

EXSIM
HOSPITALITY

**INNOVATING STAYS
ELEVATING SPACES**

2025
ANNUAL REPORT

CONTENTS

2	Corporate Information
4	Corporate Structure
5	Board of Directors
10	Key Senior Management's Profile
11	Financial Highlights
12	Management Discussion and Analysis
19	Corporate Governance Overview Statement
39	Directors' Responsibility Statement
40	Audit Committee Report
47	Statement on Risk Management and Internal Control
51	Sustainability Statement
92	Additional Compliance Information
93	Financial Statements
162	List of Properties
163	Analysis of Shareholdings
165	Notice of Forty-Second Annual General Meeting
	Proxy Form



Run the **QR Code Reader** app and point your camera at the QR Code.

The online version of **EXSIM Hospitality Berhad Annual Report 2025** is available on the website. Go to:
<https://www.exsimhospitality.com>
or scan the QR Code with your smartphone.

CORPORATE INFORMATION

BOARD OF DIRECTORS

DATUK LEONG KAM WENG

Independent Non-Executive Chairman

MR. TAN HAI LIANG

Managing Director

MR. PARAMJIT SINGH GILL A/L GURDEV SINGH

Executive Director

MS. YONG HUI NEE

Independent Non-Executive Director

MS. FREDA LIU PHIT JANG

Independent Non-Executive Director

AUDIT COMMITTEE

Chairperson

Ms. Yong Hui Nee

Members

Datuk Leong Kam Weng

Ms. Freda Liu Phit Jang

NOMINATION COMMITTEE

Chairperson

Ms. Freda Liu Phit Jang

Members

Datuk Leong Kam Weng

Ms. Yong Hui Nee

REMUNERATION COMMITTEE

Chairman

Datuk Leong Kam Weng

Members

Ms. Yong Hui Nee

Ms. Freda Liu Phit Jang

RISK MANAGEMENT COMMITTEE

Chairman

Mr. Paramjit Singh Gill A/L Gurdev Singh

Members

Mr. Tan Hai Liang

Mr. Tan Yi Lang

COMPANY SECRETARIES

Ms. Teo Soon Mei

(MAICSA 7018590)

(SSM PC No. 201908000235)

Puan Nazirah Binti Nazri

(MAICSA 7071328)

(SSM PC No. 202408000275)

CORPORATE INFORMATION

Cont'd



BUSINESS ADDRESS

HEAD OFFICE

D-35-01, Level 35, EXSIM Tower
Millerz Square @ Old Klang Road
Megan Legasi,
No. 357, Jalan Kelang Lama
58000 Kuala Lumpur
Wilayah Persekutuan, Malaysia
Tel. No : +603 79631999
Email : info@exsimgroup.com
Website : www.exsimhospitality.com

REGISTERED OFFICE

No. D-09-02, Level 9, EXSIM Tower
Millerz Square @ Old Klang Road
Megan Legasi,
No. 357, Jalan Kelang Lama
58000 Kuala Lumpur
Wilayah Persekutuan, Malaysia
Tel. No : +603 79718080
Fax. No : +603 79728585
Email : info@amerits.com.my
Website : www.amerits.com.my

AUDITORS

Messrs. Crowe Malaysia PLT

Registration No.: 201906000005
(LLP0018817-LCA) & AF 1018
Chartered Accountants
Level 16, Tower C, Megan Avenue II
12, Jalan Yap Kwan Seng
50450 Kuala Lumpur
Wilayah Persekutuan, Malaysia
Tel No : +603 27889999

SHARE REGISTRAR

Symphony Corporate Services Sdn. Bhd.

Registration No.: 201201037454
(1021936-V)
S-4-04, The Gamuda Biz Suite
Jalan Anggerik Vanilla 31/99
Kota Kemuning
40460 Shah Alam
Selangor, Malaysia
Tel. No : +6016 4397718
Fax. No : +603 51319134
Email : symphonycorporateservices@gmail.com
Website : www.symphonycorporateservices.com.my

PRINCIPAL BANKERS

Affin Islamic Bank Berhad
AmBank (M) Berhad
Malayan Banking Berhad
Al Rajhi Banking & Investment
Corporation (Malaysia) Bhd

STOCK EXCHANGE

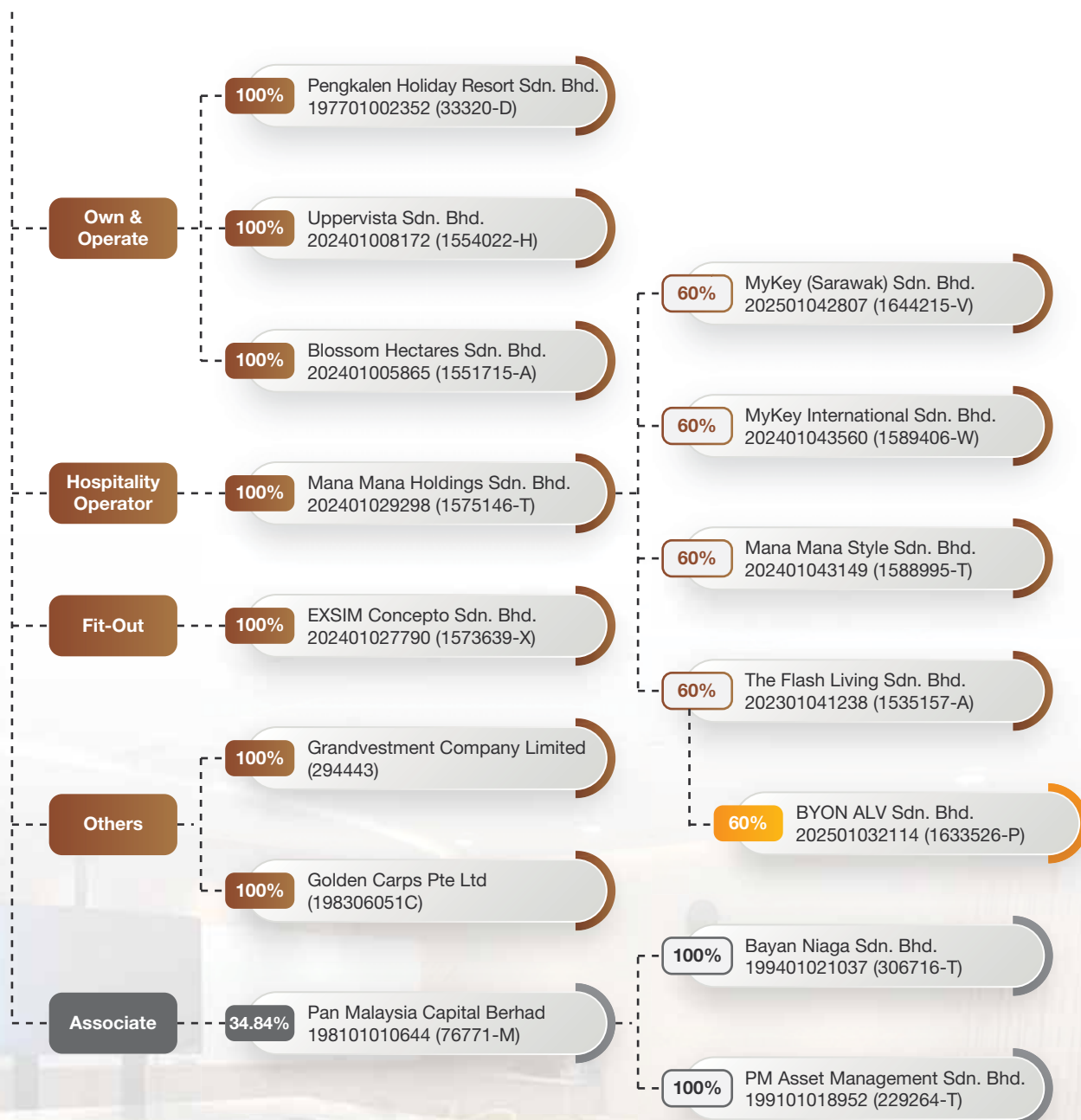
Main Market of Bursa Malaysia
Securities Berhad
Stock Name : EXSIMHB
Stock Code : 1287
Sector : Consumer Products
& Services

CORPORATE STRUCTURE

AS AT 10 OCTOBER 2025

EXSIM
HOSPITALITY

EXSIM Hospitality Berhad
198301000236 (95469-W)



Companies under liquidation and not consolidated into the Group:

1. Asia Entertainment Network Sdn. Bhd.
2. Office Business Systems (Malacca) Sdn. Bhd.
3. Office Business Systems (Penang) Sdn. Bhd.
4. Office Business Systems Sdn. Bhd.
5. Pengkalen Building Materials Sdn. Bhd.
6. Pengkalen Electronics Industries Sdn. Bhd.
7. Sensor Equipment Sdn. Bhd.
8. Technitone (M) Sdn. Bhd.

BOARD OF DIRECTORS



DATUK LEONG KAM WENG

Independent Non-Executive Chairman

Age/Gender:
61/Male

Nationality:
Malaysian

Date of Appointment:
26 May 2023

Chairman:
• Remuneration Committee

Committee Member:
• Audit Committee
• Nomination Committee

Datuk Leong Kam Weng graduated with a Bachelor of Economics Degree and a Bachelor of Laws Degree from Monash University, Australia. He is a Fellow of CPA Australia and a Chartered Accountant of the Malaysian Institute of Accountants. He is also a certified mediator on the panel of the Malaysian Mediation Centre.

He was called to the Malaysian Bar in 1989. In February 1992, he joined TA Enterprise Berhad as the Group Legal Manager until July 1995. He was the Vice President of International Division of TA Enterprise Berhad from November 1993 to October 1995.

In between November 1995 to February 1997, he held the position of Executive Director of Credit Leasing Corporation Sdn. Bhd. He also held the post of Executive Director of TA Bank of Philippines, Inc from March 1997 to June 1998. From June 1998 to July 1999, he was the Chief Executive Officer of TA Securities Berhad. Since July 1999, he has been a Partner of Messrs Iza Ng, Yeoh & Kit as a practicing Advocate and Solicitor.

He sits on the Boards of Xin Hwa Holdings Berhad, Pecca Group Berhad, Only World Group Holdings Berhad and Malayan United Industries Berhad, companies listed on Bursa Malaysia Securities Berhad. He has previously served as Chairman of Tokio Marine Life Insurance Berhad before retiring mandatorily after serving for nine years as an Independent Non-Executive Director. He also sits on the Board of several other public limited companies namely, Asian Outreach (M) Berhad and Pusat Penyayang KSKA.

He does not have any family relationships with any other Director and/or major shareholders of the Company and he does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries.

