inventories recognised as cost of sales is the amount of RM1,639,249, being the amount of fire loss of inventories.

11. TRADE RECEIVABLES

	The Group	
	2025 RM	2024 RM
Third parties	11,227,717	14,383,704
Related party	2,525,869	–
	13,753,586	14,383,704

(a) The Group's normal trade terms range from cash against documents to 150 days credit (2024: cash against documents to 150 days credit) from the date of invoices. Other credit terms are assessed and approved on a case-by-case basis.

(b) Amount owing by related party is subject to normal credit terms of 30 days (2024: NIL) from the date of invoices.

12. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deposits	477,545	456,318	2,000	2,000
Deposits paid to suppliers	761,509	736,102	–	–
Prepayments	2,752,496	2,079,819	–	–
Sundry receivables	2,271,084	1,658,576	663,467	373,089
	6,262,634	4,930,815	665,467	375,089

The deposits paid to suppliers are unsecured and interest free. The amount owing will be offset against future purchases from the suppliers.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

13. AMOUNT OWING BY SUBSIDIARIES

This represents non-trade balances which are unsecured, interest free advances and payment made on behalf. The amount owing are repayable on demand.

14. DERIVATIVE ASSETS

	Contract/Notional amount		The Group	
	2025 RM	2024 RM	Derivative assets 2025 RM	2024 RM
Foreign forward currency contracts	1,695,302	884,388	8,752	25,412

The Group does not apply hedge accounting.

The Group uses foreign forward currency contracts to manage some of its transaction exposure. These contracts are not designated as cash flow or fair value hedges and are entered into for periods consistent with currency translation exposure and fair values changes exposures. Such derivatives do not qualify for hedge accounting. The settlement dates on foreign forward currency contracts range between 1 to 3 (2024: 3) months after the end of the reporting period.

15. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group and of the Company at the end of the reporting period bear effective interest rates at 3.80% to 4.00% (2024: 3.70% to 4.00%) per annum and 3.85% to 3.90% (2024: 3.70% to 3.95%) per annum respectively. The fixed deposits have maturity periods of 6 to 12 (2024: 3 to 12) months and 6 to 12 (2024: 3 to 6) months for the Group and the Company respectively.

16. SHARE CAPITAL

	The Group and The Company			
	2025		2024	
	Number of shares	RM	Number of shares	RM
Issued and fully paid-up				
Ordinary shares				
At 1 September	463,244,952	98,023,596	463,238,852	98,019,936
Issuance of new shares pursuant to:				
- Warrant exercised	–	–	6,100	3,660
At 31 August	463,244,952	98,023,596	463,244,952	98,023,596

- (a) The holders of ordinary shares (except treasury 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.
- (b) In the previous financial year, the issued and fully paid-up ordinary share capital of the Company was increased from RM98,019,936 to RM98,023,596 by way of an issuance of 6,100 new ordinary shares pursuant from the exercise of Warrant C at an exercise price of RM0.60 per warrant which amounted to RM3,660.

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

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

17. TREASURY SHARES

	The Group and The Company			
	2025		2024	
	Number of shares	RM	Number of shares	RM
At 1 September	–	–	–	–
Addition	4,402,300	2,636,181	–	–
At 31 August	4,402,300	2,636,181	–	–

During the financial year, the Company has purchased 4,402,300 of its issued ordinary shares from the open market at an average price of approximately RM0.60 per share. The total consideration paid for the purchase was RM2,636,181 including transaction costs. The ordinary shares purchased are held as treasury shares in accordance with Section 127(6) of the Companies Act 2016.

Treasury shares have no rights to voting, dividends and participation in any other distribution. Treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

18. LEASE LIABILITIES

	The Group	
	2025 RM	2024 RM
At 1 September	514,683	289,993
Addition (Note 29(b))	–	572,205
Changes due to lease modification (Note 29(b))	513,390	78,410
Derecognition due to lease modification (Note 29(b))	(40,515)	(40,731)
Interest expense recognised in profit or loss (Note 25)	40,068	29,127
Repayment of principal	(457,212)	(385,194)
Repayment of interest expense	(40,068)	(29,127)
At 31 August	530,346	514,683
Analysed by:		
Current liabilities	420,977	281,118
Non-current liabilities	109,369	233,565
	530,346	514,683

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

19. DEFERRED TAX LIABILITIES

	The Group	
	2025 RM	2024 RM
At 1 September	4,336,000	4,736,000
Recognised in profit or loss (Note 26)	(400,000)	(400,000)
At 31 August	3,936,000	4,336,000

The component and movement of deferred tax liabilities of the Group during the financial year are as follows:

	Excess of capital allowances over depreciation RM	Other temporary differences RM	Total RM
At 1 September 2023	4,675,000	61,000	4,736,000
Recognised in profit or loss (Note 26)	(99,000)	(301,000)	(400,000)
At 31 August 2024/1 September 2024	4,576,000	(240,000)	4,336,000
Recognised in profit or loss (Note 26)	(657,000)	257,000	(400,000)
At 31 August 2025	3,919,000	17,000	3,936,000

20. TRADE PAYABLES

	The Group	
	2025 RM	2024 RM
Third parties	8,039,768	9,411,908
Related party	380,980	-
	8,420,748	9,411,908

- (a) The normal trade terms granted to the Group range from cash against documents to 120 days credit (2024: cash against documents to 120 days credit) from the date of invoices.
- (b) The normal credit terms for amount owing to related party is 30 days (2024: NIL) from the date of invoices.
- (c) Included in trade payables is an amount of RM61,740 (2024: NIL) payable for the purchase of property, plant and equipment (Note 29(a)).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

21. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Accruals	7,275,038	6,192,452	168,000	167,167
Deposit from customers	4,598,981	6,021,499	–	–
Deposit received	53,820	–	–	–
Sales tax payable	36,277	36,515	–	–
Sundry payables	2,433,586	1,574,817	–	325
	14,397,702	13,825,283	168,000	167,492

Included in sundry payables of the Group is an amount of RM293,605 (2024: RM541,711) payable for the purchase of property, plant and equipment (Note 29(a)).

22. REVENUE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customer				
<i>Recognised at point in time</i>				
Sales of furniture and furniture parts	225,122,497	229,720,854	–	–
Revenue from other sources				
Dividend income from subsidiaries	–	–	26,500,000	8,000,000
	225,122,497	229,720,854	26,500,000	8,000,000

(a) The information on the disaggregation of revenue by geographical market is disclosed in Note 31 to the financial statements.

(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
Sales of furniture and furniture parts	When the goods are delivered or shipped and accepted by customers.	Trade terms range from cash against documents to 150 days credit from the date of invoices.	Not applicable.	Not applicable.

(c) The information of 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 (Cont'd)

23. KEY MANAGEMENT PERSONNEL COMPENSATION

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

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

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Directors of the Company				
<u>Executive directors</u>				
Salaries, bonuses and other benefits	3,949,746	4,309,317	7,000	7,000
Defined contribution plan	710,600	646,000	–	–
	4,660,346	4,955,317	7,000	7,000
<u>Non-executive directors</u>				
Fees	138,000	139,167	138,000	139,167
Other benefits	10,500	10,500	10,500	10,500
	148,500	149,667	148,500	149,667
Total directors' remuneration	4,808,846	5,104,984	155,500	156,667

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company were RM18,625 (2024: RM28,000).

