



T O G E T H E R **WE GROW**



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COVER RATIONALE

TOGETHER WE GROW
Embracing Change and
unlocking potential;
Turning challenges into
opportunities for growth.

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PROXY FORM





PEOPLE

People are at the heart of
everything we do.



MESSAGE FROM

Our Founder



“ This year marks the first of two years of foundation building for SIB. It is rewarding to see SIB continue evolving through new partnerships, manufacturing growth, and renewed momentum across the organisation. The strength of SIB has always been its people, and I remain confident in the future they are shaping. ”

Tan Sri Dato' Seri Ir. Shamsuddin Bin Abdul Kadir

Founder & Advisor to the Board

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 50th Annual General Meeting of the Company will be held at Melur Room, Level 3, Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor, Malaysia on Tuesday, 16 June 2026 at 11.00 a.m. to transact the following businesses:

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements together with the Directors' and Auditors' reports for the financial year ended 31 January 2026. ***Please refer to Note 1***

- To consider and if thought fit, to pass the following Ordinary Resolutions:

2. To approve payment of a final single-tier dividend of 4 sen per ordinary share in respect of the financial year ended 31 January 2026. ***Ordinary Resolution 1***

3. Re-election of Directors ***Please refer to Note 5***
 - (i) To re-elect Tan Sri Dr. Azmil Khalili bin Dato' Khalid who retires by rotation pursuant to Article 110 of the Company's Constitution and being eligible, offers himself for re-election. ***Ordinary Resolution 2***

 - (ii) To re-elect Datin Noor Lily Zuriati binti Abdullah who retires by rotation pursuant to Article 110 of the Company's Constitution and being eligible, offers herself for re-election. ***Ordinary Resolution 3***

 - (iii) To re-elect Encik Ir. Md. Shah bin Hussin who retires by rotation pursuant to Article 110 of the Company's Constitution and being eligible, offers himself for re-election. ***Ordinary Resolution 4***

4. To reappoint Messrs. Ernst & Young PLT as Auditors of the Company for the financial year ending 31 January 2027 and to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to fix their remuneration. ***Ordinary Resolution 5***

5. Directors' Fees ***Please refer to Note 4***
 - (i) To approve the payment of Directors' fees amounting to RM429,342 for the Non-Executive Directors in respect of the financial year ended 31 January 2026. ***Ordinary Resolution 6***

 - (ii) To approve the payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors up to an amount of RM168,000 from the date of this Annual General Meeting until the next Annual General Meeting of the Company in year 2027. ***Ordinary Resolution 7***

SPECIAL BUSINESS

To consider and if thought fit, to pass the following Ordinary Resolutions:

6. Authority for Directors to issue shares under Section 75 and 76 of the Companies Act 2016

Ordinary Resolution 8
Please refer to Note 6

"THAT subject to the Companies Act 2016 ("the Act"), the Constitution of the Company and the approvals from Bursa Malaysia Securities Berhad ("Bursa Securities") and any other governmental and/or regulatory authorities, the Directors of the Company be and are hereby empowered pursuant to Sections 75 and 76 of the Act, to allot and issue shares in the Company from time to time and at any time, at such price, upon such terms and conditions, for such purposes and to such person or persons whomsoever as the Directors may in their absolute discretion deem fit, provided always that the aggregate number of shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being;

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Securities;

AND FURTHER THAT such authority shall commence immediately upon the passing of this resolution and shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT a final single-tier dividend of 4 sen per ordinary share in respect of the financial year ended 31 January 2026, if approved by the shareholders at the 50th Annual General Meeting, will be payable on 20 July 2026 to Depositors registered in the Record of Depositors at the close of business on 6 July 2026.

A Depositor shall qualify for entitlement only in respect of:

- a) Shares transferred into the Depositor's Securities Account before 4.30 p.m. on 6 July 2026 in respect of ordinary transfers; and
- b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

LIYANA LEE BINTI ABDULLAH
(SSM Practising Certificate No. 202008001402)
(MIA 10293)
Company Secretary

Bandar Baru Bangi, Selangor Darul Ehsan
18 May 2026

Notice of Annual General Meeting

NOTES:

1. Audited Financial Statements

This Agenda is meant for discussion only as under the provisions of Section 340(1)(a) of the Companies Act 2016 and the Company's Constitution, the Audited Financial Statements need not be approved by the shareholders and hence, the matter will not be put forward for voting.

2. Proxy Forms

A member whose name appears in the Record of Depositors of the Company as at 8 June 2026 shall be entitled to participate and vote at this Meeting.

A member of the Company who is entitled to participate and vote at this Meeting is entitled to appoint not more than two (2) proxies to participate and vote in his stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation as to the qualification of the proxy.

Where a member is an authorised nominee (as defined under the Securities Industry (Central Depositories) Act 1991), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

Where a member appoints two (2) proxies to participate at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

The instrument appointing a proxy shall be in writing and in the case of an individual shall be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporate member, shall be either under its Common Seal or signed by its attorney or an officer of the corporation duly authorised.

The instrument appointing a proxy must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, Tricor Drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or deposit the proxy form electronically via [Vistra Share Registry and IPO \("MY"\) Portal at https://srmy.vistra.com](https://srmy.vistra.com), not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.

3. Corporate Representative

As an alternative to the appointment of a proxy, a corporate member may appoint its corporate representative to participate and vote at this Meeting pursuant to Section 333(1) of the Companies Act 2016. For this purpose and pursuant to Section 333(5) of the Companies Act 2016, the corporate member shall provide a certificate as prima facie evidence of appointment of the corporate representative. The corporate member may submit the certificate to the Registrar's Office of the Company prior to the commencement of this Meeting.

4. Directors' Fees and Remuneration

Section 230(1) of the Companies Act 2016 provides amongst others, that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. In this respect, the Board agreed that the shareholders' approval shall be sought at the 50th Annual General Meeting on the directors' remuneration in two (2) separate resolutions as below:

- Ordinary Resolution 6 on payment of Directors' fees for the financial year ended 31 January 2026 amounting RM429,342.
- Ordinary Resolution 7 on payment of Directors' remuneration (excluding Directors' fees) in respect of the period from the date of this Annual General Meeting until the next Annual General Meeting in year 2027 up to an amount of RM168,000 comprising meeting allowances, directors' and officers' liability insurance premium, medical coverage and other claimable benefits.

The Company pays Directors' fees and benefits to the Non-Executive Directors. The Executive Directors do not receive any fees and benefits as Directors but they are remunerated with salary, benefits and other emoluments by virtue of their Employment Contract.

5. Re-election of Directors who retire in accordance with Article 110 of the Company's Constitution

Article 110 of the Company's Constitution provides that at each annual general meeting in every subsequent year one-third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3) shall retire from office PROVIDED ALWAYS that all Directors, shall retire from office once at least in each three (3) years but shall be eligible for re-election.

At this 50th Annual General Meeting, Tan Sri Dr. Azmil Khalili bin Dato' Khalid, Datin Noor Lily Zuriati binti Abdullah and Encik Ir. Md. Shah bin Hussin are due to retire under Article 110 of the Company's Constitution. All the Directors are eligible to stand for re-election.

In determining the eligibility of the retiring Directors to stand for re-election, the Board Nomination and Remuneration Committee ("BNRC") considered the following:

- Evaluation on the effectiveness of the retiring Directors in accordance with the fit and proper criteria as set out in the Company's Fit and Proper Policy for the Board, which includes character, experience, integrity, competency, time and commitment in discharging their roles as Directors of the Company; and
- The current board balance and composition.

The BNRC (save for the retiring Directors who had abstained from deliberation and decision on their own re-election), was satisfied that the retiring Directors met the criteria as set out in the Company's Fit and Proper Policy for the Board. Hence, BNRC was of the view that the retiring Directors are eligible to stand for re-election.

Further information on the details of the Tan Sri Dr. Azmil Khalili bin Dato' Khalid, Datin Noor Lily Zuriati binti Abdullah and Encik Ir. Md. Shah bin Hussin can be found on pages 16 to 22 of this Annual Report.

6. Ordinary Resolution pursuant to Section 75 and 76 of the Companies Act 2016

The proposed Ordinary Resolution 8 is intended to renew the authority granted to the Directors of the Company at the last 49th Annual General Meeting of the Company held on 24 June 2025, to issue and allot shares at any time to such persons in their absolute discretion without convening a general meeting provided that the aggregate number of the shares issued does not exceed ten percent (10%) of the total number of issued shares of the Company for the time being ("renewed mandate"). Should the renewed mandate be exercised, it will enable the Directors to take swift action in case of a need for corporate exercises or fund-raising activities or in the event business opportunities arise which involve the issuance of new shares and to avoid delay and cost in convening general meetings to approve such issuance of shares. The proceeds raised from the corporate exercises or fund-raising activities will be utilised for funding future investment projects, working capital and/or acquisitions.

After having considered all aspects of the renewed mandate, the Board is of the opinion that the adoption of the renewed mandate would be in the best interest of the Company and its shareholders, on the basis that it is the most optimum and cost efficient method of fund raising for the Company.

As at the date of this Notice, no new shares in the Company had been issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 24 June 2025 which will lapse at the conclusion of the forthcoming 50th Annual General Meeting.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate and vote at the Annual General Meeting (AGM) and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

STATEMENT ACCOMPANYING NOTICE OF THE 50TH ANNUAL GENERAL MEETING

Pursuant to paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The details of the Directors who are standing for re-election as per Agenda 3 of the Notice of 50th Annual General Meeting are provided in the "Directors' Profile" on pages 16 to 22 of this Annual Report. Details of their interests in the securities of the Company are set out in the "Analysis of Shareholdings" on page 156 of this Annual Report.

INTEGRITY

We uphold **Integrity**
in every decision and
relationship.





CORPORATE PROFILE



Sapura Industrial Berhad ("SIB") started its business in automotive components manufacturing in the early 1980s through an acquisition of a coil spring business from Henderson's Ltd., Australia. Taking off as a single product manufacturer - SIB later expanded its business to include high precision machining of engine, transmission and brake components, manufacture of stabiliser bars, and assembly of chassis modular components. Today, SIB is a diversified company; manufacturing and non-manufacturing businesses in automotive and non-automotive industries.

In 1994, Sapura Motors Berhad was established as a holding company, later achieved public listing on Bursa Malaysia in 1997. The Company transitioned to the Main Board in 2004 and assumed the name Sapura Industrial Berhad, reflecting our broader ambitions to expand our industrial business. In 2025, SIB unveiled a refreshed corporate identity and logo - signalling a new phase of growth within the automotive industry and strategic diversification into new sectors.

At the heart of our evolution lies a strong set of core values - people, integrity, experience, growth and collaboration. These values define our culture, shape our decisions, and serve as the foundation of our performance-driven organisation. Our people remain the cornerstone of our business, driving innovation, quality, and progress.

SIB has earned its standing in the industry through sheer determination, far-sightedness and plain hard work. Recognised for our quality, reliability, and customer-centric approach, SIB has received accolades from major automotive brands and industry bodies in Malaysia. Backed by a solid track record of success and aspiration to grow further, we are into new, high-potential sectors including electric vehicle, battery, non-metal, high-precision components, and healthcare sectors.

As we grow, we remain focused on creating long-term value for our stakeholders and contributing meaningfully to the industrial growth in Malaysia.

CORPORATE EVENTS



CSR:
Visit to Rumah Bakti Al Kausar (Orphanage), March 2025



CSR:
Visit to Pusat Jagaan Siti Nor Aini (Orphanage), March 2025



Academic Excellence Awards, May 2025



Long Service Awards, June 2025



Family Day at Splash Mania @ Gamuda Cove, September 2025



Hari Raya Aidilfitri Celebrations with staff, orphans and stakeholders, April 2026



CORPORATE INFORMATION

BOARD OF DIRECTORS

- Tan Sri Dr. Azmil Khalili bin Dato' Khalid**
Independent Non-Executive Chairman
- Puan Sri Datin Seri Mariam Parineh**
Executive Vice Chairman
- Datuk Syed Izuan bin Syed Kamarulbahrin**
Managing Director
- Datin Noor Lily Zuriati binti Abdullah**
Independent Non-Executive Director
- Datuk Zainol Izzet bin Mohamed Ishak**
Independent Non-Executive Director
- Ms. Emily Kok**
Independent Non-Executive Director
- Encik Ir. Md. Shah bin Hussin**
Non-Independent Non-Executive Director

BOARD AUDIT AND RISK COMMITTEE

Datin Noor Lily Zuriati binti Abdullah
(Chairperson)
Ms. Emily Kok
Encik Ir. Md. Shah bin Hussin

COMPANY SECRETARY

Puan Liyana Lee binti Abdullah
(SSM Practising Certificate
No. 202008001402)
(MIA No. 10293)

STOCK EXCHANGE LISTING

Main Market
Bursa Malaysia Securities Berhad
Stock Name : SAPIND
Stock Code : 7811

BOARD NOMINATION AND REMUNERATION COMMITTEE

Datuk Zainol Izzet bin Mohamed Ishak
(Chairman)
Datin Noor Lily Zuriati binti Abdullah
Encik Ir. Md. Shah bin Hussin

REGISTERED OFFICE

Lot 2 & 4, Jalan P/11, Seksyen 10
Kawasan Perindustrian Bangi
43650 Bandar Baru Bangi
Selangor Darul Ehsan
Tel : +603-8912 5502

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.
Office:
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Tel : +603-2783 9299

BOARD INVESTMENT COMMITTEE

Ms. Emily Kok *(Chairperson)*
Puan Sri Datin Seri Mariam Parineh
Datin Noor Lily Zuriati binti Abdullah
Datuk Zainol Izzet bin Mohamed Ishak
Encik Ir. Md. Shah bin Hussin

AUDITORS

Ernst & Young PLT
Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur
Tel : +603-7495 8000
Fax : +603-2095 5332

DIRECTOR IN CHARGE OF SHAREHOLDERS' COMMUNICATIONS

Tan Sri Dr. Azmil Khalili bin Dato' Khalid
Senior Independent Non-Executive Director

Email:

director-sib@sapuraindustrial.com.my
or

Mail to:

Lot 2 & 4, Jalan P/11, Seksyen 10
Kawasan Perindustrian Bangi
43650 Bandar Baru Bangi
Selangor Darul Ehsan

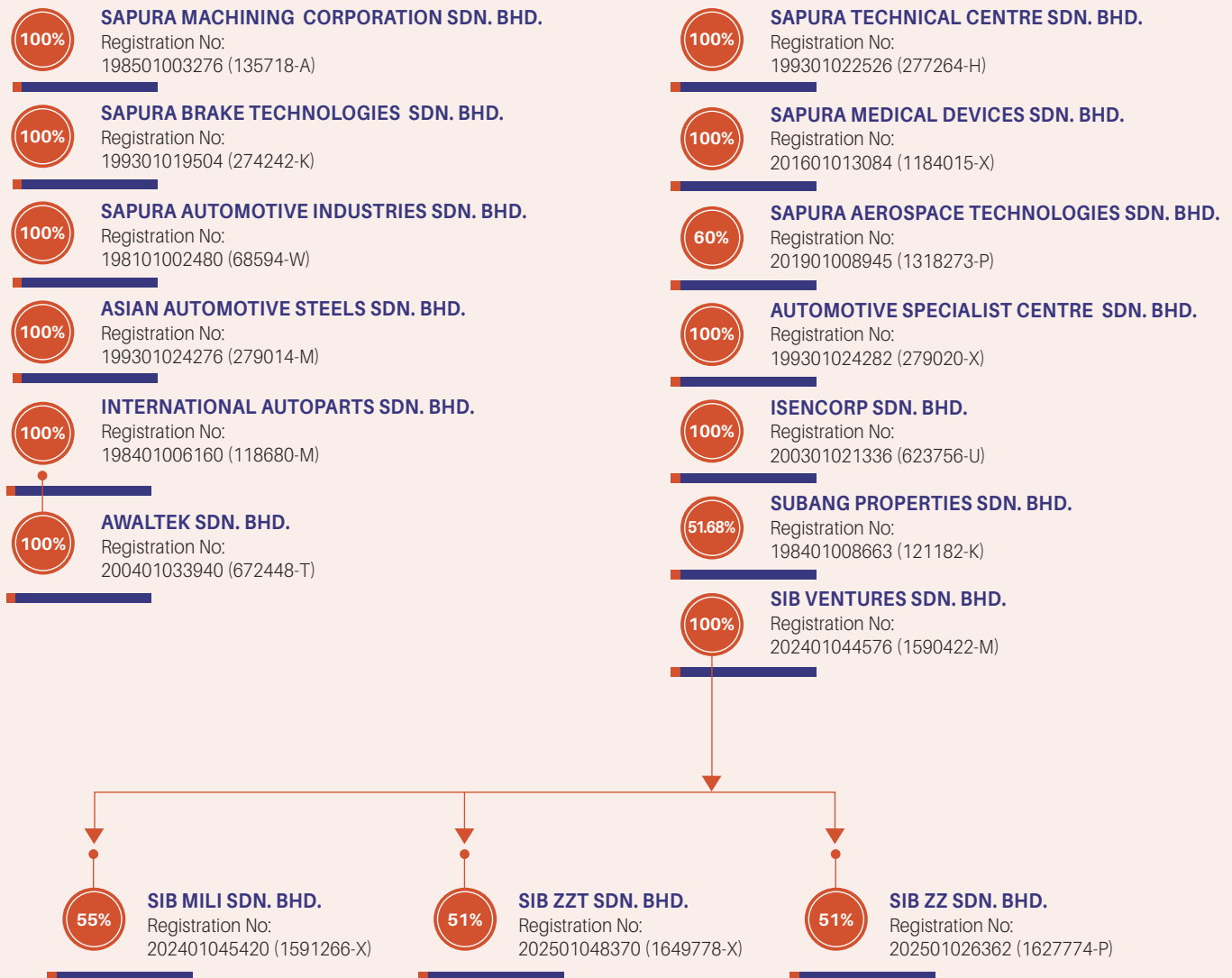
CORPORATE STRUCTURE

As at 29 April 2026



Sapura Industrial Berhad

Registration No.: 197401000510 (17547-W)



BOARD OF DIRECTORS

**Datuk Zainol Izzet
bin Mohamed
Ishak**
Independent Non-
Executive Director

Ms. Emily Kok
Independent Non-
Executive Director

**Tan Sri Dr. Azmil
Khalili bin Dato'
Khalid**
Independent Non-
Executive
Chairman



Board of Directors

**Puan Sri Datin Seri
Mariam Parineh**
Executive Vice
Chairman

**Datuk Syed Izuan
bin Syed
Kamarulbahrin**
Managing Director

**Encik Ir. Md. Shah
bin Hussin**
Non-Independent
Non-Executive
Director

**Datin Noor Lily
Zuriati binti
Abdullah**
Independent Non-
Executive Director



DIRECTORS' PROFILE

Tan Sri Dr. Azmil Khalili bin Dato' Khalid

Independent Non-Executive Chairman



Gender:

Male

Age:

65

Nationality:

Malaysian

Date of Appointment:

20 March 2023

Membership of Board Committee:

Nil

Number of Board Meetings Attended:

6/7

TAN SRI DR. AZMIL KHALILI BIN DATO' KHALID was appointed to the Board of Sapura Industrial Berhad on 20 March 2023 as an Independent Non-Executive Director. He was redesignated as Deputy Chairman on 14 June 2023 and subsequently as Independent Non-Executive Chairman of the Board on 1 May 2025.

Tan Sri Dr. Azmil Khalili bin Dato' Khalid ("Tan Sri Dr. Azmil") provides seasoned leadership and strategic oversight to the Group. He brings with him a highly valuable experience spanning multiple industries including construction, infrastructure development, financial services, and engineering.

He began his career in the United Kingdom with Tarmac National Construction. Upon returning to Malaysia, he held key roles at Trust International Insurance and Citibank N.A. He joined MTD Capital Berhad as General Manager of Corporate Planning in 1993 and then become the Group Managing Director and Chief Executive Director in 1996. He subsequently served as the Group President and Chief Executive Officer for MTD Capital Berhad from 2005 to 2011.

From April 2011 to August 2017, he served as the President and CEO of The Alloy MTD Group and ANIH Berhad, as the President and CEO of MTD ACPI Engineering Berhad, a listed subsidiary of MTD Capital Berhad and, as the Chairman of MTD Walkers PLC, a Sri Lanka-based subsidiary listed on the Colombo Stock Exchange.

Currently, Tan Sri Dr. Azmil serves as Chairman of UEM Edgenta Berhad, Elridge Energy Holdings Berhad, and Cenviro Sdn. Bhd. In addition, he is a Director of AFA Prime Berhad (formerly known as ANIH Berhad), a public company involved in highway operations and infrastructure.

Tan Sri Dr. Azmil holds a Doctorate of Science (Honorary) from the University of Hertfordshire, United Kingdom. He also holds a Master of Business Administration from California State University, Dominguez Hills, United States, and a Bachelor of Science in Civil Engineering from both the University of Hertfordshire, United Kingdom, and Northrop University, Los Angeles, United States.

Puan Sri Datin Seri Mariam Parineh

Executive Vice Chairman



Gender:

Female

Age:

49

Nationality:

American / Malaysian PR

Date of Appointment:

7 September 2020

Membership of Board Committee:

Board Investment Committee - Member

Number of Board Meetings Attended:

7/7

PUAN SRI DATIN SERI MARIAM PARINEH was first appointed to the Board of Sapura Industrial Berhad on 7 September 2020 as a Non-Independent Non-Executive Director. She was subsequently appointed as Executive Director on 1 January 2024 and redesignated as Executive Vice Chairman on 1 May 2025. She also serves as a member of the Board Investment Committee.

A seasoned entrepreneur and strategic leader, Puan Sri Datin Seri Mariam Parineh ("Puan Sri Mariam") brings with her over two decades of experience in business development, marketing strategy, and innovation-driven growth. Known for her ability to align business vision with execution, she is passionate about building sustainable, customer-focused organisations that are agile and impact-oriented.

She began her entrepreneurial journey in Malaysia with a successful stone care and restoration business, which she later exited to establish a business consultancy. Since then, she has guided numerous companies through business model pivots, market expansion, and strategic transformation. Her portfolio spans diverse industries, including retail fashion, consumer products, digital healthcare, and agotech marketplace solutions.

Puan Sri Mariam is also the founder of a purpose-driven investment company focused on supporting women entrepreneurs and customer empowerment ventures. Most recently, she founded an award-winning agotech start-up designed to revolutionise ageing-in-place experiences by integrating intuitive design and digital services for older adults.

Beyond her corporate engagements, she is deeply committed to social impact and women's empowerment. She co-founded and actively supports the Malaysia Baby Box Project, a social initiative aimed at improving outcomes for underserved mothers and newborns.

Puan Sri Mariam holds a Bachelor of Science in Managerial Economics from the University of California, Davis. She has furthered her executive education through the Executive Management Programme at Columbia University, New York, and the Harvard Business School, Massachusetts.

Directors' Profile

Datuk Syed Izuan bin Syed Kamarulbahrin

Managing Director



Gender:

Male

Age:

56

Nationality:

Malaysian

Date of Appointment:

21 January 2022

Membership of Board Committee:

Nil

Number of Board Meetings Attended:

7/7

DATUK SYED IZUAN BIN SYED KAMARULBAHRIN was appointed to the Board of Sapura Industrial Berhad on 21 January 2022 as an Independent Non-Executive Director, and subsequently assumed the role of Managing Director on 1 January 2025.

With over 30 years of experience in corporate finance, mergers and acquisitions, accounting, and advisory, Datuk Syed Izuan bin Syed Kamarulbahrin ("Datuk Syed Izuan") brings deep financial acumen and strategic leadership to the Group, necessary for its growth and expansion.

His career began in 1993 with Price Waterhouse, where he did statutory audits for both private and public companies across various sectors. He later joined the Business Development & Corporate Affairs Department at Malaysian Resources Corporation Berhad in 1996, for strategic planning and corporate restructuring initiatives.

From 1998 to 2021, he was the Investment Manager and subsequently became the Chief Financial Officer at The Sapura Group, contributing to its expansion and financial transformation. He was the Chief Financial Officer at Tradewinds Plantation Berhad, overseeing financial operations and investment decisions. He also served as the Group Financial Adviser at The Weststar Group, a diversified conglomerate with businesses in automotive, aviation, construction & property, defence, and engineering.

In addition to his current executive role at Sapura Industrial Berhad, Datuk Syed Izuan also serves as an Independent Non-Executive Director on the Board of Kumpulan Perangsang Selangor Berhad.

Datuk Syed Izuan is a Fellow Member of the Association of Chartered Certified Accountants (ACCA), United Kingdom, and a member of both the Malaysian Institute of Certified Public Accountants (MICPA) and the Malaysian Institute of Accountants (MIA). He is a graduate of the Emile Woolf College of Accountancy, London.

Datin Noor Lily Zuriati binti Abdullah

Independent Non-Executive Director



Gender:

Female

Age:

67

Nationality:

Malaysian

Date of Appointment:

10 August 2023

Membership of Board Committee:

Board Audit and Risk Committee

- Chairperson

Board Nomination and Remuneration

Committee - Member

Board Investment Committee - Member

Number of Board Meetings Attended:

7/7

DATIN NOOR LILY ZURIATI BINTI ABDULLAH was first appointed to the Board of Sapura Industrial Berhad on 10 August 2023 as an Independent Non-Executive Director. Datin Noor Lily serves as the Chairperson of the Board Audit and Risk Committee and is also a member of the Board Nomination and Remuneration Committee and the Board Investment Committee of Sapura Industrial Berhad.

Datin Noor Lily Zuriati binti Abdullah ("Datin Noor Lily") has more than 27 years of experience within PETRONAS organisation in a variety of roles primarily in Legal & Company Secretarial, with significant experience in company secretarial services, compliance, corporate governance, talent development and risk management, alongside a decade of expertise in corporate communications and stakeholder engagement.

Datin Noor Lily was the Legal Manager for Procurement, Tender & Contract Division at PETRONAS Holdings Company from 1991 to 1992. From mid-1992 to 2002, she was the Head of Legal and Company Secretary for PETRONAS' majority-owned group of Joint Venture companies, responsible mainly for managing joint venture matters, structuring and negotiating of major contracts such as Engineering, Procurement, Construction and Commissioning Contracts (EPCC), and for the sale & purchase of gas and liquified natural gas (LNG).

Datin Noor Lily was the Head of Legal and Company Secretary for PETRONAS Dagangan Berhad from 2002 to 2007, providing leadership and managing legal services for oil retail business and land matters. In 2008, she took on the lead role for the legal workstream during PETRONAS' acquisition of equity interests in Australia's LNG Project, before embarking on a role as the Head of Legal & Corporate Affairs, Stakeholder Management and Communication for PETRONAS Int. Corp. Ltd., based in Cairo, Egypt from 2009 to 2011. Upon her return, she was appointed as the General Counsel/Head of Legal for Engineering, Technology & Intellectual Property Business Division at PETRONAS Holdings from 2011 to 2014 and spent her last 4 years before retirement in May 2018 as General Counsel/Head of Legal and Company Secretary for PETRONAS Chemical Group Bhd, and Non-Independent Non-Executive Director for the PETRONAS Chemical Group Bhd's subsidiaries.

Datin Noor Lily was an Independent Non-Executive Director of KLCC Property Holdings Berhad between December 2021 until April 2025.

Datin Noor Lily holds a Bachelor of Laws Degree (LLB Hons) from the University of London, United Kingdom and a legal practitioner certified by the Qualifying Board for Legal Profession, Malaysia. She has also attended Senior Management Development Programme at INSEAD. She is a member of the Institute of Corporate Directors Malaysia.

Datuk Zainol Izzet bin Mohamed Ishak

Independent Non-Executive Director



Gender:

Male

Age:

65

Nationality:

Malaysian

Date of Appointment:

1 May 2025

Membership of Board Committee:

Board Nomination and Remuneration

Committee - Chairman

Board Investment Committee - Member

Number of Board Meetings Attended:

5/5

DATUK ZAINOL IZZET BIN MOHAMED ISHAK was appointed to the Board of Sapura Industrial Berhad on 1 May 2025 as an Independent Non-Executive Director. He currently serves as Chairman of the Board Nomination and Remuneration Committee and is a member of the Board Investment Committee.

Datuk Zainol Izzet ("Datuk Izzet") brings to the Group his experience and strategic leadership from over four decades of growing companies in the telecommunications, energy, and oil & gas sectors.

He began his professional career in 1982 as a Consultant with Hymans Robertson & Co., Consulting Actuaries, in London. Upon returning to Malaysia in 1985, he joined Kassim Chan & Co. as a management consultant before transitioning into the manufacturing sector as General Manager of Seccolor (M) Industries from 1988 to 1992.

He joined the Sapura Group of Companies in 1992 as General Manager of Corporate Planning, responsible for driving group-wide strategic initiatives and business development. In 1994, he was appointed Chief Executive Officer of Sapura Digital Sdn. Bhd., one of Malaysia's pioneering digital cellular service providers (ADAM). Datuk Izzet became the Senior Vice-President of the Energy Division, and then the Chief Executive Officer of SapuraCrest Petroleum Berhad from 2003 to 2010.

In 2010, he joined Perisai Petroleum Teknologi Berhad as a Board member and was subsequently redesignated as Managing Director, a position he held until 2020, driving strategic transformation and expanding the company's upstream capabilities.

Datuk Izzet was part of the founding team which established and listed Hibiscus Petroleum Berhad with Bursa Malaysia in July 2011. Subsequently, he also served on the board of directors of Hibiscus Petroleum Berhad between 2010 and 2015.

Datuk Izzet holds a Master of Business Administration from The Cranfield Institute of Technology, United Kingdom and a Bachelor of Actuarial Studies from Macquarie University, Sydney, Australia.

Ms. Emily Kok

Independent Non-Executive Director



Gender:

Female

Age:

59

Nationality:

Malaysian

Date of Appointment:

19 February 2025

Membership of Board Committee:

Board Investment Committee - Chairperson
Board Audit and Risk Committee - Member

Number of Board Meetings Attended:

6/6

MS. EMILY KOK was appointed to the Board of Sapura Industrial Berhad on 19 February 2025 as an Independent Non-Executive Director. She serves as Chairperson of the Board Investment Committee and as a member of the Board Audit and Risk Committee.

Ms. Emily Kok ("Ms. Emily") brings over two decades of leadership experience in venture capital, private equity, entrepreneurship, and corporate governance. Her diverse career spans founding and managing businesses across multiple sectors, including technology, financial services, and consumer products.

She co-founded several ventures across IT, financial services and fast-moving consumer goods space, notably serving as the Executive Chairman of Rentwise Sdn. Bhd. and later as its CEO, Malaysia's only homegrown independent IT equipment lessor, from 2004 to 2011. Earlier in her career, she was Vice President at 3i Group plc, playing a key role in establishing its Asia Pacific investment presence. Ms. Emily later held executive leadership at Prima Gading Sdn. Bhd. and ICAN College, where she served as CEO from 2017 to 2019 and remains on the Board of Governors. Her diverse board experience underscores her strategic acumen across multiple industries.

Ms. Emily currently sits on the Board of Hong Leong Financial Group Berhad as an Independent Non-Executive Director.

Ms. Emily holds a Master of Enterprise Innovation & Entrepreneurial Studies from Swinburne University of Technology, Australia and a Bachelor of Science (Honours) in Mathematical and Information Sciences from La Trobe University, Australia. She had also attended various C-suites executive programmes in INSEAD, IMD and Harvard Business School. Ms. Emily is a Fellow of the Institute of Corporate Directors Malaysia and a member of the Chartered Institute of Management Accountants and Institute of Certified Sustainability Practitioners. She is a Chartered Global Management Accountant and a sustainability reporting specialist.

Encik Ir. Md. Shah bin Hussin

Non-Independent Non-Executive Director



Gender:

Male

Age:

75

Nationality:

Malaysian

Date of Appointment:

1 September 1997

Membership of Board Committee:

Board Audit and Risk Committee - Member

Board Nomination and Remuneration

Committee - Member

Board Investment Committee - Member

Number of Board Meetings Attended:

7/7

ENCIK IR. MD. SHAH BIN HUSSIN was appointed to the Board of Sapura Industrial Berhad on 1 September 1997. Since then he served in various capacities, Managing Director from 1997 to 2009, Non-Independent Non-Executive Director from 1 August 2009, Independent Non-Executive Director from 25 September 2013, and then redesignated as a Non-Independent Non-Executive Director on 1 May 2025. He is also a member of the Board Audit and Risk Committee, Board Nomination and Remuneration Committee, and Board Investment Committee of Sapura Industrial Berhad.