He has no conviction of any offences within the past five years (other than traffic offences, if any), and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He has attended all seven (7) Board of Directors' meetings held in the financial year ended 30 June 2025.

BOARD OF DIRECTORS

Cont'd



TAN HAI LIANG

Managing Director

Age/Gender:
39/Male

Nationality:
Malaysian

Date of Appointment:
29 April 2024

Committee Member:
• Risk Management Committee

Mr. Tan Hai Liang was appointed to the Board on 29 April 2024 as Executive Director and redesignated to Managing Director on 27 May 2024.

He is a Certified Credit Professional ("CCP") and holds a Bachelor of Business & Commerce from Monash University with a distinguished 14-years tenure in banking and finance.

He began his career as a Business Analyst (Consultant) with MetaFI Consultants which provides consulting and advisory services to clients within the financial services sector. Transitioning to the Corporate Real Estate unit within OCBC Bank Malaysia, he spent 9 years where he rose to the position of Assistant Vice President ("AVP"). During his tenure, he managed a diverse real estate portfolio of clients, driving cross-selling initiatives across various financial products. His contributions were recognised with the prestigious New Horizons Award for propelling OCBC's transformative goals.

After his time at OCBC, he transitioned to Danajamin Nasional Berhad as Senior Manager within the Client Coverage Unit. Here, he played a pivotal role in developing bond programmes in accordance with governmental mandates, overseeing revenue generation, and managing various compliance processes. Notably, during his time at Danajamin Nasional, he successfully implemented various programmes with accumulated disbursement of RM5.5 billion.

Currently, he is the Co-founder and Executive Director at Bila Bila Mart, driving strategic business development efforts and identifying growth opportunities for the Bila Bila Mart Group, showcasing his adeptness at steering organisational growth and fostering enduring client relationships.

He does not hold any directorships in any other public listed companies. He has previously served as Independent Non-Executive Director of MUI Properties Berhad, a company listed on Main Market of Bursa Malaysia Securities Berhad.

He does not have any family relationships with any other Director and/or major shareholders of the Company. He has disclosed his conflict of interest and/or potential conflict of interest with the Company and its subsidiaries, and his declaration together with the details thereof are disclosed under the Audit Committee Report of this Annual Report.

He has no conviction of any offences within the past five years (other than traffic offences, if any), and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He has attended all seven (7) Board of Directors' meetings held in the financial year ended 30 June 2025.

BOARD OF DIRECTORS

Cont'd



PARAMJIT SINGH GILL A/L GURDEV SINGH

Executive Director

Age/Gender:
39/Male

Nationality:
Malaysian

Date of Appointment:
27 May 2024

Chairman:
• Risk Management Committee

Mr. Paramjit Singh Gill A/L Gurdev Singh graduated with a Bachelor of Science (Hons) in Microbiology from University Putra Malaysia. He has wide experience spanning over 15 years in Corporate Investment Banking, Private Equity and Venture Capital. He began his career at Maybank Investment Bank Berhad where he worked on several initial public offerings (IPOs) and merger & acquisition transactions in Malaysia.

He subsequently joined OCBC Bank (Malaysia) Berhad (OCBC) in year 2011 as Relationship Manager in Public & Institutional/Corporate Banking Department. In year 2015, he served as Director / Malaysia Cluster Head Mezzanine Capital Unit (Private Equity & Special Opportunities) which is the Private Equity arm of OCBC Bank with cumulative assets under management in excess of SGD1 billion across South East Asia and China. During his tenure at OCBC, he played an instrumental role in deal origination and participated in prominent corporate transactions regionally within the Bank core markets. Subsequent to that he headed the investment unit focusing on fund of funds investments in Malaysia Venture Capital Management Berhad which has long rooted history within Malaysia's venture capital scene.

He is also one of the co-founders of Bila Bila Mart which is a premier convenience grocer chain that has been expanding rapidly since year 2020.

He sits on the Board of Bedi Berhad (formerly known as WMG Holdings Bhd.), a company listed on the Main Market of Bursa Malaysia Securities Berhad, as a Non-Independent Non-Executive Director.

He does not have any family relationships with any other Director and/or major shareholders of the Company. He has disclosed his conflict of interest and/or potential conflict of interest with the Company and its subsidiaries, and his declaration together with the details thereof are disclosed under the Audit Committee Report of this Annual Report.

He has no conviction of any offences within the past five years (other than traffic offences, if any), and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

He has attended all seven (7) Board of Directors' meetings held in the financial year ended 30 June 2025.

BOARD OF DIRECTORS

Cont'd

**YONG HUI NEE***Independent Non-Executive Director*

Age/Gender:
46/Female

Nationality:
Malaysian

Date of Appointment:
25 June 2024

Chairman:
• Audit Committee

Committee Member:
• Nomination Committee
• Remuneration Committee

Ms. Yong Hui Nee graduated with a Bachelor of Accounting Degree from the University of Malaya. She is a member of the Malaysian Institute of Certified Public Accountants and the Malaysian Institute of Accountants.

She is a Chartered Accountant specialising in audit and assurance, with over 20 years of experience in audit firms. She began her career at BDO Binder, Kuala Lumpur, where she worked from year 2003 to year 2007. She then joined KPMG Singapore from year 2007 to year 2008, followed by a tenure at RSM Robert Teo, Kuan & Co. from year 2008 to year 2011, before moving to her current firm, Ecovis Malaysia PLT, in year 2012.

She currently serves as a partner at Ecovis Malaysia PLT.

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

She does not have any family relationships with any other Director and/or major shareholders of the Company and she does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries.

She has no conviction of any offences within the past five years (other than traffic offences, if any), and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

She has attended all seven (7) Board of Directors' meetings held in the financial year ended 30 June 2025.

BOARD OF DIRECTORS

Cont'd



FREDA LIU PHIT JANG

Independent Non-Executive Director

Age/Gender:
55/Female

Nationality:
Malaysian

Date of Appointment:
25 June 2024

Chairman:
• Nomination Committee

Committee Member:
• Audit Committee
• Remuneration Committee

Ms. Freda Liu Phit Jang graduated with a Bachelor of Business & Marketing from University of Southern Queensland and holds a postgraduate diploma in Design Thinking from Emeritus. She is also a Certified Futurist from the Futurist Institute and a Certified Trainer from Institute of Training & Occupational Learning United Kingdom.

She brings expertise in increasing investability and market share through strategic communications, developing strategies for an organisation's crisis and reputation management, as well as professional development in communications.

She began her career in 1993 as a part-time English presenter on radio and television for news and morning shows at Radio Televisyen Malaysia ("RTM"). In the same year, she also worked as an account executive at Edelman PR, eventually leaving as a consultant. During her time with Edelman PR, she focused on technology, pharmaceutical, and corporate clients.

She then joined IBM Malaysia as a PR Manager, taking on roles in ASEAN and Asia Pacific for both media and analyst relations in the Financial Services Sector and Enterprise Server Group. She also worked on a global project involving the Americas, Europe, and Asia, migrating the Global Opportunity Marketplace across Asia-Pacific.

She joined BFM Media as Lead Producer & Presenter/Business Development from 2009 to 2023. She now produces and presents The Shift Asia which focuses on sustainability and ESG. She is also an Executive Coach on personal brand presence as well as a Media Trainer.

She does not hold any directorships in any other public listed companies. She does not have any family relationships with any other Director and/or major shareholders of the Company and she does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries.

She has no conviction of any offences within the past five years (other than traffic offences, if any), and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

She has attended all seven (7) Board of Directors' meetings held in the financial year ended 30 June 2025.

KEY SENIOR MANAGEMENT'S PROFILE



TAN YI LANG
Group Accountant

Age/Gender:
38/Male

Nationality:
Malaysian

Date of Appointment:
30 July 2024

Member:

- Risk Management Committee

Mr. Tan Yi Lang obtained his Bachelor of Accounting from University Malaya in 2010 and is a member of the Malaysian Institute of Accountants (MIA).

He began his career at Baker Tilly Malaysia in June 2010, where he progressed to the position of Audit Manager before he left in November 2017. Following this, he joined PESTECH International Berhad as Group Accountant, where he served for six years until May 2023. Presently, he holds the position of Group Accountant in the Company.

He does not have any family relationships with any other Director and/or major shareholders of the Company and he does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries.

He has no conviction of any offences within the past five years (other than traffic offences, if any), and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



SIEW WAI MUN
*Director
Mana Mana Holdings
Sdn. Bhd.*

Age/Gender:
48/Female

Nationality:
Malaysian

Date of Appointment:
22 August 2025

Ms. Siew Wai Mun brings over 26 years of expertise across real estate, law, corporate communications, and hospitality. She began in legal and hospitality administration before advancing into sales and operations at Homegates Realty.

At EXSIM Group, she rose from Sales & Marketing Manager to Director of Corporate Affairs & Branding, leading brand strategy and stakeholder engagement. Since 2018, she's driven EXSIM's hospitality expansion, co-founding Mana Mana Hospitality. She has spearheaded initiatives to grow the homestay portfolio, elevate brand positioning, and enhance operational excellence, leveraging her deep industry knowledge in serviced residences and short-term rental management.

She does not have any family relationships with any other Director and/or major shareholders of the Company and she does not have any conflict of interest or potential conflict of interest with the Company and its subsidiaries.