24. STAFF COSTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Executive directors' remuneration (Note 23)	4,660,346	4,955,317	7,000	7,000
Other staff costs				
Salaries, bonuses and other benefits	36,381,884	34,436,783	138,000	139,167
Defined contribution plan	1,147,044	1,025,731	–	–
Other staff related expenses	6,848,929	7,367,459	10,500	10,500
	44,377,857	42,829,973	148,500	149,667
Total staff costs	49,038,203	47,785,290	155,500	156,667

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

25. PROFIT BEFORE TAX

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax is arrived at after charging:				
Auditors' remuneration:				
- audit fees	127,500	120,000	30,000	28,000
- non-audit fees:				
- auditors of the Company	5,000	5,000	5,000	5,000
Material Expenses/(Income)				
Depreciation of property, plant and equipment	5,423,230	5,455,425	-	-
Depreciation of right-of-use assets	555,458	394,699	-	-
Interest expense on lease liabilities (Note 18)	40,068	29,127	-	-
Inventories written off	1,639,249	-	-	-
Property, plant and equipment written off	1,170,741	7,035	-	-
Research and development expenditure	2,366,298	2,521,655	-	-
Short-term lease	9,600	9,600	-	-
Unrealised (gain)/loss on foreign exchange	(69,147)	997,807	-	-
Fair value loss/(gain) on derivatives measured at fair value through profit or loss	16,660	(25,412)	-	-
Gain on disposal of property, plant and equipment	(16,841)	(155,817)	-	-
Loss/(Gain) on reassessment/ modification of leases	11,760	(2,210)	-	-
Government grant	-	(34,913)	-	-
Interest income	(6,059,452)	(6,967,909)	(1,525,383)	(1,677,629)
Realised gain on foreign exchange	(1,947,289)	(2,231,805)	-	-
Rental income	(362,310)	(258,000)	-	-

26. INCOME TAX EXPENSE

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax expense	9,220,000	10,700,000	360,000	400,000
Under/(Over)provision in the previous financial year	109,915	477,367	(6,460)	(9,117)
	9,329,915	11,177,367	353,540	390,883
Deferred tax (Note 19):				
- overprovision in the previous financial year	(400,000)	(400,000)	-	-
	(400,000)	(400,000)	-	-
	8,929,915	10,777,367	353,540	390,883

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

26. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit before tax 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 before tax	36,457,074	44,928,836	27,633,247	9,326,523
Tax at statutory income tax rate of 24%	8,750,000	10,783,000	6,632,000	2,238,000
Tax effect of non-taxable income	(530,000)	(581,000)	(6,360,000)	(1,920,000)
Tax effect of non-deductible expenses	1,339,000	751,000	88,000	82,000
Utilisation of tax incentive	(339,000)	(253,000)	-	-
Under/(Over)provision in the previous financial year:				
- current tax	109,915	477,367	(6,460)	(9,117)
- deferred tax	(400,000)	(400,000)	-	-
	8,929,915	10,777,367	353,540	390,883

27. EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share are calculated by dividing the consolidated profit attributable to the owners of the Company by the weighted average number of ordinary shares during the financial year.

	The Group	
	2025 RM	2024 RM
Profit after tax attributable to owners of the Company (RM)	27,527,159	34,151,469
Weighted average number of ordinary shares in issue (unit)	460,838,484	463,243,296
Basic earnings per share (sen)	5.97	7.37

(b) Diluted earnings per share

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

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

28. DIVIDENDS

	The Group and The Company	
	2025	2024
	RM	RM
In respect of the financial year ended 31 August 2025		
Special dividend of 3.90 sen per ordinary share	18,066,547	–
In respect of the financial year ended 31 August 2024		
Final dividend of 1.70 sen per ordinary share	7,832,081	–
In respect of the financial year ended 31 August 2023		
Final dividend of 1.60 sen per ordinary share	–	7,411,918
	25,898,628	7,411,918

29. CASH FLOW INFORMATION

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

	The Group	
	2025	2024
	RM	RM
Property, plant and equipment		
Cost of property, plant and equipment purchased (Note 6)	18,034,740	5,927,856
Less: Unpaid balance included in trade payables (Note 20)	(61,740)	–
Less: Unpaid balance included in sundry payables (Note 21)	(293,605)	(541,711)
Add: Cash paid in respect of acquisitions in the previous financial year	541,711	571,819
	18,221,106	5,957,964
Right-of-use assets		
Cost of right-of-use assets acquired (Note 7)	–	572,205
Less: Addition of new lease liabilities (Note (b) below)	–	(572,205)
	–	–

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

29. CASH FLOW INFORMATION (CONT'D)

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

The Group	Lease liabilities RM	Total RM
2025		
At 1 September	514,683	514,683
<u>Changes in financing cash flows</u>		
Repayment of principal	(457,212)	(457,212)
Repayment of interest	(40,068)	(40,068)
	(497,280)	(497,280)
<u>Non-cash changes</u>		
Reassessment/Modification of leases (Note 18)	513,390	513,390
Derecognition due to lease modification (Note 18)	(40,515)	(40,515)
Interest expense recognised in profit or loss (Note 25)	40,068	40,068
	512,943	512,943
At 31 August	530,346	530,346
2024		
At 1 September	289,993	289,993
<u>Changes in financing cash flows</u>		
Repayment of principal	(385,194)	(385,194)
Repayment of interest	(29,127)	(29,127)
	(414,321)	(414,321)
<u>Non-cash changes</u>		
Acquisition of new lease (Note 18 and (a) above)	572,205	572,205
Reassessment/Modification of leases (Note 18)	78,410	78,410
Derecognition due to lease modification (Note 18)	(40,731)	(40,731)
Interest expense recognised in profit or loss (Note 25)	29,127	29,127
	639,011	639,011
At 31 August	514,683	514,683

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

29. CASH FLOW INFORMATION (CONT'D)

(c) The total cash outflows for leases as a lessee are as follows:

	The Group	
	2025 RM	2024 RM
Payment of short-term leases	9,600	9,600
Interest paid on lease liabilities	40,068	29,127
Payment of lease liabilities	457,212	385,194
	506,880	423,921

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

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash and bank balances	39,230,492	36,935,998	5,930,230	2,451,163
Fixed deposits with licensed banks	125,309,067	151,228,405	32,845,861	37,884,300
	164,539,559	188,164,403	38,776,091	40,335,463
Less: Fixed deposits with tenure of more than 3 months	(125,309,067)	(125,119,117)	(32,845,861)	(27,117,767)
	39,230,492	63,045,286	5,930,230	13,217,696

30. RELATED PARTY DISCLOSURES

(a) Subsidiaries

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

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

30. RELATED PARTY DISCLOSURES (CONT'D)

(b) Significant related party transactions and balances

The Group and the Company carried out the following significant transactions with the related parties during the financial year:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Subsidiaries				
Dividend received	–	–	26,500,000	8,000,000
Company in which person(s) connected to director has substantial financial interests				
Repayment of lease liabilities	63,901	61,210	–	–
Interest expense on lease liabilities	2,099	4,790	–	–
Purchase of raw materials	126,729	–	–	–
Sub-contractor wages	4,318,344	–	–	–
Rental income	(319,310)	–	–	–
Sales of goods	(10,374,011)	–	–	–
Company in which director has substantial financial interest				
Professional fee expenses	–	38,787	–	–
Director				
Short-term lease	9,600	9,600	–	–

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

31. OPERATING SEGMENTS

(a) Business segments

Information about operating segments has not been reported separately as the Group's revenue, profit or loss, assets and liabilities are mainly confined to a single operating segment, namely furniture industry.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31. OPERATING SEGMENTS (CONT'D)

(b) Geographical information

In presenting information on the basis of geographical segments, segmental information on non-current assets is not presented, as all assets are located in Malaysia.