With a career spanning over four decades, Encik Ir. Md. Shah bin Hussin ("Encik Ir. Md Shah") brings extensive leadership and operational experience in engineering, manufacturing, and corporate management as well as legacy knowledge and experience within Sapura Industrial Berhad.

He began his professional journey as a Project Executive at Guthrie Engineering Sdn. Bhd., followed by progressively senior roles including Assistant Manager - Project Implementation at Heavy Industries Corporation of Malaysia, Assistant General Manager at HICOM - Yamaha Manufacturing (M) Sdn. Bhd., and General Manager roles at both Body Fashion (M) Sdn. Bhd. and H & R Johnson (M) Berhad.

In 1994, he was appointed as the Group General Manager, and played a pivotal role in steering Sapura Industrial Berhad's successful listing on the Main Market of Bursa Malaysia. During his tenure as Managing Director, he was instrumental in driving strategic growth and operational excellence across the organisation.

Encik Ir. Md. Shah is also the Executive Chairman of ZDA Corporation Sdn. Bhd., furthering his contributions to the engineering and manufacturing sectors.

He holds a Bachelor of Science in Mechanical Engineering from West Virginia University, USA, and a Master of Business Administration from Ohio University, USA. He has been a Member of the Institution of Engineers, Malaysia (IEM) since 1990.

Save as disclosed in this Annual Report, none of the Directors has:

• any family relationship with any Director and/or major shareholder of the Company;

• any other directorship in public companies and listed issuers;

• any actual or potential conflict of interest, including interest in any competing business with the Group;

• any convictions for offences within the past 5 years save for Tan Sri Dr. Azmil Khalili bin Dato' Khalid and Datin Noor Lily Zuriati binti Abdullah, who were imposed a fine of RM50,000 each by Bursa Malaysia as Directors of Reach Energy Berhad ("Reach") in connection with a public reprimand by Bursa Malaysia (Details as per Reach's announcement dated 25 April 2025).

KEY SENIOR MANAGEMENT'S PROFILE

1

Encik Mohd Fahmi bin Md Isa

Head of Manufacturing Business

Gender:

Male

Age:

48

Nationality:

Malaysian

Encik Mohd Fahmi bin Md Isa ("Encik Mohd Fahmi") was appointed as the Head of Manufacturing Business of Sapura Industrial Berhad on 14 July 2023. He leads the Group's core manufacturing business, with a strategic focus on productivity enhancement, operational excellence, and continuous improvement.

Encik Mohd Fahmi brings over 22 years of experience in the automotive manufacturing industry, with expertise in quality control, engineering inspections, casting, machining, and assembly operations.

He began his career as an engineer at Perodua Manufacturing Sdn. Bhd. in 2002. He grew within Perodua and held several senior leadership roles, including Deputy General Manager of Quality Control at Perodua Manufacturing Sdn. Bhd. and Deputy General Manager of Production at Perodua Engine Manufacturing Sdn. Bhd. He played a pivotal role in the development and optimisation of the KR Engine and KR Turbo Engine Assembly Lines, contributing to enhanced operational capability and manufacturing efficiency.

He holds a Bachelor of Science in Mechanical Engineering from Universiti Tenaga Nasional, Malaysia.

2

Puan Liyana Lee binti Abdullah ("Puan Liyana") was appointed as the Head of Corporate Services of Sapura Industrial Berhad on 1 July 2023. Prior to this, she served as the Group Financial Controller of Sapura Industrial Berhad Group from 1 February 2009, overseeing group-wide financial operations and governance. Currently, she leads the Group's corporate services to support its current operations and aspired expansions.

Puan Liyana provides expertise in financial control, corporate secretarial and compliance matters and, human resource planning gained from 27 years of experience within listed conglomerates involved in automotive manufacturing, property investment, education, and car dealership sectors.

In 1990, she began her professional career as an auditor with Arthur Andersen and in 1994 joined Sapura Group. Since then, for over 30 years she has held various senior leadership roles within Sapura Group of Companies, contributing to corporate restructuring, fund-raising exercises, and group transformation initiatives.

A professionally qualified accountant, Puan Liyana is an Associate Member of the Chartered Institute of Management Accountants (CIMA), United Kingdom, and a Chartered Accountant registered with the Malaysian Institute of Accountants (MIA). She is also a licensed Company Secretary.

Puan Liyana Lee binti Abdullah

Head of Corporate Services

Gender:

Female

Age:

59

Nationality:

Malaysian

3

Mr. Sherman Yew Dan Ee

General Manager,
Group Finance & Accounts

Gender:

Male

Age:

33

Nationality:

Malaysian

Mr. Sherman Yew Dan Ee was appointed as the General Manager, Group Finance & Accounts of Sapura Industrial Berhad on 2 September 2024.

With over 12 years of professional experience in accounting and financial governance, he brings a deep technical proficiency in statutory financial reporting and internal control frameworks. During his tenure in professional services, he managed complex audit portfolios across diverse industries, including Oil & Gas, Manufacturing, and Shared

Services. He now leverages this extensive assurance background to oversee the Group's financial reporting, corporate finance and treasury functions.

He is a Fellow of the Association of Chartered Certified Accountants (ACCA) and a member of the Malaysian Institute of Accountants (MIA). He holds a Bachelor of Science (Hons) in Applied Accounting from Oxford Brookes University.

None of the abovementioned Key Senior Management personnel has:

- any directorship in public companies and listed issuers;
- any family relationship with any Director and/or major shareholder of the Company;
- any actual or potential conflict of interest, including interest in any competing business with the Group;
- any conviction of offences within the past five (5) years other than traffic offence, if any; and
- any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



EXPERIENCE

We bring deep **Experience** and technical know-how to every solution.





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MARPOSS

MANAGEMENT DISCUSSION AND ANALYSIS

For the financial year ended 31 January 2026 ("FY2026"), Sapura Industrial Berhad ("SIB" or "the Group") recorded revenue of RM264.8 million and profit after tax of RM7.1 million. Whilst the Group continued to advance strategic initiatives aimed at sustaining long-term growth, performance for the year reflected the competitive automotive landscape and ongoing margin pressures.

OVERVIEW OF THE FINANCIAL YEAR

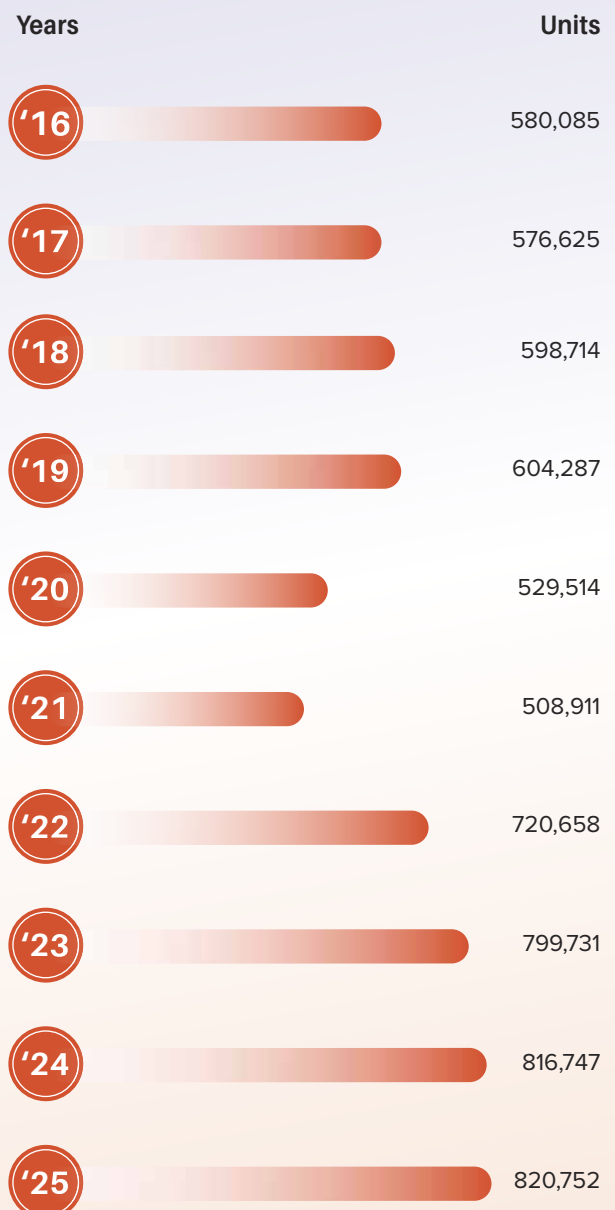
Building on its refreshed corporate identity, FY2026 marked a year of transition for SIB as it continued to strengthen its position within Malaysia's automotive supply chain while expanding its focus towards opportunities related to electric vehicles ("EVs") and the broader energy ecosystem.

During the year, SIB progressed several areas under its growth and diversification agenda, including new customer programmes, project awards, technical collaborations, and business development efforts aimed at enhancing the Group's manufacturing and service-related activities. These initiatives reflected our intent to reduce reliance on traditional automotive steel components, broaden the Group's revenue base, and expand into sectors with stronger long-term potential.

Against a more competitive and cost-sensitive operating environment, the Group remained focused on staying operationally resilient, improving its technical readiness, and building partnerships for its next phase of development.

OPERATING ENVIRONMENT AND INDUSTRY LANDSCAPE

Malaysian Total Industry Volume (TIV) Trend 2016 - 2025



(Source: MAA Sales & Production Statistics & Market Review 2025)



Malaysia's automotive industry remained active during the year, with Total Industry Volume ("TIV") reaching 820,752 vehicles in 2025, marking the second consecutive record year. However, the rate of growth was modest, at 0.5% from 816,747 units in 2024, reflecting a more measured demand environment despite the headline volume.

Beyond vehicle sales volume, the industry continued to evolve with the shift towards EVs and smart mobility, the entry of Chinese Original Equipment Manufacturers ("OEMs"), and increasing momentum towards local component production and assembly. These developments reshaped competitive dynamics across the automotive value chain.

For SIB, the changing environment brought both pressure and opportunity. Demand fluctuations and increased competition among non-national OEMs affected the volume of components supplied to this customer segment, reinforcing the need to accelerate efficiency and diversification initiatives. Taken together, these shifts created a more demanding operating environment while opening opportunities for suppliers able to adapt their manufacturing and service offerings.

STRATEGY EXECUTION AND BUSINESS DIRECTION

SIB continued to execute its Growth and Diversification Strategy 2025-2030, which is aimed at strengthening the Group's core manufacturing business while developing new revenue streams in sectors with long-term growth potential. During FY2026, the Group focused on protecting and enhancing its existing automotive manufacturing base while expanding into selected adjacent growth areas. This direction is intended to broaden the Group's revenue base without losing sight of its core businesses.



A key development during the year was the establishment of SIB ZYT Sdn. Bhd. ("SIB ZYT") on 14 October 2025. The joint venture brings together SIB, through SIB Ventures Sdn. Bhd., and Zhejiang Zhongze Precision Technology Co. Ltd, through Funa Micro Technology Pte. Ltd. It was formed to establish a manufacturing facility in Malaysia for the production of precision structural components for lithium batteries, marking SIB's entry into energy storage components manufacturing. Subsequent to the financial year, SIB ZYT secured a supply agreement with EVE Energy Malaysia Sdn. Bhd. on 6 February 2026, further supporting the Group's direction in this area.

In parallel, SIB Mili Sdn. Bhd. expanded its focus on battery refurbishment and battery repair through the establishment of a Battery Refurbishment Centre, extending the Group's presence beyond component manufacturing into EV aftermarket and service-related activities.

The Group also pursued partnerships and technical collaborations to expand into EV-related and higher-value automotive opportunities. During the year, SIB entered into a Memorandum of Understanding with Shanghai Auto Electric Drive Co. Ltd to set the foundation for a partnership to localise components and assembly of Electric Drive Systems. SIB also established a new collaboration with KIRIU Corporation and continued its partnership with MUBEA as part of its efforts to deepen technical expertise and respond to evolving OEM requirements.

Management Discussion and Analysis

OPERATIONS REVIEW

During FY2026, SIB executed key customer programmes and met new model and component requirements from its OEM customers. The Group successfully supplied suspension components for a home-grown Malaysian battery electric vehicle (“BEV”) programme, as well as brake components to Perodua and Toyota.

The Group also secured new project awards involving brake and suspension system components for Honda and suspension components for Toyota. These awards helped sustain SIB’s project pipeline and reinforced its role as a key local supplier to major OEM customers.

In parallel, selected collaborations advanced SIB’s technical and manufacturing development. Its technical collaboration with KIRIU Corporation reinforced the enhancement of precision machining capabilities for brake components, while development work under the MUBEA partnership continued for hollow stabiliser bars and high-stress coil springs.

The Group also undertook operational improvement initiatives, including the installation of solar panels at the facilities of Sapura Machining Corporation Sdn. Bhd. and Sapura Automotive Industries Sdn. Bhd. Installation was substantially completed in January 2026, with energy generation commencing after year-end. This initiative is expected to reduce reliance on purchased electricity over time.

These operational efforts were complemented by recognition from customers and industry bodies during the year. SIB received several awards, including Best Local Automotive Supplier of the Year by Malaysia Automotive, Robotics and IoT Institute (“MARii”), Best Supplier Quality Score Card 2025 and Quality Excellence Award from PROTON, Best Safety Supplier and Supplier of the Year from Akashi Kikai, Best Quality Award from Mitsubishi Motors Malaysia, and Gold Winner Smart Mid-Tier at the Malaysia Smart Manufacturing Awards. The Group also received the Best Booth Award from the Global Automotive Technology Exhibition (“GATE”), recognising its market presence at the exhibition.



Asian Automotive Steels Sdn Bhd received Best Local Automotive Supplier of the Year by MARii



Sapura Machining Corporation Sdn Bhd received Gold Award for Malaysian Smart Manufacturing Award endorsed by MITI.



Sapura Machining Corporation Sdn Bhd received Best Supplier Quality Score Card 2025 and Quality Excellence Award from PROTON



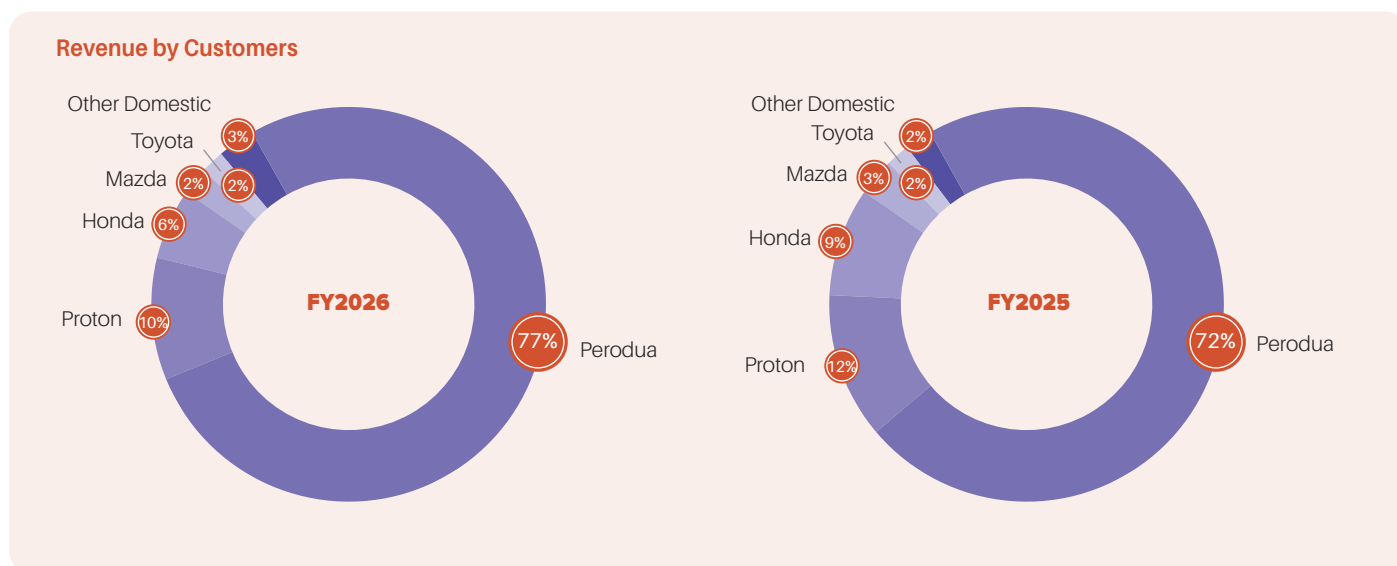
Sapura Industrial Berhad received Best Booth Award from Global Automotive Technology Exhibition 2025.



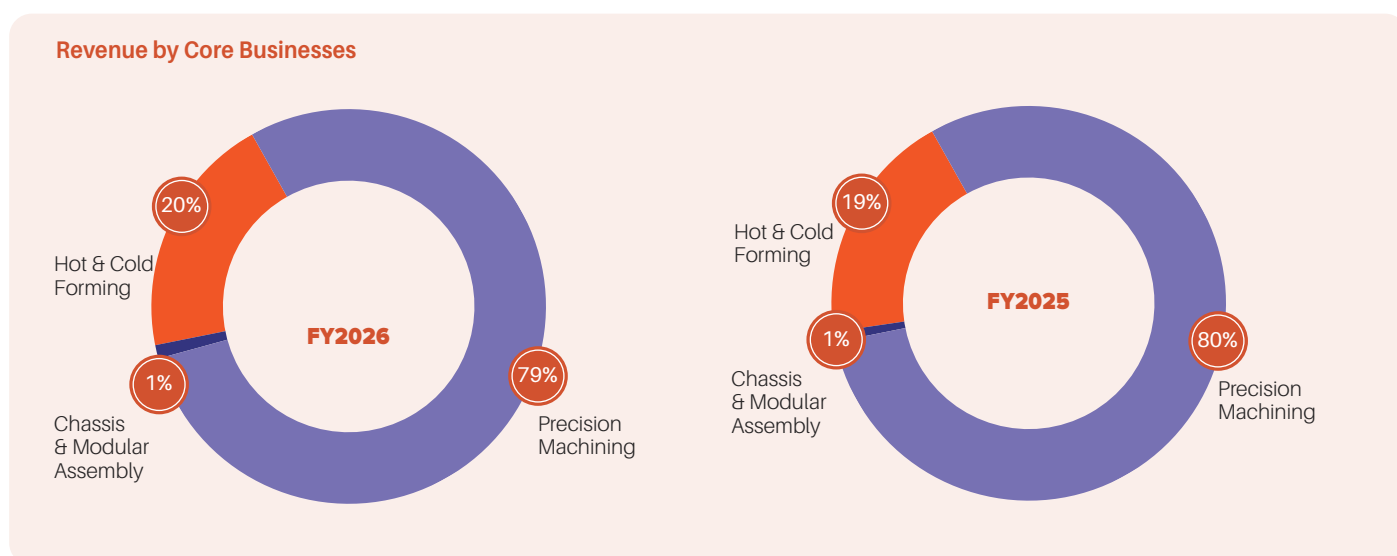
FINANCIAL PERFORMANCE REVIEW

For the financial year ended 31 January 2026, the Group recorded revenue of RM264.8 million, compared with RM287.0 million in the previous financial year. Profit after tax stood at RM7.1 million, compared with RM8.9 million in FY2025. The softer performance was mainly attributable to a higher degree of competition in the non-national automotive segment following the influx of Chinese OEMs, which affected supplied volumes.

The Group's revenue base remained anchored by Perodua, whose share of Group revenue increased from 72% in FY2025 to 77% in FY2026. This is partly attributable to the softer volume trend within the non-national OEM segment, with Honda and Mazda accounting for a lower percentage contribution during the year.



By core business, Precision Machining remained the Group's principal revenue contributor, followed by Hot & Cold Forming, while Chassis & Modular Assembly continued to represent a smaller share of revenue. The overall mix remained largely consistent with the previous year, reinforcing the continued importance of Precision Machining within the Group's revenue profile.



Management Discussion and Analysis

DIVIDEND AND CAPITAL MANAGEMENT

After assessing the Group's financial performance, liquidity position, and funding requirements for future growth initiatives, the Board has recommended the payment of a final single-tier dividend of 4.0 sen per ordinary share, totalling RM2.9 million, in respect of FY2026.

The Group remains disciplined in its capital allocation approach as it continues to invest in upgrading its core business and supporting new ventures aligned with its growth and diversification plans. These investments are intended to strengthen long-term competitiveness and support sustainable shareholder value creation.

OUTLOOK

Looking ahead, Malaysia's automotive industry is expected to experience a more moderate demand environment, with TIV forecast by the Malaysian Automotive Association ("MAA") to soften by approximately 4% to 790,000 units in 2026. This outlook suggests that competition and volume pressure are likely to remain key considerations for automotive suppliers.



At the same time, broader national and industry-level initiatives are expected to influence the direction of the automotive supply chain. The New Customised Incentive Mechanism being finalised by the Ministry of Investment, Trade and Industry ("MITI") is expected to encourage investment and industrial development across the sector, while the phase-out of EV incentives may create a stronger impetus for OEMs to localise EV component production and assembly. These developments may open further opportunities for local suppliers in areas linked to component production, assembly, and supply chain participation.

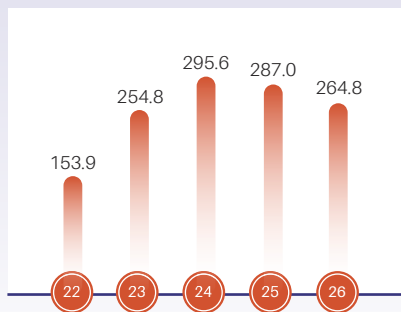
Against this backdrop, we will focus on improving operational efficiency, optimising resources, and ensuring the successful commencement of production for our new joint venture. By turning selected partnerships into practical opportunities and participating in localisation programmes that align with the Group's manufacturing strengths, SIB can respond to near-term market pressures while remaining positioned for longer-term shifts in Malaysia's automotive industry.



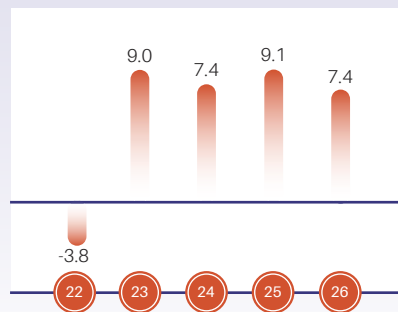
FINANCIAL HIGHLIGHTS

	31 January				
	2022	2023	2024	2025	2026
Revenue (RM' million)	153.9	254.8	295.6	287.0	264.8
Profit/(loss) attributable to owners of the parent (RM' million)	(3.8)	9.0	7.4	9.1	7.4
Equity (RM' million)	101.3	107.8	112.9	118.5	121.6
Basic/diluted earnings/(loss) per share (sen)	(5.19)	12.39	10.15	12.45	10.11
Net asset per share attributable to owners of the parent (RM)	1.39	1.48	1.55	1.63	1.65

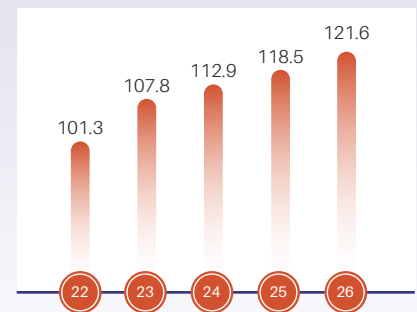
REVENUE (RM' MILLION)



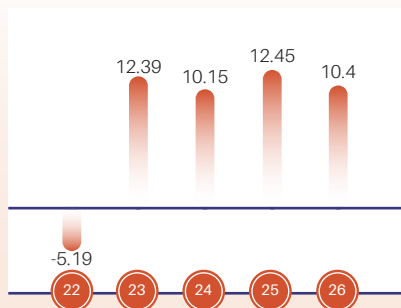
PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS EQUITY OF THE PARENT (RM' MILLION)



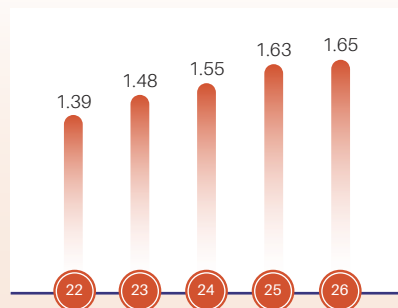
EQUITY (RM' MILLION)



BASIC/DILUTED EARNINGS/(LOSS) PER SHARE (SEN)



NET ASSET PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT (RM)



GROWTH

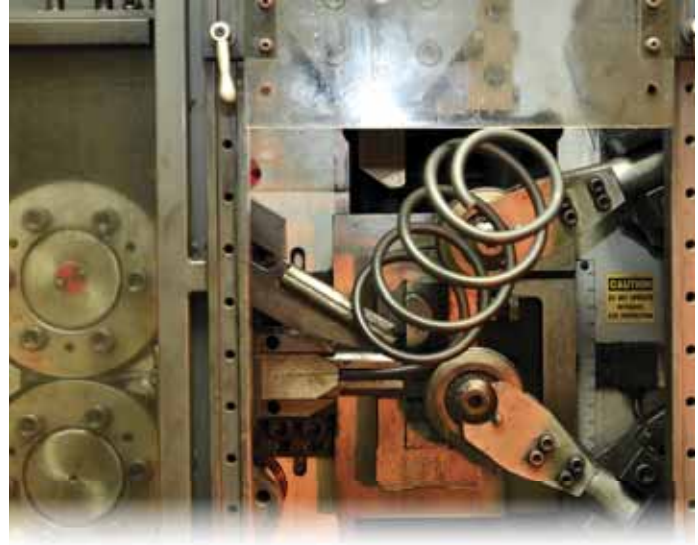
We pursue **Growth** for our customers, our teams, and our communities.





SUSTAINABILITY STATEMENT

Sustainability is part of how we consider our responsibilities to people, communities, the environment, and the wider value chain in which we operate. As we move through the next phase of our Growth and Diversification Strategy 2025–2030 (“Strategy 2030”), we are working to manage these responsibilities with greater discipline and accountability.



ABOUT THIS SUSTAINABILITY STATEMENT

This Sustainability Statement reports the Group's management of material Economic, Environmental, Social, and Governance (“EESG”) risks and opportunities across its operations for the financial year ended 31 January 2026.

The statement has been prepared in accordance with Bursa Malaysia's Sustainability Reporting Guide (“SRG”) and the Main Market Listing Requirements (“MMLR”), which require listed issuers to provide a narrative statement on the management of material EESG risks and opportunities. It also reflects the Group's reporting on Bursa Malaysia's prescribed common sustainability matters, where relevant to the Group's operations and available data.

This statement has been reviewed through the Group's sustainability governance structure, which comprises oversight by the Board, the Board Audit and Risk Committee, and the EESG Committee, supported by relevant business and functional units across the Group.

SUSTAINABILITY OVERVIEW

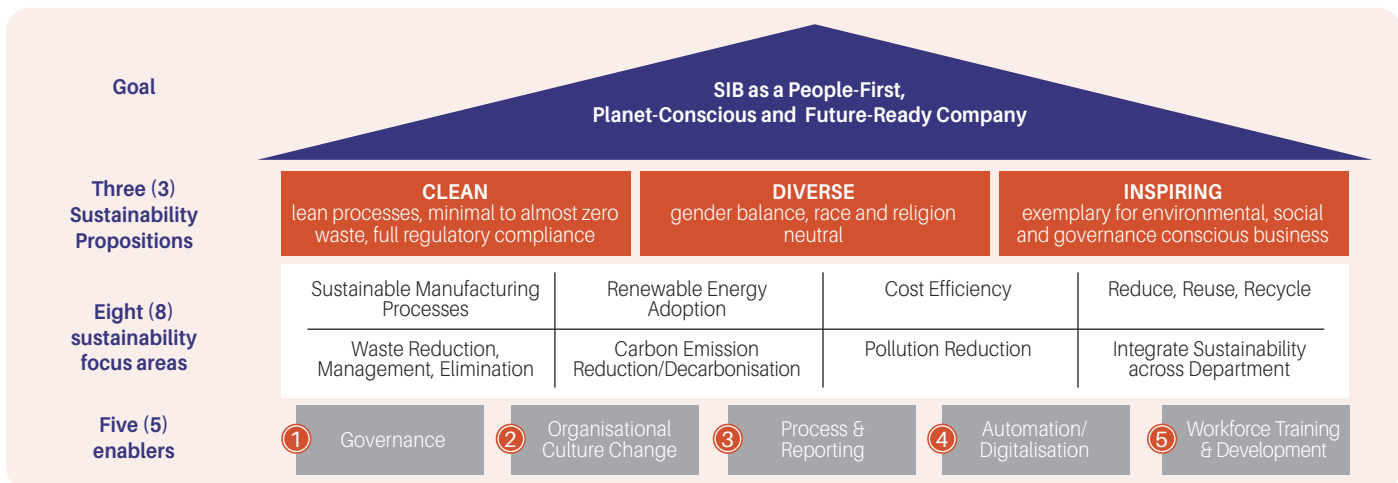
Sustainability is part of the way we grow. As an industrial group, we understand that our decisions carry consequences beyond the immediate needs of the business. They affect how responsibly we operate and how much trust we are able to build over time.

FY2026 marked the first year of the Transition Phase under our Strategy 2030. This transition has sharpened the need for sustainability to be managed with greater discipline. As our business expands into newer growth areas, including EV battery and battery case manufacturing, sustainability must become a more consistent part of how we plan, operate, and assess risk.

During the year, we continued strengthening how sustainability is integrated into business planning and operational decision-making. This reflects our broader shift towards managing sustainability with greater consistency as expectations continue to evolve.

SUSTAINABILITY APPROACH AND FRAMEWORK

Our sustainability framework gives structure to how we translate long-term commitments into everyday action. As the business grows and evolves, it helps ensure that sustainability remains relevant to the decisions we make across the Group.



SUSTAINABILITY GOVERNANCE

Good governance gives our sustainability commitments a clear place within the organisation. It ensures that sustainability is discussed at the right level, acted on by the right teams, and monitored with sufficient discipline.



SIB's sustainability governance structure is led by the Board supported by the Board Audit and Risk Committee and the EESG Committee. The structure connects Board-level oversight with management coordination and operational follow-through.

The Board of Directors oversees the Group's sustainability framework and strategy, including the way material EESG matters are managed. Supporting this oversight, the Board Audit and Risk Committee reviews the implementation of sustainability strategies and sustainability-related matters that fall within its risk and control responsibilities.

At the management level, the EESG Committee helps translate strategic priorities into action. It coordinates sustainability plans across the Group, monitors approved action plans, considers emerging EESG matters, and oversees the preparation of the Sustainability Statement. The Committee is supported by business units and corporate functions involved in managing sustainability matters.

This structure is reinforced by teams across the organisation that support implementation and provide the information needed for monitoring and reporting. It helps ensure that EESG considerations remain connected to day-to-day operations and are managed closer to where decisions are made.

During FY2026, we strengthened internal reporting structures and data tracking mechanisms to support more consistent sustainability reporting. This included improving documentation processes for areas such as emissions methodologies, EESG metrics, and conversion factors to strengthen reporting accuracy and audit readiness. These improvements support our move towards a more structured approach to sustainability management.

Sustainability Statement

STAKEHOLDER ENGAGEMENT

Alongside strong internal governance, understanding stakeholder expectations remains an important part of how we shape our sustainability priorities. Through ongoing engagement, we gain a better understanding of the issues that matter to those connected to our business and use these insights to guide our decisions and priorities.

Our stakeholders include shareholders, investors, employees, customers, suppliers, government bodies, and local communities. We engage them through a range of channels, as outlined below:

Stakeholder Group	Engagement Approach
Shareholders	Annual general meetings, annual reports, quarterly disclosures
Investors	Investor engagements, annual reports, quarterly disclosures, corporate website updates
Employees	Meetings, townhalls, training programmes, surveys, internal communication platforms
Customers	Meetings, audits, satisfaction surveys, ongoing engagement
Suppliers	Meetings, supplier audits, site visits
Regulators and Government Agencies	Regulatory engagements, industry forums, site visits
Communities	Community programmes and corporate social responsibility initiatives

During FY2026, one of the key concerns raised by customers, particularly OEMs, related to cost competitiveness and delivery reliability. This reinforced the importance of maintaining operational excellence while continuing to strengthen workforce capabilities to support service quality and long-term customer relationships. These engagements provide ongoing insight into the expectations of our stakeholders and help ensure that our sustainability priorities remain aligned with the issues most relevant to our business and stakeholders.

MATERIAL SUSTAINABILITY MATTERS

Our material sustainability matters are guided by SIB's established materiality assessment process and continue to reflect the issues most relevant to the Group's operations and stakeholders. For FY2026, the material matters remain largely consistent with the previous year, reflecting the continued relevance of the Group's established EESG priorities. The main refinement during the year was the expanded environmental focus, with waste management now reflected under Environmental Sustainability as part of the Group's efforts to strengthen environmental reporting.