She has no conviction of any offences within the past five years (other than traffic offences, if any), and there was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

FINANCIAL HIGHLIGHTS

FYE	2025	2024	2023	2022	2021
PROFITABILITY					
Revenue (RM'000)	146,531	5,695	5,313	4,104	3,156
Profit/(Loss) before taxation (RM'000)	25,978	(13,490)	(960)	(62)	(348)
Profit/(Loss) after taxation (RM'000)	18,043	(13,330)	(800)	(62)	(348)
Profit/(Loss) after taxation attributable to the owners of the Company (RM'000)	18,036	(13,330)	(800)	(62)	(348)
FINANCIAL POSITION					
Total assets (RM'000)	155,676	53,118	68,551	51,449	52,359
Total liabilities (RM'000)	121,781	25,106	27,209	21,511	22,359
Share capital (RM'000)	92,887	92,887	92,887	92,887	92,887
Equity attributable to owners of the Company (RM'000)	33,844	28,012	41,342	29,938	30,000
Shareholders' equity (RM'000)	33,895	28,012	41,342	29,938	30,000
Total borrowings (RM'000)	68,050	13,792	14,511	14,511	14,511
FINANCIAL RATIO					
Current ratio (times)	1.25	2.13	3.45	4.88	3.75
Gearing ratio (times)	2.01	0.49	0.35	0.48	0.48
SHARE INFORMATION					
Basic earnings/(loss) per share (sen)	1.94	(1.44)	(0.09)	(0.01)	(0.04)
Net assets per share attributable to owners of the Company (RM)	0.04	0.03	0.04	0.03	0.03

MANAGEMENT DISCUSSION AND ANALYSIS

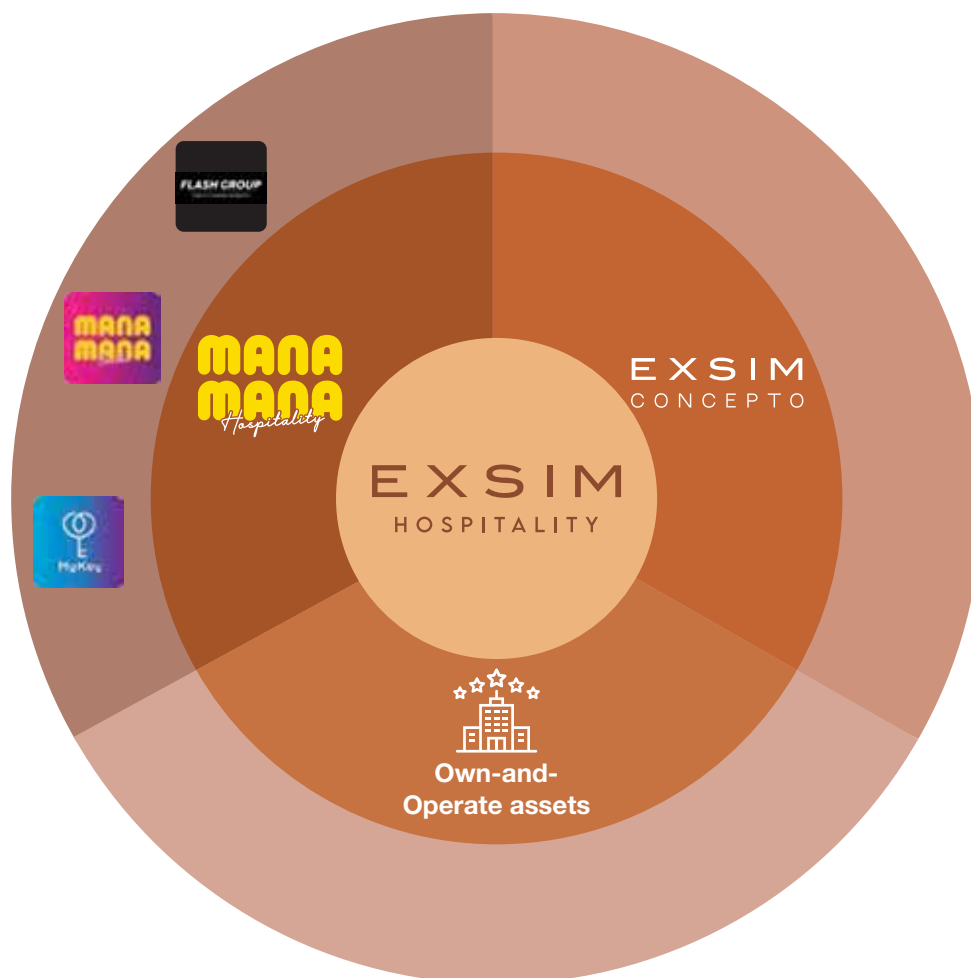
BUSINESS OVERVIEW

EXSIM Hospitality Berhad (“EHB” or “the Group”), a public listed company on the Main Market of Bursa Malaysia Securities Berhad, was incorporated in Malaysia on 8 January 1983 and subsequently listed on 25 May 1987.

EHB Group, previously involved in the hospitality and financial services, has transitioned to focusing solely on the hospitality industry. The Group now owns a 200-room hotel in Port Dickson (“Port Dickson Hotel”) through its wholly-owned subsidiary, Pengkalen Holiday Resort Sdn. Bhd. It has ventured into the management of property units owned by third-party owners (“Managed Properties”), such as serviced residences and en bloc boutique hotels, to be rented out to guests for short-term stays under the “Hospitality Operator Model”. Such Hospitality Operator Model is operated under “Mana Mana Hospitality” brand, a fast-growing Malaysian hospitality brand dedicated to reinventing the holiday and travel experience. With a portfolio of contemporary suites and hotels, Mana Mana Hospitality partners with established property developers and building owners to deliver modern, guest-centric accommodation across the country.

Additionally, EHB has also expanded its existing principal activities to include interior design and fit-out services (“Fit-Out Business”) under the EXSIM Concepto brand.

The below illustrates the three core business pillars of EHB:



MANAGEMENT DISCUSSION AND ANALYSIS

Cont'd

REVIEW OF OPERATIONAL PERFORMANCE

Following the appointment of the new Board of Directors and management team in May 2024, the Group has implemented several turnaround strategies aimed at improving operational and financial performance over the short to medium term. Key initiatives include:

Refurbishment of Port Dickson Hotel

The Group has appointed main contractor to refurbish and renovate Port Dickson Hotel. The project will involve a comprehensive overhaul of the hotel rooms, common areas, mechanical and electrical systems, and building façade. In addition, the ballrooms and meeting facilities will be upgraded to accommodate a larger group of attendees, with the aim of positioning Port Dickson Hotel as a preferred venue for corporate and government events, particularly on business days.

To further enhance its appeal to leisure travelers, the Group has also developed a new water park to complement the resort's expansive beachfront, targeting families and holidaymakers during weekends and public holidays.

The management believes that such refurbishments and renovations will enhance Port Dickson Hotel appeal to local and foreign tourists, positioning Port Dickson Hotel as a more competitive option among hotels and resorts in the region.

Expansion into Hospitality Operator Business

The Group's established expertise in hotel management will distinctly position its Hospitality Operator Model ahead of their competitors, particularly independent short-term rental operators. As at 30 June 2025, EHB through its wholly-owned subsidiary, Mana Mana Holdings Sdn. Bhd. ("MMHSB") has secured 1,002 Managed Properties across Malaysia, including Klang Valley, Penang, Ipoh, Kuantan and Terengganu.

As the hospitality operator, MMHSB and its subsidiaries oversees the day-to-day management of the Managed Properties. These responsibilities encompass room sales, marketing, housekeeping, maintenance, front desk services as well as food and beverage services. In return, the guests will be charged the room rates or accommodation fees akin to that of the Own-and-Operator model and such fees will be shared with the Group and owners of the Managed Properties.

Importantly, this Hospitality Operator Model is asset-light, allowing the Group to scale its portfolio rapidly without the need for significant upfront capital investment in property acquisitions. Building on this asset-light growth strategy, third-party en bloc property owners have also engaged the Group to manage their assets for short-term accommodation. Notable examples include MyCiti Hotel, located near the bustling tourist hub of Masjid Jamek in Kuala Lumpur, and IKAN Glamping, a nature retreat in Bukit Tinggi. Both properties appointed MMHSB to manage their accommodation bookings in pursuit of higher revenue and improved occupancy rates.



MANAGEMENT DISCUSSION AND ANALYSIS

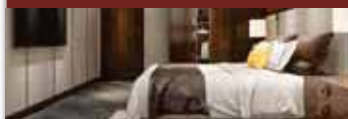
Cont'd

Diversification into Fit-Out Business

On 22 August 2024, the Group announced its proposed diversification into the Fit-Out Business, which was approved on 11 October 2024. This strategic move aims to complement the Group's existing hospitality business by ensuring consistent and functional fit-outs and interior designs that enhance the guest experience. Additionally, the Fit-Out Business will enable the Group to optimise the timing and cost of fit-out works for both its own hospitality assets and third-party Managed Properties. In this regard, the Group had also appointed several key personnel with extensive experience and know-how to spearhead this division.

The below are the services provided under our Fit-Out Business:

Fit-Out Services



We offer a turnkey and customised fittings approach to transforming spaces, including designing the structural frames, designing and installing the necessary lighting, plumbing and electrical work, and sourcing and assembling the furniture, cabinetry and decorative elements.

Interior Design



We combine our expertise in interior design with a keen eye for aesthetics to craft environments that are visually stunning and function seamlessly. Our approach focuses on planning and designing spaces with attention to details, colour palettes, textures, and furnishings, ensuring designs align with clients' preferences and brand identity.

Consulting Services



EXSIM Concepto streamlines design and fit-out process by offering expert brand integration consulting and efficient project management services. We guide clients in making design and furnishing choices that align seamlessly with their brand identity, while managing the entire project from start to finish.

Following its strategic diversification, EXSIM Concepto Sdn. Bhd. ("EXSIM Concepto"), a wholly-owned subsidiary of the Company, has successfully secured 15 Fit-Out contracts worth RM343.39 million. In addition, EXSIM Concepto through MMHSB has also been appointed to undertake fit-out works for the Group's upcoming third party hospitality operator properties, further reinforcing internal synergy and cost optimisation.

MANAGEMENT DISCUSSION AND ANALYSIS

Cont'd

REVIEW OF FINANCIAL PERFORMANCE

The Group's revenue saw an increase from RM5.70 million in FY24 to RM146.53 million in FY25, mainly attributed to revenue from the Fit-Out Business. With the successful turnaround strategy, the Group has turned from its loss making position RM13.33 million in FY24 to profit making RM18.04 million in FY25.

For the year under review, the Group's total assets increased to RM155.68 million from RM53.12 million. The increase was mainly due to higher trade and other receivables as a result of the revenue from Fit-Out Business.

The Group's total liabilities increased by RM96.68 million in the year under review due to higher borrowing and trade and other payables. The Group has drawn down a revolving credit facility to fund the working capital requirement of the Fit-Out Business. Total borrowings increased slightly from RM13.79 million to RM68.05 million. As a result, the Group's gearing ratio has increased from 0.49 times as at 30 June 2024 to 2.01 times as at 30 June 2025. Cash and cash equivalents for FY25 stood at RM7.05 million.

Total equity increased to RM33.90 million, reflecting the profits incurred during FY25.

Own-and-Operate Hotels

Revenue for this segment declined from RM5.70 million in FY24 to RM4.14 million in FY25, as the Group's sole hotel asset, Port Dickson Hotel, commenced major refurbishment works in May 2025 following preparatory activities in the second half of FY25. As a result, segmental losses widened slightly to RM3.63 million in FY25, compared with RM3.13 million in the previous financial year.

Hospitality Operator Business

The Group's newly established Hospitality Operator Business generated revenue of RM3.93 million in FY25, supported by 131 properties under management as at 30 June 2025. The remaining 871 properties which have been secured in FY25 are pending the operation as the properties are under development. The segment reported a marginal loss of RM0.16 million, reflecting its early stage of operations before achieving economies of scale. The management believes that once MMHSB and its subsidiaries expand their portfolio to more than 1,000 units, the segment is expected to achieve profitability.