Segmental revenue is presented based on the geographical location of customers.

	The Group	
	2025 RM	2024 RM
Africa and Middle East	2,165,321	2,201,467
Americas and European Countries	111,579,800	97,151,439
Asia and Asia Pacific (excluding Malaysia)	89,002,912	102,023,336
Malaysia	22,374,464	28,344,612
	225,122,497	229,720,854

(c) Major customers

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

	Revenue	
	2025 RM	2024 RM
Customer A	33,028,211	26,416,942

32. CAPITAL COMMITMENTS

	The Group	
	2025 RM	2024 RM
Purchase of property, plant and equipment	4,401,000	7,294,000
Additions to prepaid lease	470,000	470,000
	4,871,000	7,764,000

33. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to variety of market risks (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 and of the Company.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. FINANCIAL INSTRUMENTS

33.1 Financial risk management policies

The Group's policies in respect of the major areas of treasury activity are as follows:

(a) Market risk

(i) Foreign currency risk

The Group and the Company is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the respective functional currency of entities within the Group. The currencies giving rise to this risk are primarily Euro ("EUR") and 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. On occasion, the Group enters into foreign forward currency contracts to hedge against its foreign currency risk. The Group also holds cash and cash equivalents denominated in foreign currencies for working capital purposes.

The exposure to foreign currency risk (a currency which is other than the functional currency of the entities within the Group) based on carrying amounts of the financial instruments at the end of reporting period is summarised below:

Foreign currency exposure

The Group	EUR RM	USD RM	RM RM	Others RM	Total RM
2025					
<u>Financial Assets</u>					
Trade receivables	–	11,090,360	2,663,226	–	13,753,586
Cash and bank balances	97,590	14,146,429	24,973,077	13,396	39,230,492
	97,590	25,236,789	27,636,303	13,396	52,984,078
<u>Financial Liabilities</u>					
Trade payables	161,738	2,285,498	5,914,572	58,940	8,420,748
Other payables and accruals	–	144,688	9,563,238	698	9,708,624
	161,738	2,430,186	15,477,810	59,638	18,129,372
Net financial (liabilities)/assets	(64,148)	22,806,603	12,158,493	(46,242)	34,854,706
Less : Net financial assets denominated in the respective entities' functional currencies	–	–	(12,158,493)	–	(12,158,493)
Currency Exposure	(64,148)	22,806,603	–	(46,242)	22,696,213

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 Financial risk management policies (Cont'd)

(a) Market risk (Cont'd)

(i) Foreign currency risk (Cont'd)

Foreign currency exposure (Cont'd)

The Group	EUR RM	USD RM	RM RM	Others RM	Total RM
2024					
<u>Financial Assets</u>					
Trade receivables	–	10,506,130	3,877,574	–	14,383,704
Cash and bank balances	47,501	16,106,851	20,763,857	17,789	36,935,998
	47,501	26,612,981	24,641,431	17,789	51,319,702
<u>Financial Liabilities</u>					
Trade payables	–	1,869,707	7,542,201	–	9,411,908
Other payables and accruals	–	–	7,753,466	13,803	7,767,269
	–	1,869,707	15,295,667	13,803	17,179,177
Net financial assets	47,501	24,743,274	9,345,764	3,986	34,140,525
Less : Net financial assets denominated in the respective entities' functional currencies	–	–	(9,345,764)	–	(9,345,764)
Currency Exposure	47,501	24,743,274	–	3,986	24,794,761

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 Financial risk management policies (Cont'd)

(a) Market risk (Cont'd)

(i) Foreign currency risk (Cont'd)

Foreign currency risk sensitivity analysis

The following table details the sensitivity analysis to a reasonably possible change in the foreign currencies at the end of the reporting period, with all other variables held constant:

	The Group	
	2025	2024
	RM	RM
Effects on profit after tax		
EUR/RM		
- strengthened by 5%	(2,438)	1,805
- weakened by 5%	2,438	(1,805)
USD/RM		
- strengthened by 5%	866,651	940,244
- weakened by 5%	(866,651)	(940,244)

There is no impact on the Group's equity.

(ii) Interest rate risk

The Group does not have any interest-bearing borrowings and hence, is not exposed to interest rate risk.

(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 exposures 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 and derivatives), the Group minimises credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk arises principally from advances to subsidiaries. The Company monitors the ability of the subsidiaries made by the subsidiaries on an individual basis.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 Financial risk management policies (Cont'd)

(b) Credit risk (Cont'd)

(i) Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the geographical region of its trade receivables on an ongoing basis. The credit risk concentration profile of trade receivables (including related party) at the end of the reporting period is as follows:

	The Group	
	2025 RM	2024 RM
Africa and Middle East	–	355,141
Americas and European Countries	6,763,234	5,241,635
Asia and Asia Pacific (excluding Malaysia)	4,108,246	4,842,472
Malaysia	2,882,106	3,944,456
	13,753,586	14,383,704

At the end of the reporting period, the Group's major concentration of credit risk relates to the amounts owing by one (1) (2024: two (2)) customers, the balances of each is equal to or more than 10% of total balances constituted approximately 18% (2024: 28%) of its trade receivables (including related party).

(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).

(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 trade receivables. The Group closely monitors the trade receivables' financial strength to reduce the risk of loss.

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

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectations 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 assets have occurred:

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

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 Financial risk management policies (Cont'd)

(b) Credit risk (Cont'd)

(iii) Assessment of impairment losses (Cont'd)

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 a lagging default criterion is more appropriate.

Trade receivables

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

Inputs, assumptions and techniques used for estimating impairment losses

To measure the expected credit losses, trade receivables (including related party) have been grouped based on shared credit risk characteristics and the days past due.

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 sales over 24 (2024: 24) months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions which correlate to the historical loss rates.

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

Sales made are generally accompanied by letters of credit or advance payments and therefore, there is minimal exposure to credit risk. Furthermore, outstanding trade receivables are largely collected within the credit term.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 Financial risk management policies (Cont'd)

(b) Credit risk (Cont'd)

(iii) Assessment of impairment losses (Cont'd)

Trade receivables (Cont'd)

Allowance for impairment losses

The information about the credit exposure and loss allowances recognised for trade receivables is as follows:

The Group	Gross amount RM	Lifetime individual allowance RM	Lifetime collective allowance RM	Carrying amount RM
2025				
Current (not past due)	12,121,890	–	–	12,121,890
1 to 30 days past due	1,625,611	–	–	1,625,611
31 to 60 days past due	5,373	–	–	5,373
Credit impaired	712	–	–	712
	13,753,586	–	–	13,753,586
2024				
Current (not past due)	13,042,918	–	–	13,042,918
1 to 30 days past due	1,337,071	–	–	1,337,071
Credit impaired	3,715	–	–	3,715
	14,383,704	–	–	14,383,704

The Group believes that no impairment allowance is necessary in respect of its trade receivables because the probability of default by these receivables were negligible. They are good customers with good payment records.