The Group's material sustainability matters and related indicators are set out below:

Economic Sustainability

- (A) **Supply Chain Management** • Proportion of spending on local suppliers

Environmental Sustainability

- (B) **Energy Management** • Energy consumption (e.g., electricity, gas)
- (C) **Waste Management** • Total waste generated
- (D) **Water** • Water consumption

Social Sustainability

(E) Labour Practices & Standards	<ul style="list-style-type: none"> • Total hours of training by employee category • Percentage of employees who are contract staff • Total number of employee turnover by employee category • Number of substantiated complaints concerning human rights violations
(F) Health & Safety	<ul style="list-style-type: none"> • Number of work-related fatalities • Loss time incident rate • Number of employees trained on health and safety standards
(G) Community/Society	<ul style="list-style-type: none"> • Total amount invested in the community where target beneficiaries are external to the listed issuer • Total number of beneficiaries of investment in communities
(H) Diversity	<ul style="list-style-type: none"> • Workforce composition by gender and age group • Board composition by gender and age group

Governance Sustainability

(I) Anti-Corruption	<ul style="list-style-type: none"> • Percentage of employees who have received training on anti-corruption by employee category • Percentage of operations assessed for corruption-related risks • Confirmed corruption incidents and actions taken
(J) Data Privacy & Security	<ul style="list-style-type: none"> • Number of substantiated complaints relating to customer privacy breaches or data loss

ECONOMIC SUSTAINABILITY

Economic sustainability is closely linked to the resilience of our supply chain and the reliability of our operations. We continue to work with suppliers to support quality, cost competitiveness, and delivery performance as the business grows.

Supply Chain Management

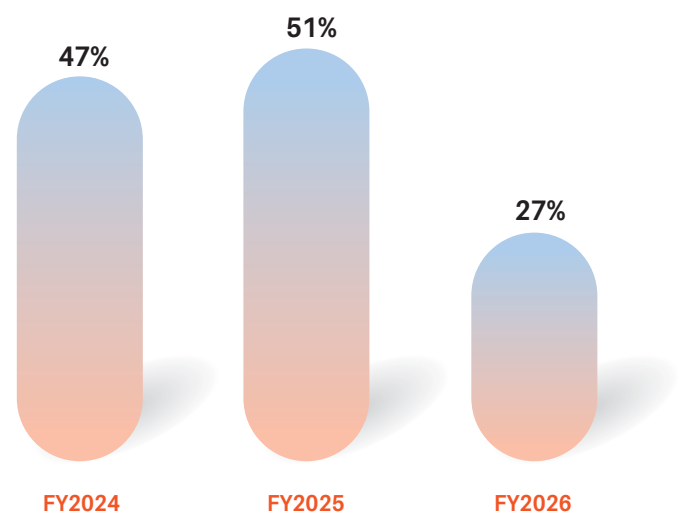
Maintaining a resilient supply chain remained a key priority in FY2026 as we continued to strengthen supplier reliability and operational stability. Supplier performance was monitored through regular evaluations, delivery reviews, and audits to ensure quality and service expectations continued to be met. Through our Vendor Development Programme, we continued supporting suppliers in strengthening their capabilities, while encouraging key partners to maintain recognised quality certifications such as ISO 9001 and IATF 16949, where relevant.

Our own manufacturing operations also continued to maintain IATF 16949 certification standards, reinforcing our focus on quality management and continuous improvement. We also continued utilising real-time Overall Equipment Effectiveness monitoring to improve operational visibility and support more efficient decision-making across our operations.

FY2026 Highlights

- Local supplier spending declined to 27%

Proportion of Spending on Local Suppliers



The decline in local supplier spending was mainly due to the closure of a local supplier, which required sourcing from an overseas supplier. While this affected the year's overall ratio, we remain committed to maintaining a resilient and competitive supplier network that supports long-term operational needs.

Detailed performance data is available in the Sustainability Performance Data Appendix.

Sustainability Statement

ENVIRONMENTAL SUSTAINABILITY

As a manufacturing group, our operations have a direct environmental footprint through the energy we consume, the resources we use, and the waste we generate. Managing these impacts responsibly remains an important part of improving operational efficiency while reducing our environmental impact over time.

In FY2026, environmental sustainability received greater attention as we strengthened our focus on managing operational impacts and improving environmental performance. This was reflected in the broader scope of our environmental priorities, with waste management receiving more explicit focus under Energy Management. We also implemented the ISO 14001 Environmental Management System to support structured environmental control and continuous improvement across our operations.

Energy Management

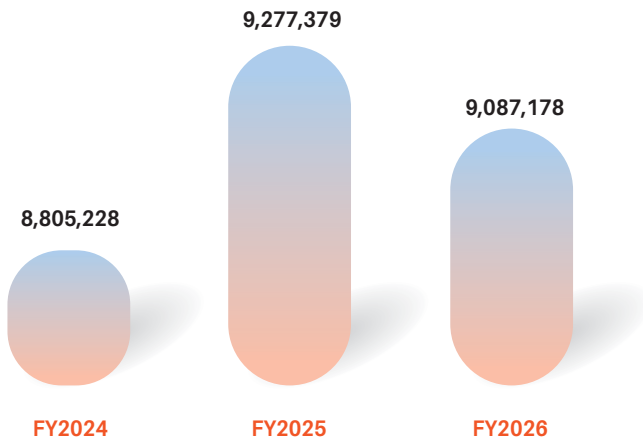
Improving energy efficiency remained a key focus in FY2026 as we continued to reduce resource consumption across our operations. During the year, we completed rooftop solar photovoltaic installations across our facilities and continued exploring additional renewable energy options in the early stages. We also implemented operational improvements such as LED lighting upgrades, compressed air optimisation initiatives, preventive maintenance to improve machine efficiency, and the replacement of gas-operated forklifts with electric alternatives.

Lean manufacturing practices also continued to support our efforts to reduce waste, scrap, and energy consumption, while employee awareness programmes were carried out to encourage more responsible energy use across our facilities.

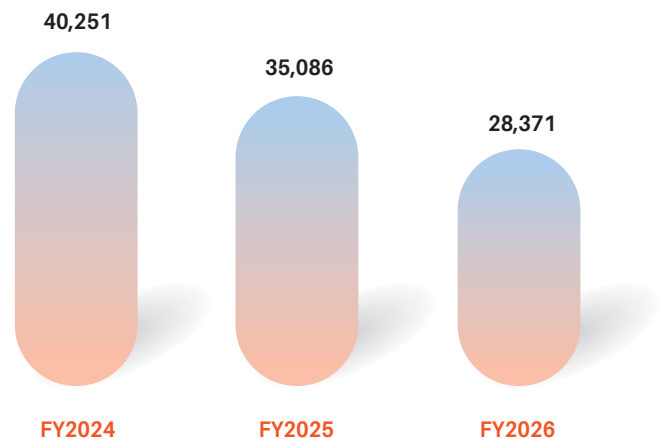
FY2026 Highlights

- 9,087,178 kWh electricity consumption (-2.1%)
- 28,371 GJ gas consumption (-19.1%)
- Rooftop solar photovoltaic installation completed across three plants in Bangi

Total Energy Consumption - Electricity (in kWh)



Total Energy Consumption - Gas (in GJ)



Detailed performance data is available in the Sustainability Performance Data Appendix.

Waste Management

FY2026 marks the first year that waste data is being formally tracked and disclosed as part of our broader effort to strengthen environmental reporting. This provides a clearer baseline for monitoring waste generation, diversion, and disposal practices in the years ahead.

During the year, we continued waste segregation practices across our operations and applied 3R (Reduce, Reuse, Recycle) principles to minimise material usage. Recyclable materials such as scrap metal were diverted from disposal where possible, while scheduled waste continued to be managed through authorised vendors in compliance with regulatory requirements. We also explored battery recycling opportunities through subsidiaries involved in EV and hybrid-related activities, reflecting how newer business segments are creating opportunities to support more circular resource practices.

FY2026 Highlights

- First year of formal waste data tracking and disclosure
- 2,829.5 MT waste generated
- 1,869.6 MT waste diverted
- 960.0 MT waste directed to disposal

Detailed performance data is available in the Sustainability Performance Data Appendix.

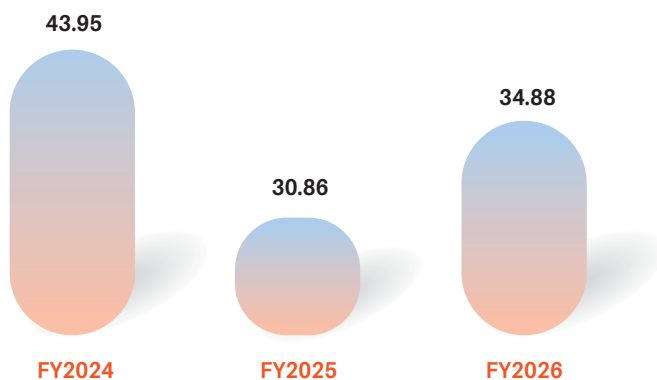
Water

Water remains an important operational resource, and we continue to monitor consumption across our facilities to improve efficiency and reduce avoidable losses over time. During FY2026, we continued monitoring water usage across our operations and carried out preventive maintenance to minimise leakages and unnecessary wastage as part of our broader resource efficiency efforts.

FY2026 Highlights

- 34.9 ML of water consumed (+13.0%)

Total Volume of Water Used (in Megalitre)



The increase in water consumption during the year was primarily driven by upgrades to the wastewater treatment process to enable the production of deionised water. This improvement supports higher product quality by reducing residual dust and water marks on finished products, while also strengthening process consistency.

Detailed performance data is available in the Sustainability Performance Data Appendix.

SOCIAL SUSTAINABILITY

Social sustainability is shaped by how we support our people and how we contribute to the communities connected to our business. This includes creating a safe and inclusive workplace, supporting employee development, and maintaining meaningful community engagement. Throughout FY2026, we continued to strengthen our efforts across workforce development, workplace safety, community initiatives, and diversity-related commitments as part of our broader responsibility to create long-term social value.

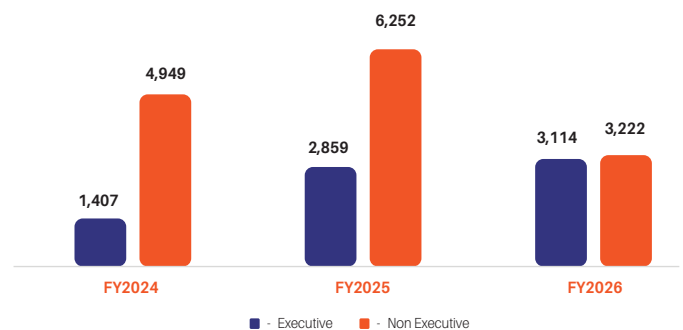
Labour Practices and Standards

Employee development remained a key focus in FY2026, supported by technical and operational training programmes across different employee levels. The Group also continued its Career Development Programme, which supports employees pursuing further studies at local universities, alongside internship opportunities and employee recognition initiatives.

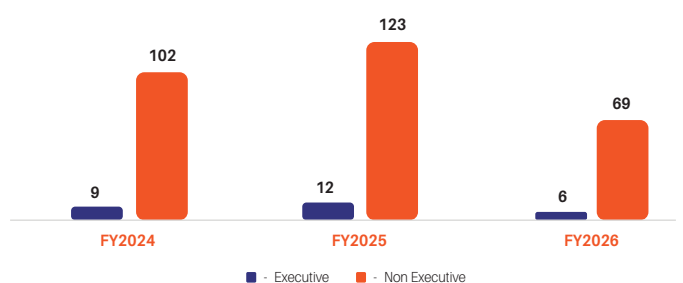
FY2026 Highlights

- 3,114 hours of training completed by executive employees
- 3,222 hours of training completed by non-executive employees
- Contract staff represented 14% of the total workforce
- Employee turnover declined to 57 employees
- Zero substantiated human rights complaints recorded

Total Hours of Training by Employee Category



Total Number of Employee Turnover by Employee Category



Sustainability Statement

Health and Safety

Maintaining a safe working environment remains a priority across our manufacturing operations, where employees may be exposed to operational hazards such as machinery risks, workplace movement, and prolonged noise exposure. We continue to maintain our occupational health and safety framework through ISO 45001:2018, relevant regulatory requirements, and regular internal and external audits.

In FY2026, we continued strengthening workplace safety awareness through regular briefings, employee safety classes, and incident-learning sessions. These covered core safety practices such as the use of personal protective equipment, hazard awareness, safe movement within factory areas, and reminders on conduct that may increase accident risk.

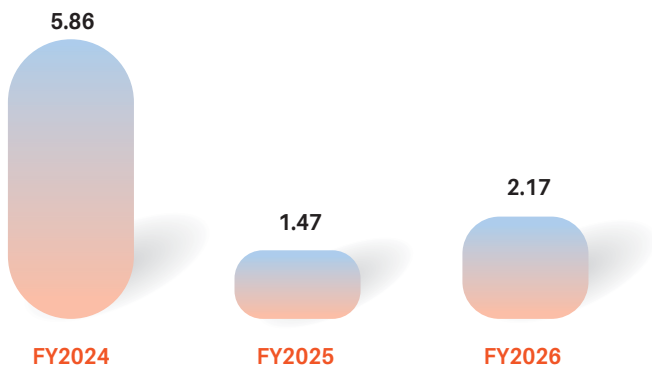
Commuting safety also remained part of our broader safety efforts. Awareness sessions and road safety campaigns were carried out during the year to reinforce safe commuting practices, including defensive riding, road hazard awareness, and motorcycle safety checks.

In tandem, noise management continued to be monitored across our manufacturing facilities. We tracked areas exposed to noise levels above acceptable thresholds, engaged external consultants to conduct annual monitoring, and implemented mitigation measures where necessary. Employees working in higher-risk areas were provided with appropriate personal protective equipment and hearing protection.

FY2026 Highlights

- Zero work-related fatalities recorded
- 2.17 lost time incident rate
- 103 employees trained on health and safety standards

Lost Time Incident Rate



Detailed performance data is available in the Sustainability Performance Data Appendix.

Community/Society

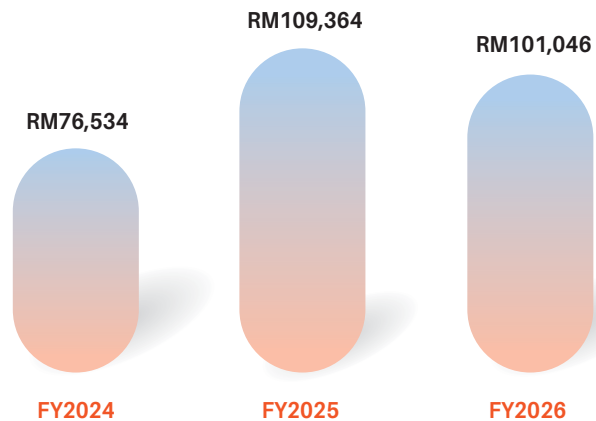
We recognise that our responsibilities extend beyond our operations and include the communities connected to our business. Our community initiatives continue to focus on providing targeted support where it can create a meaningful impact.

During FY2026, our contributions remained centred on local community support initiatives, including festive contributions and employee-led corporate social responsibility activities. These efforts were designed to support community well-being while encouraging employee participation in giving back to surrounding communities. Support was also distributed across a broader recipient base during the year, resulting in a higher number of beneficiaries reached despite lower overall spending.

FY2026 Highlights

- RM101,046 invested in community initiatives
- 62 beneficiaries supported through community programmes

Amount Invested in Community



Detailed performance data is available in the Sustainability Performance Data Appendix.

Diversity

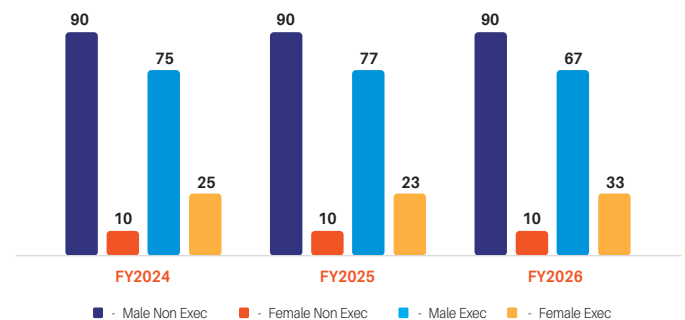
We remain committed to maintaining an inclusive workplace built on equal opportunity, merit-based hiring, and fair access to career development opportunities. Our workforce continues to reflect a mix of age groups, experiences, and perspectives across different employee categories.

During the year, female representation among executive employees increased, alongside a higher proportion of younger employees within the executive workforce. At the Board level, female representation also improved during the year, reflecting continued progress towards broader leadership diversity.

FY2026 Highlights

- Female executive representation increased to 33%
- Female Board representation increased to 43%
- Employees below 30 years old represented 17% of executive employees and 45% of non-executive employees

Percentage of Employee by Gender and Category



Detailed performance data is available in the Sustainability Performance Data Appendix.

GOVERNANCE SUSTAINABILITY

Strong governance supports accountability, ethical conduct, and long-term business resilience. We continue to strengthen governance practices that support responsible decision-making, regulatory compliance, and stakeholder trust across our operations.

Anti-Corruption

We maintain a clear position against bribery and corruption through our Anti-Bribery and Corruption Policy, Code of Conduct, and Whistle-Blowing Policy. These policies are reviewed periodically to ensure they remain relevant and continue to support ethical conduct across the organisation. Throughout FY2026, we continued providing annual anti-bribery and anti-corruption training to employees while maintaining corruption risk assessments across our operations as part of our broader governance controls.

FY2026 Highlights

- 89% of executive employees trained on anti-corruption
- 98% of non-executive employees trained on anti-corruption
- 100% of operations assessed for corruption-related risks
- Zero confirmed corruption incidents recorded

Detailed performance data is available in the Sustainability Performance Data Appendix.

FY2026 Highlights

- Zero substantiated complaints concerning breaches of customer privacy
- Zero reported losses of customer data

Detailed performance data is available in the Sustainability Performance Data Appendix.

Data Privacy and Security

Protecting confidential information remains an important part of maintaining stakeholder trust and operational resilience. We continue to manage data privacy and cybersecurity risks through internal information technology security controls, access management protocols, and ongoing monitoring of emerging cyber threats. In FY2026, we continued reinforcing employee awareness through periodic engagements on cybersecurity risks, including email circulars and internal briefings to promote responsible data handling practices.

LOOKING AHEAD

As our business evolves, sustainability priorities are becoming more closely tied to operational resilience and long-term preparedness. During FY2026, rising energy and operating costs reinforced the importance of improving efficiency across our operations, while workforce stability remained an ongoing focus as we worked to strengthen retention, engagement, and long-term talent development. The Group's continued diversification also broadens the scope of sustainability considerations, requiring our approach to evolve alongside the business.

Looking ahead, we will continue prioritising areas that are closely linked to long-term business resilience, including energy efficiency, decarbonisation efforts, renewable energy opportunities, workforce development, and stronger environmental reporting capabilities, while ensuring that sustainability continues to evolve alongside our business and supports responsible long-term growth.

SAPURA INDUSTRIAL BHD

BMLR Transition Period

Date & Time: 2026-05-15_18:48:30
Main Market | Group 2 | FYE 31/01/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Anti-Corruption)	C1(a) Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	100	87	100	No assurance
Bursa (Anti-corruption)	C1(a) Percentage of employees who have received training on anti-corruption by employee category - Non-Executive	Percentage	100	98	100	No assurance
Bursa (Anti-corruption)	C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	100	100	No assurance
Bursa (Anti-corruption)	C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0	No assurance
Bursa (Community/Society)	C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	*109,364	101,046	-	No assurance
Footnote Sustainability Matter *FY2025 figure restated to include amount contributed through Wakalah fund						
Bursa (Community/Society)	C2(b) Total number of beneficiaries of the investment in communities	Number	*23	62	-	No assurance
Footnote Sustainability Matter *FY2025 figure restated to include beneficiaries under Wakalah fund.						
Bursa (Diversity)	C3(a) Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Executive Below 30 years old	Percentage	13	17	-	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Diversity)	C3(a) Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Executive Between 30-40 years old	Percentage	20	25	-	No assurance
Bursa (Diversity)	C3(a) Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Executive Between 40-50 years old	Percentage	28	24	-	No assurance
Bursa (Diversity)	C3(a) Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Executive Above 50 years old	Percentage	39	34	-	No assurance
Bursa (Diversity)	C3(a) Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Non-Executive Below 30 years old	Percentage	48	45	-	No assurance

SAPURA INDUSTRIAL BHD

BMLR Transition Period

Date & Time: 2026-05-15_18:48:30
Main Market | Group 2 | FYE 31/01/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Diversity)	C3(a) Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Non-Executive Between 30-40 years old	Percentage	23	26	-	No assurance
Bursa (Diversity)	C3(a) Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Non-Executive Between 40-50 years old	Percentage	21	20	-	No assurance
Bursa (Diversity)	C3(a) Percentage of employees by gender and age group, for each employee category Age Group by Employee Category - Non-Executive Above 50 years old	Percentage	8	9	-	No assurance
Bursa (Diversity)	C3(a) Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Executive Male	Percentage	77	67	-	No assurance
Bursa (Diversity)	C3(a) Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Executive Female	Percentage	23	33	-	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Diversity)	C3(a) Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Non-Executive Male	Percentage	90	90	-	No assurance
Bursa (Diversity)	C3(a) Percentage of employees by gender and age group, for each employee category Gender Group by Employee Category - Non-Executive Female	Percentage	10	10	-	No assurance
Bursa (Diversity)	C3(b) Percentage of directors by gender and age group - Male	Percentage	67	57	-	No assurance
Bursa (Diversity)	C3(b) Percentage of directors by gender and age group - Female	Percentage	33	43	-	No assurance
Bursa (Diversity)	C3(b) Percentage of directors by gender and age group - Below 40 years old	Percentage	0	0	-	No assurance
Bursa (Diversity)	C3(b) Percentage of directors by gender and age group - Between 40-50 years old	Percentage	17	14	-	No assurance
Bursa (Diversity)	C3(b) Percentage of directors by gender and age group - Above 50 years old	Percentage	83	86	-	No assurance
Bursa (Energy management)	C4(a) Total energy consumption	Megawatt	19,023	16,968	-	No assurance
Bursa (Energy management)	C4(a) Total energy consumption - Electricity	Kilowatt-Hour	9,27,379	9,08,778	-	No assurance

SAPURA INDUSTRIAL BHD

BMLR Transition Period

Date & Time: 2026-05-15_18:48:30
Main Market | Group 2 | FYE 31/01/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Energy management)	C4(a) Total energy consumption - Gas	GigaJoules	35,086	28,371	-	No assurance
Bursa (Health & safety)	C5(a) Number of work-related fatalities	Number	0	0	0	No assurance
Bursa (Health & safety)	C5(b) Lost time incident rate ('LTIR')	Rate	1.47	2.17	-	No assurance
Bursa (Health & safety)	C5(c) Number of employees trained on health and safety standards	Number	63	103	-	No assurance
Bursa (Labour practices and standards)	C6(a) Total hours of training by employee category - Executive	Hours	2,859	3,114	-	No assurance
Bursa (Labour practices and standards)	C6(a) Total hours of training by employee category - Non-executive	Hours	6,252	3,222	-	No assurance
Bursa (Labour practices and standards)	C6(b) Percentage of employees that are contractors or temporary staff	Percentage	15	14	-	No assurance
Bursa (Labour practices and standards)	C6(c) Total number of employee turnover by employee category - Executive	Number	12	6	-	No assurance
Bursa (Labour practices and standards)	C6(c) Total number of employee turnover by employee category - Non-executive	Number	123	69	-	No assurance
Bursa (Labour practices and standards)	C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0	No assurance
Bursa (Supply chain management)	C7(a) Proportion of spending on local suppliers	Percentage	51	27	-	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Data privacy and security)	C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	No assurance
Bursa (Water)	C9(a) Total volume of water used	Megalitres	30.86	34.88	-	No assurance
Bursa (Waste management)	C10(a) Total waste generated	Metric tonnes	-	2,829.52	-	No assurance
Bursa (Waste management)	C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	1,869.56	-	No assurance
Bursa (Waste management)	C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	959.96	-	No assurance

COLLABORATION

And we believe in
Collaboration because
together, we go further.





CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Sapura Industrial Berhad regards sound corporate governance as vital to the success of the Company's business. It is about commitment to values and ethical conduct. Thus, the Board is fully committed to ensuring that the interests of all stakeholders are not just safeguarded, but continually enhanced to ensure the sustainability and the long-term growth of the Company and its group of companies' businesses. Accordingly, the stakeholders' expectations must be assessed and managed, and not assumed.

This Corporate Governance Overview Statement is augmented with the Corporate Governance Report of the Company, based on prescribed format as enumerated in Paragraph 15.25(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad so as to provide a detailed articulation on the application of the Group's corporate governance practices vis-à-vis the Malaysian Code on Corporate Governance 2021 ("Code"). The Corporate Governance Report is available on the Company's corporate website at www.sapuraindustrial.com.my. This Corporate Governance Overview Statement should also be read together with the Statement on Risk Management and Internal Control, the Board Audit and Risk Committee's Report and Sustainability Statement stated in this Annual Report. The Board is pleased to report to shareholders the manner in which the Company has applied the Code.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. ROLES AND RESPONSIBILITIES OF THE BOARD

The Board is entrusted with the responsibility to promote the success of the Group by directing and supervising the Group's affairs. To discharge the Board's stewardship responsibilities, the Board has assumed the following principal roles and responsibilities: -

- i. Review and approve annual corporate plan, which includes overall corporate strategy, marketing plan, human resources plan, financial plan and budget and risk management plan;
- ii. Oversee and review the performance of the business and to evaluate whether the business is being properly managed;
- iii. Identify principal risks and ensure the implementation of appropriate systems to manage these risks;
- iv. Ensure that there is an appropriate succession plan for members of the Board and Senior Management;
- v. Develop and implement an investor relations programme or shareholders' communications policy;
- vi. Review the adequacy and integrity of internal control systems and management information systems, including systems for compliance with applicable laws, regulations, rules, directives, and guidelines; and
- vii. Review and approve the financial statements.

To assist in the discharge of its stewardship role, the Board has established board committees, namely the Board Audit and Risk Committee ("BARC") and Board Nomination and Remuneration Committee ("BNRC") to examine specific issues within their respective terms of reference as approved by the Board and report to the Board with their recommendations. The ultimate responsibility for decision making however, lies with the Board.

Board Charter

The Board has established and adopted the Board Charter with the objective of ensuring good Corporate Governance is applied in all of the Company's business dealings. The Board Charter serves as reference and guidance, providing Board members and Management insight into the functions of the Board. The Board shall update the Charter as and when need arises to reflect changes to the Company's policies, procedures as well as to comply with the latest regulations and legislations.

Code of Ethics & Business Conduct

The Board recognises the importance of having in place a Code of Ethics, setting out the standards of conduct expected from directors and employees, to cultivate and promote good corporate behaviour. Through its "Code of Ethics and Business Conduct", the Board strives to adhere to the highest ethical standards in discharging its responsibilities and continues to promote integrity and ethical conduct among its members, employees and third parties in all aspects of the Company's business operations, including confidentiality of information, conflicts of interest, health, safety and health, insider trading as well as establishing whistle-blowing policy among others.

Whistle-Blowing Policy

The Company is committed to promote a highly ethical culture of integrity and accountability. The Board has adopted a Whistle-Blowing policy to provide and facilitate the handling of wrongdoings and protection to whistle-blowers. The policy outlines how and to whom a genuine concern may be raised, in good faith about fraud, illegal, unethical or improper business conduct within the Group.

Anti-Bribery and Corruption Policy

Acknowledging the need to raise awareness and inculcate a zero-corruption culture throughout the Group, an Anti-Bribery and Corruption Task Force has been set up to formalise the Anti-Bribery and Corruption Policy as well as to implement the anti-corruption and bribery programmes ("ABC Programmes"). The ABC Programmes involve continuous education for our employees, suppliers, subcontractors and business partners. In addition, monitoring potential corruption risk is included in the annual risk assessment of the Group.

The Board Charter, Code of Ethics and Business Conduct, Whistle Blowing Policy and Anti-Bribery and Corruption Policy are available on the Company's corporate website at www.sapuraindustrial.com.my.

Role of Chairman

The Chairman is responsible for leadership of the Board in ensuring the effectiveness of all aspects of its role. The Chairman is responsible for managing the business of the Board to ensure that all directors are properly briefed on issues arising at board meetings, leading the Board in setting the values and standards of the Company, maintaining a relationship of trust with and between the Executive and Non-Executive Directors and ensuring the provision of accurate, timely and clear information to directors.

The Chairman, in consultation with the Management and the Company Secretary, sets the agenda for board meetings and ensures that all relevant issues are on the agenda and that sufficient time is allowed for the discussion of complex or contentious issues. Where appropriate, informal meetings are arranged beforehand to enable thorough preparation for the Board discussion. The Chairman also ensures that every board resolution is put to vote to ensure the will of the majority prevails.

Role of Executive Vice Chairman

The Executive Vice Chairman's role is to assist the Chairman in overseeing the business, provide leadership and oversees the formulation of business directive and strategy with the objective of achieving growth for the Group through diversification into new core businesses. The Executive Vice Chairman also provides advice and direction on business development, corporate strategy and communication with stakeholders.

Role of Managing Director

The Managing Director is the conduit between the Board and the Management in ensuring the success of the Company's governance and management functions. The Managing Director has the executive responsibility for the day-to-day operation of the Company's business, ensuring business excellence and operational efficiency, responsible for leading the overall direction and growth of the Group. He implements and coordinates the policies, corporate strategies and decisions adopted by the Board. In addition, the Managing Director is expected to lead sustainability efforts, build strong relationships with stakeholders, and drive innovation and technology improvements.

The Managing Director is supported by the Senior Management who possessed vast experience, skill and knowledge in the industry.

Profiles of the Key Senior Management personnel are stated in page 23 of this Annual Report.

Corporate Governance Overview Statement

II. BOARD COMPOSITION

The Board is mindful that the Code recommends that at least half of the Board comprises independent directors. Currently, the Board has two (2) executive directors, four (4) independent non-executive directors and one (1) non-independent non-executive director. In line with the Code on gender diversity, the Board has three (3) female directors namely Puan Sri Datin Seri Mariam Parineh, Datin Noor Lily Zuriati binti Abdullah and Ms. Emily Kok. The diverse professional backgrounds of the directors provide the Board with an effective mix of members with industry-specific knowledge and broad business and commercial experience. A brief profile of the directors is presented on pages 16 to 22 of this Annual Report.

The Board continually assesses the composition and the tenure of its independent directors to ensure they have the appropriate balance of skills, expertise and experience to bring an independent view in the consideration of board issues and provide appropriate advice to maintain the highest level of corporate ethics. The Company measures the independence of its directors based on the criteria prescribed under the MMLR in which a director should be independent and free from any business or other relationship that could interfere with the exercise of independent judgement or the ability to act in the best interest of the Company. Our independent directors, who are professionals of credibility and repute, demonstrate independent judgement and objectivity in the Board's deliberations.

The non-executive directors contribute significantly in areas such as policy and strategy, performance monitoring, allocation of resources as well as improving governance and controls. They also ensure that the strategies proposed by the Management are fully discussed and examined, and take into account the long-term interest not only of the shareholders, but also of employees, customers and suppliers. Together

with the Management who has an in-depth knowledge of the business, the Board constitutes individuals who are committed to steer the business with vision, integrity and professionalism.

The Board recognises and embraces the benefits of having a diverse board and sees increasing diversity at board level as an essential element in maintaining a competitive advantage. A truly diverse board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately. All board appointments are made on merit, taking into account the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

We believe a more diversified board would promote multiple perspective analysis of issues and deliberations, and therefore result in higher quality decision making. Leveraging on input from a broader and diverse experience and knowledge base, the Board would also benefit from a more comprehensive oversight into a wider range of possible risks and sensitivities including reputation and compliance risks.

The value of a more strengthened board composition is critical to provide necessary oversight and leadership to support the Company's growth plan.

Each Board member is expected to commit sufficient time to carry out his/her role as director and/or member of the Board Committee in which he is a member. In accordance with the requirements of the MMLR, none of the directors of the Company holds more than five (5) directorships in public listed companies. This ensures the directors' commitment, resources and time are focused for an effective input to the Board.

Board Meetings

Meetings and Procedure

All Board and Board Committee meetings for the ensuing financial year are scheduled in advance so as to enable the directors to plan and organise their respective schedules for the year.