Fit-Out Business

Since diversifying into the Fit-Out Business, the Group has secured contracts with an aggregate value of RM343.39 million, of which RM138.46 million was recognised as revenue in FY25. This demonstrates the successful launch and rapid traction of the business.

The segment delivered a profit before taxation of RM31.50 million, representing a healthy margin of 22.75%. This outperforms industry comparables and underscores the Group's cost-efficient approach and competitive execution capabilities.



MANAGEMENT DISCUSSION AND ANALYSIS

Cont'd

PROSPECTS AND FUTURE PLANS

Since the successful turnaround, the Group will continue the following initiatives to further enhance the Group's growth and profitability.

Industry Outlook

The Malaysian tourism sector is on a strong recovery trajectory. According to The Economic Times, international arrivals reached 10.1 million in Q1 2025, positioning Malaysia as the leading destination in Southeast Asia. Tourism Malaysia has also announced that under the Government's Visit Malaysia 2026 campaign, the industry targets 35.6 million visitors and RM147.1 billion in receipts by 2026, supported by strategic marketing, partnerships, and enhanced connectivity.

Riding on this strong sectoral momentum, the Group intends to expand its hospitality asset portfolio to capitalise on the anticipated growth and market opportunities in the coming years.

Refurbishments of Port Dickson Hotel



The Group remains committed to strengthening Port Dickson Hotel's position as a preferred hotel choice in Port Dickson. Aligned with the Negeri Sembilan state government's tourism promotion initiatives, including the forthcoming Visit Negeri Sembilan Year 2026 campaign, the Group is proactively capitalising on this opportunity to bolster its business performance.

MANAGEMENT DISCUSSION AND ANALYSIS

Cont'd

Following the completion of refurbishment works which is expected to be in 2H 2026, the Group aims to reposition the upgraded Port Dickson Hotel as a mid-luxury hotel offering exceptional value. The refreshed property will feature unique attractions such as a private lagoon, expansive beachfront, enhanced leisure facilities, and upgraded meeting rooms and ballrooms, setting it apart from competitors that offer only basic beach access. This strategic repositioning is designed to attract travellers seeking quality and comfort at accessible price points, without the premium rates typically associated with high-end resorts.

The management is confident that these enhancements will enable Port Dickson Hotel to command higher average room rates and improve occupancy levels, thereby driving revenue growth and enhancing overall profitability.

Acquisition of Petaling Jaya Hotel

The Group has entered into a sale and purchase agreement to acquire a proposed 5-star hotel tower together with a retail podium, comprising 294 hotel rooms, a restaurant, ballroom, swimming pool, retail spaces and other supporting facilities located in Empire City, Damansara ("Petaling Jaya Hotel"). Renovation works are currently in progress, with completion targeted by Q4 2026. Upon completion, the acquisition will be finalised and Petaling Jaya Hotel is expected to commence operations in Q1 2027.

Petaling Jaya Hotel is designed to cater for urban-oriented short-term stays, making it ideal for shopping, business, and medical tourism.

The acquisition will provide geographical diversification for the Group while leveraging on Empire City's strategic location, surrounded by established townships and key amenities including hospitals, highways and public transportation, and upcoming developments such as Sentral Damansara. As an integrated, self-contained destination with residences, offices, commercial suites and retail, Empire City is expected to enhance the attractiveness of Tower E Hotel. The forthcoming Hextar World mall, featuring unique large-scale attractions and extensive retail offerings, is anticipated to further strengthen the area's appeal to both tourists and business travellers.

With the completion of Petaling Jaya Hotel, the Group expects to benefit from stronger market positioning in the Petaling Jaya - Damansara corridor. Upon stabilisation of operations, the Group anticipates the hotel to generate consistent and recurring cash flows, further strengthening the Group's long-term earnings visibility and enhancing shareholder value.



MANAGEMENT DISCUSSION AND ANALYSIS

Cont'd

Expansion of Hospitality Operator Model

Out of 1,002 managed properties that the Group secured as at 30 June 2025, 131 are currently operational and generating revenue. The remaining properties are at various stages of development or refurbishment and are expected to become operational in the coming financial years, contributing progressively to the Group's recurring income base.

In line with the Group's asset-light growth strategy, the Group continues to actively onboard new managed properties while expanding our geographical presence, including into East Malaysia through collaborations with local partners.



Furthermore, the Group is actively securing more third party en bloc properties for management, further strengthening our portfolio and brand visibility across diverse market segments. On 6 August 2025, the Group has successfully signed a letter of offer with Maybank Trustees Berhad acting as trustee for AmFIRST Real Estate Investment Trust for the appointment of MMHSB as hotel operator and project manager for the proposed refurbishment and rebranding works of The Summit Hotel Subang USJ. Such hotel reopening targets to be in 2nd half of year 2026.

Fit-Out Business

As at 30 June 2025, the Group's orderbook stands at RM204.93 million, which is expected to be realised over the upcoming financial years. Concurrently, the Group is actively pursuing new opportunities, with a tenderbook valued at RM124.7 million.

Looking ahead, the Group is exploring the expansion of its Fit-Out Business beyond the hospitality sector, targeting opportunities in the corporate and commercial industries, which have shown growing interest in the Group's expertise in crafting experience-driven interior spaces. The expansion of the Fit-Out Business is intended to support the Group's short-term financial performance and profitability, while the Group continues to invest in the renovation of its existing and future hospitality assets. Supported by secured contracts, ongoing negotiations, and a positive industry outlook, the Group is optimistic that the Fit-Out Business will contribute significantly to revenue growth and profitability in the short to medium term.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“Board”) of the Company is cognisant of its accountability towards the sound corporate governance and ethical standards in the Group for the achievement of long-term success. The Board is committed to uphold high standards of corporate governance with the principles of transparency, integrity, and professionalism in the best interest of both the Company and various stakeholders.

Pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and guided by Practice Note 9 of MMLR, the Board is pleased to present this Corporate Governance Overview Statement (“CG Statement”) setting the summary of the corporate governance practices applied by the Company during the financial year ended 30 June 2025 (“FYE 2025”) as prescribed under the Malaysian Code on Corporate Governance (“MCCG”). This CG Statement takes guidance from the three (3) key corporate governance principles as per MCCG as follows:-

- Principle A: Board Leadership and Effectiveness;
- Principle B: Effective Audit and Risk Management; and
- Principle C: Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

Shareholders are advised to read this CG Statement together with the Corporate Governance Report (“CG Report”) which sets out the details on how the Company has applied each best practices as advocated by the MCCG during the financial year under review. The CG Report is published on the Company’s website at www.exsimhospitality.com/.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. BOARD RESPONSIBILITIES

Intended Outcome 1.0

1.0 Every company is headed by a board, which assumes responsibility for the company’s leadership and is collectively responsible for meeting the objectives and goals of the company.

- 1.1 The Board recognises its responsibility to provide leadership, strategic direction and effective oversight of the Group in order to protect shareholder value, improve the Company’s performance and ensure the creation of long-term sustainable value for stakeholders.

Led by the Independent Chairman, the Board sets the new vision, mission and corporate values of the Group, serving as the foundation for strategy and governance, while taking into account the interests of shareholders and other stakeholders.

The Board is guided by its Board Charter and supported by four (4) Board Committees, namely the Audit Committee (“AC”), Nomination Committee (“NC”), Remuneration Committee (“RC”) and Risk Management Committee (“RMC”), each operating under defined Terms of Reference (“TOR”). While specific responsibilities are delegated to these Committees and to Management, the Board retains ultimate responsibility for the Group’s overall performance, governance and compliance.

The Board provides guidance on the Company’s strategic and operational priorities and receives regular financial updates from the Group Accountant to support informed decision-making. The Board Committees assist in monitoring the Group’s development, ensuring sound corporate governance, overseeing risk management and internal controls, succession planning, sustainability efforts, investor relations, and continuous director development. The TOR of each Board Committee clearly outlines its objectives, duties and authority, and the respective Chairmen report to the Board on meeting outcomes, key deliberations and recommendations. The Board Charter and TOR of the Board Committees are available on the Company’s website at www.exsimhospitality.com/.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

I. BOARD RESPONSIBILITIES cont'd

Intended Outcome 1.0 cont'd

- 1.2 The Board is led by Datuk Leong Kam Weng, the Independent Non-Executive Chairman, whose role and responsibilities are clearly outlined in the Board Charter. As Chairman, he provides leadership to the Board, ensures its effectiveness, and promotes a culture of integrity and good governance.

He acts as the main liaison between the Board and Management, sets the agenda for Board meetings in consultation with the Company Secretaries, and ensures that all Directors are given the opportunity to contribute actively to discussions and decision-making. The Chairman also presides over Board meetings and the Annual General Meeting ("AGM"), ensuring open dialogue with shareholders.

- 1.3 The roles of the Chairman and the Executive Directors are held by different individuals to ensure a clear division of responsibilities, promote a balance of power, and strengthen the Board's independent oversight of Management.

Datuk Leong Kam Weng, the Independent Non-Executive Chairman provides leadership and stewardship of the Board, fostering sound governance and effective Board performance. In contrast, Mr. Tan Hai Liang, the Managing Director ("MD") and Mr. Paramjit Singh Gill A/L Gurdev Singh, the Executive Director ("ED") are responsible for driving the Group's strategic direction, corporate development, and day-to-day management of operations.

These distinct roles and responsibilities are clearly defined in the Board Charter, which is available on the Company's website.

- 1.4 The Board acknowledges a departure from Practice 1.4 of the MCCG as the Independent Non-Executive Chairman also serves as a member of the AC and NC, and as Chairman of the RC. This arrangement has been adopted to enhance oversight, coordination and decision-making, leveraging the Chairman's experience and insights while the Board continues to strengthen its governance framework.

To mitigate potential risks, the Chairman abstains from deliberations and voting on matters where he has a direct or perceived conflict of interest, supported by robust conflict of interest policies and formal declarations of interest. The Board and the NC also commit to regularly reviewing this governance practice to ensure it remains effective, objective, and in the best interests of stakeholders.

The explanation for this departure from the best practice, together with the relevant measures taken by the Board, are disclosed in detail in the CG Report.

- 1.5 During FYE 2025, the Board was supported by two (2) qualified and experienced Joint Company Secretaries who advise the Board on governance, regulatory compliance and Board processes. They ensure that Board and Committee meetings are properly convened, deliberations accurately recorded, and Directors kept informed of relevant statutory and regulatory developments. The Company Secretaries also participated in continuous professional development programmes, including training sessions organised by the Malaysian Institute of Chartered Secretaries and Administrators ("MAICSA"), to stay abreast of the latest regulatory and corporate governance developments. The Board is satisfied with the competency, performance and support provided by the Company Secretaries in discharging their duties.