Sundry receivables

The Group and the Company measure the expected credit losses of sundry receivables that are credit impaired and with a high risk of default on an individual basis.

Allowance for impairment losses

At the end of the reporting period, there was no indication that the sundry receivables are not recoverable.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 Financial risk management policies (Cont'd)

(b) Credit risk (Cont'd)

(iii) Assessment of impairment losses (Cont'd)

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.

Amount owing by subsidiaries (non-trade balances)

The Company applies the 3-stage general approach to measure expected credit losses for all inter-company balances. The Company considers advances to inter-companies have low credit risks. The Company assumes that there is a significant increase in credit risk when the inter-company's financial position deteriorates significantly.

The Company measures the expected credit losses on individual basis, which aligned with its credit risk management practices on the inter-company balances.

For advances that are repayable on demand, impairment loss is assessed based on the assumption that repayment of the outstanding balances is demanded at the reporting date. If the subsidiaries does not have sufficient highly liquid resources when the advances are demanded, the Company will consider the expected manner of recovery to measure the impairment loss; the recovery manner could be either through 'repayable over time' or a fire sale of less liquid assets by the subsidiary.

Allowance for impairment losses

At the end of the reporting period, there was no indication that the amount owing by subsidiaries is not recoverable.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 Financial risk management policies (Cont'd)

(c) Liquidity risk

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

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:

The Group	Contractual interest rate %	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM	1 - 5 years RM
2025					
<u>Non-derivative financial liabilities</u>					
Trade payables	-	8,420,748	8,420,748	8,420,748	-
Other payables and accruals	-	9,708,624	9,708,624	9,708,624	-
Lease liabilities	5.20 - 6.70	530,346	550,940	440,380	110,560
		18,659,718	18,680,312	18,569,752	110,560
2024					
<u>Non-derivative financial liabilities</u>					
Trade payables	-	9,411,908	9,411,908	9,411,908	-
Other payables and accruals	-	7,767,269	7,767,269	7,767,269	-
Lease liabilities	5.20 - 6.70	514,683	543,020	304,280	238,740
		17,693,860	17,722,197	17,483,457	238,740

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.1 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 (Cont'd):

The Company	Carrying amount RM	Contractual undiscounted cash flows RM	Within 1 year RM
2025			
<u>Non-derivative financial liabilities</u>			
Other payables and accruals	168,000	168,000	168,000
2024			
<u>Non-derivative financial liabilities</u>			
Other payables and accruals	167,492	167,492	167,492

33.2 Capital risk management

Capital structure is a combination of equity and debt used by an entity to finance its overall operations and growth. The objective of the capital management of the Group and the Company are to maintain an optimal capital structure and ensuring availability of funds in order to support its businesses and related 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 monitor and maintain a prudent level of total debt to total equity ratio to optimise shareholders value and to ensure compliance with debt covenants and regulatory, if any.

There was no change in the approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.3 Classification of financial instruments

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial assets				
<u>Fair value through profit or loss</u>				
Derivative assets	8,752	25,412	–	–
<u>Amortised cost</u>				
Trade receivables	13,753,586	14,383,704	–	–
Other receivables	2,271,084	1,658,576	663,467	373,089
Amount owing by subsidiaries	–	–	47,413	23,737
Fixed deposits with licensed banks	125,309,067	151,228,405	32,845,861	37,884,300
Cash and bank balances	39,230,492	36,935,998	5,930,230	2,451,163
	180,564,229	204,206,683	39,486,971	40,732,289
Financial liabilities				
<u>Amortised cost</u>				
Trade payables	8,420,748	9,411,908	–	–
Other payables and accruals	9,708,624	7,767,269	168,000	167,492
Lease liabilities	530,346	514,683	–	–
	18,659,718	17,693,860	168,000	167,492

33.4 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 (losses)/gains recognised in profit or loss	(16,660)	25,412	–	–
<u>Amortised cost</u>				
Net gains recognised in profit or loss	6,012,885	5,569,628	1,525,383	1,677,629
Financial liabilities				
<u>Amortised cost</u>				
Net gains recognised in profit or loss	63,886	373,557	–	–

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. FINANCIAL INSTRUMENTS (CONT'D)

33.5 Fair value information

The fair values of the financial assets and financial liabilities of the Group and of 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 at the end of the reporting period:

The Group	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		
2025					
<u>Financial assets</u>					
Derivative assets:					
- Forward currency contracts	-	8,752	-	8,752	8,752
<hr/>					
2024					
<u>Financial assets</u>					
Derivative assets:					
- Forward currency contracts	-	25,412	-	25,412	25,412
<hr/>					

- (a) The fair values of foreign forward currency contracts are determined by discounting the difference between the contractual forward prices and the current forward prices for the residual maturity of the contracts using a risk-free interest rate (government bond).
- (b) There were no transfers between level 1 and level 2 during the financial year.

34. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

On 12 December 2024, a fire incident occurred at one of the factory buildings belonging to a subsidiary, Embrace Industries Sdn. Bhd.. The incident affected one of the spraying lines and inventory work-in-progress at the premise located at Lot No. 8721, PN 9639, Mukim of Jalan Bakri, District of Muar, State of Johor.

The book value of the property, plant and equipment and inventories damaged by the fire amounting to RM1,161,985 and RM1,639,249 respectively had been recognised as an expense in profit or loss for the financial year 2025.

LIST OF PROPERTIES

AS AT 31 AUGUST 2025

Registered Owner	Location	Description and existing use	Tenure/ Expiry of Lease	Age of Buildings (Years)	Category of Land Use/ Land Area/ Built Up Area	Net book Value as at 31.08.2025 RM	Date of valuation/ acquisition
USF	Lot No. 8726, PN 9634, Mukim of Jalan Bakri, District of Muar, State of Johor	A plot of industrial land erected with a block of single- storey factory building together with a three-storey office annexe, an extended first floor factory and lean to sheds, showroom and other ancillary structures.*	Leasehold for a term of 99 years/ Expiring on 29 December 2094	25	Industrial/ 9,030 sq. m./ 9,051 sq. m.	3,311,268	15.01.2008
HUI	Lot PTD No. 9495, HSD 31616, Mukim of Jalan Bakri, District of Muar, State of Johor	A plot of industrial land erected with a block of single- storey factory building and a guard house.	Freehold	18	Industrial/ 7,262 sq. m./ 4,391 sq. m.	2,337,194	15.01.2008
HUI	HS(D) 35993, Lot PTD 11373, in the Mukim of Jalan Bakri, District of Muar, State of Johor	Two (2) adjoining plots of industrial land erected with a block of single- storey factory building together with a double- storey office annexe, a production office and other ancillary structures.	Freehold	18	Industrial/ 24,282 sq. m./ 17,217 sq. m.	8,705,800	15.01.2008
HUI	HS(D) 33704 and HS(D) 33703, Lots PTD 10628 and 10629, both in the Mukim of Jalan Bakri, District of Muar, State of Johor	Two (2) adjoining plots of industrial land erected with two blocks of single- storey factory building together with a double- storey office annexe, and other ancillary structures.	Freehold	15	Industrial/ 15,544 sq. m./ 9,290 sq. m.	5,057,682	10.09.2007
HUI	HS(D) 33687, Lot PTD 10634 in the Mukim of Jalan Bakri, District of Muar, State of Johor	A plot of industrial land with a block of single- storey factory building.	Freehold	8	Industrial/ 7,851 sq. m./ 5,116 sq. m.	3,545,401	18.11.2010