The Board ordinarily meets at least four (4) times a year at quarterly intervals, with additional/special meetings convened as and when deemed necessary. At each regularly scheduled meeting, there is a full financial and business review and discussions, including evaluating the performance to date against the annual budget and business plan previously approved by the Board for that year. Whenever necessary, Senior Management and/or external advisors may be invited to attend the Board and/or the Board Committee meetings to provide their professional views, advice and explanation on specific items so as to enable the Board and/or the Committees to arrive at a considered and informed decision.

During the financial year under review, the Board held seven (7) meetings. Details of attendance at Board meetings are as follows:-

No.	Name of Directors	Position (as at 31 January 2026)	Meeting Attendance
1.	Tan Sri Dato' Seri Ir. Shamsuddin bin Abdul Kadir (retired as Executive Chairman on 1 May 2025)	N/A	2/2
2.	Tan Sri Dr. Azmil Khalili bin Dato' Khalid	Independent Non-Executive Chairman	6/7
3.	Puan Sri Datin Seri Mariam Parineh	Executive Vice Chairman	7/7
4.	Datuk Syed Izuan bin Syed Kamarulbahrin	Managing Director	7/7
5.	Datin Noor Lily Zuriati binti Abdullah	Independent Non-Executive Director	7/7
6.	Datuk Zainol Izzet bin Mohamed Ishak	Independent Non-Executive Director	5/5
7.	Ms. Emily Kok	Independent Non-Executive Director	6/6
8.	Encik Ir. Md. Shah bin Hussin	Non-Independent Non-Executive Director	7/7

To facilitate an effective discharge of responsibilities, dedicated Board Committees have been established guided by clear terms of reference. The Board Committees are chaired by non-executive directors who exercise skilful leadership with in-depth knowledge of the relevant industry.

- **Board Audit and Risk Committee**

The primary objective of the BARC is to assist the Board of Directors in discharging its responsibilities relating to financial accounting and reporting matters. In compliance with the MMLR and the Code, during the financial year and up to the date of this Statement, the members of the BARC comprise the following Directors:

Chairperson : **Datin Noor Lily Zuriati binti Abdullah**
Independent Non-Executive Director

Members : **Ms. Emily Kok**
Independent Non-Executive Director

Encik Ir. Md. Shah bin Hussin
Non-Independent Non-Executive Director

The terms of reference of BARC are available on the Company's website at www.sapuraindustrial.com.my. The BARC held five (5) meetings during the financial year.

- **Board Nomination and Remuneration Committee**

The BNRC was set up with the primary responsibility of proposing and recommending to the Board, candidates for directorships to be filled in the Board and Board Committees. The BNRC evaluates prospective candidates for the Board and its Committees based on their professional experience, competencies, and the value of diverse perspectives in enhancing Board effectiveness. In assessing appointments to Board Committees, the BNRC also considers the expected time commitment to ensure members are able to discharge their duties effectively, including consistent meeting attendance.

The BNRC is also responsible to propose, consider and recommend to the Board the remuneration packages for the Executive Vice Chairman, the Managing Director and the Head of Finance. Their remuneration are competitive and attractive as it has been benchmarked against the industry and commensurate with the performance of the Group's business.

During the financial year and up to the date of this Statement, the BNRC comprises the following Directors:

Chairman : **Datuk Zainol Izzet Mohamed Ishak**
Independent Non-Executive Director

Members : **Datin Noor Lily Zuriati binti Abdullah**
Independent Non-Executive Director

Encik Ir. Md. Shah bin Hussin
Non-Independent Non-Executive Director

The above composition ensures that any decisions made are impartial and in the best interest of the Company without any element of fear or favour.

Corporate Governance Overview Statement

The BNRC meets as and when required and at least once every financial year. During the financial year under review, BNRC held five (5) meetings.

The BNRC's Terms of Reference cover the following areas:

- Objectives;
- Composition and appointment of its members;
- Meetings and procedures;
- Functions and duties;
- Selection and Assessment of Directors;
- Assessment and evaluation of Directors, Board and Board Committees; and
- Remuneration and terms of employment for Executive Directors and Principal Executive Officers (as defined in the BNRC's Terms of Reference).

The BNRC's Terms of Reference is available on the Company's corporate website at www.sapuraindustrial.com.my

Minutes of Meetings

The proceedings and resolutions passed at each Board and Board Committee meeting are minuted and kept in the statutory register at meetings office of the Company. In line with the Company's Conflict of Interest Policy & Procedure, in the event of any potential conflict of interests, the directors in such a position will make a declaration to that effect as soon as is practicable. The directors concerned will then abstain from any decision-making process in which they are involved.

Supply of Information

The Board has unrestricted access to timely and accurate information necessary within a reasonable period prior to the meetings, to allow the directors sufficient time for review. In most instances, senior management of the Company as well as external advisors are invited to be in attendance at Board meetings to provide fresh insights and to furnish clarification on issues that may be raised by the Board.

Company Secretary

The Directors have full and unrestricted access to the advice and services of the Company Secretary who supports and plays an advisory role to the Board in relation to the Board's policies and procedures and ensures compliance with the relevant regulatory requirements, codes, guidance,

legislations and best practices on governance. The Company Secretary is also responsible for management of the Company's registers. The Company Secretary provides support to the Chairman of the Company to ensure the effective functioning of the Board and also organises and attends all Board meetings and Board Committees meetings, ensuring that an accurate and proper record of deliberation of issues discussed, decisions and conclusions are taken.

The Company Secretary records, prepares and circulates the minutes of the meetings of the Board and Board Committees and ensures that the minutes are properly kept at the registered office of the Company and produced for inspection, if required. In addition, the Company Secretary also updates the Board regularly on amendments to the Listing Requirements, practice and guidance notes, circular from Bursa Malaysia Securities Berhad, legal and regulatory developments and impact, if any, to the Company and its business. The appointment and removal of the Company Secretary is also a matter for the Board to decide to ensure qualified and suitable individual is selected.

Independent Professional Advice

There is a formal procedure sanctioned by the Board, whether as a full board or in their individual capacity to seek independent professional advice, where necessary, at the Group's expense from time to time. This is to enable the Board to discharge its duties in relation to matters being deliberated. The procedure will involve informing the Company Secretary who will propose a list of advisors for consideration. The advice given could also be shared with the other board members. Similar access is also extended to the Board Committees on the same basis.

Appointment to the Board

The proposed appointment of new Board members is reviewed and assessed by the BNRC. Thereafter the BNRC submits its recommendation on the proposed appointment to the Board for approval. The BNRC's primary role is to review the required mix of skills and experience of the directors on the Board, and determine the appropriate board balance and size of non-executive directors. It will establish procedures and processes towards an annual assessment of the effectiveness of the Board as a whole, the committees of the Board and for assessing the contribution of each individual director including time commitment. The Board is satisfied that the current composition of the Board brings the required mix of skills and experience required for the Board to function effectively.

Directors' Training

The Board acknowledges that its directors must keep abreast of developments in the Group's operating environment and business and will need to enhance their knowledge and business acumen to meet challenging commercial risks. All directors including newly appointed directors have completed the Mandatory Accreditation Programme prescribed by Bursa Malaysia. The Board endeavours to provide continual training and development of its current and new directors, by ensuring that the Directors participate in a specifically tailored training and induction programme. Details of the training programmes attended or participated by the Directors in respect of the financial year under review were as follows:

Directors	Training/Workshop/Conference
Tan Sri Dr. Azmil Khalili bin Dato' Khalid	<ul style="list-style-type: none"> • Board Refresher Program: Risk, Integrity & Compliance • Directors' Training conducted by ICDM • Updates on Corporate Liability – S 17A of the MACC Act 2009 and Whistleblower Protection Act 201 • Updates on Amendments to the Personal Data Protection Act 2010 • Updates on Stamp Duty Self-Assessment • Mandatory Accreditation Programme Part II: Leading for Impact
Puan Sri Datin Seri Mariam Parineh	<ul style="list-style-type: none"> • Updates on Corporate Liability – S 17A of the MACC Act 2009 and Whistleblower Protection Act 201 • Updates on Amendments to the Personal Data Protection Act 2010 • Updates on Stamp Duty Self-Assessment • Mandatory Accreditation Programme Part II: Leading for Impact
Datuk Syed Izuan bin Syed Kamarulbahrin	<ul style="list-style-type: none"> • Managing Teams for High Performance • Risk Management Workshop 2025 • Media Skills Structured Coaching Program • AI-Powered Leadership Conference • Updates on Corporate Liability – S 17A of the MACC Act 2009 and Whistleblower Protection Act 201 • Updates on Amendments to the Personal Data Protection Act 2010 • Updates on Stamp Duty Self-Assessment • Mandatory Accreditation Programme Part II: Leading for Impact
Datin Noor Lily Zuriati binti Abdullah	<ul style="list-style-type: none"> • Updates on Corporate Liability – S 17A of the MACC Act 2009 and Whistleblower Protection Act 201 • Updates on Amendments to the Personal Data Protection Act 2010 • Updates on Stamp Duty Self-Assessment • Mandatory Accreditation Programme Part II: Leading for Impact
Datuk Zainol Izzet bin Mohamed Ishak	<ul style="list-style-type: none"> • Updates on Corporate Liability – S 17A of the MACC Act 2009 and Whistleblower Protection Act 201 • Updates on Amendments to the Personal Data Protection Act 2010 • Updates on Stamp Duty Self-Assessment • Mandatory Accreditation Programme Part II: Leading for Impact
Ms. Emily Kok	<ul style="list-style-type: none"> • Artificial Intelligence Leadership Conference • Malaysia Budget 2026: Insights, Impact and Industry Dialogue • Mastering ISSA 5000: The New Global Benchmark for Sustainability Assurance • Updates on Corporate Liability – S 17A of the MACC Act 2009 and Whistleblower Protection Act 201 • Updates on Amendments to the Personal Data Protection Act 2010 • Updates on Stamp Duty Self-Assessment • Mandatory Accreditation Programme Part II: Leading for Impact
Encik Ir. Md. Shah bin Hussin	<ul style="list-style-type: none"> • Updates on Corporate Liability – S 17A of the MACC Act 2009 and Whistleblower Protection Act 201 • Updates on Amendments to the Personal Data Protection Act 2010 • Updates on Stamp Duty Self-Assessment • Mandatory Accreditation Programme Part II: Leading for Impact

Re-election and Reappointment of Directors

The Company's Constitution provides that all directors appointed by the Board are subject to election by the shareholders at their first Annual General Meeting and thereafter shall retire from office by rotation at least once in each three (3) years, but shall be eligible for re-election at each Annual General Meeting. The Board makes recommendations concerning the re-election, reappointment and the continuation in office of any director for shareholders' approval at the Annual General Meeting.

Corporate Governance Overview Statement

III. REMUNERATION

Level and Make-up of Remuneration

The BNRC is responsible for evaluating and recommending to the Board the level and make-up of the remuneration of the Executive Vice Chairman, the Managing Director and the Head of Finance, ensuring that they commensurate with the scope of responsibilities held in order to attract and retain the persons of necessary calibre, experience and quality needed to successfully lead the Company.

The BNRC is also responsible for reviewing and making recommendations to the Board the framework and remuneration packages of the Non-Executive Directors to ensure that the levels of remuneration are sufficient to attract and retain the directors needed to run the Company successfully. In its review, the BNRC considers various factors including the Directors' fiduciary duties, time commitments expected of them and the Company's performance.

For the financial year ended 31 January 2026, the total Directors' fees payable to the Non-Executive Directors amounting to RM429,342.00 have been recommended to the shareholders for approval at the Company's forthcoming Annual General Meeting.

Board Nomination and Remuneration Committee

The Board is satisfied that the BNRC has effectively and efficiently discharged its roles and responsibilities with respect to its nomination and remuneration functions. As such, it is not necessary to separate the Nomination and Remuneration functions into distinct nomination and remuneration committees. The details of the directors' remuneration for the financial year ended 31 January 2026 are as follows:

	Executive RM	Non-Executive RM	Total RM
Fees	-	429,342	429,342
Salaries and other emoluments	2,545,785	-	2,545,785
Bonus	300,000	-	300,000
Other emoluments	-	91,000	91,000
Benefits-in-kind	16,219	-	16,219
Contributions to defined contribution plan	301,079	-	301,079
Total	3,163,083	520,342	3,683,425

The number of directors whose remuneration fall into the following bands are as follows:

Bands	Executive	Non-Executive	Total
RM50,001 – RM100,000	-	2	2
RM100,001 – RM150,000	-	3	3
RM500,001 – RM550,000	1	-	1
RM900,001 – RM950,000	1	-	1
RM950,001 – RM1,000,000	-	-	-
RM1,650,001 – RM1,700,000	1	-	1
Total	3	5	8

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Financial Reporting

The Board is committed to provide a balanced and meaningful assessment of the Group's financial performance and prospects. The usual channel for release of this information is through the audited financial statement, quarterly announcements and the Annual Report. In discharging its fiduciary responsibility, the Board is assisted by the BARC whose primary responsibility is to oversee the Group's financial reporting processes and ensure the quality of its financial reporting.

Risk Management and Internal Control

The Board acknowledges its overall responsibility for maintaining a sound system of internal control and a risk management framework to safeguard shareholders' investment and Group assets and for reviewing the effectiveness of these systems. The Statement on Risk Management and Internal Control is presented in pages 62 to 65 of the Annual Report providing an overview of the risk management and status of internal control system within the Group.

Relationship with Auditors

The Board, through the BARC, maintains a formal and transparent professional relationship with both the Group's internal and external auditors.

The function of the BARC in relation to the external auditors and the number of meetings held since the previous financial year end as well as the attendance record of each member is shown in the Board Audit and Risk Committee's Report in pages 59 to 61 of the Annual Report.

The membership of the BARC, the terms of reference and a summary of the activities of the Committee are presented in the Board Audit and Risk Committee's Report in pages 59 to 61 of the Annual Report.

Directors' Responsibility Statement

The Directors are required by the Companies Act 2016 to ensure that financial statements prepared for each financial year give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial year and of the results and cash flow of the Group for the financial year.

Corporate Governance Overview Statement

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

General Meetings

The Company has been using the general meetings as a platform for communicating with its shareholders. All shareholders are welcome to attend the Company's general meetings and to actively participate in the proceedings. They are encouraged to give their views and suggestions for the benefit of the Company. Every opportunity is given to shareholders to ask questions and seek clarification on the business and performance of the Company. The Board, Senior Management of the Group as well as the Company's auditors are present to respond to issues raised during the meeting.

Notice of general meetings and annual reports/circulars are sent out with sufficient notice so as to enable shareholders to have the required information to make informed decisions. In line with MMLR, voting by poll shall be conducted for any resolutions set out in the notice of any general meetings in the presence of independent scrutineer.

The Company continues to explore ways to leverage on technology to enhance the quality of engagement with its shareholders, and facilitate further participation by shareholders at all general meetings of the Company. Notwithstanding that the Company's Forty-Ninth Annual General Meeting ("49th AGM") in 2025 was held via physical meeting, the voting of all resolutions during the 49th AGM was conducted by way of e-voting. Prior to the commencement of the voting session, Tricor Investor & Issuing House Services Sdn Bhd ("Tricor") briefed all attending shareholders on the e-voting process. Voting kiosks equipped with iPads were set up, with Tricor staff stationed to assist shareholders with the voting process.

Communication with Stakeholders

The Board recognises the importance of being transparent and accountable to the Company's stakeholders and as such has various channels to maintain communication with them. The annual report, quarterly announcements on financial results, relevant announcements on the Group's business and activities, as well as the Company's website are the primary mode of communication to all its stakeholders.

The key objective of the Company's dialogue with its shareholders at the Annual General Meeting or Extraordinary General Meeting is to provide an opportunity for a two-way communication process between the Company and its private and institutional investors. In a process of engaging our stakeholders, the Company is able to answer any questions that may be raised while gaining insights into their views and perspectives. At the Annual General Meeting or Extraordinary General Meeting, shareholders are also encouraged to ask questions about the resolutions being proposed as well as the Group's operations in general.

Senior Independent Director

The Board has identified Tan Sri Dr. Azmil Khalili bin Dato' Khalid as the Senior Independent Non-Executive Director of the Board to whom any concerns on issues affecting the Company and the Group may be conveyed. He may be contacted at director-sib@sapuraindustrial.com.my.

Corporate Website

The Company has established a website at www.sapuraindustrial.com.my where shareholders and stakeholders can access information regarding Sapura Industrial Berhad Group. Information on the website includes the Group's corporate structure, main business activities and announcements to Bursa Malaysia.

The Corporate Governance Overview Statement and the Corporate Governance Report are made in accordance with a resolution of the Board of Directors dated 13 May 2026.

BOARD AUDIT AND RISK COMMITTEE'S REPORT

The Board Audit and Risk Committee of SIB is pleased to present their report for the financial year ended 31 January 2026 in compliance with paragraph 15.15 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR").

COMPOSITION

The BARC comprises three (3) members, the majority of whom are Independent Non-Executive Directors who meet the independence criteria defined in the MMLR. Consequently, the current composition complies with Paragraph 15.09(1)(a) and (b) of the MMLR. Furthermore, the Chairperson of the BARC is an Independent Non-Executive Director, in full compliance with paragraph 15.10 of the MMLR.

During the financial year and up to the date of this Report, the members of the BARC comprised the following Directors:

Datin Noor Lily Zuriati binti Abdullah, Chairperson

Independent Non-Executive Director

Ms. Emily Kok, Member

Independent Non-Executive Director

Encik Ir. Md. Shah bin Hussin, Member

Non-Independent Non-Executive Director

Ms. Emily Kok is a qualified accountant and a member of the Chartered Institute of Management Accountants (CIMA), UK. Accordingly, the BARC meets the requirements of Paragraph 15.09(1)(c) of the MMLR which stipulates that at least one member of the Audit Committee must be a qualified accountant.

The Chairperson of the Committee is not the Chairman of the Board. This is in line with Practice 9.1 of the Malaysian Code on Corporate Governance 2021 ("MCCG").

TERMS OF REFERENCE

The Terms of Reference ("TOR") of the BARC outlines the Committee's authority, duties and responsibilities ensuring consistency with the requirements of the MMLR and the MCCG. This TOR is accessible on the Group official website at www.sapuraindustrial.com.my.

MEETINGS HELD FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2026

The BARC held five (5) meetings during the financial year ended 31 January 2026, with the Head of Corporate Services cum Company Secretary in attendance. Key Management, External Auditors and Internal Auditors were also invited to provide briefings on relevant agenda items as and when required.

The meetings were structured through distribution of relevant papers to members with sufficient notification.

Board Audit and Risk Committee Meeting Attendance

The details of the Directors' attendance at these meetings are as follows:-

No.	Name of Directors	Position (as at 31 January 2026)	Meeting Attendance
1.	Datin Noor Lily Zuriati binti Abdullah	Independent Non-Executive	5/5
2.	Ms. Emily Kok	Independent Non-Executive	5/5
3.	Encik Ir. Md. Shah bin Hussin	Non-Independent Non-Executive	5/5

Board Audit And Risk Committee's Report

SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

The Committee carried out its duties in accordance with its TOR during the financial year. The main activities undertaken by the Committee were as follows:

Financial Reporting

- Reviewed the quarterly and annual financial statements before recommending them to the Board for approval and subsequent announcement to Bursa Malaysia Securities Berhad.
- Ensured that the financial statements complied with applicable financial reporting standards, with regular consideration of the following:
 - > Changes in accounting policies and practices and implementation;
 - > Significant adjustments arising from the external audit process;
 - > The going concern assumption; and
 - > The adequacy and appropriateness of disclosures.

External Audit

- Reviewed the External Auditors' scope of work and audit plan for the financial year.
- Deliberated on significant issues and audit findings arising from the annual audit.
- Held private sessions with the External Auditors without the presence of Management to discuss any areas of concern or reservations.
- Assessed the suitability and independence of the External Auditors, taking into account the adequacy of their experience, the resources of the firm, the professional staff assigned to the audit and the level of non-audit services rendered.
- Obtained a written assurance from the External Auditors confirming their independence throughout the audit engagement.
- Reviewed the audit fees in consultation with Management and recommended the same to the Board for approval.

Internal Audit

- Reviewed and approved the internal audit plan to ensure adequate coverage of the Group's key risk areas.
- Evaluated and appraised the internal audit reports, including Management's responses and the implementation of follow-up actions for major findings.
- Monitored the status of audit recommendations in subsequent meetings to ensure that all identified risks and internal control concerns were effectively addressed.
- Assessed the performance and audit fees of the outsourced Internal Auditors, in consultation with Management, before recommending them to the Board for approval.

Risk Management and Internal Control

- Evaluated and appraised the Group's corporate governance, risk management and internal control systems to ensure their continued integrity.
- Assessed the adequacy and effectiveness of the governance and risk management processes through risk assessment reports from the Group Risk Management Committee (GRMC) and Internal Auditors.
- Communicated significant risk issues and recommended resolutions to the Board to ensure proactive mitigation of potential threats.
- Advised Management on enhancements to internal controls and procedures to further strengthen the Group's risk monitoring and control activities.

Related Party Transactions

- Reviewed related party transactions entered into by the Group and assessed potential conflict of interest situations within the Group to ensure that such transactions were fair, reasonable, and not detrimental to the interests of the Group.

Others

- Reviewed and recommended the Board Audit and Risk Committee's Report, Statement on Risk Management and Internal Control and Sustainability Statement to the Board for approval and inclusion in the Company's Annual Report.

The BARC Chairperson maintained proactive and continuous engagement with Key Management, as well as the External and Internal Auditors, to stay informed of significant matters affecting the Group. These ongoing communications facilitated the timely escalation of relevant issues to the Committee for further deliberation.

INTERNAL AUDIT FUNCTION

For the financial year ended 31 January 2026, the Group's Internal Audit function was outsourced to BDO Governance Advisory Sdn. Bhd. ("BDO") to assist the BARC in discharging its duties and responsibilities. The Internal Auditors report directly to the BARC, providing independent and objective assurance on the adequacy and effectiveness of the Group's risk management, internal control and governance processes. Their purpose, authority, and responsibility are clearly defined in the engagement agreement, and the Internal Auditors have confirmed their independence from any relationships or conflicts of interest that could impair their objectivity.

During the year, the Internal Auditors evaluated the internal control system to mitigate potential risks and recommend enhancements where necessary. Specifically, the Internal Auditors assessed:

- a. Adherence to established policies, procedures, guidelines, and statutory requirements;
- b. The reliability of operational information;
- c. The safeguarding of the Group's assets; and
- d. Operational effectiveness and efficiency.

Management is required to provide justifications and rectification plans for all audit findings. These reports, incorporating agreed-upon action plans, are circulated to Key Management and relevant Business Unit Heads for implementation, and subsequently reviewed by the BARC.

Furthermore, control validations were conducted across major subsidiaries to ensure internal controls remain robust and relevant. The results were forwarded to Management for responses and to the BARC for endorsement. The Internal Auditors also performed follow-up reviews to ensure all recommendations were effectively implemented.

The Internal Audit activities were conducted in reference to the International Professional Practices Framework (IPPF) as adopted by the Institute of Internal Auditors Malaysia (IIAM).

The total costs incurred for the internal audit function in respect of the financial year ended 31 January 2026 was RM212,190.

REPORTING TO THE EXCHANGE

For the financial year ended 31 January 2026, the BARC was of the opinion that the Group remained in compliance with the MMLR. Accordingly, no reporting to the Exchange was required under Paragraph 15.16 of the MMLR.

The Board Audit and Risk Committee's Report was made in accordance with a resolution of the Board of Directors dated 13 May 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors of SIB understands the importance of a risk-conscious culture and is highly committed to maintain a sound internal control system and risk management framework within the Group. With this, the Board is pleased to present the following Statement on Risk Management and Internal Control (“SORMIC” or “the Statement”) for the financial year ended 31 January 2026.

This Statement is made pursuant to paragraph 15.26(b) of the MMLR of Bursa Malaysia Securities Berhad that requires the board of directors of public listed companies to include a statement on the state of their internal controls in their annual reports. The Board is also guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers. In addition, Part II of Principle B in the Malaysian Code on Corporate Governance issued in 2021 requires the board of directors of public listed companies to maintain an effective risk management framework and internal control systems to safeguard shareholders’ investment and the Group’s assets.

RESPONSIBILITY

The Board acknowledges that in order to safeguard shareholders’ investment, other stakeholders’ interest and the assets of the Group, it is important to maintain a well-constructed and effective system of risk management and internal control. Accordingly, the Board recognises its overall responsibility in maintaining the Group’s system of risk management and internal control, and for reviewing its effectiveness, adequacy and integrity of the system which is an integral part of good corporate governance. Such systems cover not only financial controls but also operational and compliance controls and risk management procedures.

In pursuing its responsibility, the Board has established an ongoing process for identifying, evaluating and managing significant risks faced by the Group and to regularly review this process. This SORMIC outlines the nature and scope of its risk management and internal control which has been in place during the financial year under review and up to the date of approval of this statement for inclusion in the annual report.

However, due to inherent limitations, the Board acknowledges that the system provides reasonable but not absolute assurance in eliminating the risks of failure in achieving the business objectives. Hence the system can only provide reasonable assurance against material misstatement, fraud or loss.

The Management is assigned by the Board with the responsibility to implement the policies and procedures on risk management, identify and assess the various risks faced by the Group and ensure appropriate controls are in place to mitigate, control and monitor these risks.

RISK MANAGEMENT

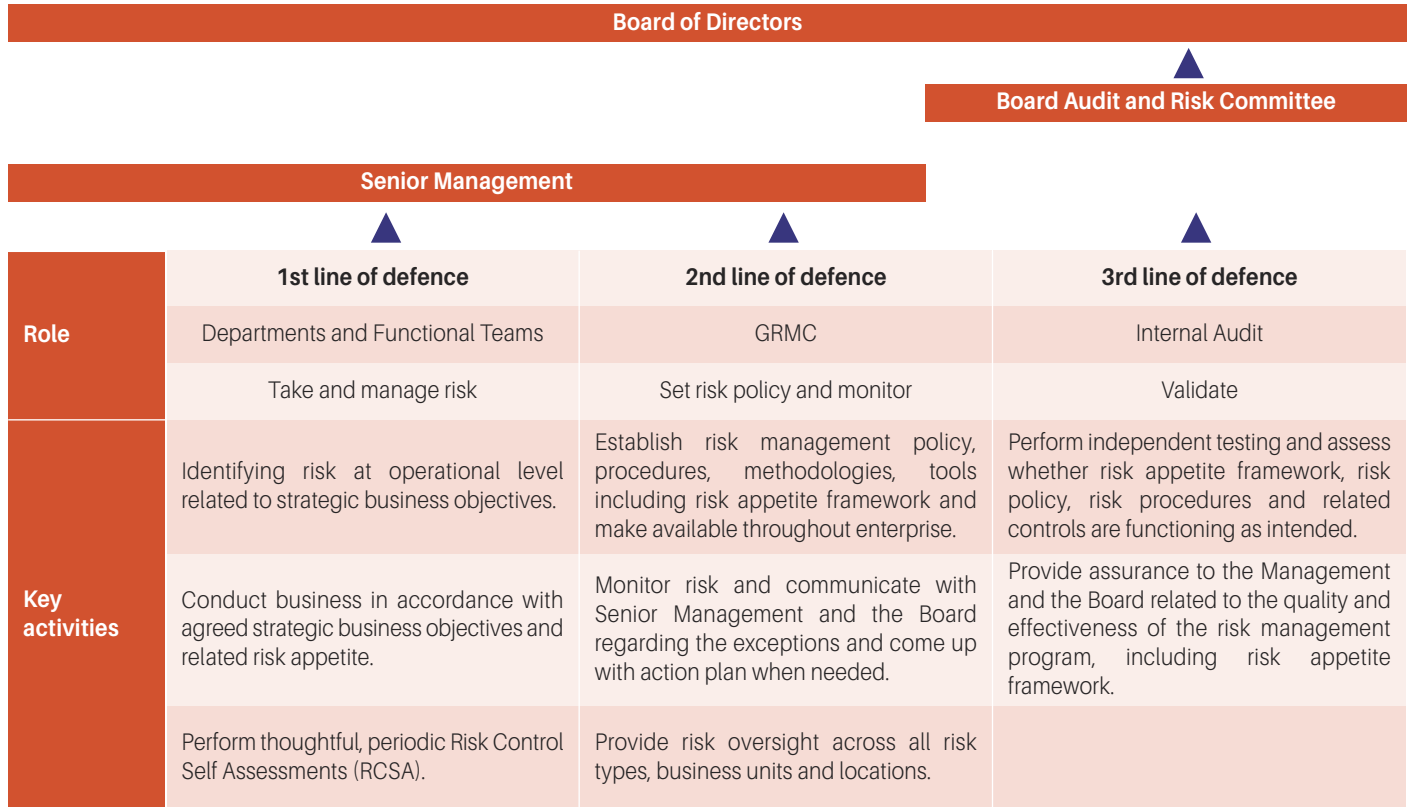
The Board firmly believes that system of risk management and internal controls is critical to the Group’s business sustainability and key to good corporate governance. The Board has oversight over this critical area through the Board Audit and Risk Committee, which delegated the role of overseeing the Group’s risk management to the Group Risk Management Committee (“GRMC”), although the Board retains overall accountability of the Group’s risk profiles.

An overview of the Group’s overall risk management framework is illustrated in the following diagram:



Statement on Risk Management and Internal Control

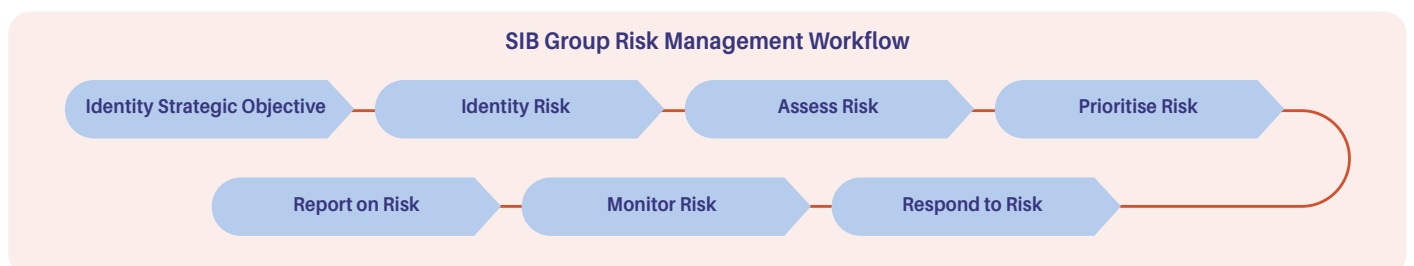
The governance structure to manage risk allows the Group to have a “3 Lines Model” that defines the relationship between Senior Management, Board Audit and Risk Committee and the Board as illustrated in the following diagram:



The Group’s Risk Management Framework sets out the overarching principle and approach in risk management. The primary objective of the Group’s Risk Management Framework is to support the achievement of the Group’s mission, vision and strategic objectives by sufficiently managing all its risks and safeguard the Group’s reputation, resources, people and finances.

The Group’s Risk Management Framework has been reviewed during the year to provide adequate guidance in managing the risks of the Group. The Board has also established the Group’s risk appetite, which defines the level and type of risk the Group is willing to accept in pursuit of its objectives. The risk appetite serves as a guide for management decision-making.

The Group adopts a structured 7-step risk management workflow to ensure risks are systematically identifies, assessed, and managed in alignment with the Group’s strategic objectives. This workflow enables proactive risk governance and supports informed decision-making across all levels of the organization.



Statement on Risk Management and Internal Control

The Group's risk management workflow begins with an understanding of the Group's vision and mission to set context and ensure that risk identification is focused on what matters most to the Group's long-term success.



Once strategic objectives have been defined, risks are identified and categorized by nature. These risks are then assessed using a 5-point scale and prioritized, based on the likelihood of occurrence and impact to the Group, in order to develop an appropriate risk mitigation plan and the required internal control procedures.

Monitoring and Reporting

The GRMC continuously monitors and reviews the adequacy and effectiveness of risk management and internal control systems within the Group. This process will ascertain those controls that are effective and those that require further improvement to ensure that sufficient controls are always in place. A control self-assessment system is available for Management to monitor critical and routine risk areas under their jurisdiction.

The Board Audit and Risk Committee reviews and monitors the adequacy and effectiveness of the Group's risk management, internal control and governance processes on a periodic basis, based on reports provided by internal auditors. Formal procedures are put in place for action to be taken to remedy any significant weakness identified in these reports.

The Board Audit and Risk Committee has unrestricted access to internal auditors, external auditors and the employees of the Group, and are also entitled to obtain third-party independent professional advice should the requirement exist in the course of performing their responsibility.

This process has been in place throughout the financial year under review and up to the date of this report.