- 1.6 All Board and Board Committee meetings are scheduled in advance, with notices, agendas and supporting papers circulated at least five (5) business days beforehand to enable informed and effective deliberations.

During FYE 2025, the Board convened a total of seven (7) meetings to deliberate on strategic, financial, operational and governance matters, and also appointed various advisers and an independent adviser in connection with a corporate exercise. Where appropriate, senior management and external advisers were invited to provide additional insight and clarification.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

I. BOARD RESPONSIBILITIES cont'd

Intended Outcome 1.0 cont'd

1.6 cont'd

All Directors have unrestricted access to information relating to the Group, as well as the advice and services of the Company Secretaries, Internal Auditors and External Auditors. Directors may also seek independent professional advice at the Company's expense when necessary. The minutes of Board meetings are circulated to all Board members in a timely manner, ensuring that discussions, deliberations and decisions are accurately documented and readily available for reference.

By adhering to these practices, the Board promotes transparency, accountability and effective decision-making.

The attendance of Directors during FYE 2025 is detailed below:

Name	Designation	The attendance for the following Meetings				
		Board	AC	NC	RC	RMC
Datuk Leong Kam Weng	Independent Non-Executive Chairman	7/7	6/6	1/1	3/3	Not member
Tan Hai Liang	MD	7/7	Not member	Not member	Not member	2/2
Paramjit Singh Gill A/L Gurdev Singh	ED	7/7	Not member	Not member	Not member	2/2
Yong Hui Nee	Independent Non-Executive Director ("INED")	7/7	6/6	1/1	3/3	Not member
Freda Liu Phit Jang	INED	7/7	6/6	1/1	3/3	Not member

Intended Outcome 2.0

2.0 There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

- 2.1 The Board adopted a revised Board Charter on 14 February 2025, which serves as a primary reference document governing the roles, responsibilities and authority of the Board, its Committees and individual Directors. The Charter provides clarity on matters such as the separation of the roles of the Chairman and the MD, the responsibilities of Independent Directors, and the role of the Company Secretaries in supporting the Board.

Certain matters are specifically reserved for the Board's collective review and approval, including but not limited to:

- (a) The Group's business strategy and business plan;
- (b) Annual budgets and major capital commitments;
- (c) Material acquisitions and disposals of undertakings and properties;
- (d) Changes to senior management and the control structure of the Group; and
- (e) Establishment of Board Committees and approval of their TOR.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

I. BOARD RESPONSIBILITIES cont'd

Intended Outcome 2.0 cont'd

2.1 cont'd

The Board Charter also sets out expectations relating to Board diversity, the process for access to information, and procedures for the convening of meetings, circulation of papers and timely decision-making.

The TOR of all Board Committees complement the Board Charter by providing further details on the respective Committees' roles, responsibilities and authority.

Both the Board Charter and the TOR of the Board Committees are made available on the Company's website at www.exsimhospitality.com/ for transparency and ease of reference by stakeholders.

By embedding these governance structures, the Board ensures clarity of roles, effective oversight, accountability and robust decision-making across the Group.

Intended Outcome 3.0

3.0 The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the Company.

- 3.1 The Board has formalised and adopted a Code of Conduct & Business Ethics ("Code") that sets out the principles, standards and expectations of ethical behaviour for all Directors, Management, employees, contractors and business partners. The Code provides guidance on dealing with ethical issues that may arise in the course of business and ensures that all parties uphold the Group's core values of integrity, transparency and accountability.

Key areas covered by the Code include:

- (a) Duties of Good Faith, Diligence & Integrity (including the prohibition of solicitation, bribery and corruption; no-gift policy; anti-money laundering measures; whistleblowing; and conflict of interest);
- (b) Confidentiality and Data Protection;
- (c) Culture and Environment (covering diversity, non-discrimination, prevention of sexual harassment, safety and health, and prohibition of drugs, alcohol and other misconduct); and
- (d) Disciplinary Process and Sanctions to ensure compliance and accountability.

In line with the MCCG's emphasis on ethical governance, the Group has also adopted an Anti-Bribery and Anti-Corruption ("ABAC") Policy which:

- (a) States the Group's zero-tolerance position on corruption and bribery;
- (b) Provides practical guidance to Directors, employees and business partners on identifying and dealing with improper solicitation or corrupt practices;
- (c) Affirms the Group's commitment to comply with relevant anti-corruption and anti-money laundering laws, including the Malaysian Anti-Corruption Commission Act 2009, the Penal Code (Act 574), and the Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001; and
- (d) Serves as a preventive tool to help stakeholders recognise, detect and avoid potential corrupt practices.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

I. BOARD RESPONSIBILITIES cont'd

Intended Outcome 3.0 cont'd

3.1 cont'd

The ABAC Policy applies to all levels of the organisation including the Board, employees, joint venture partners, contractors, sub-contractors, consultants, agents and representatives acting for or on behalf of the Group.

During FYE 2025, the Board reviewed both the Code and ABAC Policy to ensure they remain relevant, effective and aligned with evolving regulatory requirements and industry best practices.

Both the Code and ABAC Policy are accessible on the Company's website at www.exsimhospitality.com/ for ease of reference by stakeholders.

These policies underscore the Board's strong commitment to sound corporate governance, ethical conduct and responsible business practices across the Group's operations.

- 3.2 The Board is committed to upholding the highest standards of integrity, transparency and accountability. In this regard, the Board has established and implemented a Whistleblowing ("WB") Policy that provides employees, business partners and other stakeholders with accessible and confidential channels to raise concerns on any suspected or actual improper conduct within the Group.

The WB Policy sets out the procedures for reporting, investigation and protection of whistleblowers, and is designed to encourage the disclosure of concerns in good faith without fear of retaliation. Reports may be directed to Head of Group Audit; or Head of Group Legal; or Group Executive Director; or Chairman of the Audit Committee; or directly to the Group Executive Chairman.

The AC, on behalf of the Board, oversees the administration and effectiveness of the WB Policy, ensuring that all reports are independently investigated and appropriate action is taken. The WB Policy is subject to periodic review to ensure its continuing relevance in line with evolving business and regulatory developments.

The WB Policy is available on the Company's website at www.exsimhospitality.com/. The Company actively promotes a culture of integrity and encourages stakeholders to speak up where genuine concerns arise. For the financial year ended 30 June 2025, no whistleblowing report was received.

Intended Outcome 4.0

4.0 The Company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

- 4.1 The Board, with support from Management, takes responsibility for the governance of sustainability within the Group. In FYE 2025, the Group introduced a Sustainability Approach aligned with its Vision and Mission, incorporating four (4) sustainability pillars, strategic thrusts, material matters and selected UN Sustainable Development Goals ("SDGs").

The Group also formalised a Sustainability Policy to guide ethical conduct, environmental stewardship, inclusive growth and long-term value creation across its hospitality and fit-out services. Initiatives under the policy include strengthening economic and service excellence, upholding ethical governance standards, advancing environmental stewardship, and creating positive social impact.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

I. BOARD RESPONSIBILITIES cont'd

Intended Outcome 4.0 cont'd

4.1 cont'd

To reinforce global alignment, the Group has adopted three (3) SDGs most relevant to its operations:

- (a) SDG 8: Decent Work and Economic Growth – supporting fair labour practices, employee development and resilient local procurement;
- (b) SDG 12: Responsible Consumption and Production – embedding sustainable design, waste reduction and efficient use of resources; and
- (c) SDG 13: Climate Action – reducing greenhouse gas emissions and promoting energy efficiency across operations.

To ensure accountability, the Group established a three-tier governance structure comprising the Board, a Sustainability Steering Committee and a Sustainability Working Group. This framework provides strategic direction, drives execution of initiatives, and monitors progress in addressing material sustainability matters.

Through these measures, the Group integrates sustainability into its strategies, operations and risk management to support long-term growth and deliver value to stakeholders.

- 4.2 The Board ensures that the Group's sustainability strategies, priorities and performance are communicated effectively to internal and external stakeholders. In FYE 2025, the Group strengthened its stakeholder engagement framework, engaging with shareholders, regulators, financial institutions, guests, employees, suppliers and local communities through various structured channels. These interactions provided valuable insights into stakeholder expectations, enabling the Group to refine its sustainability initiatives and ensure alignment with long-term value creation.

During the year, the Group conducted its first materiality assessment, which identified 13 material matters most relevant to both the Group and its stakeholders, including Economic Performance, Customer Experience and Satisfaction, Hospitality Service Excellence, Corporate Governance and Anti-Corruption, Data Privacy and Security, and Health and Safety.

To support accountability and transparency, the Group also introduced Sustainability Key Performance Indicators ("KPIs") in FYE 2025 to monitor progress against its sustainability strategies and targets. These measures reinforce the Group's commitment to addressing sustainability risks and opportunities in an integrated and strategic manner, while keeping stakeholders informed of performance and progress.

- 4.3 The Board recognises the importance of remaining informed on sustainability issues, including climate-related risks and opportunities, to effectively oversee the Group's long-term strategy. In FYE 2025, all Directors completed the Mandatory Accreditation Programme ("MAP") conducted by the Institute of Corporate Directors Malaysia ("ICDM"), which covered corporate governance, fiduciary duties, regulatory compliance and emerging sustainability considerations.

In reinforcing the Group's ethical culture, the Board also oversaw the rollout of Anti-Bribery and Corruption training at Corus Paradise Resort. Briefings on the ABAC Policy were embedded into employee onboarding, resulting in 100% training coverage for both executive and non-executive/technical employees in FYE 2025, a significant improvement compared to the prior year.

Through these initiatives, the Board and employees are better equipped to understand and manage sustainability challenges, ensuring that governance, ethical conduct and long-term value creation remain central to the Group's operations.

The Board, along with the NC will continue to identify and update the Board and Management on various international standards and best practices related to sustainability risks and opportunities. The NC will recommend more suitable sustainability-related training programmes for the Board and Management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

I. BOARD RESPONSIBILITIES cont'd

Intended Outcome 4.0 cont'd

- 4.4 The Board incorporates sustainability into its annual performance evaluation of the Board, Board Committees and individual Directors. In FYE 2025, the evaluation confirmed the Board's strengths in governance fundamentals, including ethical oversight, committee effectiveness and quality of deliberations.

The assessment also identified several areas for improvement, including strengthening succession planning for Directors and senior management, enhancing sustainability-related training for the Board, and improving the integration of sustainability considerations into Board oversight and risk tracking.