LIST OF PROPERTIES (Cont'd)

Registered Owner	Location	Description and existing use	Tenure/ Expiry of Lease	Age of Buildings (Years)	Category of Land Use/ Land Area/ Built Up Area	Net book Value as at 31.08.2025 RM	Date of valuation/ acquisition
HUI	HS(D) 38792, Lots PTD 13725 in the Mukim of Jalan Bakri, District of Muar, State of Johor	A plot of agriculture land.	Freehold	N/A	Agriculture / 0.4053 hectares/ N/A	1,158,797	20.03.2018
EISB	Lot No. 8721, PN 9639, Mukim of Jalan Bakri, District of Muar, State of Johor	A plot of industrial land erected with a block of single-storey factory building together with a double- storey office annexe, and other ancillary structures.	Leasehold for a term of 99 years/ Expiring on 29 December 2094	25	Industrial/ 4,076 sq. m./ 2,338 sq. m.	1,243,365	16.01.2009
EISB	HS(D) 40781 PTD 17074 (Previously know as GRN 85821 Lot 4941), Mukim of Jalan Bakri, District of Muar, State of Johor	A plot of industrial land with 4 blocks of factory together with a four-storey of hostel annexe and other ancillary structures.	Freehold	5	Industrial/ 38,641 sq.m. / 24,065 sq.m.	23,350,832	07.09.2015
HNSB	PLO 31 and PLO 32, Muar Furniture Park**	Two (2) adjoining plots of industrial land.	Leasehold/ N/A	N/A	Industrial/ 6 acres/ N/A	4,490,172	27.02.2019
HOSB	PLO 33 and PLO 34, Muar Furniture Park**	Two (2) adjoining plots of industrial land.	Leasehold/ N/A	N/A	Industrial/ 6 acres/ N/A	4,490,172	27.02.2019
EISB	PN 81402 and PN 73632, Lot 11722 and 11723, Mukim of Parit Bakar, District of Muar, State of Johor	Two (2) plots of industrial land.	Leasehold for a term of 99 years/ Expiring on 23 December 2103	N/A	Industrial/ 1.9674 hectares/ N/A	6,064,219	15.05.2024

* HUI owns the factory building which was built on Lot 8726.

** Land held under Master title of HS(D) 38459, PTD 13399 and HS(D) 38460, PTD 13400, Geran 50191, Lot 8531 situated in Mukim Jalan Bakri, District of Muar, State of Johor which titles have yet to be issued. The lands are under development and not ready to use and included in the prepaid lease payment.

ANALYSIS OF SHAREHOLDINGS

AT 28 NOVEMBER 2025

Issued and Fully Paid Up Share Capital : RM 98,023,595.68
 Class of Shares : Ordinary shares
 No. of shares in issue : 463,244,952
 Voting Right : One vote per ordinary share at any shareholders' meeting
 Number of Shareholders : 4,806

Note:

All information on shareholdings disclosed hereunder excludes the 4,402,300 treasury shares held by the Company.

DISTRIBUTION OF SHAREHOLDINGS

Size of holdings	No. of Shareholders	% of Shareholders	No. of Shares	% of issued share capital
1-99	636	13.233	30,206	0.007
100-1,000	553	11.507	246,234	0.054
1,001-10,000	2,024	42.114	9,902,567	2.158
10,001-100,000	1,404	29.214	40,791,481	8.890
100,001-22,942,131*	186	3.870	139,334,126	30.366
22,942,132 and above**	3	0.062	268,538,038	58.525
Total	4,806	100.000	458,842,652	100.000

Notes:

* Less than 5% of issued shares.

** 5% and above of issued shares.

SUBSTANTIAL SHAREHOLDERS ACCORDING TO THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

(Holding 5% or more of the share capital)

Name of Shareholders	Direct	No. of shares held		%
		%	Indirect	
Chua Fen Fatt	152,015,881	33.130	93,526,281 ⁽¹⁾	20.383
Tee Hwee Ing	93,526,281	20.383	152,015,881 ⁽¹⁾	33.130
Chua Fen Lee	22,995,876	5.012	–	–

DIRECTORS' SHAREHOLDINGS ACCORDING TO THE REGISTER OF DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct	No. of shares held		%
		%	Indirect	
Chua Fen Fatt	152,015,881	33.130	93,526,281 ⁽¹⁾	20.383
Tee Hwee Ing	93,526,281	20.383	152,015,881 ⁽¹⁾	33.130

Notes:

(1) Deemed interest by virtue of his/her spouse's substantial interest of the Company

ANALYSIS OF SHAREHOLDINGS (Cont'd)

LIST OF TOP THIRTY (30) LARGEST SHAREHOLDERS AT 28 NOVEMBER 2025 (AS PER THE RECORD OF DEPOSITORS)

No.	Name of Shareholders	No. of shares held	% of issued share
1	CHUA FEN FATT	152,015,881	33.130
2	TEE HWEE ING	93,526,281	20.383
3	CHUA FEN LEE	22,995,876	5.012
4	TEE HUI CHEIN	21,999,675	4.794
5	RHB NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR WONG YEE HUI</i>	8,652,000	1.885
6	JCBNEXT BERHAD	7,273,800	1.585
7	LEONG YOK MOY	5,349,650	1.165
8	TAN CHEE KIAN	4,815,200	1.049
9	YAYASAN GURU TUN HUSSEIN ONN	4,419,125	0.963
10	KINGSLEY LIM FUNG WANG	3,800,000	0.828
11	QUEK WEE SENG	3,746,250	0.816
12	OOI SAY EE	3,650,000	0.795
13	YAYASAN GURU TUN HUSSEIN ONN	3,060,625	0.667
14	ELEBEST ENGINEERING SDN. BHD.	3,000,000	0.653
15	YAYASAN GURU TUN HUSSEIN ONN	2,697,000	0.587
16	PUBLIC NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR CHONG KHONG SHOONG (E-IMO/JSI)</i>	2,311,000	0.503
17	SULTAN IDRIS SHAH	2,083,750	0.454
18	NG AH BAH @ NG SEE KAI	1,644,000	0.358
19	UOB KAY HIAN NOMINEES (ASING) SDN. BHD. <i>EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)</i>	1,620,000	0.353
20	KHOR SHEN CHIEH	1,600,700	0.348
21	QUEK WEE SENG	1,372,000	0.299
22	RHB NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR LAI CHIE KING</i>	1,343,750	0.292
23	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. <i>STANDARD CHARTERED SAADIQ BHD SCBMB TRUSTEE FOR BMMB OPPORTUNITY FUND</i>	1,300,000	0.283
24	CHAN HOONG MUN	1,169,200	0.254
25	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR FREDDIE CHAN KHONG HUNG</i>	1,137,000	0.247
26	CHONG KONG HOE	1,118,200	0.243
27	KHOR CHAI MOI	1,111,312	0.242
28	RHB CAPITAL NOMINEES (TEMPATAN) SDN. BHD. <i>PLEDGED SECURITIES ACCOUNT FOR SUSY DING (CEB)</i>	1,101,000	0.239
29	CARTABAN NOMINEES (TEMPATAN) SDN. BHD. <i>STANDARD CHARTERED SAADIQ BHD SCBMB TRUSTEE FOR BMMB SYARIAH DYNAMIC FUND (BMMB-E00103)</i>	1,100,000	0.239
30	PUA YU HENG	1,079,625	0.235