The Group will continue its focus on institutionalising risk management as a business culture within the Group.

INTERNAL CONTROL

The Board Audit and Risk Committee assists the Board in reviewing the adequacy and integrity of the Group's system of risk management and

internal control. The Board Audit and Risk Committee, assisted by the Internal Auditors perform structured and systematic audit review that complies with the guidelines by International Professional Practice Framework (IPPF) of the Institute of Internal Auditors.

The Internal Auditors carry out internal control reviews on the financial and operating activities of the Group based on an annual plan presented and approved by the Board Audit and Risk Committee. Internal Audit functions are carried out objectively and reports directly to the Board Audit and Risk Committee and are independent from the management of the company and the functions which it audits.

The audit performed by Internal Auditors assesses the effectiveness of governance, risk management and internal control processes of the Group and the extent of compliance with Group's operating policies and procedures. The findings on weaknesses or deficiencies in internal control processes from the audit activities performed are presented to Board Audit and Risk Committee. This function serves an important source of information for Board Audit and Risk Committee to identify possible remedial course of actions to improve the weaknesses found in risk management and control systems.

The key elements of the framework of the internal control system of the Group are as follows:

- All major decisions require the approval of the Board and are only made after appropriate in-depth analysis. The Board meets regularly on a quarterly basis, and reviews the financial and operational performance of the Group.
- Clear group organisational structure that is aligned with business and operational requirements, clearly defined lines of responsibilities and appropriate levels of delegation.
- All Departments and Divisions of the Group have clearly documented policies and standard operating procedures (SOP) that define the scope of responsibilities. Periodic review is done to ensure their relevance and effectiveness. Four SOPs and policies were reviewed and enhanced during the year.
- Consolidated risk register of the Group and any report received on any significant issues that has occurred during the year will be reviewed. Any potential impact to the existing risk profile and risk appetite will be assessed.
- Limits of Authority ("LoA") sets out the authority limits throughout the Group in the areas of corporate, operations, financial and human resource. The LoA prescribes limits of authority and prohibits unfettered power within the various levels of management. LoA may be reviewed by the Board upon recommendation by management, to ensure its provisions are effective in managing risk and are practical for implementation.
- The Internal Auditors monitor compliance with the Group's policies and procedures and applicable laws, regulations and standards, and provide independent assurance on adequacy and

Statement on Risk Management and Internal Control

effectiveness of the risk management and internal control system by conducting regular audit and continuous assessment. Major audit findings and recommendations for corrective actions and improvement are highlighted to Board Audit and Risk Committee and Senior Management. Follow-up reviews are carried out to ensure the implementation of corrective action plans in a timely manner.

- The Board Audit and Risk Committee, on behalf of the Board, regularly reviews and holds discussion with management on the action taken on internal control issues identified in various reports prepared by the Internal Auditors, External Auditors and the Management.
- An annual Business Plan and Operating Budget is prepared and adopted by the Board to facilitate the Group in its business and financial performance. The Board reviews and monitors the achievements of the Group's performance on a quarterly basis.
- Monthly Operational Performance Meetings at the Group and business unit levels attended by respective Business Unit Heads and chaired by the Head of Manufacturing Business are held to review operational performance and issues including progress of ongoing initiatives.
- Quality Management Systems have been implemented in all of the Group's manufacturing subsidiaries where documented internal procedures and standard operating procedures have been put in place. Internal quality audits are carried out by qualified management representatives and periodic surveillance audits are conducted by an independent certification body to ensure compliance.
- Code of Ethics and Business Conduct is established and adopted for all directors, officers and employees that emphasises on the principle of discipline, good conduct, professionalism and integrity that are critical to the success and wellbeing of the Group.
- Whistle-Blowing Policy has been put in place to facilitate the disclosure of concerns regarding unethical, unlawful or any improper conduct via a reporting channel within the Group. Stakeholders of the Group may report any unethical, unlawful and improper conduct via email at www.whistleblower@sapuraindustrial.com.my. The Whistle-Blowing Policy is available on the Group's corporate website under the Investor Relations section.
- Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 (MACC Act) which came into force on 1 June 2020 governs the offence of corruption committed by persons associated with a commercial organisation. "Associated persons" referred to in this MACC Act would include the director, partner, employee and those who perform services for or on behalf of the commercial organisation. Pursuant to this enforcement of MACC Act, the Board has put in place Anti-Bribery and Corruption Policy to establish adequate procedures to prevent the commission of corrupt acts by persons associated to the Group. In addition, the risk of non-compliance to Anti-Bribery and Corruption Policy is also included in the annual risk assessment in accordance with paragraph 15.29(1)(c) of the MMLR of Bursa Malaysia Securities Berhad. The Anti-Bribery and Corruption Policy is available on the Group's corporate website under the Investor Relations section.

ADEQUACY AND EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Managing Director and Head of Corporate Services have provided assurance to the Board and Board Audit and Risk Committee that the Group's risk management and internal control systems are operating adequately and effectively in all material aspects, to ensure the achievement of its business objectives. Based on the review on adequacy and effectiveness of the risk management and internal control framework of the Group and the assurance provided by the Management team, the Board is of the view that the system of risk management and internal control is satisfactory and adequate to safeguard shareholders' investment and the Group's assets.

The Group will continue to identify, evaluate and monitor all major risks and take measures to strengthen the internal control and risk management environment.

Joint Venture

With regard to jointly controlled entities, the Board does not regularly review their internal control systems as the Board has no direct control over their operations. Nevertheless, SIB's interests in the jointly controlled entities are served via representations on the board as well as review of management accounts and enquiries thereof.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

As required by paragraph 15.23 of MMLR, the external auditors, Messrs. Ernst & Young PLT, have reviewed this Statement on Risk Management and Internal Control in accordance with the Guidance for Auditors on Engagements to Report on the Statement on Risk Management and

Internal Control (AAPG 3) issued by Malaysian Institute of Accountants for inclusion in this Annual Report and 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 effectiveness of risk management and internal control within the Group.

AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

Statement made in accordance with a resolution of the Board of Directors dated 13 May 2026.

ADDITIONAL COMPLIANCE INFORMATION

Pursuant to Paragraph 9.25 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

1. MATERIAL CONTRACTS

There were no material contracts entered into by the Company and/or its subsidiary companies involving the Company's directors and/or major shareholders' interests either still subsisting at the end of financial year, or which were entered into since the end of the previous financial year.

2. MATERIAL CONTRACTS RELATED TO LOAN

There were no material contracts related to loans entered into by the Company and/or its subsidiary companies involving the Company's directors and/or major shareholders' interests during the financial year under review.

3. RECURRENT RELATED PARTY TRANSACTIONS ENTERED INTO DURING FINANCIAL YEAR ENDED 31 JANUARY 2025 PURSUANT TO SHAREHOLDERS' MANDATE

Shareholders' mandate was not required to be procured for recurrent related party transactions entered into during financial year ended 31 January 2026.

4. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred for services rendered by Messrs. Ernst & Young PLT by the Group and the Company for the financial year under review were as follows:

	Group (RM)	Company (RM)
Statutory audit fees	245,510	61,630
Non-audit fees	7,870	7,870

The non-audit fees comprised of professional fees in relation to Statement of Risk Management and Internal Control review.

5. PROFIT ESTIMATION, FORECAST OR PROJECTION

There were no profit estimation, forecast of projection made or released by the Company during the financial year under review.



Statement of Directors' Responsibility in Respect of The Audited Financial Statements

Pursuant to Paragraph 15.26(a) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The Directors are responsible for the preparation of the financial statements for each financial year in accordance with MFRS Accounting Standards, IFRS Accounting Standards, the provisions of the Companies Act 2016 and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are responsible for ensuring that the audited financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 January 2026 and of the financial performance and cash flows for the financial year then ended.

In preparing the financial statements of the Group and of the Company, the Directors have ensured that appropriate accounting policies have been adopted and have been applied consistently, reasonable and prudent judgments and estimates were exercised, and that the financial statements were prepared on a going concern basis.

The Directors are responsible for ensuring that the Group and the Company maintain accounting records which disclose with reasonable accuracy the financial position of the Group and of the Company and which enable them to ensure that the financial statements are in compliance with the provisions of the Companies Act 2016.

The Directors are also responsible for taking such steps that are reasonably available for them to safeguard the assets of the Group and the Company as well as to prevent and detect fraud and other irregularities.

This Statement of Directors' Responsibility is made in accordance with a resolution passed by the Board on 13 May 2026.



FINANCIAL STATEMENTS

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DIRECTORS' REPORT

DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 January 2026.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries.

The principal activities of the subsidiaries and joint venture are described in Note 16 and Note 17 to the financial statements respectively.

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

RESULTS

	GROUP RM	COMPANY RM
Profit net of tax	7,094,852	4,017,161
Attributable to:		
Owners of the parent	7,360,825	4,017,161
Non-controlling interests	(265,973)	-
	7,094,852	4,017,161

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

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

DIVIDENDS

During the financial year, a final single tier dividend in respect of the financial year ended 31 January 2025 of 4.0 sen per ordinary share on 72,775,737 ordinary shares amounting to RM2,911,029 was paid on 21 July 2025.

At the forthcoming Annual General Meeting, a final single tier dividend in respect of the financial year ended 31 January 2026 of 4.0 sen per ordinary share on 72,775,737 ordinary shares, amounting to a dividend payable of RM2,911,029 will be proposed for shareholders' approval.

The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of distributable retained profits in the financial year ending 31 January 2027.

DIRECTORS

The names of the directors of the Company in office since the beginning of the financial year to the date of this report are:

Tan Sri Dato' Seri Ir. Shamsuddin bin Abdul Kadir (retired on 1 May 2025)
Puan Sri Datin Seri Mariam Parineh**
Tan Sri Dr. Azmil Khalili bin Dato' Khalid
Datuk Syed Izuan bin Syed Kamarulbahrin**
Ir. Md. Shah bin Hussin
Datin Noor Lily Zuriati binti Abdullah
Emily Kok (appointed on 19 February 2025)
Datuk Zainol Izzet bin Mohamed Ishak (appointed on 1 May 2025)

**These directors are also directors of the Company's subsidiaries.

The names of the directors of the subsidiaries in office since the beginning of the financial year to the date of this report are:

Mohd Fahmi bin Md Isa
Liyana Lee binti Abdullah
Shariman bin Abdul Sofi
Noriyuki Wada
Noriharu Noshimura
Mohd Farid bin Abd Manaf
Nurshalliza binti Hajis
Chen Lin (appointed on 12 June 2025)
Li Xin (appointed on 12 June 2025)
Kamaluddin bin Abdul Aziz (appointed on 18 December 2025)
Fazal Othman bin Mohd Ghazali (resigned on 18 December 2025)
Mohd Saleh bin Jani (resigned on 9 March 2026)

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of a full-time employee of the Company as shown below) by reason of a contract made by the Company or a related corporation with any director or with a firm of which he is a member, or with a company in which he has a substantial financial interest, other than as disclosed below.

Directors' Report

DIRECTORS' BENEFITS (CONT'D.)

The directors' benefits are as follows:

	GROUP AND COMPANY RM
Salaries and other emoluments	2,845,785
Fees	429,342
Contributions to defined contribution plan	301,079
Benefits-in-kind	107,219
	3,683,425

The Company maintains a liability insurance for the directors and officers of the Group. The total sum insured for the directors and officers of the Group for the financial year amounted to RM10,000,000.

The total insurance premium effected for any director and officer of the Company as at the financial year end is RM13,225.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			At 31.1.2026
	At 1.2.2025/ Date of appointment	Acquired	Transferred	
The Company				
Sapura Industrial Berhad				
Direct interest:				
Datuk Syed Izuan bin Syed Kamarulbahrin	500,000	-	-	500,000
Datuk Zainol Izzet bin Mohamed Ishak ¹	1,500,000	-	-	1,500,000
Indirect interest:				
Puan Sri Datin Seri Mariam Parineh ²	20,377,300	-	-	20,377,300

¹ Shares held at the date of appointment.

² Deemed interested by virtue of being a substantial shareholder of SAK Asset Ventures Sdn. Bhd. ("SAK Asset Ventures") pursuant to Section 8 of the Companies Act 2016. SAK Asset Ventures is a substantial shareholder of Sapura Industrial Berhad.

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

OTHER STATUTORY INFORMATION

- (a) Before the statements of comprehensive income and statements of financial position of the Group and of the Company were made out, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance of expected credit losses and satisfied themselves that there were no known bad debts and that adequate allowance of expected credit losses had been made; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or the amount of the allowance of expected credit losses in the financial statements of the Group and of the Company inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person other than as disclosed in Note 24 to the financial statements; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

Significant events

Details of significant events are disclosed in Note 36 to the financial statements.

Subsequent events

Details of subsequent events are disclosed in Note 37 to the financial statements.

Directors' Report

AUDITORS

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is as follows:

	Group RM	Company RM
Ernst & Young PLT		
- Statutory audit	245,510	61,630
- Other services	7,870	7,870
	253,380	69,500

INDEMNIFICATION OF AUDITORS

To the extent permitted by law, the Company has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit. No payment has been made to indemnify Ernst & Young PLT for the financial year ended 31 January 2026.

Signed on behalf of the Board in accordance with a resolution of the directors dated on 13 May 2026.

Datin Noor Lily Zuriati binti Abdullah

Datuk Syed Izuan bin Syed Kamarulbahrin

STATEMENT BY DIRECTORS

Statement by directors pursuant to Section 251(2) of the Companies Act 2016

We, Datin Noor Lily Zuriati binti Abdullah and Datuk Syed Izuan bin Syed Kamarulbahrin, being two of the directors of Sapura Industrial Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 80 to 155 are drawn up in accordance with MFRS Accounting 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 at 31 January 2026 and of their financial performance and cash flows for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors dated 13 May 2026.

Datin Noor Lily Zuriati binti Abdullah

Datuk Syed Izuan bin Syed Kamarulbahrin

STATUTORY DECLARATION

Statutory declaration pursuant to Section 251(1)(b) of the Companies Act 2016

I, Liyana Lee binti Abdullah, being the officer primarily responsible for the financial management of Sapura Industrial Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 80 to 155 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly
declared by the abovenamed
Liyana Lee binti Abdullah
at Bandar Baru Bangi, Selangor Darul Ehsan
on 13 May 2026.

Liyana Lee binti Abdullah
(MIA Membership No: 10293)

Before me,

INDEPENDENT AUDITORS' REPORT

to the members of Sapura Industrial Berhad
(Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Sapura Industrial Berhad, which comprise the statements of financial position as at 31 January 2026 of the Group and of the Company, and statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 80 to 155.

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 January 2026, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting 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 audit opinion.

Independence and other ethical responsibilities

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report on the financial statements of the Company. The key audit matters for the audit of the financial statements of the Group are described below. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditors' responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

Independent Auditors' Report

to the members of Sapura Industrial Berhad
(Incorporated in Malaysia)

Revenue from sale of automotive parts (Refer to Note 4 to the financial statements)

Revenue from sale of automotive parts recognised by the Group during the year amounted to approximately RM262.98 million. We identified revenue from sales of automotive parts to be an area of audit focus, as we consider the voluminous transactions for numerous types of products to be a possible cause of material misstatement in the timing and recognition of revenue.

Our audit procedures for revenue from sales of automotive parts included amongst others the following procedures:

- (a) We updated our understanding and performed tests over the Group's internal controls over the timing and amount of revenue recognised;
- (b) We inspected the terms of new significant sales contracts to determine the point in time at which control of a promised good is transferred and the Group satisfies its performance obligations;
- (c) We focused on using analytics by obtaining general ledger data that enables us to establish the correlation between revenue, trade receivables and cash collection;
- (d) We reperformed testing over cash entries that settle trade receivables and inspected documents evidencing customer acceptance and cash receipts; and
- (e) We focused our testing on the recording of sales transactions close to year end, including credit and debit notes issued after year end, to establish whether transactions were recorded in the correct accounting period.

We also reviewed the Group's description of the accounting policy related to revenue, and the adequacy of the disclosures in Note 4 to the financial statements.

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 Directors' Report and the Group's 2026 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.

Independent Auditors' Report

to the members of Sapura Industrial Berhad
(Incorporated in Malaysia)

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 MFRS Accounting 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 of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- 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 financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.



Independent Auditors' Report

to the members of Sapura Industrial Berhad
(Incorporated in Malaysia)

Auditors' responsibilities for the audit of the financial statements (cont'd.)

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

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

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

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, as disclosed in Note 16 to the financial statements.

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.

Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia
13 May 2026

Abdul Hadi Bin Gonawan
No. 03676/07/2026 J
Chartered Accountant

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended 31 January 2026

	Note	2026 RM	Group 2025 RM	2026 RM	Company 2025 RM
Revenue	4	264,785,554	287,028,306	24,915,017	21,003,001
Cost of sales		(223,730,429)	(248,995,792)	-	-
Gross profit		41,055,125	38,032,514	24,915,017	21,003,001
Other income	5	6,018,155	6,934,711	1,970,072	1,891,464
Administrative expenses		(31,025,719)	(28,167,972)	(21,545,120)	(19,819,823)
Selling and marketing expenses		(1,179,636)	(672,185)	(853,283)	(479,498)
Other expenses		(18,600)	(62,331)	(15,000)	(55,631)
Profit from operations		14,849,325	16,064,737	4,471,686	2,539,513
Finance costs	6	(3,092,092)	(2,537,251)	(393,207)	(130,896)
Share of loss of a joint venture		(163,222)	-	-	-
Profit before tax	7	11,594,011	13,527,486	4,078,479	2,408,617
Taxation	10	(4,499,159)	(4,586,725)	(61,318)	(39,374)
Profit net of tax		7,094,852	8,940,761	4,017,161	2,369,243
Other comprehensive loss:					
Actuarial loss on retirement benefit, net of tax		(1,058,709)	(56,496)	(194,174)	(13,344)
Total comprehensive income for the year		6,036,143	8,884,265	3,822,987	2,355,899
Profit/(loss) attributable to:					
Owners of the parent		7,360,825	9,063,594	4,017,161	2,369,243
Non-controlling interests		(265,973)	(122,833)	-	-
		7,094,852	8,940,761	4,017,161	2,369,243
Total comprehensive income/(loss) attributable to:					
Owners of the parent		6,302,116	9,007,098	3,822,987	2,355,899
Non-controlling interests		(265,973)	(122,833)	-	-
		6,036,143	8,884,265	3,822,987	2,355,899
Earnings per share attributable to owners of the parent (sen):					
Basic/diluted	11	10.11	12.45		

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF FINANCIAL POSITION

as at 31 January 2026

	Note	2026 RM	Group 2025 RM	2026 RM	Company 2025 RM
Assets					
Non-current assets					
Property, plant and equipment	13	73,181,767	74,097,164	2,305,333	782,132
Investment properties	14	14,668,086	31,673,152	13,125,631	13,400,708
Goodwill	15	116,724	116,724	-	-
Development expenditure	15	997,096	1,467,353	-	-
Investments in subsidiaries	16	-	-	30,381,000	30,381,000
Investment in joint venture	17	8,710,778	-	-	-
Other receivables	19	538,890	103,893	16,849,214	10,800,000
Deferred tax assets	27	1,087,480	919,809	-	-
		99,300,821	108,378,095	62,661,178	55,363,840
Current assets					
Inventories	18	24,952,449	32,320,272	-	-
Tax recoverable		1,330,969	1,487,177	274,527	109,597
Trade and other receivables	19	26,665,551	32,675,761	20,958,909	26,289,300
Other current assets	20	6,401,481	3,399,130	986,946	890,283
Short term investments	21	27,533,010	23,186,024	-	-
Cash and cash equivalents		18,327,688	13,420,439	1,890,856	1,328,940
		105,211,148	106,488,803	24,111,238	28,618,120
Asset held for sale	22	16,691,967	-	-	-
		121,903,115	106,488,803	24,111,238	28,618,120
Total assets		221,203,936	214,866,898	86,772,416	83,981,960
Equity and liabilities					
Current liabilities					
Retirement benefit obligations	23	844,503	143,786	424,504	84,264
Trade and other payables	28	35,879,838	33,661,156	3,094,813	2,974,644
Provisions	29	522,110	518,632	-	-
Tax payable		8,079	250,631	-	-
Loans and borrowings	24	14,965,116	9,413,405	931,299	95,629
		52,219,646	43,987,610	4,450,616	3,154,537
Net current assets		69,683,469	62,501,193	19,660,622	25,463,583

Statements of Financial Position

as at 31 January 2026

	Note	2026 RM	Group 2025 RM	2026 RM	Company 2025 RM
Non-current liabilities					
Retirement benefit obligations	23	9,791,993	9,110,365	2,434,779	2,635,155
Loans and borrowings	24	32,805,743	38,819,125	1,063,094	280,299
Deferred tax liabilities	27	3,807,579	4,135,550	-	-
Provisions	29	930,189	290,625	-	-
		47,335,504	52,355,665	3,497,873	2,915,454
Total liabilities		99,555,150	96,343,275	7,948,489	6,069,991
Net assets		121,648,786	118,523,623	78,823,927	77,911,969
Equity attributable to owners of the parent					
Share capital	30	74,975,863	74,975,863	74,975,863	74,975,863
Retained profits		45,310,720	41,919,633	3,848,064	2,936,106
		120,286,583	116,895,496	78,823,927	77,911,969
Non-controlling interests		1,362,203	1,628,127	-	-
Total equity		121,648,786	118,523,623	78,823,927	77,911,969
Total equity and liabilities		221,203,936	214,866,898	86,772,416	83,981,960

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 January 2026

	Note	← Attributable to owners of the parent →			Non-controlling interests RM	Total equity RM
		Non-distributable Share capital RM	Distributable Retained profits RM	Total RM		
As at 1 February 2025		74,975,863	41,919,633	116,895,496	1,628,127	118,523,623
Issuance of equity instruments	16(a)	-	-	-	49	49
Total comprehensive income/ (loss) for the year		-	6,302,116	6,302,116	(265,973)	6,036,143
Dividends on ordinary shares	12	-	(2,911,029)	(2,911,029)	-	(2,911,029)
At 31 January 2026		74,975,863	45,310,720	120,286,583	1,362,203	121,648,786
As at 1 February 2024		74,975,863	36,551,322	111,527,185	1,409,236	112,936,421
Issuance of equity instruments	16(b)	-	-	-	341,724	341,724
Total comprehensive income/ (loss) for the year		-	9,007,098	9,007,098	(122,833)	8,884,265
Dividends on ordinary shares	12	-	(3,638,787)	(3,638,787)	-	(3,638,787)
At 31 January 2025		74,975,863	41,919,633	116,895,496	1,628,127	118,523,623

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 31 January 2026

	Note	Non-distributable Share capital RM	Distributable Retained profits RM	Total RM
As at 1 February 2025		74,975,863	2,936,106	77,911,969
Total comprehensive income for the year		-	3,822,987	3,822,987
Dividends on ordinary shares	12	-	(2,911,029)	(2,911,029)
At 31 January 2026		74,975,863	3,848,064	78,823,927
As at 1 February 2024		74,975,863	4,218,994	79,194,857
Total comprehensive income for the year		-	2,355,899	2,355,899
Dividends on ordinary shares	12	-	(3,638,787)	(3,638,787)
At 31 January 2025		74,975,863	2,936,106	77,911,969

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CASH FLOWS

For the year ended 31 January 2026

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Operating activities				
Profit before tax	11,594,011	13,527,486	4,078,479	2,408,617
Adjustments for:				
Share of loss of a joint venture	163,222	-	-	-
Property, plant and equipment				
- depreciation	13,773,507	13,591,304	223,918	227,905
- written off	22,621	137,790	-	-
Depreciation of investment properties	313,099	242,741	275,077	199,451
Amortisation of development expenditure	481,452	564,936	-	-
Right-of-use assets				
- depreciation	916,851	806,021	836,363	827,224
- modification gain	-	-	-	(1,037)
Provision for short term accumulating compensated absences	128,984	31,316	128,984	36,452
Net allowance for impairment on trade and other receivables	47,255	51,745	-	-
Allowance for impairment on investment in a subsidiary	-	-	-	76,980
Provision for warranty	1,362,932	907,347	-	-
Net unrealised gain on foreign exchange	(260,212)	(113,871)	-	-
Increase in liability for defined benefit plan	828,642	819,663	123,681	320,398
Dividend income	-	-	(8,500,000)	(5,205,000)
Gain on disposal of property, plant and equipment	-	(43,000)	-	-
Interest expense	3,092,092	2,537,251	393,207	130,896
Interest income	(164,062)	(75,360)	(50,980)	(2,029)
Interest income from advances to subsidiaries	-	-	(265,014)	(378,261)
Profit from short term investments	(1,046,986)	(713,882)	-	-
Operating profit/(loss) before working capital changes	31,253,408	32,271,487	(2,756,285)	(1,358,404)
Decrease/(increase) in inventories	7,367,823	(2,834,172)	-	-
Decrease in trade and other receivables	5,528,258	4,519,718	2,669,327	959,110
(Increase)/decrease in other current assets	(3,002,351)	456,631	(96,663)	(668,423)
Increase/(decrease) in trade and other payables	2,349,910	(12,296,834)	(8,815)	(55,302)
Utilisation of provisions	(720,157)	(424,220)	-	-
Net cash generated from/(used in) operations	42,776,891	21,692,610	(192,436)	(1,123,019)
Interest paid	(2,944,594)	(2,430,022)	(272,168)	(82,018)
Taxes paid	(4,861,519)	(7,185,067)	(258,080)	(93,150)
Retirement benefits paid	(724,616)	(792,084)	(239,309)	(242,184)
Net cash generated from/(used in) operating activities	34,246,162	11,285,437	(961,993)	(1,540,371)

Statements of Cash Flows

For the year ended 31 January 2026

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Investing activities				
Purchase of property, plant and equipment	(11,060,385)	(12,307,193)	(74,392)	(90,600)
Proceeds from disposal of property, plant and equipment	-	43,000	-	-
Acquisition of business, net of cash acquired	-	(534,387)	-	-
(Placements)/withdrawals in short term investments	(3,300,000)	7,492,931	-	-
Dividend received from subsidiaries	-	-	5,205,000	6,500,000
Interest received	164,062	75,360	315,994	380,290
Investment in subsidiaries	-	-	-	(100)
Investment in a joint venture	(8,874,000)	-	-	-
Development expenditure incurred	(124,716)	(233,050)	-	-
Grant received on development development expenditure	113,521	-	-	-
Net cash (used in)/generated from investing activities	(23,081,518)	(5,463,339)	5,446,602	6,789,590
Financing activities				
Net drawdown of term loans	805,629	2,934,824	-	-
Net (repayment)/drawdown of other short term borrowings	(1,943,002)	496,014	-	-
Repayment of hire purchase obligations	(109,268)	(117,351)	(109,268)	(117,351)
Repayment of lease liabilities	(2,099,725)	(873,070)	(902,396)	(902,396)
Dividends on ordinary shares	(2,911,029)	(3,638,787)	(2,911,029)	(3,638,787)
Net cash used in from financing activities	(6,257,395)	(1,198,370)	(3,922,693)	(4,658,534)
Net increase in cash and cash equivalents	4,907,249	4,623,728	561,916	590,685
Cash and cash equivalents at beginning of year	13,420,439	8,796,711	1,328,940	738,255
Cash and cash equivalents at end of year	18,327,688	13,420,439	1,890,856	1,328,940

Cash and cash equivalents includes cash at bank and on hand and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Cash and cash equivalents at 31 January comprise:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Cash at bank and on hand	18,315,218	6,600,413	1,890,856	328,940
Short term deposits	12,470	6,820,026	-	1,000,000
	18,327,688	13,420,439	1,890,856	1,328,940

Short term deposit bear interest of 1.95% to 2.1% (2025: 1.95% to 2.1%).

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

31 January 2026

1. CORPORATE INFORMATION

Sapura Industrial Berhad ("the Company") is a public limited liability company incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Lot 2 & 4, Jalan P/11 Seksyen 10, Kawasan Perindustrian Bangi, 43650 Bandar Baru Bangi, Selangor.

The principal activities of the Company are investment holding and the provision of management services to its subsidiaries. The principal activities of the subsidiaries and joint venture are disclosed in Note 16 and Note 17 respectively. There have been no significant changes in the nature of the principal activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 13 May 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

2.1 Basis of preparation

The financial statements of the Group and of the Company have been prepared in accordance with MFRS Accounting Standards as issued by Malaysian Accounting Standards Board ("MASB"), IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Company have been prepared under the historical cost basis except where disclosed in the accounting policies below.

The financial statements are presented in Ringgit Malaysia ("RM") except when otherwise indicated.

The Group and the Company have prepared the financial statements on the basis that it will continue to operate as a going concern.

As of 1 February 2025, the Group and the Company have adopted new, amendments and revised MFRS Accounting Standards (collectively referred to as "pronouncements") that have been issued by Malaysian Accounting Standards Board ("MASB") as described fully in Note 2.2.

2.2 Changes in accounting policies

On 1 February 2025, the Group and the Company adopted the following new and amended MFRS Accounting Standards and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2025.

Effective for annual periods beginning on or after 1 January 2026

Amendments to MFRS 121

Lack of Exchangeability

The adoption of the above new and amended standards did not have any significant effect on the financial performance or position of the Group and the Company.

Notes to the Financial Statements

31 January 2026

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.3 New and revised pronouncements yet in effect

The Group and the Company have not adopted the following standards and interpretations that have been issued but are not yet effective.

Effective for annual periods beginning on or after 1 January 2026

Amendments to MFRS 1, MFRS 7, MFRS 9, MFRS 10 and MFRS 107	Annual Improvements to MFRS Accounting Standards - Volume 11
Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 9 and MFRS 7	Amendments to the Contracts Referencing Nature-dependent Electricity

Effective for annual periods beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency

Deferred yet to be effective

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The Group and the Company are expected to apply the abovementioned pronouncements beginning from the respective dates the pronouncements become effective.

The initial application of the abovementioned pronouncements are not expected to have any material impact to the financial statements of the Group and the Company, except as mentioned below:

MFRS 18: Presentation and Disclosure in Financial Statements

MFRS 18 will replace MFRS 101 Presentation of Financial Statements, which retains majority of the requirements of MFRS 101 and complementing them with new requirements. MFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of the five categories: operating, investing, financing, income taxes and discontinued operation, whereof the first three are new.

The standard requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and it also includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements ("PFS") and the notes.

In addition, narrow-scope amendments have been made to MFRS 107 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.3 New and revised pronouncements yet in effect (cont'd)

The Group and the Company are currently working to identify all impacts the amendments will have on the primary financial statements and notes to the financial statements. The initial expected impacts on financial statements are, as follows:

- (i) Rental income and share of profit of a joint venture will be classified in the investing category within the statement of profit or loss.
- (ii) Foreign exchange difference will be classified in the category where the related income and expense form the item giving rising to the foreign exchange difference.
- (iii) Interest received and interest paid will be classified in the investing activities and financing activities, respectively, on the statement of cash flows.

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the reporting date. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

The Company controls an investee if and only if the Company has the following:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) Exposure, or rights, to variable returns from its investment with the investee; and
- (iii) The ability to use its power over the investee to affect its returns.

When the Company has less than a majority of the voting rights of an investee, the Company considers the following in assessing whether or not the Company's voting rights in an investee are sufficient to give it power over the investee:

- (i) The contractual arrangements with the other vote holders of the investee;
- (ii) Rights arising from other contractual arrangements; and
- (iii) The Company's voting rights and potential voting rights.

The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income ("OCI") are attributed to the equity holders of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Notes to the Financial Statements

31 January 2026

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.4 Basis of consolidation (cont'd.)

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. The resulting difference is recognised directly in equity and attributed to owners of the Company.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity, while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

2.5 Subsidiaries

Subsidiaries are entities controlled by the Company.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Control exists when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control when such rights are substantive. The Company considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less any impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2.6 Joint arrangements

The Group holds an interest in a joint venture, SIB ZZT Sdn. Bhd. ("SIB ZZT"). The financial statements of SIB ZZT are prepared for the same reporting period as the Group. The accounting policies of joint venture are aligned with those of the Group. Therefore, no adjustments are made when measuring and recognising the Group's share of the profit or loss of the investees after the date of acquisition.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The Group's investment in its joint venture are accounted for using the equity method.

The aggregate of the Group's share of profit or loss of a joint venture is shown on the face of the statement of comprehensive income outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the joint venture.

Under the equity method, the investment in a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the joint venture since the acquisition date.

The statement of comprehensive income reflects the Group's share of the results of operations of the joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.6 Joint arrangements (cont'd.)

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss in the statement of comprehensive income.