To support accountability, the Group introduced annual Sustainability KPIs aimed at reducing emissions and waste generation. These KPIs provide a structured framework for monitoring senior management's performance in addressing climate-related risks and opportunities, ensuring continuous progress and alignment with the Group's long-term strategy.

Through this process, the Company ensures that both the Board and senior management are not only evaluated on governance fundamentals but also on their effectiveness in embedding sustainability into business strategy and operations.

- 4.5 The Board currently does not designate a specific individual to solely focus on managing the sustainability strategy. However, to enhance the Group's sustainability management, the Board has bestowed the responsibility of overseeing sustainability matters to the Management units, led by the MD. This delegation of authority reflects the Board's commitment to promoting sustainability practices throughout the Group.

II. BOARD COMPOSITION

Intended Outcome 5.0

5.0 Board decisions are made objectively in the best interests of the Company taking into account diverse perspectives and insights.

- 5.1 The NC ensures that the composition of the Board is refreshed periodically and that the tenure of each Director is reviewed on an annual basis. In FYE 2025, the NC undertook a structured evaluation of Directors due for retirement by rotation at the forthcoming Forty-Second Annual General Meeting ("42nd AGM"), namely Mr. Tan Hai Liang and Mr. Paramjit Singh Gill A/L Gurdev Singh (collectively referred to as "Retiring Directors").

The evaluation considered each Director's fit and proper status, quality of contributions, knowledge and caliber, time commitment and transparency in disclosing potential conflicts of interest. The NC was satisfied that the Retiring Directors had demonstrated their ability to discharge their fiduciary duties effectively, supported the Board's deliberations constructively, and remained suitable for re-election.

In recommending their re-election to the Board and subsequently to shareholders, the NC affirmed its commitment to ensuring that Board refreshment, skills diversity and independence are maintained to support the Company's long-term strategy and governance effectiveness.

During FYE 2025, the NC is chaired by Ms. Freda Liu Phit Jang. Below is the composition of the NC:

Designation	Name	Directorship
Chairperson	Freda Liu Phit Jang	INED
Member	Datuk Leong Kam Weng	INED
Member	Yong Hui Nee	INED

The TOR of NC detailed the roles and responsibilities of NC is accessible on the Company's website at www.exsimhospitality.com/.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

II. BOARD COMPOSITION cont'd

Intended Outcome 5.0 cont'd

Summary Activities of NC

As at the date of this statement, the NC guided by its TOR held two (2) meetings. It has conducted:

1. Review and Appointment of Key Senior Management

Reviewed, considered and recommended the appointment of Ms. Siew Wai Mun as a key senior management responsible for the hospitality business segment of the Company, taking into account the Fit and Proper criteria as well as the Conflict of Interest Policy, and recommended the appointment to the Board for approval.

2. Annual Performance Evaluations

Reviewed and considered the results of the annual performance evaluations for the financial year ended 30 June 2025, covering the Board and Board Committees, Individual Directors, the AC, the RC, the NC and the RMC.

3. Directors' Re-election at the Upcoming AGM

Recommended to the Board the re-election of the following Retiring Directors, who retire by rotation in accordance with Clause 118 of the Company's Constitution and, being eligible, have offered themselves for re-election at the forthcoming 42nd AGM:

- (a) Mr. Tan Hai Liang
- (b) Mr. Paramjit Singh Gill A/L Gurdev Singh

4. Audit Committee Review

Reviewed the terms of office and effectiveness of the Audit Committee as a whole and of each individual Audit Committee Member, and recommended the findings to the Board.

5. Independent Non-Executive Directors

Reviewed the tenure of service of each INED in line with Practice 5.3 of the MCCG, and noted the results of the independent assessment of the INEDs of the Company.

6. Board and Committee Time Commitment

Reviewed the meeting attendance records of the Board of Directors and Board Committees for the financial year ended 30 June 2025, and assessed the sufficiency of time commitment of the Directors in discharging their duties and responsibilities effectively.

7. Directors' Training and Development

- (a) Reviewed the training programmes attended by Directors during the financial year under review.
- (b) Recommended suitable training programmes to enhance the skills and knowledge of Directors and to enable them to keep abreast with regulatory changes, industry developments and emerging governance trends.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

II. BOARD COMPOSITION cont'd

Intended Outcome 5.0 cont'd

Summary Activities of NC cont'd

8. Succession Planning

Discussed and reviewed the succession planning framework for the senior management of the Company, with particular emphasis on leadership continuity and talent pipeline development to support long-term business sustainability.

9. Evaluation of Conflict of Interest ("COI") Mitigation and Recommendation for Re-election

The NC is responsible for overseeing the nomination and evaluation process for directors, including assessing the suitability, character, and integrity of each director seeking re-election, in line with the Company's Directors' Fit and Proper Policy, the MCCG and relevant provisions of the MMLR.

In reviewing a potential COI dimension, the NC noted that both Retiring Directors are business partners of the ultimate major shareholders of the Company. The NC carefully assessed the potential conflict risks arising from these relationships. It was acknowledged that while such relationships may give rise to perceptions of influence, both Retiring Directors had made full and transparent disclosures and confirmed their commitment to act in the best interest of the Company.

The AC had reviewed this matter in detail and recommended a series of mitigation measures to address the potential COI, including mandatory declarations, abstention from deliberations, oversight by the Board, availability of the Whistleblowing Policy and independent oversight by the Audit Committee and ongoing monitoring.

The assessment and recommendation for the re-election of the Directors, who are due for retirement and eligible at the upcoming Annual General Meeting of the Company pursuant to the Constitution of the Company. The Directors' Fit and Proper Policy is policy provides guidance to the NC in assessing the suitability of Directors for appointment or re-election pursuant to the Company's Constitution.

The Directors' Fit and Proper Policy is available on the Company's website at www.exsimhospitality.com/.

All Directors appointed to the Board have attended the Mandatory Accreditation Program ("MAP") Part I and MAP Part II as stipulated by Bursa Securities before the deadline prescribed by Bursa Securities. Additionally, the Directors are encouraged to attend continuous education programmes, seminars, conferences, receiving further training from time to time to keep abreast with the latest developments in statutory requirement and regulatory guidelines, where appropriate. This training aims to enhance their business acumen and professionalism in fulfilling their duties to the Group.

To remain competitive, the Board ensures that the Directors continuously enhance their skills and expand their knowledge to meet the challenges ahead.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

II. BOARD COMPOSITION cont'd

Intended Outcome 5.0 cont'd

The details of seminars, conferences and training programmes and seminars attended by the Directors were as follows:

Directors	Seminars/Conferences/Training Programmes Attended	Date Attended
Datuk Leong Kam Weng	The Risk Landscape: Navigating Climate Transition Risks in a Circular Economy	11 July 2024
	Navigating Capital Gains Tax	17 July 2024
	e-Invoicing for Law Firms	29 July 2024
	Practical Aspects on How Law Firms Can Manage Dawn Raids	15 August 2024
	Cybersecurity Oversight: Board Responsibilities in light of the Cybersecurity Bill 2024	11 September 2024
	Unclaimed Monies Act 1965	19 September 2024
	Geopolitical Risks and the Strategic Imperatives for Boards and C-Suite	17 October 2024
	AOB Conversation with Audit Committees	19 November 2024
	Strategic Data & Framework in Board Governance	2 December 2024
	Building and Strengthening Your Directorship Competency	6 March 2025
	Strategic Oversight for Directors: Mastering Financial Reporting	17 April 2025
	Tax Reimagined: Understanding Data Warehouses and their relevance for tax functions	7 May 2025
	Webinar on Sales Tax Revision and Service Tax Expansion 2025	19 June 2025
	Decoding Malaysia's New Stamp Duty Regime: Key Changes, Risks & Compliance Register Now	24 June 2025
Tan Hai Liang	Mandatory Accreditation Programme	17 to 18 July 2024
	Mandatory Accreditation Programme Part II : Leading for Impact (LIP)	24 to 25 February 2025
Paramjit Singh Gill A/L Gurdev Singh	Mandatory Accreditation Programme	17 to 18 July 2024
	Mandatory Accreditation Programme Part II : Leading for Impact (LIP)	24 to 25 February 2025
Yong Hui Nee	IFRS 9/MFRS 9 Financial Instruments - A Practical Guide	10 July 2024
	Mandatory Accreditation Programme	14 to 15 August 2024
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	9 to 10 September 2024
	Reporting with GRI Standards 2021 Update	17 to 18 October 2024
	Reporting on Human Rights with GRI Standards 2021 Update	21 October 2024
	Integrating the SDGs into Sustainability Reporting	21 October 2024
	ISA 600 (Revised) Special Considerations - Audit of Group Financial Statement	22 October 2024
	What Makes A Good Annual Report and How IFRS 18 Seeks To Improve Reporting	25 October 2024
	Addressing The Audit Oversight Board's Common Inspection Findings - Valuation & Accounting Estimate	29 October 2024
	ISSB: Applying the IFRS Sustainability Disclosure Standards	18 December 2024

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

II. BOARD COMPOSITION cont'd

Intended Outcome 5.0 cont'd

The details of seminars, conferences and training programmes and seminars attended by the Directors were as follows: cont'd

Directors	Seminars/Conferences/Training Programmes Attended	Date Attended
Freda Liu Phit Jang	Mandatory Accreditation Programme	14 to 15 August 2024
	The Journey Into the AI Age: Game Changer For Digital Transformation Era	17 June 2025
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	4 to 5 June 2025

5.2 For FYE 2025, the Board comprised five (5) members, as follows:-

Name	Position
Datuk Leong Kam Weng	Independent Non-Executive Chairman
Tan Hai Liang	MD
Paramjit Singh Gill A/L Gurdev Singh	ED
Yong Hui Nee	INED
Freda Liu Phit Jang	INED

As at 30 June 2025, the Board comprised five (5) members, of whom three (3) are INEDs, including the Independent Non-Executive Chairman. This represents 60% of the Board, thereby meeting the requirement that at least half of the Board comprises Independent Directors under Practice 5.2 of the MCGG.

The majority presence of Independent Directors ensures that Board deliberations are objective, balanced and free from undue influence, while providing effective check and balance in the decision-making process. This composition also reflects the Board's commitment to sound governance and safeguarding the interests of all shareholders.

- 5.3 The Company recognises the importance of Best Practice 5.3 of MCGG. However, the Board has decided to depart from this practice while upholding the effectiveness and independence of its directors. The rationale for this decision, along with the measures taken by the Board to ensure objective Board decisions, has been disclosed in the CG Report.
- 5.4 The Company has not adopted a policy which limits the tenure of its independent directors to nine years without further extension. The rationale for this decision, along with the measures taken by the Board to ensure objective Board decisions, has been disclosed in the CG Report.
- 5.5 The Board recognises the value of diversity in skills, knowledge, cultural background, gender and experience in strengthening decision-making and promoting the sustainable growth of the Group. In FYE 2025, the Board continued to apply the Directors' Fit and Proper Policy in guiding the NC's evaluation of appointments and re-elections, ensuring a transparent and merit-based selection process.