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE EIGHTEENTH ANNUAL GENERAL MEETING OF HOMERITZ CORPORATION BERHAD (“THE COMPANY”) WILL BE HELD AT BEI BOUTIQUE HOTEL, CENTRO MEETING HALL, LEVEL 3, 8-3, JALAN ABDUL RAHMAN, 84000 MUAR, JOHOR ON WEDNESDAY, 21 JANUARY, 2026 AT 11.00 A.M. FOR THE TRANSACTION OF THE FOLLOWING BUSINESSES:-

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 August 2025 together with the Reports of the Directors and the Auditors thereon.
2. To approve the payment of Directors’ fees and allowances up to RM190,000.00 for the financial year ending 31 August 2026 payable quarterly in arrears after each quarter of completed service of the Directors during the subject financial year. (Ordinary Resolution 1)
3. To re-elect Mr Kee Tong Kiak, the Director who retire in accordance with Clause 91 of the Company’s Constitution. (Ordinary Resolution 2)
4. To re-elect Puan Hamsiah Binti Khalid, the Director who retire in accordance with Clause 91 of the Company’s Constitution. (Ordinary Resolution 3)
5. To re-elect Ms Phoebe Chua Chi Ler, the Director who retire in accordance with Clause 99 of the Company’s Constitution. (Ordinary Resolution 4)
6. To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. (Ordinary Resolution 5)

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions with or without any modification as ordinary resolutions:-

7. **Proposed renewal of authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016** (Ordinary Resolution 6)

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant regulatory authorities (where applicable), the Directors of the Company be hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement(s) or option(s) or offer(s) (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company without first offer to holders of existing issued shares of the Company, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding twelve (12) months does not exceed ten percent (10%) of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being (“Proposed General Mandate”).

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

THAT such approval on the Proposed General Mandate shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company held after the approval was given;
- (b) the expiration of the period within which the next Annual General Meeting of the Company is required to be held after the approval was given; or
- (c) revoked or varied by resolution passed by the shareholders of the Company in a general meeting, whichever is the earlier.

THAT the Directors of the Company be hereby also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for such New Shares on the Main Market of Bursa Malaysia Securities Berhad.

AND THAT authority be hereby given to the Directors of the Company, to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation thereto as to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.”

8. Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("RRPT") (Ordinary Resolution 7)

“THAT pursuant to paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, approval be hereby given for the renewal of shareholders' mandate for the Company and its subsidiaries (“Group”) to enter into and to give effect to specified RRPT and with the related parties as stated in Section 2.3 of the Circular to Shareholders dated 23 December 2025, which are necessary for its day-to-day operations, to be entered into by the Group on the basis that these transactions are to be entered into on terms which are not more favourable to the related parties involved than generally available to the public and are not detrimental to the minority shareholders of the Company (“Proposed Shareholders' Mandate”);

THAT the Proposed Shareholders' Mandate is subject to annual renewal. In this respect, any authority conferred by the Proposed Shareholders' Mandate shall only continue to be in force until:

- (a) the conclusion of the next Annual General Meeting of the Company following the general meeting at which time the Proposed Shareholders' Mandate has been passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed; or
- (b) the expiration of the period within which the next Annual General Meeting after the date it is required to be held pursuant to Section 340(2) of the Companies Act 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act 2016); or
- (c) revoked or varied by a resolution passed by the shareholders in general meeting,

whichever is the earlier;

AND FURTHER THAT the Directors of the Company and/or any of them be hereby authorised to complete and do all such acts and things (including executing such documents as may be required) to give effect to the Proposed Shareholders' Mandate.”

9. To transact any other ordinary business of which due notice shall have been given.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

BY ORDER OF THE BOARD

NG MEI WAN
(SSM Practising Certificate No.: 201908000801) (MIA 28862)
TAN HUI KHIM
(SSM Practising Certificate No.: 201908000859) (LS 0009936)
Company Secretaries

Muar, Johor
23 December 2025

Notes:-

1. *Only depositors whose names appear in the Record of Depositors as at 14 January 2026 shall be regarded as members and be entitled to attend, participate, speak and vote at the Eighteenth Annual General Meeting.*
2. *A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Companies Act 2016. There shall be no restriction as to the qualification of the proxy.*
3. *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.*
4. *Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.*
5. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised. Any alterations in the Form of Proxy must be initialed by the member.*
6. *In the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Meeting as his/her/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy, have been duly completed by the member(s).*
7. *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, must be deposited at 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 its in the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or by electronic lodgement 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 holding this meeting or any adjournment thereof as Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of Eighteenth Annual General Meeting to vote by way of poll. For electronic lodgement please refer to the Administrative Guide of Eighteenth Annual General Meeting.*

EXPLANATORY NOTES TO THE AGENDA:-

8. *Item 1 of the Agenda*
Audited Financial Statements

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Companies Act 2016 does not require a formal approval of the shareholders and hence, is not put forward for voting.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

9. *Item 2 of the Agenda - Ordinary Resolution 1*

Approval of Directors' fees and allowances for the financial year ending 31 August 2026

Directors' fees and allowances approved for the financial year ended 31 August 2025 was RM182,000.00. The Directors' fees and allowances proposed for the financial year ending 31 August 2026 are calculated based on the number of scheduled Board and Committee Meetings for financial year ending 31 August 2026 and assuming that all the Non-Executive Directors will hold office until the end of the subject financial year.

This resolution is to facilitate payment of Directors' fees and allowances on a quarterly basis as and when required. In the event the Directors' fees and allowances proposed are insufficient (e.g. due to more meetings), approval will be sought at the next annual general meeting for additional fees and allowances to meet the shortfall.

10. (i) *Items 3 and 4 of the Agenda - Ordinary Resolutions 2 and 3*

Re-election of Kee Tong Kiak and Hamsiah Binti Khalid, the Directors who retire in accordance with Clause 91 of the Company's Constitution

(ii) *Item 5 of the Agenda - Ordinary Resolution 4*

Re-election of Phoebe Chua Chi Ler, the Director who retire in accordance with Clause 99 of the Company's Constitution

Leveraging the annual evaluation of the Board's contribution and performance and an Independent assessment of the Directors, the Nominating Committee had on 31 October 2025 assessed the performance and attributes of the Board, Board Committees and individual Directors in respect of their effectiveness and contribution to the Company, based on a set of prescribed criteria which were approved by the Board.

Based on this annual assessment conducted, the Nominating Committee was of the view that the existing Board and each of its members has the requisite competence and capability to contribute to the needs of the Company and they had sufficiently demonstrated their commitment to the Company in terms of time and participation at meetings during the year under review. Each of these retiring Directors has confirmed to the Board that they do not have any conflict of interest with any of the companies in the Company which may affect their ability to act in the best interest of the Company.

Accordingly, the Nominating Committee unanimously recommended to the Board the re-election of all the retiring Directors, at the Eighteenth Annual General Meeting. Based on the recommendation of the Nominating Committee, the Board (with the exception of the Directors who abstained in respect of their individual retirement) supports the re-election of the retiring Directors at the Eighteenth Annual General Meeting. The profile of the Directors standing for re-election is set out in the Directors' Profile in the Annual Report 2025.