Upon loss of significant influence over the joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

2.7 Foreign currency

(a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Group's and the Company's financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Group and the Company.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the respective functional currencies of the each entity in the Group and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

2.8 Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset, excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Notes to the Financial Statements

31 January 2026

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.9 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group and the Company recognise such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation of property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Building	2%
Plant, machinery, electrical installation, factory equipment and application tools	10% to 33%
Furniture, fittings, office equipment, renovation, computers and motor vehicles	10% to 25%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.10 Investment properties

Investment properties are land or buildings held by the Group and the Company or held under finance leases, to earn rental income or for capital appreciation or both. Investment property is stated at cost less accumulated depreciation and accumulated impairment losses.

Freehold land is not depreciated. Depreciation of other investment properties is provided for on a straight-line basis to write off the cost to its residual value over its estimated useful life at the following periods:

Leasehold land	Over lease period of 50 - 99 years
Buildings	Over a period of 50 years or period of the lease whichever is the shorter

Upon the disposal of an item of investment property, the difference between the net disposal proceeds and the carrying amount is recognised in the profit or loss.

When an indication of impairment exists, the carrying amount of the asset is written down immediately to its recoverable value.

2.11 Intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are measured at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the cash-generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.11 Intangible asset (cont'd.)

Development expenditure

Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria for recognition are fulfilled:

- It is technically feasible to complete the intangible assets so that it will be available for use;
- Management's intention to complete the intangible asset for use;
- There is an ability to use the intangible asset;
- It can be demonstrated that the intangible asset will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use the intangible asset are available; and
- The expenditure attributable to the intangible asset during its development can be reliably measured.

Development expenditure is amortised over the intangible asset's estimated useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of consideration paid over the net fair value of identifiable assets and liabilities of the acquiree. Where the net fair value of the identifiable assets and liabilities of the acquiree is in excess of consideration paid, a gain on bargain purchase is recognised immediately in the statement of comprehensive income.

2.12 Financial assets

(a) Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income ("OCI"), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's and the Company's business model for managing them.

With the exception of trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the Group and the Company initially measure a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss.

Trade receivables that do not contain a significant financing component or if the period between performance and payment is 1 year or less under practical expedient of MFRS 15, are measured at the transaction price determined under MFRS 15.

Notes to the Financial Statements

31 January 2026

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.12 Financial assets (cont'd.)

(a) Initial recognition and measurement (cont'd.)

The Group's and the Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both. Financial assets held with the objective to only collect contractual cash flows are classified and measured at amortised cost. Otherwise, the financial assets are classified as fair value through OCI and measured at fair value.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place ("regular way trades") are recognised on the trade date, that is the date that the Group or the Company commit to purchase or sell the asset.

(b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two categories:

- (i) Financial assets at amortised cost (debt instruments)
- (ii) Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group and the Company. The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- (i) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows, and
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's and the Company's financial assets at amortised cost includes trade and other receivables, and cash and cash equivalent.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of comprehensive income.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.12 Financial assets (cont'd.)

(c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the statements of financial position) when:

- (i) The rights to receive cash flows from the asset have expired; or
- (ii) The Group and the Company have transferred their rights to receive cash flows from the asset or have assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
 - (a) The Group and the Company have transferred substantially all the risks and rewards of the asset, or
 - (b) The Group and the Company have neither transferred nor retained substantially all the risks and rewards of the asset, but have transferred control of the asset.

When the Group and the Company have transferred their rights to receive cash flows from an asset or have entered into a pass-through arrangement, they evaluate if, and to what extent, they have retained the risks and rewards of ownership. When they have neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group and the Company continue to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group and the Company also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Company have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Company would be required to repay.

2.13 Impairment of financial assets

The Group and the Company recognise an allowance for expected credit losses ("ECLs") for all debt instruments carried at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group and the Company expect to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-month (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group and the Company apply a simplified approach in calculating ECLs. Therefore, the Group and the Company do not track changes in credit risk, but instead recognise a loss allowance based on lifetime ECLs at each reporting date.

The Group and the Company consider a financial asset in default when contractual payments are 30 to 90 days past due. However, in certain cases, the Group and the Company may also consider a financial asset to be in default when internal or external information indicates that the Group and the Company are unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group and the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Notes to the Financial Statements

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2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for as follows:

- Materials and component parts, spares and tools, and consumables: purchase costs on a weighted average basis.
- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and the estimated costs necessary to make the sale.

2.15 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's and the Company's financial liabilities include trade and other payables, and loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group and the Company that are not designated as hedging instruments in hedge relationships as defined by MFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of comprehensive income.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied. The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.15 Financial liabilities (cont'd.)

Subsequent measurement (cont'd.)

The measurement of financial liabilities depends on their classification, as described below: (cont'd.)

(b) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate ("EIR") method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of comprehensive income. Borrowings are classified as current liabilities unless the Group and the Company have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.16 Employee benefits

(a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plans

The Group and the Company participate in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian companies in the Group make contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

Notes to the Financial Statements

31 January 2026

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.16 Employee benefits (cont'd.)

(c) Defined benefit plan

The Group and the Company operate an unfunded, defined benefit Retirement Benefit Scheme ("the Scheme") for its eligible employees. The Group's and the Company's obligation under the Scheme, calculated using the Projected Unit Credit Method, is determined based on actuarial computations by independent actuaries, through which the amount of benefit that employees have earned in return for their service in the current and prior years is estimated. That benefit is discounted in order to determine its present value. Actuarial gains and losses are recognised immediately through other comprehensive income in order for the net pension asset or liability recognised in the statements of financial position to reflect the full value of the plan deficit or surplus. Past service costs are recognised immediately to the extent that the benefits are already vested, and otherwise are amortised on a straight-line basis over the average period until the amended benefits become vested.

The amount recognised in the statements of financial position represents the present value of the defined benefit obligations adjusted for unrecognised past service costs, and reduced by the fair value of plan assets. Any asset resulting from this calculation is limited to the net total of any past service costs, and the present value of any economic benefits in the form of refunds or reductions in future contributions to the plan.

2.17 Leases

As a lessee

(a) Right-of-use assets

Right-of-use assets represent land, building, plant, machinery and factory equipment leased by the Group and the Company under operating leases.

Leasehold lands are depreciated over the period of respective leases of 99 years. Depreciation of right-of-use assets is computed on a straight-line basis over the estimated useful lives of the assets at the following annual rates:

Building	20% to 25%
Plant, machinery and factory equipment	25%

The Group and the Company present right-of-use assets in 'property, plant and equipment' in the statements of financial position and the accounting policy for leased assets are the same for property, plant and equipment in all respects.

(b) Lease liabilities

At the commencement date of the lease, the Group and the Company recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Company use their incremental borrowing rate at the lease commencement date if the implicit interest rate to the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.17 Leases (cont'd.)

As a lessee (cont'd.)

(b) Lease liabilities (cont'd.)

In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Lease payments associated with short-term leases of twelve months or less and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss over the lease term.

The Group and the Company present lease liabilities in 'loans and borrowings' in the statements of financial position.

As a lessor

When the Group and the Company act as a lessor, they determine at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group and the Company make an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group and the Company recognise lease payments received under operating leases as income on a straight-line basis over the lease term.

2.18 Revenue

The Group is in the business of manufacturing and sale of automotive parts in the automotive industry and the provision of vehicle maintenance services. Revenue from contracts with customers is recognised when control of goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

(i) Revenue from contracts with customers

(a) Sales of automotive parts

Revenue from sales of automotive parts are recognised at a point in time when or as the Group satisfies a performance obligation upon the control of the goods being transferred to the customer, generally on delivery of goods. Payment is generally due within 30 to 90 days from the date of delivery.

Advance payments received from customers are recognised as contract liabilities and are recognised as revenue when the Group satisfies its performance obligation under the contract.

The contracts entered into by the Group do not involve a significant financing component, as payments are typically received shortly upon the sales of automotive parts.

Notes to the Financial Statements

31 January 2026

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.18 Revenue (cont'd.)

(i) Revenue from contracts with customers (cont'd.)

(a) Sales of automotive parts (cont'd.)

The Group provides warranties in connection with the sales of automotive parts. Such warranties are assurance-type warranties, which assure customers that the products comply with agreed-upon specifications at the time of sale. Warranty obligations do not represent a separate performance obligation under the contract. The expected costs of fulfilling warranty obligations are recognised as a provision at the time the related revenue is recognised. The accounting policy of provisions is disclosed in Note 2.20.

(b) Vehicle maintenance services

Revenue from the vehicle maintenance services is recognised over time when or as the Group satisfies a performance obligation when the services are rendered to the customers. Payment is generally due upon completion of service.

The contracts entered into by the Group do not involve a significant financing component, as payments are typically received shortly upon completion of service.

The Group does not incur any warranty obligations related to the vehicle maintenance services.

(c) Training services

Revenue from the training services is recognised over time when or as the Group satisfies a performance obligation when the services are rendered to the customers. Payment is generally due upon completion of service.

The contracts entered into by the Group do not involve a significant financing component, as payments are typically received shortly upon completion of service.

The Group does not incur any warranty obligations related to the vehicle maintenance services.

(ii) Interest income

Interest income is recognised using the effective interest rate method.

(iii) Management fees

The performance obligation is satisfied over time as services are rendered to the customers.

(iv) Dividend income

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

(v) Sale of scrap

Income from sale of scrap is recognised at a point in time upon control of the goods being transferred to the customer.

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.19 Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associate, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unabsorbed capital allowances and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associate, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes to the Financial Statements

31 January 2026

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D.)

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

Where the Company expects a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised in profit or loss.

2.21 Segment reporting

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 35, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.22 Fair value measurements

Fair value of an asset or a liability, except for lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business at the end of reporting date. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; discounted cash flow analysis or other valuation models. Where fair value cannot be reliably estimated, assets are carried at cost less impairment losses, if any.

For a non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable input).

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

3.1 Judgements made in applying accounting policies

There were no critical judgements made by management in the process of applying accounting policies that have significant effect on the amount recognised in the financial statements in the current year.

3.2 Key sources of estimation uncertainty

The key assumptions 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 are discussed below.

(a) Provision for warranty

Warranty provisions are estimated based on historical experience of warranty claims on products sold and recent trend analysis of expected future claims, which are adjusted to reflect anticipated changes in future claim rates. The actual outcome of product warranties may deviate from the expected outcome and materially affect the warranty costs and provisions in future periods. Further information on the Group's warranty provisions is disclosed in Note 29.

(b) Impairment of property, plant and equipment

The Group reviews its property, plant and equipment at each reporting date to determine if there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated to determine the amount of impairment loss. The Group carries out the impairment test based on a variety of estimations including value-in-use of the CGUs. Estimating the value-in-use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of property, plant and equipment are disclosed in Note 13.

Notes to the Financial Statements

31 January 2026

4. REVENUE

	2026 RM	Group 2025 RM	2026 RM	Company 2025 RM
Type of goods or services				
Sales of automotive parts	262,980,784	286,836,346	-	-
Vehicle maintenance services	1,725,980	172,010	-	-
Training services	78,790	19,950	-	-
Management fees from subsidiaries	-	-	16,415,017	15,798,001
Total revenue from contracts with customers	264,785,554	287,028,306	16,415,017	15,798,001
Dividends from subsidiaries, representing total revenue from other sources	-	-	8,500,000	5,205,000
	264,785,554	287,028,306	24,915,017	21,003,001
Geographical markets				
Malaysia	264,785,554	287,028,306	16,415,017	15,798,001
Total revenue from contracts with customers	264,785,554	287,028,306	16,415,017	15,798,001
Total revenue from other sources	-	-	8,500,000	5,205,000
	264,785,554	287,028,306	24,915,017	21,003,001
Timing of revenue recognition				
At a point of time	262,980,784	286,836,346	-	-
Over time	1,804,770	191,960	16,415,017	15,798,001
Total revenue from contract with customers	264,785,554	287,028,306	16,415,017	15,798,001
Total revenue from other sources	-	-	8,500,000	5,205,000
	264,785,554	287,028,306	24,915,017	21,003,001

Notes to the Financial Statements

31 January 2026

5. OTHER INCOME

Included in other income are:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Rental income	848,304	877,198	1,623,072	1,476,968
Profit from short term investments (Note 21)	1,046,986	713,882	-	-
Interest income	164,062	75,360	50,980	2,029
Interest income from advances to subsidiaries	-	-	265,014	378,261
Income from sales of scrap	3,542,117	4,128,264	-	-
Gain on disposal of property, plant and equipment	-	43,000	-	-
Unrealised foreign exchange gain	260,212	71,687	-	-
Other miscellaneous income	156,474	1,025,320	31,006	34,206
	6,018,155	6,934,711	1,970,072	1,891,464

6. FINANCE COSTS

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Interest expense on:				
- Term loans	2,446,148	2,008,633	-	-
- Revolving credits	231,430	-	212,701	-
- Hire purchase obligations	11,267	24,906	11,267	24,906
- Bankers' acceptances	114,476	226,608	-	-
- Lease liabilities (Note 26)	133,859	82,323	107,400	23,972
- Letter of credits	38,736	60,202	-	-
- Overdraft facility	-	10	-	-
Letter of guarantee charges	34,956	15,596	-	-
Facility fees	81,220	118,973	61,839	82,018
	3,092,092	2,537,251	393,207	130,896

Notes to the Financial Statements

31 January 2026

7. PROFIT BEFORE TAX

The following items have been included in arriving at profit before tax:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Employee benefits expense (Note 8)	51,641,652	50,573,384	17,097,677	16,200,031
Amortisation of development expenditure (Note 15)	481,452	564,936	-	-
Fees for statutory audits: - Ernst & Young PLT	245,510	257,400	61,630	58,700
Fees for non-audit services: - Ernst & Young PLT	7,870	7,500	7,870	7,500
Depreciation of property, plant and equipment (Note 13)	13,773,507	13,591,304	223,918	227,905
Depreciation of right-of-use assets (Note 13)	916,851	806,021	836,363	827,224
Depreciation of investment properties (Note 14)	313,099	242,741	275,077	199,451
Unrealised foreign exchange gain	(260,212)	(113,871)	-	-
Property, plant and equipment written off	22,621	137,790	-	-
Gain on lease modification	-	-	-	(1,037)
Allowance for impairment on investment in a subsidiary (Note 16)	-	-	-	76,980
Allowance for impairment on trade and other receivables (Note 19)	47,255	51,745	-	-

8. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Wages and salaries	38,515,766	37,763,922	12,151,891	11,247,236
Social security contribution	503,976	474,955	95,485	85,775
Contributions to defined contribution plan	3,562,835	3,400,450	1,354,142	1,307,729
Increase in liability for defined benefit plan (Note 23)	828,642	819,663	237,682	320,398
Short term accumulating compensated absences	128,984	31,316	128,984	36,452
Other benefits	8,101,449	8,083,078	3,129,493	3,202,441
	51,641,652	50,573,384	17,097,677	16,200,031

Included in employee benefits expense of the Group and of the Company are remuneration of executive directors of the Group and of the Company excluding benefit-in-kind amounting to RM3,146,864 (2025: RM2,987,434) as further disclosed in Note 9.

Notes to the Financial Statements

31 January 2026

9. DIRECTORS' REMUNERATION

	Group and Company	
	2026	2025
	RM	RM
Directors of the Company		
Executive:		
Salaries and other emoluments	2,845,785	2,864,000
Contributions to defined contribution plan	301,079	123,434
Benefits-in-kind	16,219	40,188
	3,163,083	3,027,622
Non-Executive:		
Fees	429,342	354,877
Other emoluments	91,000	91,000
	520,342	445,877
	3,683,425	3,473,499
Analysis excluding benefits-in-kind:		
Total executive director's remuneration, excluding benefits-in-kind	3,146,864	2,987,434
Total non-executive directors' remuneration, excluding benefits-in-kind	520,342	445,877
Total directors' remuneration excluding benefits-in-kind	3,667,206	3,433,311

The number of directors of the Company whose total remuneration during the financial year fell within the following bands is analysed below:

	Number of Directors	
	2026	2025
Executive directors:		
RM1,950,001 - RM2,000,000	-	1
RM1,650,001 - RM1,700,000	1	-
RM950,001 - RM1,000,000	-	1
RM900,001 - RM950,000	1	-
RM500,001 - RM550,000	1	-
RM50,001 - RM100,000	-	1
Non-executive directors:		
RM100,001 - RM150,000	3	2
RM50,001 - RM100,000	2	2
Below RM50,000	-	1

Notes to the Financial Statements

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10. TAXATION

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current income tax:				
Malaysia income tax	5,614,863	6,208,903	-	-
(Over)/under provision in prior years	(839,672)	140,811	-	35,160
	4,775,191	6,349,714	-	35,160
Deferred tax (Note 27):				
Relating to origination and reversal of temporary differences	(1,061,120)	(1,715,272)	61,318	4,214
Under/(over) provision in prior years	785,088	(47,717)	-	-
	(276,032)	(1,762,989)	61,318	4,214
	4,499,159	4,586,725	61,318	39,374

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the year.

A reconciliation of income tax expenses/(credits) applicable to profit before tax at the statutory income tax rate to income tax expense/(credits) at the effective income tax rate of the Group and of the Company is as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit before tax	11,594,011	13,527,486	4,078,479	2,408,617
Tax at Malaysian statutory tax rate of 24%	2,782,563	3,246,597	978,835	578,069
Income not subject to tax	-	-	(2,040,000)	(1,249,200)
Expenses not deductible for tax purposes	1,351,503	1,115,947	637,450	488,351
Deferred tax assets not recognised during the year	419,677	131,087	485,033	186,994
(Over)/under provision of income tax expense in prior years	(839,672)	140,811	-	35,160
Under/(over) provision of deferred tax expense in prior years	785,088	(47,717)	-	-
	4,499,159	4,586,725	61,318	39,374

11. EARNINGS PER SHARE

(a) Basic/diluted

Basic earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

Notes to the Financial Statements

31 January 2026

11. EARNINGS PER SHARE (CONT'D.)

(a) Basic/diluted (cont'd.)

	2026	2025
Profit net of tax attributable to owners of the parent (RM)	7,360,825	9,063,594
Weighted average number of ordinary shares in issue (unit)	72,775,737	72,775,737
Basic/diluted earnings per share (sen)	10.11	12.45

(b) Diluted

The Group does not have any potential dilutive ordinary shares. Accordingly, the diluted earnings per share equals the basic earnings per share.

12. DIVIDENDS

	Group and Company	
	2026	2025
	RM	RM
Recognised during the year:		
In respect of financial year ended 31 January 2025:		
Final single tier dividend of 4.0 sen per share	2,911,029	-
In respect of financial year ended 31 January 2024:		
Final single tier dividend of 5.0 sen per share	-	3,638,787
	2,911,029	3,638,787

At the forthcoming Annual General Meeting, a final single tier dividend in respect of the financial year ended 31 January 2026 of 4.0 sen per ordinary share on 72,775,737 ordinary shares, amounting to a dividend payable of RM2,911,029 will be proposed for shareholders' approval. The financial statements for the current financial year do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of distributable retained profits in the financial year ending 31 January 2027.

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31 January 2026

13. PROPERTY, PLANT AND EQUIPMENT

Group	← Right-of-Use Assets →		← Owned Assets →			Total RM
	Land and building RM	Plant, machinery, factory equipment and motor vehicle RM	Building RM	Plant, machinery, electrical installation, factory equipment and application tools RM	Furniture, fittings, office equipment, renovation, computers and motor vehicles RM	
At 31 January 2026						
Costs						
At 1 February 2025	6,248,669	820,620	18,920,492	189,706,725	9,965,593	225,662,099
Additions	2,356,567	380,630	2,085,873	5,969,996	3,004,516	13,797,582
Write offs	-	-	-	(10,857,408)	(370,304)	(11,227,712)
At 31 January 2026	8,605,236	1,201,250	21,006,365	184,819,313	12,599,805	228,231,969
Accumulated depreciation						
At 1 February 2025	3,401,387	405,730	11,545,636	127,797,429	8,414,753	151,564,935
Depreciation charge for the year (Note 7)	798,871	117,980	1,586,651	11,668,921	517,935	14,690,358
Write offs	-	-	-	(10,834,787)	(370,304)	(11,205,091)
At 31 January 2026	4,200,258	523,710	13,132,287	128,631,563	8,562,384	155,050,202
Carrying amount	4,404,978	677,540	7,874,078	56,187,750	4,037,421	73,181,767

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31 January 2026

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

Group	← Right-of-Use Assets →		← Owned Assets →			Total RM
	Land and building RM	Plant, machinery, factory equipment and motor vehicle RM	Building RM	Plant, machinery, electrical installation, factory equipment and application tools RM	Furniture, fittings, office equipment, renovation, computers and motor vehicles RM	
At 31 January 2025						
Costs						
At 1 February 2024	12,149,526	455,458	19,390,639	192,564,838	10,177,151	234,737,612
Additions	-	-	179,825	11,790,058	337,310	12,307,193
Acquired in business combination (Note 16(b))	154,817	365,162	-	204,908	167,228	892,115
Disposals	-	-	-	(86,600)	-	(86,600)
Write offs	-	-	(649,972)	(14,766,479)	(716,096)	(16,132,547)
Expiry of lease	(6,055,674)	-	-	-	-	(6,055,674)
At 31 January 2025	6,248,669	820,620	18,920,492	189,706,725	9,965,593	225,662,099
Accumulated depreciation						
At 1 February 2024	8,709,444	347,326	11,963,420	129,639,367	8,645,084	159,304,641
Depreciation charge for the year (Note 7)	747,617	58,404	229,684	12,877,383	484,237	14,397,325
Disposals	-	-	-	(86,600)	-	(86,600)
Write offs	-	-	(647,468)	(14,632,721)	(714,568)	(15,994,757)
Expiry of lease	(6,055,674)	-	-	-	-	(6,055,674)
At 31 January 2025	3,401,387	405,730	11,545,636	127,797,429	8,414,753	151,564,935
Carrying amount	2,847,282	414,890	7,374,856	61,909,296	1,550,840	74,097,164

Notes to the Financial Statements

31 January 2026

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

	Right-of-Use Asset	← Owned Assets →		
	Land and building RM	Plant, machinery, electrical installation, factory equipment and application tools RM	Furniture, fittings, office equipment, renovation, computers and motor vehicles RM	Total RM
Company				
At 31 January 2026				
Cost				
At 1 February 2025	-	10,423	3,505,440	3,515,863
Additions	2,509,090	-	74,392	2,583,482
At 31 January 2026	2,509,090	10,423	3,579,832	6,099,345
Accumulated depreciation				
At 1 February 2025	-	10,423	2,723,308	2,733,731
Charge for the year (Note 7)	836,363	-	223,918	1,060,281
At 31 January 2026	836,363	10,423	2,947,226	3,794,012
Carrying amount	1,672,727	-	632,606	2,305,333
Company				
At 31 January 2025				
Cost				
At 1 February 2024	6,055,674	10,423	3,697,263	9,763,360
Additions	-	-	90,600	90,600
Transfer to a related party	-	-	(13,319)	(13,319)
Expiry of lease	(6,055,674)	-	-	(6,055,674)
Write offs	-	-	(269,104)	(269,104)
At 31 January 2025	-	10,423	3,505,440	3,515,863

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

	Right-of-Use Asset	Owned Assets		Total RM
	Land and building RM	Plant, machinery, electrical installation, factory equipment and application tools RM	Furniture, fittings, office equipment, renovation, computers and motor vehicles RM	
Company				
At 31 January 2025 (cont'd.)				
Accumulated depreciation				
At 1 February 2024	5,207,802	10,423	2,777,826	7,996,051
Charge for the year (Note 7)	827,224	-	227,905	1,055,129
Transfer to a related party	-	-	(13,319)	(13,319)
Expiry of lease	(6,055,674)	-	-	(6,055,674)
Lease modification	20,648	-	-	20,648
Write offs	-	-	(269,104)	(269,104)
At 31 January 2025	-	10,423	2,723,308	2,733,731
Carrying amount	-	-	782,132	782,132

- (a) During the financial year, the Group and the Company acquired property, plant and equipment at an aggregate cost of RM11,060,385 (2025: RM12,307,193) and RM74,392 (2025: RM90,600) respectively, of which RM nil (2025: RM nil) was acquired by means of hire purchase.

The carrying amounts of property, plant and equipment held under hire purchase are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Motor vehicle	386,164	526,586	386,164	526,586

Details of the terms and conditions of the hire purchase obligations are disclosed in Note 25.

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

(b) The carrying amounts of property, plant and equipment pledged as securities for borrowings (Note 24) are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Plant and machinery	14,890,981	19,109,452	-	-

(c) Included in the property, plant and equipment of the Group and the Company are fully depreciated assets which are still in use with their carrying costs as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Plant, machinery and equipment	84,175,224	83,197,225	-	-
Furniture, fittings, office equipment, renovation and computers	6,976,020	7,216,815	2,181,982	2,433,653

(d) During the year, the Group has written off certain property, plant and equipment as they are no longer in use and machinery that relates to phased out models with carrying amount amounting to RM22,621 (2025: RM137,790).

(e) During the year, the Group received grants amounting to RM nil (2025: RM1,893,105) in relation to the purchase of plant and machinery and accounted for it as a reduction to additions of property, plant and equipment.

(f) Right-of-use assets

Group and Company as a lessee

The Group and the Company have lease contracts that include extension options for land and building. These options are negotiated by management to provide flexibility in managing the leased-asset portfolio in alignment with the Group's and the Company's business needs. Management exercises judgement in determining whether these extension options are reasonably certain to be exercised.

Group and Company as a lessor

The Group and the Company have entered into operating lease agreements for the use of buildings. These leases have an average life of between 1 and 5 years with renewal but no purchase option included in the contracts.

The future aggregate minimum lease receivable under operating leases contracted for as at the reporting date are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Future minimum lease receivables:				
Not later than 1 year	493,299	581,290	631,028	1,552,356
Later than 1 year and not later than 5 years	82,320	339,056	642,788	339,056
	575,619	920,346	1,273,816	1,891,412

Notes to the Financial Statements

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14. INVESTMENT PROPERTIES

	Freehold land RM	Leasehold land RM	Building RM	Total RM
Group				
At 31 January 2026				
Cost				
At 1 February 2025	16,691,967	16,933,856	3,199,034	36,824,857
Transfer to asset held for sale (Note 22)	(16,691,967)	-	-	(16,691,967)
At 31 January 2025	-	16,933,856	3,199,034	20,132,890
Accumulated depreciation				
At 1 February 2025	-	3,975,304	1,176,401	5,151,705
Charge for the year (Note 7)	-	287,942	25,157	313,099
At 31 January 2026	-	4,263,246	1,201,558	5,464,804
Carrying amount	-	12,670,610	1,997,476	14,668,086
At 31 January 2025				
Cost				
At 1 February 2024/31 January 2025	16,691,967	16,933,856	3,199,034	36,824,857
Accumulated depreciation				
At 1 February 2024	-	3,762,987	1,145,977	4,908,964
Charge for the year (Note 7)	-	212,317	30,424	242,741
At 31 January 2025	-	3,975,304	1,176,401	5,151,705
Carrying amount	16,691,967	12,958,552	2,022,633	31,673,152

Fair value of investment properties of the Group as at 31 January 2026 was estimated by an independent valuer to be approximately RM56,480,000 (2025: RM73,260,000).

The carrying amounts of investment property classified as held for sale of the Group pledged as security for borrowings (Note 23) is RM16,691,967 (2025: RM16,691,967).

The fair values disclosed are categorised within the Level 3 fair value hierarchy which are described as inputs for assets or liabilities that are based on unobservable market data.

Notes to the Financial Statements

31 January 2026

14. INVESTMENT PROPERTIES (CONT'D.)

	Leasehold land RM	Building RM	Total RM
Company			
At 31 January 2026			
Cost			
At 1 February 2025/31 January 2026	17,013,316	2,265,637	19,278,953
Accumulated depreciation			
At 1 February 2025	4,114,664	1,763,581	5,878,245
Charge for the year (Note 7)	250,305	24,772	275,077
At 31 January 2026	4,364,969	1,788,353	6,153,322
Carrying amount	12,648,347	477,284	13,125,631
At 31 January 2025			
Cost			
At 1 February 2024/31 January 2025	17,013,316	2,265,637	19,278,953
Accumulated depreciation			
At 1 February 2024	3,939,986	1,738,808	5,678,794
Charge for the year (Note 7)	174,678	24,773	199,451
At 31 January 2025	4,114,664	1,763,581	5,878,245
Carrying amount	12,898,652	502,056	13,400,708

Fair value of investment properties of the Company as at 31 January 2026 was estimated by an independent valuer to be approximately RM57,480,000 (2025: RM54,280,000).

Fair value disclosed in the financial statements are categorised within the Level 3 fair value hierarchy which is described as inputs for the assets or liabilities that are based on unobservable market data.

	2026 RM	Group 2025 RM	2026 RM	Company 2025 RM
Rental income derived from investment properties	848,304	877,198	1,623,072	1,476,968
Direct operating expenses (including repairs and maintenance) from properties:				
- generating rental income	(122,887)	(101,501)	(49,427)	(72,745)
- not generating rental income	(83,345)	(96,456)	(41,300)	(47,944)
Profit arising from investment properties	642,072	679,241	1,532,345	1,356,279

Notes to the Financial Statements

31 January 2026

14. INVESTMENT PROPERTIES (CONT'D.)

Investment property	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Lot 5 & 7, Persiaran Usahawan, Taman IKS, Seksyen 9, 43650 Bandar Baru Bangi, Selangor Darul Ehsan. - land	Comparison method	(a) A parcel of freehold industrial land located at Lot 1210, Kawasan Perindustrian Sungai Purun, District of Ulu Langat, Selangor Darul Ehsan with a land area of approximately 149,737 square feet was transacted on 12 November 2024 for RM12,727,836.	The estimated fair value would increase/ (decrease) if: - Transacted Price were higher/(lower)
		(b) A parcel of freehold industrial land located at Lot 5221, Kawasan Perindustrian Balakong Jaya, District of Ulu Langat, Selangor Darul Ehsan with a land area of approximately 63,983 square feet was transacted on 1 July 2024 for RM8,312,120.	
		(c) A parcel of freehold industrial land located at PK 78097, Taman Industri Balakong Jaya, District of Ulu Langat, Selangor Darul Ehsan with a land area of approximately 51,496 square feet was transacted on 15 September 2023 for RM6,000,000.	
		(d) A parcel of freehold industrial land located at PT 57460, Taman Industri Balakong Jaya, District of Ulu Langat, Selangor Darul Ehsan with a land area of approximately 83,617 square feet was transacted on 30 May 2023 for RM10,786,000.	
		(e) A parcel of freehold industrial land located at Lot 11329, Bandar Tasik Kesuma, District of Ulu Langat, Selangor Darul Ehsan with a land area of approximately 62,465 square feet was transacted on 30 January 2023 for RM5,933,982.	
Plot 98, Mukim of Bukit Katil, District of Melaka Tengah, Melaka Bandaraya Bersejarah. - land	Comparison method	(a) A vacant parcel of leasehold industrial land located at Lot 33654, Mukim of Bukit Katil, District of Melaka Tengah, Melaka with a land area of approximately 69,126 square feet was transacted on 28 May 2025 for RM4,562,305.	The estimated fair value would increase/ (decrease) if: - Transacted Price were higher/(lower)
		(b) A vacant parcel of leasehold industrial land located at Lot 33655, Mukim of Bukit Katil, District of Melaka Tengah, Melaka with a land area of approximately 77,673 square feet was transacted on 12 December 2024 for RM5,126,377.	
		(c) A vacant parcel of leasehold industrial land located at Lot 10109, Mukim of Bukit Katil, District of Melaka Tengah, Melaka with a land area of approximately 37,803 square feet was transacted on 23 November 2023 for RM2,800,000.	