As at 30 June 2025, the Board comprised five members, with 40% female representation, reflecting a balanced mix of gender, age and professional expertise relevant to the Group's business. The majority of the Board are Independent Non-Executive Directors, which further ensures objectivity and independence in Board deliberations.

The NC also reviewed the time commitment of all Directors during the year and was satisfied that each Director had devoted sufficient time to discharge their roles effectively, with attendance exceeding the minimum requirements under the MMLR.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

II. BOARD COMPOSITION cont'd

Intended Outcome 5.0 cont'd

5.5 cont'd

Further details on Board and senior management diversity, including age, gender, ethnicity and nationality, are provided in the Sustainability Statement of this Annual Report 2025.

- 5.6 The NC is responsible for the screening and recruitment of new Directors through a formal and transparent process. In evaluating potential candidates, the NC applies the Company's Directors' Fit and Proper Policy, which sets out criteria on probity, competence, diligence, integrity and reputation, and also considers any potential conflicts of interest in accordance with the Company's COI Policy. Candidates are required to declare any interests and are subject to safeguards to ensure independence and objectivity in Board deliberations.

In sourcing potential Directors, the Board will utilise independent sources in addition to referrals from existing Directors, Management and/or substantial shareholders, to ensure that a broad and qualified pool of candidates is considered. Where internal referrals are used exclusively, the NC will provide justification to ensure transparency.

For FYE 2025, there were no new appointments of Directors. The NC remains committed to ensuring that any future appointments are conducted in a manner that promotes diversity, independence and alignment with the Company's long-term strategic needs.

- 5.7 In line with Clause 118 of the Company's Constitution, Mr. Tan Hai Liang and Mr. Paramjit Singh Gill A/L Gurdev Singh are due for retirement by rotation at the forthcoming 42nd AGM and have offered themselves for re-election. The NC assessed their performance and suitability in accordance with the Fit and Proper Policy, taking into account integrity, competence, time commitment, independence of judgment and potential conflicts of interest.

The Company's resolutions are outlined in the Statement Accompanying the Notice of the AGM, included in the Annual Report. The detailed profiles of the Retiring Directors are disclosed in the Profile of Board of Directors section of this Annual Report for shareholders' reference.

The Board, through the NC, reviews the qualifications of Directors to ensure they meet the Board's desired criteria.

Considering the satisfactory assessment results and upon the NC's recommendation, the Board has resolved to approve the re-election and re-appointment of the Retiring Directors, submitting their recommendations for shareholder approval at the upcoming AGM.

- 5.8 The NC is chaired by Ms. Freda Liu Phit Jang, an INED, and is composed exclusively of INEDs. This composition reflects the Board's commitment to ensuring independence, objectivity and strong governance in the nomination process.

During FYE 2025, the NC continued to discharge its key responsibilities, including overseeing succession planning, reviewing the composition and effectiveness of the Board and its Committees, assessing the independence of Independent Directors, recommending the re-election of Directors, and monitoring Directors' training and development.

- 5.9 The Board has exceeded the requirement under Paragraph 15.02 of the MMLR to have at least one (1) woman Director. With the appointments of Ms. Yong Hui Nee and Ms. Freda Liu Phit Jang as Independent Non-Executive Directors on 25 June 2024, women now represent 40% of the Board as at 30 June 2025. This reflects the Board's commitment to diversity, equitable participation, and good governance practices.

The NC is chaired by Ms. Freda Liu Phit Jang, with Datuk Leong Kam Weng and Ms. Yong Hui Nee as members, all of whom are INEDs.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

II. BOARD COMPOSITION cont'd

Intended Outcome 5.0 cont'd

5.9 cont'd

The Board recognises that diversity contributes to effective decision-making and long-term sustainability. Beyond the Board level, the Company is also broadening women's participation in senior management, supported by the Group's succession planning framework.

Further details on the Group's workforce profile by gender, age, ethnicity, nationality, and employee structure are presented in the Sustainability Statement of this Annual Report.

- 5.10 The Board currently does not have a formal gender, age and ethnic policies and targets for the Board and senior management. The Board recognises the benefits from gender diversity in its effort to contribute to the Group's sustainability development. The Board continues to uphold the principles of diversity and inclusivity in line with Paragraph 15.02 of the MMLR. With the appointments of Ms. Yong Hui Nee and Ms. Freda Liu Phit Jang as INEDs on 25 June 2024, women now comprise 40% of the Board as at 30 June 2025. This achievement goes beyond regulatory requirements and reflects the Board's commitment to equitable participation and progressive corporate governance practices.

The measures taken by the Board to foster an environment that acknowledges the value of diversity has disclosed in the CG Report.

Intended Outcome 6.0

6.0 Stakeholders are able to form an opinion on the overall effectiveness of the Board and individual Directors

- 6.1 The NC convened one (1) meeting during FYE 2025 and carried out the annual Board and Directors' assessments. The NC concluded that the Board and its Committees are well-balanced in terms of size, skills, experience, diversity, and independence, and continue to operate effectively within their respective TOR.

The Board is satisfied that all Independent Non-Executive Directors remain independent and that the overall composition supports objective decision-making and long-term sustainable growth. While the Board's diverse expertise and industry experience remain its key strengths, the NC has also identified opportunities to further enhance competencies in emerging areas such as ESG.

III. REMUNERATION

Intended Outcome 7.0

7.0 The level and composition of remuneration of Directors and Senior Management take into account the Company's desire to attract and retain the right talent in the Board and Senior Management to drive the Company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

- 7.1 During FYE 2025, the Board, through the RC, formally adopted a Remuneration Policy which sets out the guiding principles and procedures for determining the remuneration of Directors and senior management. The Policy is designed to ensure that remuneration packages are competitive, performance-oriented, and commensurate with the responsibilities and complexities of the roles undertaken.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

III. REMUNERATION cont'd

Intended Outcome 7.0 cont'd

7.1 cont'd

The Remuneration Policy clearly differentiates the remuneration structure of Executive Directors, Non-Executive Directors, and senior management, reflecting their distinct roles, responsibilities and accountability. Non-Executive Directors are entitled to fixed fees and meeting allowances, whereas the remuneration of Executive Directors and senior management comprises a mix of fixed salary, benefits, and performance-linked incentives.

To maintain its relevance and effectiveness, the RC reviews the Remuneration Policy periodically or whenever necessary, taking into account evolving business needs, corporate governance expectations, and regulatory developments.

For transparency and ease of reference by stakeholders, the Remuneration Policy has been published on the Company's website at www.exsimhospitality.com/.

- 7.2 During FYE 2025, the RC is chaired by Datuk Leong Kam Weng, Independent Non-Executive Chairman and the other two (2) members of RC are INEDs. The RC comprises solely INEDs, which reinforces its independence and objectivity in deliberating on matters relating to Directors' and senior management remuneration.

The RC is guided by its TOR which outlines its duties and responsibilities. Among others, the RC is responsible for:

- (a) Establishing and implementing a fair and transparent remuneration policy and procedure, including the fee structure and level of remuneration for Directors and senior management. In doing so, the RC considers the demands, complexities and performance of the Company, the need to manage material sustainability risks and opportunities, as well as the skills and experience required to support the Company's business strategy and long-term objectives.
- (b) Reviewing and recommending to the Board the remuneration packages of the Directors and senior management, with due consideration to their level of expertise, commitment and responsibilities undertaken, and with reference to the Company's remuneration policy and procedure.
- (c) Ensuring that the fees and other benefits payable to INEDs do not compromise their independence or conflict with their obligation to provide objective and independent judgment in Board deliberations.

For transparency, the TOR of the RC is published on the Company's website at www.exsimhospitality.com/.

Intended Outcome 8.0

8.0 Stakeholders are able to assess whether the remuneration of Directors and Senior Management commensurate with their individual performance, taking into consideration the Company's performance

- 8.1 The CG Report provides a comprehensive breakdown of the individual Directors' remuneration from the Company and the Group FYE 2025. Please refer to the CG Report for the detailed information.
- 8.2 The Board recognises the importance of providing an appropriate level of transparency in relation to senior management remuneration, while balancing the need to safeguard confidentiality and protect the Company's competitive position.

Historically, the Board has opted not to disclose the remuneration of the top five (5) senior management personnel on a named basis, as such disclosure could jeopardise confidentiality, undermine individual privacy, and increase the risk of poaching by competitors. In the Board's view, disclosure of senior management remuneration on a named basis would not be in the best interest of the Company, as it may create competitive risks in terms of recruitment and retention of talent.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS cont'd

III. REMUNERATION cont'd

Intended Outcome 8.0 cont'd

8.2 cont'd

In line with best corporate governance practices, the Board has therefore disclosed the remuneration of the top five (5) senior management (excluding Directors) on an unnamed basis within RM50,000 bands for FYE 2025. The range of remuneration is set out in the CG Report of the Company.

- 8.3 In order to maintain confidentiality, the detailed remuneration of each member of senior management will not be disclosed on a named basis. The CG Report provides an explanation for departing from this best practice. Please refer to the CG Report for further details.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. AUDIT COMMITTEE

Intended Outcome 9.0

9.0 There is an effective and independent AC.

The Board is able to objectively review the AC's findings and recommendations.

The Company's financial statement is a reliable source of information.

- 9.1 During the financial year ended 30 June 2025, the AC was chaired by Ms. Yong Hui Nee, an INED. However, Datuk Leong Kam Weng, the Chairman of the Board, also served as a member of the AC and accordingly attended its meetings.

The Company acknowledges that the MCCG discourages the Chairman of the Board from being a member of the AC in order to safeguard objectivity and independence. Nevertheless, taking into account the Board's composition and governance needs during FYE 2025, this arrangement was adopted as a practical measure.

The detailed explanation for this departure, together with the mitigating measures undertaken to preserve objectivity and independence, are disclosed in the Corporate Governance Report of the Company.

- 9.2 The Board is committed to upholding the highest standards of financial integrity and corporate governance. To this end, the TOR of the AC clearly provides that any former key audit partner of the Company's external audit firm may only be appointed as a member of the AC after observing a minimum cooling-off period of three (3) years. This safeguard is designed to preserve the independence, impartiality, and objectivity of the AC in discharging its oversight responsibilities.

As at the date of this Statement, none of the AC members are former key audit partners of the Company's external audit firm, and the Board does not anticipate any such appointment in the foreseeable future. The TOR of the AC is available on the Company's website at www.exsimhospitality.com/ for reference.