11. *Item 6 of the Agenda - Ordinary Resolution 5*

To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.

The Audit and Risk Management Committee ("ARMC") had on 31 October 2025 undertook an annual evaluation of the effectiveness of the external audit process and the performance, suitability and independence of the external auditors, Crowe Malaysia PLT, based on the criteria set out in its Terms of Reference.

The ARMC was satisfied with the suitability of Crowe Malaysia PLT based on the quality of audit, performance, competency and sufficiency of resources the external audit team provided to the Group. The ARMC was also satisfied in its review that the provision of non-audit services by Crowe Malaysia PLT to the Group for the financial year ended 31 August 2025 did not in any way, impair their objectivity and independence as external auditors of the Company.

Based on the ARMC's recommendation, the Board endorsed the motion on the proposed re-appointment of Crowe Malaysia PLT as external auditors of the Company for the financial year ending 31 August 2026 and recommended the same for shareholders' approval. Crowe Malaysia PLT have earlier, indicated their willingness to continue in office.

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

12. Item 7 of the Agenda - Ordinary Resolution 6

Proposed renewal of authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

- (a) *The proposed Ordinary Resolution 6, if passed, will grant a mandate ("General Mandate") empowering the Directors of the Company, from the date of the Eighteenth Annual General Meeting to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement(s) or option(s) or offer(s) ("New Shares") from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company up to an amount not exceeding ten percent (10%) of the total number of issued shares capital of the Company. This authority, unless revoked or varied at a general meeting shall continue to be in full force until the conclusion of the next Annual General Meeting of the Company.*
- (b) *The General Mandate is a renewal of the previous mandate obtained at the last Annual General Meeting held on 21 January 2025 which will expire at the conclusion of the forthcoming Annual General Meeting.*
- (c) *As at the date of this Notice, the Company did not issue any new ordinary shares based on the previous mandate obtained at the last Annual General Meeting.*
- (d) *The General Mandate, if granted will provide flexibility to the Company for any possible fund raising activities, including but not limited to further placing of shares, for purpose of funding current and/or future investment project(s), working capital and/or acquisitions.*
- (e) *In accordance with Clause 9 of the Company's Constitution, the passing of the Ordinary Resolution 6, the shareholders of the Company shall be taken as agree for the New Shares to be issued to such person(s) as the Directors may deem fit and expedient in the interest of the Company without first offer the New Shares to holders of existing issued shares of the Company prior to issuance of the New Shares.*

13. Item 8 of the Agenda - Ordinary Resolution 7

Proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature ("RRPT") ("Proposed Shareholders' Mandate")

The proposed Ordinary Resolution 7, if passed, will authorise the Group to enter into RRPT which are necessary for its day-to-day operations to be entered into by the Company and its subsidiaries with the respective related parties from the forthcoming Annual General Meeting to the next Annual General Meeting; subject to the condition that the transactions are entered into on terms which are not more favorable to the related parties involved than generally available to the public and are not detrimental to the minority shareholders of the Company.

Further details on the Proposed Shareholders' Mandate are provided in the Circular to Shareholders dated 23 December 2025.

14. **Annual Report**

The Annual Report for the financial year ended 31 August 2025 is now available at the Company's corporate website, www.homeritzcorp.com. Printed copy of the Annual Report shall be provided to the shareholders upon request soonest possible from the date of receipt of the request.

Shareholders who wish to receive the printed Annual Report may request at <https://smy.vistra.com> by select "Request for Annual Report/Circular" under the "Investor Services" or contacting Tricor Investor & Issuing House Services Sdn. Bhd. [197101000970 (11324-H)] at 03-27839299 or email your request to is.enquiry@vistra.com.

STATEMENT ACCOMPANYING **NOTICE OF ANNUAL GENERAL MEETING**

(PURSUANT TO PARAGRAPH 8.27(2) OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

1. Details of Individuals Standing for Election as Directors

No individual is seeking election as a Director at the Eighteenth Annual General Meeting of the Company.

2. Statement relating to general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

Please refer to item 12 – Explanatory Notes to the Agenda for Ordinary Resolution 6 on Proposed renewal of authority for Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016.

ADMINISTRATIVE GUIDE FOR THE EIGHTEENTH ANNUAL GENERAL MEETING

("18TH AGM") OF HOMERITZ CORPORATION BERHAD

Date : Wednesday, 21 January 2026
Time : 11.00 a.m.
Venue of Meeting : BEI BOUTIQUE HOTEL, Centro Meeting Hall,
 Level 3, 8-3, Jalan Abdul Rahman, 84000 Muar, Johor

1. CORPORATE MEMBERS

- a. Corporate members who wish to appoint corporate representatives instead of a proxy, must deposit their original or duly certified certificate of appointment of corporate representative to Tricor Investor & Issuing House Services Sdn. Bhd. not later than Monday, 19 January 2026 at 11:00 a.m..
- b. Attorneys appointed by power of attorney are required to deposit their power of attorney with Tricor not later than **Monday, 19 January 2026 at 11.00 a.m.** to attend and vote at the 18th AGM.

2. GENERAL MEETING RECORD OF DEPOSITORS ("ROD")

- a. Only a depositor whose name appears on the ROD as at **14 January 2026** shall be entitled to attend, participate, speak and vote at the 18th AGM or appoint proxies to attend and/or vote on his/her behalf.

3. PROXY

The appointment of proxy may be made in hard copy form or by electronic form in the following manner and must be received by the Company at least forty-eight (48) hours before the time appointed for holding the 18th AGM or any adjournment thereof, otherwise the Form of Proxy shall not be treated as valid:-

a. In hard copy form

In case of an appointment made in hard copy form, the Form of Proxy must be deposited with the Company's Share Registrar, Tricor at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or alternatively its in the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

b. By electronic means

The procedures to lodge your Form of Proxy electronically via Vistra Share Registry and IPO (MY) portal ("The Portal") are summarised below:

Procedure	Action
1. Steps for Individual Members	
(a) Register as a User at The Portal	<ul style="list-style-type: none"> • Visit the website at https://srmy.vistra.com. • Click "Register" and select "Individual Holder" and complete the New User Registration Form. • For guidance, you may refer to the tutorial guide available on the homepage. • Once registration is completed, you will receive an email notification to verify your registered email address. • After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved. • Once you receive the confirmation, activate your account by creating your password. <p><i>If you are an existing user with The Portal or our TIIH Online portal previously, you are not required to register again.</i></p>

ADMINISTRATIVE GUIDE FOR THE EIGHTEENTH ANNUAL GENERAL MEETING
 (“18TH AGM”) OF HOMERITZ CORPORATION BERHAD
 (Cont’d)