Notes to the Financial Statements

31 January 2026

14. INVESTMENT PROPERTIES (CONT'D.)

Investment property	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
No 58, Kawasan Perindustrian Gurun, Jalan Jeniang, 08300 Gurun, Kedah Darul Aman. - land and building	Comparison method	<p>(a) A vacant parcel of leasehold industrial land located at PT 6747, Jalan Jeniang, Gurun, District of Kuala Muda, Kedah Darul Aman with a land area of approximately 1,541,315 square feet was transacted on 7 February 2024 for RM10,500,000.</p> <p>(b) A leasehold industrial premises located at Lot 59, Kawasan Perindustrian Gurun, Jalan Jeniang, Gurun, Kedah Darul Aman with a land area of approximately 499,434 square feet was transacted on 7 June 2022 for RM8,100,000.</p> <p>(c) A freehold industrial premises located at PT 631, Jalan Bukit Selambau, Bukit Selambau Industrial Park, Kedah Darul Aman with a land area of approximately 209,810 square feet was transacted on 26 May 2022 for RM10,000,000.</p> <p>(d) A leasehold industrial premises located at No. 54, Kawasan Perindustrian Gurun, Jalan Jeniang, Gurun, Kedah Darul Aman with a land area of approximately 394,885 square feet was transacted on 4 March 2022 for RM10,388,000.</p>	<p>The estimated fair value would increase/ (decrease) if: (cont'd.):</p> <p>- Transacted Price were higher/(lower)</p>
Lot 1 & 3, Jalan P10/14, Seksyen 10, Bandar Baru Bangi, Selangor Darul Ehsan. - land and building	Comparison method	<p>(a) A parcel of freehold industrial land located at Lot 8046, Kawasan Perindustrian Sungai Purun, District of Ulu Langat, Selangor Darul Ehsan with a land area of approximately 51,570 square feet was transacted on 26 November 2025 for RM6,800,000.</p> <p>(b) A parcel of freehold industrial land located at Lot 5221, Kawasan Perindustrian Balakong Jaya, District of Ulu Langat, Selangor Darul Ehsan with a land area of approximately 63,983 square feet was transacted on 1 July 2024 for RM8,312,120.</p> <p>(c) A freehold industrial premises located at PT 30456, Jalan P4/8, Bandar Teknologi Kajang, Selangor Darul Ehsan with a land area of approximately 36,674 square feet was transacted on 9 June 2025 for RM10,000,000.</p> <p>(d) A freehold industrial premises located at PT 70791, Jalan Perindustrian BJ 2T 1/1, Kawasan Perindustrian Balakong Jaya, Selangor Darul Ehsan with a land area of approximately 49,473 square feet was transacted on 26 March 2025 for RM10,636,000.</p>	<p>The estimated fair value would increase/ (decrease) if: (cont'd.):</p> <p>- Transacted Price were higher/(lower)</p>

Notes to the Financial Statements

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14. INVESTMENT PROPERTIES (CONT'D.)

Investment property	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Lot 1 & 3, Jalan P10/14, Seksyen 10, Bandar Baru Bangi, Selangor Darul Ehsan. - land and building (cont'd.)	Comparison method	(e) A leasehold industrial premises located at PT 41025, Jalan Perindustrian P10/21, Seksyen 10, Bandar Baru Bangi, Selangor Darul Ehsan with a land area of approximately 35,867 square feet was transacted on 11 July 2024 for RM5,820,000.	The estimated fair value would increase/ (decrease) if: (cont'd.): - Transacted Price were higher/(lower)

Comparison method

Entails analysing recent transactions of similar properties in the vicinity or within similar localities for comparison purposes to derive the market value with adjustments made for differences in location, physical characteristics and time element to arrive at the market value.

The fair value of the investment property is at its highest and current best use.

15. INTANGIBLE ASSETS

	Development expenditure RM	Group Goodwill RM	Total RM
2026			
Cost			
At beginning of year	3,917,021	116,724	4,033,745
Incurring during the year	124,716	-	124,716
Grant received	(113,521)	-	(113,521)
At end of year	3,928,216	116,724	4,044,940
Accumulated amortisation and impairment			
At beginning of year	2,449,668	-	2,449,668
Amortisation during the year (Note 7)	481,452	-	481,452
At end of year	2,931,120	-	2,931,120
Carrying amount	997,096	116,724	1,113,820

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15. INTANGIBLE ASSETS (CONT'D.)

	Development expenditure RM	Group Goodwill RM	Total RM
2025			
Cost			
At beginning of year	3,684,223	-	3,684,223
Incurring during the year	233,050	-	233,050
Acquired in business combination (Note 16(b))	-	116,724	116,724
Write offs	(252)	-	(252)
At end of year	3,917,021	116,724	4,033,745
Accumulated amortisation and impairment			
At beginning of year	1,884,984	-	1,884,984
Amortisation during the year (Note 7)	564,936	-	564,936
Write offs	(252)	-	(252)
At end of year	2,449,668	-	2,449,668
Carrying amount	1,467,353	116,724	1,584,077

Development expenditure relates to development costs incurred for production of goods on car model projects carried out by the Company. Development expenditure with finite useful lives are amortised over their useful lives.

During the year, the amount of development expenditure recognised as an expense in cost of sales of the Group was RM481,452 (2025: RM564,936).

The grant received during the year was a portion of grant awarded by Kementerian Pembangunan Usahawan dan Koperasi ("KUSKOP") under the Vendor Development Programme, amounting to RM113,521. The purpose of this grant is to support the development of Malaysia-made hollow stabiliser bars of Perodua Manufacturing Sdn. Bhd..

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16. INVESTMENTS IN SUBSIDIARIES

	2026 RM	Company 2025 RM
Unquoted shares, at cost		
At the beginning of the year	35,298,376	35,298,276
Additions	-	100
At the end of the year	35,298,376	35,298,376
Accumulated impairment losses		
At the beginning of the year	(4,917,376)	(4,840,396)
Allowance for impairment loss	-	(76,980)
At the end of the year	(4,917,376)	(4,917,376)
Carrying amount	30,381,000	30,381,000

Movement in accumulated impairment losses:

	2026 RM	2025 RM
At the beginning of the year	4,917,376	4,840,396
Allowance for impairment loss	-	76,980
At the end of the year	4,917,376	4,917,376

Details of the subsidiaries, all of which are incorporated and having principal place of business in Malaysia, are as follows:

Name of subsidiaries	Principal activities	Equity interest held	
		2026 %	2025 %
Held by the Company			
Sapura Machining Corporation Sdn. Bhd. [^]	Manufacture, assemble and supply of high precision machining products for the automotive industry.	100	100
Asian Automotive Steels Sdn. Bhd. [^]	Manufacture and sale of stabiliser bar and cold drawn high grade structured steel bars used in the automotive, electronics and electrical industries.	100	100
Sapura Automotive Industries Sdn. Bhd. [^]	Manufacture and sale of coil springs, shock absorbers and strut assemblies, constant velocity joint, axle module and front corner module assemblies for the automotive industry.	100	100
International Autoparts Sdn. Bhd. [^]	Trading of auto parts in retail/after sales market.	100	100

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16. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Name of subsidiaries	Principal activities	Equity interest held	
		2026 %	2025 %
Held by the Company (cont'd.)			
Automotive Specialist Centre Sdn. Bhd.^	Dormant.	100	100
Sapura Brake Technologies Sdn. Bhd.^	Manufacture, supply and sale of brake systems for the automotive industry.	100	100
Sapura Technical Centre Sdn. Bhd.^	Computer aided design and computer aided manufacture of tools, jigs and dies and engineering services in design, modifications and fabrications of subsystem/system for the application in production and testing.	100	100
Isencorp Sdn. Bhd.^	Dormant.	100	100
Subang Properties Sdn. Bhd. ("SPSB")^	Dormant.	51.68	51.68
Sapura Aerospace Technologies Sdn. Bhd. ("SATSB")^	Manufacture and assemble aerospace sub-assembles, tooling, jigs and fixtures for the aerospace industry.	60	60
Sapura Medical Devices Sdn. Bhd. ("SMDSB")^	Export and import of a variety of goods without any particular specialisation.	100	100
SIB Ventures Sdn. Bhd. ("SIBV")^	Investment holding company for mobility, new energy vehicles, all types of electrified vehicles, parts and components, products, services and technologies.	100	100
Held by International Autoparts Sdn. Bhd.			
Awaltek Sdn. Bhd.^	Manufacture, supply, sale or service of equipment, machinery and related accessories for energy and manufacturing industries.	100	100
Held by SIB Ventures Sdn. Bhd.			
SIB Mili Sdn. Bhd.^	Servicing, repair and maintenance of electrified vehicles ("xEV"), trading, manufacturing, import, export and sale of xEV parts.	55	55
SIB ZZ Sdn. Bhd.	Dormant.	51	-

^ Audited by Ernst & Young PLT, Malaysia

16. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

(a) Incorporation of SIB ZZ Sdn. Bhd.

On 12 June 2025, the Group had incorporated SIB ZZ Sdn. Bhd. (Company Registration No. 202501026362 (1627774-P)) ("SIB ZZ"), a private company limited by shares under the Companies Act 2016. SIB ZZ was incorporated with paid up share capital of RM100 comprising 51 ordinary shares held by SIBV and 49 ordinary shares held by Lightrise Technology Pte. Ltd ("Lightrise").

On 14 October 2025, SIBV and Lightrise mutually agreed to strike off SIB ZZ following a decision to set up a new joint venture company for the purposes of establishing a lithium battery precision structural components manufacturing facility in Malaysia. Consequently, no auditor has been appointed for SIB ZZ.

(b) Incorporation of SIB Mili Sdn. Bhd.

On 29 October 2024, the Group had incorporated SIB Mili Sdn. Bhd. (Company Registration No. 202401045420 (1591266-X)), a private company limited by shares under the Companies Act 2016. SIBM was incorporated with paid up share capital of RM100 comprising 100 ordinary shares of which 51 ordinary shares are held by SIB.

Subsequently on 11 November 2024 ("Acquisition Date"), SIBM had executed a Shareholders Agreement with Mili Tech Sdn Bhd ("MTSB") to enter into a joint venture for the purpose of operating and carrying out the business of repurposing, refurbishing and recycling of batteries in electrified vehicles and/or hybrid cars as well as the servicing, repair and maintenance of electrified vehicles and/or hybrid cars and the provision of training related to the servicing, repair and maintenance thereof.

On the Acquisition Date:

- (i) SIBV increased its paid-up capital in SIBM by RM274,900 by way of subscription of 274,900 ordinary shares; and
- (ii) MTSB transferred its business and assets to SIBM in exchange for 45% equity interest in SIBM comprising 225,000 ordinary shares and cash consideration of RM534,387 payable by SIBM.

The fair value of identifiable assets acquired and liabilities assumed on the Acquisition Date were as follows:

	RM
Fair value on acquisition:	
Assets	
Property, plant and equipment	372,136
Right-of-Use Assets	519,979
Inventories	387,251
	1,279,366
Liabilities	
Lease liabilities	519,979
Total identifiable net assets at fair value	759,387
Fair value of purchase consideration	
- Cash	534,387
- Ordinary shares of SIBM	341,724
	876,111
Goodwill arising on acquisition	116,724

The goodwill of RM116,724 comprises the value of expected synergies arising from the acquisition.

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16. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Non-controlling interests ("NCI")

	SIB ZZ RM	SIBM RM	SATSB RM	SPSB RM	Total RM
2026					
NCI percentage of ownership interest and voting interest	49%	45%	40%	48.32%	-
Carrying amount of NCI	49	(22,006)	917,104	467,056	1,362,203
Loss allocated to NCI	-	(255,122)	(8,649)	(2,202)	(265,973)
2025					
NCI percentage of ownership interest and voting interest	-	45%	40%	48.32%	-
Carrying amount of NCI	-	233,116	925,753	469,258	1,628,127
Loss allocated to NCI	-	(108,608)	(12,555)	(1,670)	(122,833)

The summarised financial information of these subsidiaries are provided below. This information is based on amounts before inter-company eliminations.

	SIB ZZ RM	SIBM RM	SATSB RM	SPSB RM	Total RM
	49%	45%	40%	48.32%	-
Summarised statement of profit or loss for 2026:					
Revenue	-	1,804,770	-	-	1,804,770
Loss for the year, representing total comprehensive loss	-	(566,937)	(21,622)	(4,558)	(593,117)
Summarised statement of profit or loss for 2025:					
Revenue	-	191,960	-	-	191,960
Loss for the year, representing total comprehensive loss	-	(241,350)	(31,387)	(3,457)	(276,194)

16. INVESTMENTS IN SUBSIDIARIES (CONT'D.)

Non-controlling interests ("NCI") (cont'd.)

	SIB ZZ RM	SIBM RM	SATSB RM	SPSB RM	Total RM
	49%	45%	40%	48.32%	-
Summarised statement of financial position for 2026:					
Non-current assets	-	1,199,373	300,318	-	1,499,691
Current assets	100	1,314,673	2,310,321	-	3,625,094
Non-current liabilities	-	1,146,360	-	-	1,146,360
Current liabilities	-	1,559,272	315,200	20,102	1,894,574
Net assets/(liabilities)	100	(191,586)	2,295,439	(20,102)	2,083,851
Summarised statement of financial position for 2025:					
Non-current assets	-	1,045,891	384,203	-	1,430,094
Current assets	-	807,706	2,245,283	1,648	3,054,637
Non-current liabilities	-	375,226	-	-	375,226
Current liabilities	-	1,102,999	315,097	17,192	1,435,288
Net assets/(liabilities)	-	375,372	2,314,389	(15,544)	2,674,217
Summarised statement of cash flows for 2026:					
Cash flows from/(used in)					
- operating activities	-	(660,052)	(15,391)	-	(675,443)
- investing activities	-	(158,958)	-	-	(158,958)
- financing activities	100	1,021,420	(45)	(45)	1,021,430
Net increase/(decrease) in cash and cash equivalents	100	202,410	(15,436)	(45)	187,029
Summarised statement of cash flows for 2025:					
Cash flows from/(used in)					
- operating activities	-	191,685	-	(45)	191,640
- investing activities	-	(6,996)	25,998	-	19,002
- financing activities	-	242,426	(27,000)	-	215,426
Net increase/(decrease) in cash and cash equivalents	-	427,115	(1,002)	(45)	426,068

Notes to the Financial Statements

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17. INVESTMENT IN JOINT VENTURE

	2026 RM	Group	2025 RM
Unquoted shares at cost	8,874,000		-
Share of results	(163,222)		-
	8,710,778		-

The joint arrangement is structured via a separate entity and the Group has rights to the net assets of the joint arrangement. The joint arrangement is classified as a joint venture.

Name of joint venture	Country of incorporation	Equity interest held	
		2026 %	2025 %

Held by SIB Ventures Sdn. Bhd.

SIB ZZT Sdn. Bhd.	Malaysia	51%	-
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SIB ZZT Sdn. Bhd. ("SIB ZZT"), incorporated on 14 October 2025, is a joint venture company between SIB Ventures Sdn. Bhd. and Funa Micro Technology Pte. Ltd.

The principal activity of SIB ZZT is the manufacturing and assembly of parts and components relating to lithium batteries for energy storage, electric vehicles, and industrial tools and machineries.

The summarised financial information of the joint venture, not adjusted for the proportion of ownership interest held by the Group is as follows:

	2026 RM	SIB ZZT	2025 RM
Current assets	3,737,362		-
Non-current assets	16,198,497		-
Total assets	19,935,859		-
Current liabilities	1,179,687		-
Non-current liabilities	1,682,276		-
Total liabilities	2,861,963		-
Total net assets	17,073,896		-
Revenue	-		-
Loss for the year, representing total comprehensive loss for the year	320,043		-
Group's share of loss for the year	163,222		-

Notes to the Financial Statements

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18. INVENTORIES

	2026 RM	Group 2025 RM
At cost		
Materials and component parts	16,659,395	21,527,679
Work-in-progress	3,606,752	4,376,739
Finished goods	3,556,854	5,172,696
Spares and tools	921,802	980,215
Consumables	207,646	262,943
	24,952,449	32,320,272

During the year, the amount of inventories recognised as an expense in cost of sales of the Group was RM146,215,151 (2025: RM171,085,396).

19. TRADE AND OTHER RECEIVABLES

	2026 RM	Group 2025 RM	2026 RM	Company 2025 RM
Non-current: Other receivables				
Third party	538,890	103,893	-	-
Amount due from a subsidiary	-	-	16,849,214	10,800,000
	538,890	103,893	16,849,214	10,800,000

Notes to the Financial Statements

31 January 2026

19. TRADE AND OTHER RECEIVABLES (CONT'D.)

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current:				
Trade receivables				
Third parties	23,685,613	31,818,553	-	-
Less: Allowance for impairment	(99,000)	(51,745)	-	-
Trade receivables, net	23,586,613	31,766,808	-	-
Other receivables				
Amounts due from subsidiaries	-	-	38,148,524	43,196,485
Dividend receivable from subsidiaries	-	-	4,000,000	5,205,000
Refundable deposits	586,134	544,636	102,501	89,896
Other receivables	2,492,804	364,317	1,039,317	129,352
	3,078,938	908,953	43,290,342	48,620,733
Less: Allowance for Amounts due from subsidiaries	-	-	(22,331,433)	(22,331,433)
Other receivables, net	3,078,938	908,953	20,958,909	26,289,300
Total current trade and other receivables	26,665,551	32,675,761	20,958,909	26,289,300
Total trade and other receivables	27,204,441	32,779,654	37,808,123	37,089,300
Add: Cash and bank balances	18,327,688	13,420,439	1,890,856	1,328,940
Total financial assets carried at amortised cost	45,532,129	46,200,093	39,698,979	38,418,240
Classification of trade and other receivables:				
Current	26,665,551	32,675,761	20,958,909	26,289,300
Non-current	538,890	103,893	16,849,214	10,800,000
	27,204,441	32,779,654	37,808,123	37,089,300

(a) Trade receivables

Trade receivables are non-interest bearing and the Group's normal trade credit terms range from 30 to 90 (2025: 30 to 90) days. Other credit terms are assessed and approved on a case-by-case basis. Trade receivables are recognised at original invoiced amounts which represent the fair value on initial recognition.

19. TRADE AND OTHER RECEIVABLES (CONT'D.)

(a) Trade receivables (cont'd.)

Ageing analysis of trade receivables

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

	2026 RM	Group 2025 RM
Neither past due nor impaired	23,489,383	30,352,226
1 to 30 days past due not impaired	59,670	494,845
31 to 60 days past due not impaired	21,533	775,947
61 to 120 days past due not impaired	15,653	41,681
>120 days past due not impaired	374	50,365
	97,230	1,362,838
Impaired	-	51,744
	23,586,613	31,766,808

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to RM97,230 (2025: RM1,362,838) that are past due at the reporting date but not impaired. These represent amounts due from creditworthy customers which have an established relationship with the Group and have no history of default.

Trade receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	2026 RM	Group 2025 RM
Trade receivables	99,000	103,489
Less: Allowance for impairment	(99,000)	(51,745)
	-	51,744

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19. TRADE AND OTHER RECEIVABLES (CONT'D.)

(a) Trade receivables (cont'd.)

Trade receivables that are impaired (cont'd.)

The movement in allowance for impairment are as follows:

	2026 RM	Group 2025 RM
At the beginning of the year	51,745	-
Provision of allowance for impairment (Note 7)	47,255	51,745
At the end of the year	99,000	51,745

Trade receivables that are individually determined to be impaired at the reporting date relates to debtors that are financial difficulty and which have defaulted on payments. The receivables are not secured by any collateral.

(b) Other receivables

The Group's and the Company's other receivables that are impaired at the reporting date and the movement of the allowance accounts used to record the impairment are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Other receivables: Nominal value	-	-	22,331,433	22,331,433
Less: Allowance for impairment	-	-	(22,331,433)	(22,331,433)
	-	-	-	-
Movement in allowance account:				
At beginning of year/ end of year	-	-	22,331,433	22,331,433

Other receivables that are impaired mainly relate to balances due from related parties which have been significantly long outstanding.

(c) Amounts due from subsidiaries

The amounts due from subsidiaries are unsecured, non-interest bearing and repayable on demand, except for advances of RM7,670,000 (2025: RM11,300,000) which are subject to interest at rate ranging from 3.0% to 3.5% p.a. (2025: 3.2% to 3.6% p.a.).

(d) Credit risk

As at the reporting date, the Group has a concentration of credit risk in the form of outstanding balances due from 4 debtors (2025: 4 debtors) representing 66% (2025: 66%) of total net trade receivables.

Notes to the Financial Statements

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20. OTHER CURRENT ASSETS

	2026 RM	Group 2025 RM	2026 RM	Company 2025 RM
Prepayments	6,401,481	3,399,130	986,946	890,283

21. SHORT TERM INVESTMENTS

	2026 RM	Group 2025 RM
As at 1 February	23,186,024	29,965,073
Net investments/(withdrawals) during the year	3,300,000	(7,492,931)
Profit received during the year (Note 5)	1,046,986	713,882
Investment in money market funds, representing total financial assets at fair value through profit or loss	27,533,010	23,186,024

The fair value measurement of the Group's short term investments are categorised within Level 2 of the fair value hierarchy as disclosed in Note 33(g).

22. ASSET HELD FOR SALE

On 26 November 2025, the Board of Directors approved the disposal of the Group's vacant freehold industrial land held under individual title H.S.(D) 207937, PT No. 6409, Bandar Sri Sendayan, Daerah Seremban, Negeri Sembilan, measuring approximately 35,332 square metres (equivalent to approximately 380,310.48 square feet). The Group executed a Letter of Offer for the disposal on 24 December 2025 and a Sale and Purchase Agreement on 27 January 2026.

The carrying amount of non-current asset held for sale as at 31 January 2026 are as follows:

	Group RM
At 1 February 2025	-
Transfer from investment properties (Note 14)	16,691,967
At 31 January 2026	16,691,967

The fair value of the investment properties as quoted by the independent valuer is RM25,000,000.

Notes to the Financial Statements

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23. RETIREMENT BENEFIT OBLIGATIONS

The Group and the Company operate an unfunded, defined benefit Retirement Benefit Scheme ("the Scheme") for its eligible employees. The Group's and the Company's obligations under the Scheme are determined based on the latest actuarial valuation by an independent valuer for the financial year 2026. Under the Scheme, eligible employees are entitled to retirement benefits on attainment of the retirement age.

The amounts recognised in the statement of financial position are determined as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Present value of unfunded defined benefit obligations, representing net liabilities	10,636,496	9,254,151	2,859,283	2,719,419
Analysed as:				
Current	844,503	143,786	424,504	84,264
Non-current	9,791,993	9,110,365	2,434,779	2,635,155
	10,636,496	9,254,151	2,859,283	2,719,419

The amount recognised in the statement of comprehensive income are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit before tax				
Current service costs	445,986	429,258	125,236	204,262
Interest cost	382,656	390,405	112,446	116,136
Total, included in employee benefits expense (Note 8)	828,642	819,663	237,682	320,398
Other comprehensive income:				
Actuarial loss on retirement benefit, representing total included in other comprehensive income before tax	1,278,319	80,398	255,492	17,558

Notes to the Financial Statements

31 January 2026

23. RETIREMENT BENEFIT OBLIGATIONS (CONT'D.)

Movements in the net liability in the current year were as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
At beginning of year	9,254,151	9,146,174	2,719,419	2,623,647
Recognised in profit or loss	828,642	819,663	237,682	320,398
Benefits paid	(724,616)	(792,084)	(239,309)	(242,184)
Actuarial loss in other comprehensive income	1,278,319	80,398	255,492	17,558
Adjustment for transfers within the Group	-	-	(114,001)	-
At end of year	10,636,496	9,254,151	2,859,283	2,719,419

Principal actuarial assumptions used:

	2026 %	2025 %
Discount rate	4.0	4.2
Expected rate of salary increases	4.0	4.0

Assumptions regarding future mortality are based on published statistics and mortality tables.

The following table demonstrates the sensitivity of the present value of defined benefit obligations to changes in the discount rate and expected salary increment, with all other variables held constant.

	(Decrease)/increase in present value of defined benefit obligation			
	2026 RM	Group 2025 RM	2026 RM	Company 2025 RM
Discount rate				
- 1% increase	(889,445)	(760,955)	(167,101)	(167,377)
- 1% decrease	1,013,827	862,283	188,335	186,606
Expected salary increment				
- 1% increase	893,327	914,248	133,744	164,825
- 1% decrease	(797,859)	(808,539)	(120,364)	(148,196)

Notes to the Financial Statements

31 January 2026

24. LOANS AND BORROWINGS

	2026 RM	Group 2025 RM	2026 RM	Company 2025 RM
Current				
Secured:				
Term loans	13,406,222	6,126,230	-	-
Hire purchase (Note 25)	95,629	95,629	95,629	95,629
	13,501,851	6,221,859	95,629	95,629
Unsecured:				
Lease liabilities (Note 26)	746,494	531,773	835,670	-
Bankers' acceptances	716,771	2,659,773	-	-
	1,463,265	3,191,546	835,670	-
	14,965,116	9,413,405	931,299	95,629
Non-current				
Secured:				
Term loans	30,761,116	37,235,479	-	-
Hire purchase (Note 25)	184,670	280,299	184,670	280,299
	30,945,786	37,515,778	184,670	280,299
Unsecured:				
Lease liabilities (Note 26)	1,859,957	1,303,347	878,424	-
	32,805,743	38,819,125	1,063,094	280,299
Total				
Bankers' acceptances	716,771	2,659,773	-	-
Term loans	44,167,338	43,361,709	-	-
Hire purchase (Note 25)	280,299	375,928	280,299	375,928
Lease liabilities (Note 26)	2,606,451	1,835,120	1,714,094	-
	47,770,859	48,232,530	1,994,393	375,928

Notes to the Financial Statements

31 January 2026

24. LOANS AND BORROWINGS (CONT'D.)

The remaining maturities of the loans and borrowings as at 31 January are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Within 1 year	14,965,116	9,413,405	931,299	95,629
More than 1 year and less than 2 years	12,796,584	8,970,410	1,063,094	98,922
More than 2 years and less than 5 years	7,795,066	13,455,955	-	181,377
More than 5 years	12,214,093	16,392,760	-	-
	47,770,859	48,232,530	1,994,393	375,928

The weighted average effective interest rates per annum at the reporting date of borrowings, excluding hire purchase and lease liabilities, were as follows:

	Group	
	2026 %	2025 %
Bankers' acceptances	3.38	3.74
Term loans	5.00	5.00

The term loans are secured by:

- a first legal charge over certain plant and machinery of the Group (Note 13(b)); and
- a first legal charge over an investment property classified as held for sale of the Group (Note 22).

The Company has extended corporate guarantees amounting to RM121,620,000 (2025: RM134,765,000) as at the reporting date to banks and financial institutions for banking facilities granted to certain subsidiaries.

Change in liabilities arising from financing activities

2026:	At 1 February 2025 RM	Non-cash movement RM	Net (repayment)/ drawdown RM	At 31 January 2026 RM
Group				
Bankers' acceptances	2,659,773	-	(1,943,002)	716,771
Term loans	43,361,709	-	805,629	44,167,338
Hire purchase (Note 25)	375,928	13,639	(109,268)	280,299
Lease liabilities (Note 26)	1,835,120	2,871,056	(2,099,725)	2,606,451
	48,232,530	2,884,695	(3,346,366)	47,770,859
Company				
Hire purchase (Note 25)	375,928	13,639	(109,268)	280,299
Lease liabilities (Note 26)	-	2,616,490	(902,396)	1,714,094
	375,928	2,630,129	(1,011,664)	1,994,393

Notes to the Financial Statements

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24. LOANS AND BORROWINGS (CONT'D.)

Change in liabilities arising from financing activities (cont'd.)

	At 1 February 2024 RM	Non-cash movement RM	Net (repayment)/ drawdown RM	At 31 January 2025 RM
2025:				
Group				
Bankers' acceptances	2,163,759	-	496,014	2,659,773
Term loans	40,426,885	-	2,934,824	43,361,709
Hire purchase (Note 25)	468,373	24,906	(117,351)	375,928
Lease liabilities (Note 26)	2,105,888	602,302	(873,070)	1,835,120
	45,164,905	627,208	2,440,417	48,232,530
Company				
Hire purchase (Note 25)	468,373	24,906	(117,351)	375,928
Lease liabilities (Note 26)	900,109	2,287	(902,396)	-
	1,368,482	27,193	(1,019,747)	375,928

25. HIRE PURCHASE

	2026 RM	Group 2025 RM	2026 RM	Company 2025 RM
Minimum lease payments:				
Not later than 1 year	106,896	106,896	106,896	106,896
Later than 1 year and not later than 2 years	106,896	106,896	106,896	106,896
Later than 2 years and not later than 5 years	80,146	187,042	80,146	187,042
	293,938	400,834	293,938	400,834
Less: Finance charges	(13,639)	(24,906)	(13,639)	(24,906)
	280,299	375,928	280,299	375,928

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25. HIRE PURCHASE (CONT'D.)

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Analysis of present value of finance lease liabilities:				
Not later than 1 year	95,629	95,629	95,629	95,629
Later than 1 year and not later than 2 years	105,620	98,922	105,620	98,922
Later than 2 years and not later than 5 years	79,050	181,377	79,050	181,377
	280,299	375,928	280,299	375,928
Less: Amount due within 12 months (Note 24)	(95,629)	(95,629)	(95,629)	(95,629)
Amount due after 12 months (Note 24)	184,670	280,299	184,670	280,299

The Group and the Company have finance leases for motor vehicles (Note 13(a)). These leases do not have terms of renewal, but have purchase options at nominal values at the end of the lease term.

The finance leases of the Group and of the Company bear interest during the year at 3.39% per annum (2025: 3.39% per annum).

26. LEASE LIABILITIES

The carrying amounts of lease liabilities recognised and the movements during the year are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
At 1 February	1,835,120	2,105,888	-	900,109
Additions	2,737,197	-	2,509,090	-
Acquired in a business combination (Note 16(b))	-	519,979	-	-
Accretion of interest (Note 6)	133,859	82,323	107,400	23,972
Payments	(2,099,725)	(873,070)	(902,396)	(902,396)
Lease modification	-	-	-	(21,685)
At 31 January	2,606,451	1,835,120	1,714,094	-
Current	746,494	531,773	835,670	-
Non-current	1,859,957	1,303,347	878,424	-
	2,606,451	1,835,120	1,714,094	-

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26. LEASE LIABILITIES (CONT'D.)

The remaining maturities of the lease liabilities as at 31 January are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Within 1 year	746,494	531,773	835,670	-
More than 1 year and less than 2 years	786,351	786,351	878,424	-
More than 2 years and less than 5 years	1,073,606	516,996	-	-
	2,606,451	1,835,120	1,714,094	-

The followings are the amounts recognised in profit or loss:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Depreciation on right-of-use assets (Note 13)	916,851	806,021	836,363	827,224
Interest expense on lease liabilities (Note 6)	133,859	82,323	107,400	23,972
Expense relating to short-term leases	84,443	84,443	-	-
Expense relating to leases of low-value assets	186,670	186,670	26,688	26,688
Total amount recognised in profit or loss	1,321,823	1,159,457	970,451	877,884

Total cash outflows for leases comprising of payments of lease liabilities, short-term leases, low value leases and variable lease payments for Group and Company amounted to RM4,415,898 (2025: RM1,114,183) and RM929,084 (2025: RM929,084) respectively.

27. DEFERRED TAX

Recognised deferred tax (assets)/liabilities

	Assets		Liabilities		Net	
	2026 RM	2025 RM	2026 RM	2025 RM	2026 RM	2025 RM
Group						
Accelerated capital allowances	-	-	9,978,843	10,489,424	9,978,843	10,489,424
Development expenditure capitalised	-	-	152,033	252,099	152,033	252,099
Provisions, lease liabilities, accruals and other payables	(3,347,153)	(3,768,536)	-	-	(3,347,153)	(3,768,536)
Unused tax losses	(431,017)	(124,639)	-	-	(431,017)	(124,639)
Unabsorbed capital allowances	(2,856,599)	(2,856,599)	-	-	(2,856,599)	(2,856,599)
Unutilised reinvestment and investment tax allowance	(776,008)	(776,008)	-	-	(776,008)	(776,008)
Deferred tax (assets)/liabilities	(7,410,777)	(7,525,782)	10,130,876	10,741,523	2,720,099	3,215,741
Offsetting	6,323,297	6,605,973	(6,323,297)	(6,605,973)	-	-
Net deferred tax (assets)/liabilities	(1,087,480)	(919,809)	3,807,579	4,135,550	2,720,099	3,215,741
Company						
Accelerated capital allowances	-	-	868,698	857,289	868,698	857,289
Provisions, lease liabilities, accruals and other payables	(868,698)	(857,289)	-	-	(868,698)	(857,289)
Deferred tax (assets)/liabilities	(868,698)	(857,289)	868,698	857,289	-	-
Offsetting	868,698	857,289	(868,698)	(857,289)	-	-
Net deferred tax (assets)/liabilities	-	-	-	-	-	-

Notes to the Financial Statements

31 January 2026

27. DEFERRED TAX (CONT'D.)

Unrecognised deferred tax assets

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Unused tax losses	24,726,312	24,091,494	13,695,269	13,060,451
Unabsorbed capital allowances	710,291	553,747	661,774	511,551
Other temporary differences	2,827,707	1,870,415	2,619,375	1,383,444
	28,264,310	26,515,656	16,976,418	14,955,446

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group and the Company can utilise the benefits.