Procedure		Action
1. Steps for Individual Members		
(b)	Proceed with submission of Form of Proxy	<ul style="list-style-type: none"> • After the release of the Notice of Meeting by the Company, login with your username (i.e. email address) and password. • Select the corporate event: “HOMERITZ CORPORATION BERHAD 18TH AGM”. • Navigate to the 3 dots at the end of the corporate event and choose “SUBMISSION OF PROXY FORM”. • Read and agree to the terms and conditions and confirm the Declaration. • Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf. • Appoint your proxy(s) and insert the required details of your proxy(s) or appoint Chairman as your proxy. • Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes. • Review and confirm your proxy(s) appointment. • Print Form of Proxy for your record.
2. Steps for Corporation or Institutional Members		
(a)	Register as a User with TIIH Online	<ul style="list-style-type: none"> • Visit the website at https://srmy.vistra.com. • Click “Register” and select “Representative or Corporate Holder” and complete the New User Registration Form. • Complete the registration form with your personal details. • Once registration is completed, you will receive an email notification to verify your registered email address. • After verification, your registration will be reviewed and approval within two (2) working days. A confirmation email will be sent once approved. • Once you receive the confirmation, activate your account by creating your password. <p><i>(Note: The representative of a corporation or institutional member must register as a user in accordance with the above steps before he/she can subscribe to this corporate member electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.)</i></p>
(b)	Proceed with submission of Form of Proxy	<ul style="list-style-type: none"> • Login to https://srmy.vistra.com with your email address and password. • Select the corporate event: “HOMERITZ CORPORATION BERHAD 18TH AGM”. • Navigate to the icon “>” at the end of the corporate event. • Read and agree to the terms and conditions and confirm the Declaration. • Select the corporate holder’s name. • Proceed to download the submission file. • Prepare the file for the appointment of proxies by inserting the required data. • Proceed to upload the duly completed proxy appointment file. • Select “Confirm” to complete your submission. • Print the confirmation report of your submission for your record.

ADMINISTRATIVE GUIDE FOR THE EIGHTEENTH ANNUAL GENERAL MEETING ("18TH AGM") OF HOMERITZ CORPORATION BERHAD (Cont'd)

4. POLL VOTING

- a. The Voting at the 18th AGM will be conducted by poll in accordance with Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor Investor & Issuing House Services Sdn. Bhd. as Poll Administrator to conduct the poll and MK Advisory Management as Scrutineers to verify the poll results.
- b. During the 18th AGM, the Chairman will invite the Poll Administrator to brief on the Voting procedures. The voting session will commence as soon as the Chairman calls for the poll to be opened.
- c. Upon completion of the voting session for the 18th AGM, the Scrutineers will verify the poll results and poll results announce by the Chairman followed by the Chairman's declaration whether the resolutions are duly passed.

5. ANNUAL REPORT 2025

- a. The Company's Annual Report 2025 is available at the Company's website at www.homeritzcorp.com.
- b. Should you require a printed copy of the Annual Report 2025, please request at our Share Registrar's portal at <https://srm.vistra.com> by selecting "Request for Annual Report/Circular" under the "Investor Services" or kindly contact Tricor Investor & Issuing House Services Sdn. Bhd.. Nevertheless, we hope that you would consider the environment before you decide to request for the printed copy.

6. REGISTRATION

- a. The registration will commence at 10.00 a.m. on Wednesday, 21 January 2026 and will remain open until the conclusion of the 18th AGM or such time as may be determined by the Chairman of the meeting.
- b. Please present your original National Registration Identity Card ("NRIC") or passport (for non-Malaysian) to the registration staff for verification.
- c. Upon verification, you are required to write your name and sign the attendance list placed on the registration table. You will be given a voting slip for voting purposes.
- d. No person will be allowed to register on behalf of another person even with the original NRIC or passport of the other person.

7. RECORDING OR PHOTOGRAPHY

- a. Strictly **NO** unauthorised recording or photography of the 18th AGM proceedings is allowed.

8. ENQUIRY

- a. If you have any enquiries on the above, please contact our Share Registrar during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn. Bhd.

General Line : +603-2783 9299
 Contact Person : Nor Faeayzah
 (+603-2783 9274 / nor.faeayzah@vistra.com)
 Damia Insyirah
 (+603-2783 7962 / damia.insyirah@vistra.com)
 Email : is.enquiry@vistra.com

CDS Account No.	
No of shares held	

I/We, NRIC/Passport/Registration No.
(full name in capital letters)

of
(full address and telephone no.)

being a member/members of HOMERITZ CORPORATION BERHAD, hereby appoint

..... NRIC / Passport No.
(full name in capital letters)

of
(full address and telephone no.)

and/or (delete as appropriate) NRIC / Passport No.
(full name in capital letters)

of
(full address and telephone no.)

or failing him/her*, the CHAIRMAN OF THIS MEETING as my/our proxy to vote for me/us on my/our behalf at the Eighteenth Annual General Meeting of the Company will be held at BEI BOUTIQUE HOTEL, Centro Meeting Hall, Level 3, 8-3, Jalan Abdul Rahman, 84000 Muar, Johor on Wednesday, 21 January, 2026 at 11.00 a.m. and at any adjournment thereof in respect of my/our shareholding in the manner indicated below :-

No.	Ordinary Resolution	For	Against
1	Approval of Directors' Fees and allowances for the financial year ending 31 August 2026		
2	Re-election of Mr Kee Tong Kiak as Director		
3	Re-election of Puan Hamsiah Binti Khalid as Director		
4	Re-election of Ms Phoebe Chua Chi Ler as Director		
5	Re-appointment of Messrs Crowe Malaysia PLT as Auditors		
6	Renewal of authority for Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016		
7	Renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature		

[Please indicate with a "x" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific instructions, your proxy will vote or abstain as he/she thinks fit]

For appointment of two proxies, percentage of shareholdings to be represented by the proxies:

Proxy	No. of Shares	Percentage
1		
2		
Total		100%

Dated this day of

.....
Signature of Shareholder or Common Seal



Notes :

1. *Only depositors whose names appear in the Record of Depositors as at 14 January 2026 shall be regarded as members and be entitled to attend, participate, speak and vote at the Eighteenth Annual General Meeting.*
2. *A member shall be entitled to appoint another person as his/her proxy to exercise all or any of his/her rights to attend, participate, speak and vote in his/her stead pursuant to Section 334 of the Companies Act 2016. There shall be no restriction as to the qualification of the proxy.*
3. *Where a member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each Omnibus Account it holds.*
4. *Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.*
5. *The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing. If the appointer is a corporation, the instrument must be executed under its Common Seal or under the hand of an attorney so authorised. Any alterations in the Form of Proxy must be initialed by the member.*
6. *In the event the member(s) duly executes the Form of Proxy but does not name any proxy, such member(s) shall be deemed to have appointed the Chairman of the Meeting as his/her/their proxy, provided always that the rest of the Form of Proxy, other than the particulars of the proxy, have been duly completed by the member(s).*
7. *The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power of attorney, must be deposited at 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 its in the drop-in box provided at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or by electronic lodgement 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 holding this meeting or any adjournment thereof as Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad requires all resolutions set out in the Notice of Eighteenth Annual General Meeting to vote by way of poll. For electronic lodgement please refer to the Administrative Guide of Eighteenth Annual General Meeting.*

Personal Data Privacy

By submitting the duly executed Form of Proxy, the member and his/her proxy consent to the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010 for the purpose of the Eighteenth Annual General Meeting and any adjournment thereof.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The 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

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HOMERITZ CORPORATION BERHAD

Registration No.: 200801004508 (805792-X)

Lot 8726, PTD 6023, Batu 8, Kawasan Perindustrian Bukit Bakri
84200 Muar, Johor Darul Takzim, Malaysia

Tel : 606-986 5000 **Fax** : 606-986 0942

www.homeritzcorp.com