The carrying forward of unused tax losses is restricted to a maximum of ten consecutive years of assessments. The final year of assessment for utilisation of unused tax losses as at 31 January are, as follows:

Year of assessment	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
2028	19,596,747	19,596,747	12,419,775	12,419,775
2029	673,913	673,913	-	-
2030	1,826,668	1,826,668	-	-
2031	383,529	383,529	-	-
2032	766,237	766,237	287,396	287,396
2033	491,120	491,120	-	-
2034	353,280	353,280	353,280	353,280
2035	634,818	-	634,818	-
	24,726,312	24,091,494	13,695,269	13,060,451

27. DEFERRED TAX (CONT'D.)

Recognised deferred tax (assets)/liabilities

The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Group	At 1 February 2025 RM	(Credited)/ charged to profit or loss RM	Credited to OCI RM	At 31 January 2026 RM
Deferred tax liabilities				
Accelerated capital allowances	10,489,424	(510,581)	-	9,978,843
Development expenditure capitalised	252,099	(100,066)	-	152,033
	10,741,523	(610,647)	-	10,130,876
Deferred tax assets				
Provisions, lease liabilities, accruals and other payables	(3,768,536)	640,993	(219,610)	(3,347,153)
Unused tax losses	(124,639)	(306,378)	-	(431,017)
Unabsorbed capital allowances	(2,856,599)	-	-	(2,856,599)
Unutilised reinvestment allowances	(776,008)	-	-	(776,008)
	(7,525,782)	334,615	(219,610)	(7,410,777)
Deferred tax liabilities				
Accelerated capital allowances	10,907,064	(417,640)	-	10,489,424
Development expenditure capitalised	347,724	(95,625)	-	252,099
	11,254,788	(513,265)	-	10,741,523
Deferred tax assets				
Provisions, lease liabilities, accruals and other payables	(3,464,917)	(279,717)	(23,902)	(3,768,536)
Unused tax losses	(52,421)	(72,218)	-	(124,639)
Unabsorbed capital allowances	(1,958,810)	(897,789)	-	(2,856,599)
Unutilised reinvestment allowances	(776,008)	-	-	(776,008)
	(6,252,156)	(1,249,724)	(23,902)	(7,525,782)

Notes to the Financial Statements

31 January 2026

27. DEFERRED TAX (CONT'D.)

Company	At 1 February 2025 RM	Charged to profit or loss RM	Credited to OCI RM	At 31 January 2026 RM
Deferred tax liabilities				
Accelerated capital allowances	857,289	11,409	-	868,698
Deferred tax assets				
Provisions, lease liabilities, accruals, other payables and unabsorbed capital allowances	(857,289)	49,909	(61,318)	(868,698)
Company				
Company	At 1 February 2024 RM	Charged/ (credited) to profit or loss RM	Credited to OCI RM	At 31 January 2025 RM
Deferred tax liabilities				
Accelerated capital allowances	835,325	21,964	-	857,289
Deferred tax assets				
Provisions, lease liabilities, accruals, other payables and unabsorbed capital allowances	(835,325)	(17,750)	(4,214)	(857,289)

28. TRADE AND OTHER PAYABLES

	2026 RM	Group 2025 RM	2026 RM	Company 2025 RM
Trade payables - third parties	18,025,660	17,871,575	-	-
Other payables				
Accruals and other payables	17,460,198	15,413,175	2,970,630	2,974,644
Amount due to related parties	393,980	376,406	124,183	-
	17,854,178	15,789,581	3,094,813	2,974,644
Total trade and other payables	35,879,838	33,661,156	3,094,813	2,974,644
Add: Loans and borrowings (Note 24)	47,770,859	48,232,530	1,994,393	375,928
Total financial liabilities carried at amortised cost	83,650,697	81,893,686	5,089,206	3,350,572

(a) Trade payables

Trade payables are non-interest bearing and the normal credit terms granted to the Group range from 30 to 60 (2025: 30 to 60) days.

(b) Other payables

These amounts are non-interest bearing. Other payables are normally settled on an average term range from 30 to 60 (2025: 30 to 60) days.

(c) Amounts due to related parties

The amounts due to related parties are unsecured, non-interest bearing and are repayable upon demand.

Notes to the Financial Statements

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29. PROVISIONS

The Group provides warranties on certain products to its customers. A provision is recognised for expected warranty claims on products sold, based on historical experience of warranty claims and recent trend analysis of expected future claims.

	2026 RM	Group 2025 RM
At 1 February	809,257	326,130
Provision utilised	(719,890)	(424,220)
Current year provision	1,362,932	907,347
At 31 January	1,452,299	809,257
Current	522,110	518,632
Non-current	930,189	290,625
	1,452,299	809,257
Expected outflow of resources:		
- Within one year	522,110	518,632
- Later than 1 year but not later than 2 years	575,573	253,665
- Later than 2 years but not later than 5 years	354,616	36,960
	1,452,299	809,257

A reimbursement asset amounting to RM965,917 (2025: RM362,006) has been recognised in relation to refunds from suppliers, which decrease the Group's warranty costs, to the extent that these are considered to be certain.

30. SHARE CAPITAL

	No. of shares		Group and Company Amount	
	2026 unit	2025 unit	2026 RM	2025 RM
Issued and fully paid ordinary shares, at no par value:				
At 1 February/31 January	72,775,737	72,775,737	74,975,863	74,975,863

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions and rank equally with regard to the Company's residual assets.

Notes to the Financial Statements

31 January 2026

31. CAPITAL COMMITMENT

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Capital expenditures				
Property, plant and equipment:				
Approved and contracted for	15,443,457	2,431,247	816,966	34,565
Approved but not contracted for	21,205,355	4,504,067	419,261	608,000

32. RELATED PARTY DISCLOSURES

(a) Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year.

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Subsidiaries				
Interest income	-	-	(265,014)	(378,261)
Management fees	-	-	(16,415,017)	(15,798,001)
Dividend income	-	-	(8,500,000)	(5,205,000)
Rental income	-	-	(1,623,072)	(1,006,616)
Related parties				
Rental income	(48,000)	(36,000)	(48,000)	(36,000)

Information regarding outstanding balance arising from related party transactions at 31 January are disclosed in Notes 19 and 28.

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are mutually agreed between parties.

Notes to the Financial Statements

31 January 2026

32. RELATED PARTY DISCLOSURES (CONT'D.)

(b) Compensation of key management personnel

The remuneration of members of key management during the year including executive directors of the Company and directors of subsidiary companies under the Group was as follows:

	2026 RM	Group and Company 2025 RM
Wages and salaries	6,671,517	6,234,077
Contributions to defined contribution plan	805,280	564,451
Benefits-in-kind	37,510	73,700
	7,514,307	6,872,228
Comprise amounts paid to:		
Directors of the Company	3,163,083	3,027,622
Other key management personnel	4,351,224	3,844,606
	7,514,307	6,872,228

33. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The Group's and the Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's and the Company's businesses whilst managing its interest rate risk (both fair value and cash flow), foreign currency risk, liquidity risk, credit risk and market risk (equity price risk). It is, and has been throughout the year under review, the Group's and the Company's policy that no trading in derivative financial instruments shall be undertaken.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flow of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The interest rate profile of the Company's interest-bearing financial instruments, based on carrying amount as at reporting date was:

	2026 RM	Company 2025 RM
Floating rate instruments		
Financial assets	7,670,000	12,300,000

Sensitivity analysis for interest rate risk

At the reporting date; if interest rates had been 25 basis points higher/lower, with all other variables held constant, the Company's profit net of tax and total equity would have been RM23,100 (2025: RM30,750) higher/lower, arising mainly as a result of higher/lower interest income on advances subject to floating interest rates.

Notes to the Financial Statements

31 January 2026

33. FINANCIAL INSTRUMENTS (CONT'D.)

(b) Interest rate risk (cont'd.)

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

The Group is not exposed to interest rate risk as it does not have interest-bearing financial instruments which are subject to floating interest rates.

(c) Foreign exchange risk

The Group is exposed to various currencies, mainly United States Dollar ("USD"), Japanese Yen ("JPY"), Indonesian Rupiah ("IDR"), Thai Baht ("THB") and Chinese Yuan ("CNY"). Foreign currencies denominated assets and liabilities together with expected cashflows from highly probable purchases and sales give rise to foreign exchange exposures.

Foreign exchange exposures in transactional currencies other than functional currency of the Company and all its subsidiaries are kept to an acceptable level.

The net unhedged financial liabilities of the Group that are not denominated in the Group's functional currency are as follows:

	2026 RM	2025 RM
Trade and other payables		
USD	1,434,577	2,153,236
JPY	2,328,724	3,088,391
IDR	7,063,061	3,056,576
THB	502,314	778,493
CNY	530,485	251,032

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit net of tax to a reasonably possible change in the USD, JPY, IDR, THB and CNY exchange rates against the respective functional currencies of the Group's entities, with all other variables held constant.

		Group Effect on profit net of tax	
		2026 RM	2025 RM
USD/RM	- strengthened 10% (2025: 10%)	(109,028)	(163,646)
JPY/RM	- strengthened 10% (2025: 10%)	(176,983)	(59,165)
IDR/RM	- strengthened 10% (2025: 10%)	(536,793)	(234,718)
THB/RM	- strengthened 10% (2025: 10%)	(38,176)	(232,300)
CNY/RM	- strengthened 10% (2025: 10%)	(40,317)	(19,078)

Notes to the Financial Statements

31 January 2026

33. FINANCIAL INSTRUMENTS (CONT'D.)

(d) Liquidity risk

The Group and the Company actively manage their debt maturity profiles, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of their overall prudent liquidity management, the Group and the Company maintains sufficient levels of cash or cash convertible investments to meet their working capital requirements. In addition, the Group and the Company strive to maintain available banking facilities of a reasonable level to their overall debt position. As far as possible, the Group and the Company raise committed funding from financial institutions and prudently balance their portfolios with some short term funding so as to achieve overall cost effectiveness.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	← 2026 →			Total RM
	On demand or within one year RM	One to five years RM	More than five years RM	
Group				
Financial liabilities:				
Trade and other payables	17,854,178	-	-	17,854,178
Loans and borrowings	14,965,116	20,591,650	12,214,093	47,770,859
Total undiscounted financial liabilities	32,819,294	20,591,650	12,214,093	65,625,037
Company				
Financial liabilities:				
Trade and other payables	3,094,813	-	-	3,094,813
Loans and borrowings	931,299	1,063,094	-	1,994,393
Total undiscounted financial liabilities	4,026,112	1,063,094	-	5,089,206

33. FINANCIAL INSTRUMENTS (CONT'D.)

(d) Liquidity risk (cont'd.)

Analysis of financial instruments by remaining contractual maturities (cont'd.)

The table below summarises the maturity profile of the Group's and the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations. (cont'd.)

	← 2025 →			
	On demand or within one year RM	One to five years RM	More than five years RM	Total RM
Group				
Financial liabilities:				
Trade and other payables	33,661,156	-	-	33,661,156
Loans and borrowings	11,359,684	30,607,829	19,068,399	61,035,912
Total undiscounted financial liabilities	45,020,840	30,607,829	19,068,399	94,697,068
Company				
Financial liabilities:				
Trade and other payables	2,974,644	-	-	2,974,644
Loans and borrowings	106,896	293,938	-	400,834
Total undiscounted financial liabilities	3,081,540	293,938	-	3,375,478

(e) Credit risk

Credit risk is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Group's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via Group management reporting procedures.

The Group has no significant concentration of credit risk that may arise from exposures to a single debtor or to groups of debtors as at 31 January 2026, other than as disclosed in Note 19.

Notes to the Financial Statements

31 January 2026

33. FINANCIAL INSTRUMENTS (CONT'D.)

(f) Market risk

Market risk is the risk that the fair value of future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates). The Group is exposed to equity price risk arising from investment in unit funds. Investment in unit funds comprises of combination of money market instruments and institutional bonds which have lower risk as compared to equity and commodity investments. These instruments are classified as held for trading financial assets. The Group does not have any exposure to commodity price risk.

At the reporting date, the exposure to investments in unit funds at fair value was RM27,533,010 (2025: RM23,186,024). An increase or decrease of 10% on market index of investments in unit funds could have an impact of approximately RM2,753,301 (2025: RM2,318,602) on the profit of the Group.

(g) Fair values

The carrying amounts of cash and bank balances, trade and other receivables, trade and other payables and current portion of loans and borrowings are reasonable approximate of their fair values due to the relatively short term nature of these financial instruments.

The following table analyses financial instruments not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statement of financial position. The different levels have been defined as follows:

- Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair values below are categorised within the Level 3 fair value hierarchy which is described as inputs for the asset or liability that are based on unobservable market data (unobservable input).

	Carrying amount RM	Group Fair value RM	Carrying amount RM	Company Fair value RM
Financial liabilities				
At 31 January 2026:				
Term loans (non-current)	30,761,116	34,344,642	-	-
At 31 January 2025:				
Term loans (non-current)	37,235,479	41,572,635	-	-

The investments in unit funds of the Group amounting RM27,533,010 (2025: RM23,186,024) are measured as Level 2 hierarchy based on reference to fair value provided by the bank at the close of business on the reporting date.

The Group and the Company do not have any financial assets or financial liabilities measured at Level 1 hierarchy.

34. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 January 2026 and 2025.

The Group monitors capital using a gearing ratio, which is total loans and borrowings divided by total capital. Capital includes equity attributable to the owners of the parent less non-distributable share premium. The Group's policy is to keep the gearing ratio at an acceptable limit.

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Loans and borrowings	47,770,859	48,232,530	1,994,393	375,928
Equity attributable to the owners of the parent, representing total capital	120,286,583	116,895,496	78,823,927	77,911,969
Gearing ratio	40%	41%	3%	0%

35. SEGMENT INFORMATION

(a) Business segments:

The Group is organised into three major business segments:

- (i) Manufacturing - the manufacture and supply of products for the automotive, electronics and electrical industries.
- (ii) Investment holding - the holding of investments and provision of management services to subsidiaries; and
- (iii) Others - trading of auto parts in retail and after sales market, providing computer aided design and manufacture of sub-systems and systems for applications in production and testing, provision of vehicle maintenance and training services and other dormant companies.

(b) Geographical segments:

The Group's operations are carried out solely in Malaysia.

(c) Allocation basis

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.

(d) Information on major customers

Included in the manufacturing segment are two major customers contributing to more than 50% of the Group's revenue, being RM205,174,853 (2025: RM207,301,512) and RM26,139,790 (2025: RM34,736,535) each in the current financial year.

Notes to the Financial Statements

31 January 2026

35. SEGMENT INFORMATION (CONT'D.)

31 January 2026	Manufacturing RM	Investment Holding RM	Other RM	Eliminations RM	Notes	Consolidated RM
Revenue						
External	262,980,784	-	1,804,770	-		264,785,554
Inter-segment	17,862	24,915,017	3,856,421	(28,789,300)	A	-
Total revenue	262,998,646	24,915,017	5,661,191	(28,789,300)		264,785,554
Results						
Segment results, representing profit/ (loss) after tax from operations	19,579,413	4,471,686	(266,076)	(8,935,698)		14,849,325
Finance costs	(3,118,014)	(393,207)	(76,628)	495,757		(3,092,092)
Taxation	(4,512,647)	(61,318)	74,806	-		(4,499,159)
Share of result of joint venture	-	-	(163,222)	-		(163,222)
Profit/(loss) net of tax	11,948,752	4,017,161	(431,120)	(8,439,941)		7,094,852
Assets						
Consolidated segment assets	187,707,972	86,772,416	18,611,749	(71,888,201)		221,203,936
Liabilities						
Consolidated segment liabilities	119,015,716	7,948,489	37,433,939	(64,842,994)		99,555,150
Other information						
Capital expenditure	12,493,055	2,583,482	708,744	(4,600,180)	B	11,185,101
Depreciation	16,566,461	1,335,359	484,929	(957,602)		17,429,147
Amortisation	481,452	-	-	-		481,452
Non-cash expenditures other than depreciation and amortisation	1,607,531	252,665	(58,451)	281,222	C	2,082,967

Notes to the Financial Statements

31 January 2026

35. SEGMENT INFORMATION (CONT'D.)

31 January 2025	Manufacturing RM	Investment Holding RM	Other RM	Eliminations RM	Notes	Consolidated RM
Revenue						
External	286,836,346	-	191,960	-		287,028,306
Inter-segment	9,542	21,003,001	576,247	(21,588,790)	A	-
Total revenue	286,845,888	21,003,001	768,207	(21,588,790)		287,028,306
Results						
Segment results, representing profit/ (loss) after tax from operations	18,730,686	(2,587,786)	462,564	(540,727)		16,064,737
Finance costs	(2,843,569)	(130,896)	(17,281)	454,495		(2,537,251)
Taxation	(4,505,304)	(39,374)	(52,349)	10,302		(4,586,725)
Profit/(loss) net of tax	11,381,813	(2,758,056)	392,934	(75,930)		8,940,761
Assets						
Consolidated segment assets	192,312,150	83,981,960	8,448,381	(69,875,593)		214,866,898
Liabilities						
Consolidated segment liabilities	119,699,076	6,069,991	26,802,967	(56,228,759)		96,343,275
Other information						
Capital expenditure	12,870,617	90,600	510,046	(558,884)	B	12,912,379
Depreciation	15,504,678	1,055,129	280,578	(2,200,319)		14,640,066
Amortisation	564,936	-	-	-		564,936
Non-cash expenditures other than depreciation and amortisation	1,541,483	356,850	(116,088)	-	C	1,782,245

Notes to the Financial Statements

31 January 2026

35. SEGMENT INFORMATION (CONT'D.)

Note Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements

A Inter-segment revenues are eliminated on consolidation.

B Capital expenditure consist of:

	2026 RM	2025 RM
Property, plant and equipment	11,060,385	12,679,329
Development expenditure	124,716	233,050
	11,185,101	12,912,379

C Other material non-cash expense/(income) consists of the following items as presented in the respective notes to the financial statements:

	Note	2026 RM	2025 RM
Unrealised foreign exchange gain	7	(260,212)	(113,871)
Increase in provisions	7	1,362,932	907,347
Property, plant and equipment written off	7	22,621	137,790
Provision for short-term accumulating compensated absences	8	128,984	31,316
Increase in defined benefit plan	7	828,642	819,663
		2,082,967	1,782,245

36. SIGNIFICANT EVENTS

(i) Joint venture arrangement

During the financial year, the Group has entered into a joint venture agreement with Funa Micro Technology Pte. Ltd.. The details of the joint venture are disclosed in Note 17 to the financial statements.

(ii) Disposal of investment property classified as asset held for sale

During the financial year, the Group has entered into sales and purchase agreement with a third party with intent to dispose its investment property. The disposal has not been completed as of year end. The investment property has been classified as asset held for sale as disclosed in Note 22 to the financial statements.

37. SUBSEQUENT EVENT

(i) Geopolitical developments

The heightened geopolitical conflict in the Middle East has disrupted global supply chains, including increase in inflationary pressures arising from higher global oil prices and volatility in global markets. The Group and the Company remains focused in ensuring minimal disruption in its supply chain and operational activities, and are currently monitoring further developments in the conflict and assessing the potential financial implication arising from these events.

(ii) Proposed disposal of investment properties

On 13 May 2026, the Board of Directors has approved the plans to dispose two investment properties held by the Company. The proposed disposal of one of the investment properties is subject to the approval of Company's shareholders at an extraordinary general meeting.

As of the date of authorisation of the financial statements, no sales and purchase agreement has been executed. These properties continue to be classified as investment properties and are measured at their carrying amounts as of 31 January 2026.

ANALYSIS OF SHAREHOLDINGS

As at 29 April 2026

Total Number of Issued Shares	:	72,775,737 ordinary shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share
No. of Shareholders	:	3,637

DISTRIBUTION OF ORDINARY SHARES

Size of Holdings	No. of Holders	% Over Total Shareholders	No. of Shares	% Over Total Shares
Less than 100	652	17.93	6,513	0.01
100 to 1,000	605	16.63	253,412	0.35
1,001 to 10,000	2,051	56.39	6,252,462	8.59
10,001 to 100,000	292	8.03	7,774,661	10.68
100,001 to less than 5% of issued shares	34	0.94	17,899,350	24.60
5% and above of issued shares	3	0.08	40,589,339	55.77
Total	3,637	100	72,775,737	100%

DIRECTORS' SHAREHOLDINGS

Name of Directors	Direct Interest		Deemed Interest	
	No. of Shares Held	%	No. of Shares Held	%
Tan Sri Dr. Azmil Khalili bin Dato' Khalid	-	-	-	-
Puan Sri Datin Seri Mariam Parineh	-	-	20,377,300 ¹	28.00
Datuk Syed Izuan bin Syed Kamarulbahrin	500,000	0.69	-	-
Datin Noor Lily Zuriati binti Abdullah	-	-	-	-
Datuk Zainol Izzet bin Mohamed Ishak	1,500,000	2.06	-	-
Ir. Md. Shah bin Hussin	-	-	-	-
Ms. Emily Kok	-	-	-	-

SUBSTANTIAL SHAREHOLDERS

Name of Shareholders	Direct Interest		Deemed Interest	
	No. of Shares Held	%	No. of Shares Held	%
SAK Asset Ventures Sdn. Bhd.	20,377,300	28.00	-	-
Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad for The Ameis Trust (420140)	13,794,839	18.96	-	-
Koh Kok Hooi	8,306,000	11.41	-	-

¹ Deemed interested by virtue of being a substantial shareholder of SAK Asset Ventures Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016.

Analysis Of Shareholdings

As at 29 April 2026

No.	Name of Shareholders	No. of Shares Held	%
1.	SAK Asset Ventures Sdn. Bhd.	20,377,300	28.00
2.	Maybank Nominees (Tempatan) Sdn. Bhd. Maybank Trustees Berhad for The Ameis Trust (420140)	13,794,839	18.96
3.	Maybank Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Koh Kok Hooi	6,417,200	8.82
4.	Puncak Exotika Sdn. Bhd.	2,100,000	2.89
5.	Koh Kok Hooi	1,888,800	2.60
6.	Alliancegroup Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ang Kooi Phing (6000914)	1,839,000	2.53
7.	Datuk Zainol Izzet Bin Mohamed Ishak	1,500,000	2.06
8.	Tan Sri Dato' Seri Shahril Bin Shamsuddin	1,426,875	1.96
9.	CIMB Group Nominees (Asing) Sdn. Bhd. Exempt AN For BDS Bank Ltd (SFS)	1,400,000	1.92
10.	RHB Capital Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Su Ming Yaw	697,100	0.96
11.	Lim Kian Huat	671,400	0.92
12.	CIMSEC Nominees (Tempatan) Sdn. Bhd. CIMB For Dato' Shahrman Bin Shamsuddin (PB)	663,175	0.91
13.	HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Kuek Siew Chyi (CCTS)	540,100	0.74
14.	Datuk Syed Izuan Bin Syed Kamarulbahrin	500,000	0.69
15.	Chia Siew Fung	382,000	0.52
16.	Maybank Nominees (Tempatan) Sdn. Bhd. Chua Eng Ho Wa'a @ Chua Eng Wah	345,800	0.48
17.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Tan Tian Sang @ Tan Tian Song(E-PPG)	339,100	0.47
18.	Yew Peng Chai	296,600	0.41
19.	Tan Yee Seng	280,000	0.38
20.	Khoo Keng Swee	265,800	0.37
21.	Lim Kien Hua	259,200	0.35
22.	Tan Yee Kong	245,000	0.34
23.	Goh Sook Kee	243,000	0.33
24.	Ang Kooi Phing	218,800	0.30
25.	Lee Chee Beng	208,300	0.28
26.	Chong Toke Chong	162,100	0.22
27.	Wong Lay Heong	150,000	0.21
28.	Yong Teng Oou	150,000	0.21
29.	Tan Aik Choon	145,400	0.20
30.	Lee Kim Seng	145,000	0.19
	Total	57,651,889	79.22

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

Total Income	Remarks	2026	Group 2025
Revenue		264,785,554	287,028,306
Other income		6,018,155	6,934,711
Share of result of joint venture		(163,222)	-
Total		270,640,487	293,963,017
Total Assets		221,203,936	214,866,898

(B) Business Activities

No income was generated from Shariah non-compliance activities

(C) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	2026	Group 2025
Cash at bank (exclude cash in hand)		2,972,571	2,647,751
Cash in hand		7,296	5,896
Deposits with licensed bank		12,470	6,820,026
Unit trust funds		27,533,010	23,186,024
Total		30,525,347	32,659,697

Conventional Account/Instruments	Remarks	2026	Group 2025
Cash at bank (exclude cash in hand)		15,335,351	3,946,766
Total		15,335,351	3,946,766

Disclosure of Financial Data for Shariah Screening

(C) Component of Financial Position (cont'd.)

(ii) Debt Component

Islamic Financing	Remarks	2026	Group 2025
Current			
Term financing		13,406,222	6,126,230
Banker's acceptances		716,771	2,659,773
Non-Current			
Term financing		30,761,116	37,235,479
Total		44,884,109	46,021,482

Conventional Borrowing	Remarks	2026	Group 2025
Current			
Hire purchase payables		95,629	95,629
Non-Current			
Hire purchase payables		184,670	280,299
Total		280,299	375,928

PARTICULARS OF PROPERTIES

Location	Description / Existing Use	Land Area	Tenure / Year of Expiring	Approximate Age of Building (years)	Net Book Value as at 31.01.2026 RM'000 / Date of Last Revaluation
HS (M) 9725, PT No. 11556 Mukim Kajang, Daerah Hulu Langat Selangor Darul Ehsan	Industrial land / factory cum office	12,141m2	99-year lease expiring 29.09.2086	35	4,497 31.01.2026
Postal address: No. 11, Jalan P/1, Seksyen 13, Kawasan Perindustrian Bangi, 43650 Bandar Baru Bangi, Selangor Darul Ehsan					
HS (D) 52700 & 52701 PT No. 40849 & 40850 Bandar Baru Bangi Daerah Hulu Langat Selangor Darul Ehsan	Industrial land / factory cum office	6,552m2 & 7,241m2	99-year lease expiring 19.08.2098	31	4,212 31.01.2026
Postal address: Lot 2 & 4, Jalan P/11, Seksyen 10 Kawasan Perindustrian Bangi, 43650 Bandar Baru Bangi, Selangor Darul Ehsan					
PN 106755, Lot 48474 Seksyen 9, Bandar Baru Bangi Daerah Hulu Langat Selangor Darul Ehsan	Vacant industrial land	20,460m2	99-year lease expiring 18.07.2103	Nil	4,731 31.01.2026
Postal address: Lot 5, Persiaran Usahawan Taman IKS, Seksyen 9 43650 Bandar Baru Bangi Selangor Darul Ehsan					
PN 106755, Lot 48474 Seksyen 9, Bandar Baru Bangi Daerah Hulu Langat Selangor Darul Ehsan	Vacant industrial land	20,502.6m2	99-year lease expiring 18.07.2103	Nil	4,368 31.01.2026
Postal address: Lot 7, Persiaran Usahawan Taman IKS, Seksyen 9 43650 Bandar Baru Bangi Selangor Darul Ehsan					

Particular of Properties

Location	Description / Existing Use	Land Area	Tenure / Year of Expiring	Approximate Age of Building (years)	Net Book Value as at 31.01.2026 RM'000 / Date of Last Revaluation
HS (D) 60852, PT No. 6733 Mukim Gurun, Daerah Kuala Muda Kedah Darul Aman	Industrial land / factory cum office	49,824m ²	99-year lease expiring 06.02.2104	21	3,198 31.01.2026
Postal address: Lot 58, Kawasan Perindustrian Berat Gurun 08300 Gurun Kedah Darul Aman					
HS (M) 549, PT No. 98 Mukim Bukit Katil Daerah Melaka Tengah, Melaka	Vacant industrial land	2.163ha.	99-year lease expiring 22.10.2073	Nil	2,179 31.01.2026
Postal address: Lot 98, Jalan Usaha 7 Kawasan Perindustrian Ayer Keroh 75450 Melaka					
HS (D) 52726 & 52727 PT No. 40875 & 40876 Bandar Baru Bangi Daerah Hulu Langat Selangor Darul Ehsan	Industrial land / factory cum office	2,326m ² & 1,833m ²	99-year lease expiring 19.08.2098	30	1,648 31.01.2026
Postal address: Lot 1 & 3, Jalan P/14, Seksyen 10 Kawasan Perindustrian Bangi 43650 Bandar Baru Bangi Selangor Darul Ehsan					
HS (D) 207937, PT 6409 Bandar Sri Sendayan District of Seremban Negeri Sembilan Darul Khusus	Vacant industrial land	35,332m ²	Freehold	Nil	16,692 31.01.2026
Postal address: PT 6409, Jalan Techvalley 4/2 Sendayan Techvalley 71950 Bandar Sri Sendayan Negeri Sembilan Darul Khusus					

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PROXY FORM



Sapura Industrial Berhad
Registration No.: 197401000510 (17547-W)

Total number of Proxy(ies) appointed		
Proportion of shareholdings to be represented by each proxy	Proxy 1 %	Proxy 2 %
Total number of shares held		
CDS Account No.		

I/We _____ NRIC No. _____
(FULL NAME IN CAPITAL LETTERS)

of _____
(FULL ADDRESS)

being a Member of SAPURA INDUSTRIAL BERHAD, do hereby appoint _____

_____ NRIC No. _____
(FULL NAME IN CAPITAL LETTERS)

of _____
(FULL ADDRESS)

or failing him/her, _____ NRIC No. _____
(FULL NAME IN CAPITAL LETTERS)

of _____
(FULL ADDRESS)

or failing him/her, the CHAIRMAN OF THE MEETING, as my/our proxy to vote for me/us and on my/our behalf at the 50th Annual General Meeting to be held at Melur Room, Level 3, Bangi Resort Hotel, Off Persiaran Bandar, 43650 Bandar Baru Bangi, Selangor, Malaysia on Tuesday, 16 June 2026 at 11.00 a.m. or at any adjournment thereof.

Please indicate with an "X" in the space provided below how you wish your vote to be cast. If no specific direction as to voting is given, the Proxy will vote or abstain from voting at his/her discretion.

Resolutions		For	Against
Ordinary Resolution 1	Payment of final single tier dividend		
Ordinary Resolution 2	Re-election of Tan Sri Dr. Azmil Khalili bin Dato' Khalid		
Ordinary Resolution 3	Re-election of Datin Noor Lily Zuriati binti Abdullah		
Ordinary Resolution 4	Re-election of Encik Ir. Md. Shah bin Hussin		
Ordinary Resolution 5	Reappointment of Messrs. Ernst & Young PLT as Auditors of the Company		
Ordinary Resolution 6	Payment of Directors' fees to the Non-Executive Directors		
Ordinary Resolution 7	Payment of Directors' remuneration (excluding Directors' fees) to the Non-Executive Directors		
Ordinary Resolution 8	Authority for Directors to Issue Shares Pursuant to Sections 75 and 76 of the Companies Act, 2016		

Signature/Common Seal of Shareholder

Dated this ____ day of _____ 2026

Notes:

PROXY FORMS

A member whose name appears in the Record of Depositors of the Company as at 8 June 2026 shall be entitled to participate and vote at this Meeting.

A member of the Company who is entitled to participate and vote at this Meeting is entitled to appoint not more than two (2) proxies to participate and vote in his stead. A proxy may but need not be a member of the Company and a member may appoint any person to be his proxy without limitation as to the qualification of the proxy.

Where a member is an authorised nominee (as defined under the Securities Industry (Central Depositories) Act 1991), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.

Where a member appoints two (2) proxies to participate at the same meeting, such appointment shall be invalid unless he specifies the proportion of his shareholdings to be represented by each proxy.

The instrument appointing a proxy shall be in writing and in the case of an individual shall be signed by the appointor or by his attorney duly authorised in writing and in the case of a corporate member, shall be either under its Common Seal or signed by its attorney or an officer of the corporation duly authorised.

The instrument appointing a proxy must be deposited with the Share Registrar of the Company, Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, or alternatively, Tricor Drop-in Box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or deposit the proxy form electronically via Vistra Share Registry and IPO ("MY") Portal at <https://smy.vistra.com>, not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 18 May 2026.

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Sapura Industrial Berhad

Registration No.: 197401000510 (17547-W)

Proxy Form

Stamp

Share Registrar

Tricor Investor & Issuing House Services Sdn. Bhd.

Unit 32-01, Level 32, Tower A

Vertical Business Suite

Avenue 3, Bangsar South

No. 8, Jalan Kerinchi

59200 Kuala Lumpur

Malaysia

www.sapuraindustrial.com.my

SAPURA INDUSTRIAL BERHAD

Registration No.: 197401000510 (17547-W)
Lot 2 & 4, Jalan P/11, Seksyen 10, Kawasan Perindustrian Bangi
43650 Bandar Baru Bangi, Selangor, Malaysia
Tel +(6)03-8912 5502