- 9.3 The AC is entrusted by the Board with the responsibility of overseeing the engagement of the External Auditor, covering both audit and non-audit services. The AC is empowered to maintain direct and unrestricted communication with the External Auditor, without the presence of Executive Directors and Management, whenever deemed necessary to obtain professional advice, discuss audit findings, or deliberate on any other related matters.

On an annual basis, the AC reviews the terms of engagement of the External Auditor before seeking the Board's approval, and conducts a comprehensive assessment on their suitability, independence, objectivity, effectiveness, and performance.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT cont'd

I. AUDIT COMMITTEE cont'd

Intended Outcome 9.0 cont'd

9.3 cont'd

For the financial year ended 30 June 2025, the External Auditor reaffirmed its independence through its Audit Planning Memorandum and Audit Review Memorandum presented to the AC. Based on the annual assessment, the AC was satisfied that the External Auditor had demonstrated the requisite competence, independence, objectivity, adequate resources, and professional capabilities in discharging its responsibilities.

Consequently, the AC recommended to the Board the re-appointment of Messrs. Crowe Malaysia PLT as the Company's External Auditor for the ensuing financial year, subject to shareholders' approval at the forthcoming 42nd Annual General Meeting.

- 9.4 The Company has adopted the Best Practice 9.4 of MCCG. The AC comprises solely of INEDs, thereby ensuring that its oversight functions are exercised with independence and objectivity. This composition enhances the AC's ability to provide effective checks and balances, enabling the Board to objectively review the AC's findings and recommendations. Accordingly, the Company's financial statements remain a reliable and transparent source of information for shareholders and stakeholders.

As at the date of this Statement, the composition of the AC is as follows:

Designation	Name	Directorship
Chairperson	Yong Hui Nee	INED
Member	Datuk Leong Kam Weng	INED
Member	Freda Liu Phit Jang	INED

- 9.5 During FYE 2025, all members of the AC remained financially literate and competent in discharging their responsibilities, including reviewing the financial reporting process. The AC, comprising solely of INEDs with diverse professional backgrounds, collectively possesses the necessary financial expertise, skills and experience to ensure reliable financial reporting and effective internal controls.

The Board is satisfied that the AC members have continued to enhance their knowledge through professional development and training programmes, details of which are disclosed in this Annual Report.

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

Intended Outcome 10.0

10.0 Company makes informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The Board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the Company's objectives is mitigated and managed.

- 10.1 The Board acknowledges its overall responsibility for establishing and maintaining a sound risk management and internal control framework to safeguard shareholders' investments and the Group's assets. The framework is designed to manage, rather than eliminate, risks in pursuit of the Group's business objectives, and provides reasonable, though not absolute, assurance against material misstatement, loss or fraud.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT cont'd

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK cont'd

Intended Outcome 10.0 cont'd

10.1 cont'd

The Board has put in place an ongoing risk management process to identify, assess and manage the Group's principal risks. Oversight of this process is delegated to the AC and the RMC, both of which support the Board in discharging its responsibilities. The AC, assisted by the RMC and outsourced Internal Auditors, evaluates the effectiveness of the governance, risk management and internal control framework, while the RMC, comprising Executive Directors and the Group Accountant, engages with risk owners and reports significant risks to the AC for escalation to the Board.

- 10.2 The Group's risk management and internal control framework covers financial, operational and compliance/legal risks, with risks monitored through a structured Risk Register that documents risk profiles, mitigating measures and risk ratings. Where appropriate, Key Risk Indicators ("KRIs") are established to track risks. High and emerging risks are flagged immediately for escalation to the AC and the Board, ensuring risks are managed on a timely basis.

For FYE 2025, the Group's significant risk exposures and corresponding mitigating measures are disclosed in the Statement on Risk Management and Internal Control of this Annual Report. Based on reviews undertaken and reports received from the AC, RMC and Internal Auditors, the Board is satisfied that the Group's risk management and internal control framework remained adequate and effective during the financial year, providing reasonable assurance that foreseeable risks are mitigated and managed in support of the Group's objectives.

- 10.3 During FYE 2025, the composition of the RMC is as follows:

Designation	Name	Directorship
Chairman	Paramjit Singh Gill A/L Gurdev Singh	ED
Member	Tan Hai Liang	MD
Member	Tan Yi Lang	Group Accountant

Given that the Executive Directors and senior management have more in-depth knowledge on the business and sustainability risks that the Group is exposed to, they are in a better position to evaluate such risks to be presented to our RMC for the same to oversee and recommend risk management strategies, policies, and risk tolerance levels.

The Board recognises that while they adopt this departure practice, they will regularly assess the effectiveness of their governance practices to ensure that they serve the best interests of stakeholders and adapt to the changing environment.

Intended Outcome 11.0

11.0 Companies have an effective governance, risk management and internal control framework and stakeholders can assess the effectiveness of such a framework.

- 11.1 The AC ensures that the Group's internal audit ("IA") function remains effective and operates with full independence. The IA function is outsourced to an independent professional firm, thereby maintaining organisational independence from Management. The IA team has unrestricted access to records, information and personnel, and reports directly to the AC Chairman.

The AC approves the annual audit plan, scope and fees, and reviews any factors that could impair independence. The IA adopts audit methodology in line with the International Professional Practices Framework ("IPPF"), providing independent assurance and advisory services on governance, risk management, internal controls, anti-corruption and whistleblowing processes.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT cont'd

II. RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK cont'd

Intended Outcome 11.0 cont'd

11.1 cont'd

During FYE 2025, the IA function tabled its audit plan for FYE 2025 and financial year ending 2026 for AC approval and completed audits covering human resources, payroll management, employee safeguard review and project management review. Findings and non-compliance matters were reported to the AC, discussed with Management, and followed up until corrective actions were implemented.

The AC is satisfied that the IA function was independent, effective and adequately resourced during the financial year, with no undue restrictions placed on its work.

- 11.2 During FYE 2025, the Group outsourced its internal audit function to Eco Asia Governance Advisory Sdn. Bhd. ("Eco Asia"), an established professional internal audit firm that reports directly to the AC. The arrangement ensures independence, with Eco Asia's personnel free from any relationship or conflict of interest that could impair their objectivity.

The internal audit function was performed by a team of three (3) internal auditors led by Ms. Janeeta Salim, Head of Internal Audit of Eco Asia and an Associate Member of the Institute of Internal Auditors (IIA) Malaysia. The audits were conducted in accordance with the IPPF, ensuring professional standards were upheld. The Board is satisfied that the internal audit function was adequately resourced, independent and competent in providing reliable assurance on the Group's governance, risk management and internal control processes.

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

I. COMMUNICATION WITH STAKEHOLDERS

Intended Outcome 12.0

12.0 There is continuous communication between the Company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the Company, its policies on governance, the environment and social responsibility.

- 12.1 The Board acknowledges the importance of transparent, effective, and regular communication with shareholders, stakeholders, and investors in promoting accountability and fostering confidence in the Company. To this end, the Board has established clear communication channels to ensure that information disseminated is accurate, timely, relevant, and easily accessible.

Announcements of material information, financial results, and significant corporate developments are made to Bursa Malaysia Securities Berhad and are concurrently published on the Company's corporate website. The corporate website serves as a comprehensive information hub, providing both current and historical information such as corporate structure, governance documents, annual reports, press releases, and regulatory announcements.

During FYE 2025, the Company successfully convened its 41st Annual General Meeting on 27 November 2024 and two (2) Extraordinary General Meetings on 11 October 2024 and 21 January 2025. These meetings served as important platforms for dialogue with shareholders, where views could be expressed and clarifications sought on matters concerning the Group. All Directors, including the Chairpersons of the Board Committees, together with senior management, attended the meetings to engage directly with shareholders. The External Auditors were also present at the AGM to address matters relating to the audited financial statements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

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

I. COMMUNICATION WITH STAKEHOLDERS cont'd

Intended Outcome 12.0 cont'd

12.1 cont'd

In addition, the Group issues press releases, where appropriate, to highlight key corporate developments and strategic initiatives. Shareholders and investors may also channel investor relations queries to the Joint Company Secretaries, whose contact details are published on the Company's website to facilitate timely responses. The Company's Share Registrar further supports shareholders on administrative matters relating to their interests.

Through these communication initiatives, the Board ensures that shareholders and stakeholders are consistently well-informed of the Group's performance, governance, and long-term prospects, thereby reinforcing the principles of good corporate governance.

- 12.2 The Company has not implemented integrated reporting due to a lack of internal resources needed to develop and implement the necessary reporting processes and tools. The Company recognises the value of integrated reporting, but has determined that they need to focus their current resources on other strategic priorities currently.

II. CONDUCT OF GENERAL MEETINGS

Intended Outcome 13.0

13.0 Shareholders are able to participate, engage the Board and Senior Management effectively and make informed voting decisions at general meetings.

- 13.1 The Company ensures that shareholders are provided with timely notice of general meetings to enable meaningful participation and informed decision-making. Notice of the 41st AGM was circulated at least 28 days prior to the meeting, while notices for the two (2) EGMs held during the year were provided at least 14 days in advance, in compliance with statutory requirements.

- 13.2 The Company's 41st AGM held on 27 November 2024 and two (2) Extraordinary General Meetings convened on 11 October 2024 and 21 January 2025 (collectively referred to as "EGMs") were successfully conducted on a fully virtual basis and attended by all Directors together with the senior management team. The Board discusses and confirms the tentative dates of the AGM in advance to ensure Directors are able to reserve their schedules and make the necessary arrangements to attend.

The Board also ensures that all members, particularly the Chairpersons of the respective Board Committees, endeavour to attend the AGM and EGMs to address shareholders' questions with meaningful and comprehensive responses. In addition, the External Auditors were invited to the AGM to present and respond to queries relating to the conduct of audit and the preparation of the Group's financial statements, thereby enhancing transparency and accountability.

- 13.3 During the financial year under review, the Company convened its 41st AGM on 27 November 2024 and two (2) EGMs, all of which were conducted fully virtually from the broadcast venue at Meeting Room 8, No. D-35-01, Level 35, EXSIM Tower, Millerz Square @ Old Klang Road, Megan Legasi, No. 357, Jalan Kelang Lama, 58000 Kuala Lumpur, Wilayah Persekutuan ("Broadcast Venue"). Shareholders were able to attend, participate and vote remotely through the RPV facilities provided by Symphony Corporate Services Sdn. Bhd., with clear procedures communicated in advance.

To safeguard the integrity of the voting process, Propoll Solutions Sdn. Bhd. was appointed as the Independent Scrutineer for all meetings. The outcomes of the AGM and EGMs, including poll voting results, were announced to Bursa Securities on the same day and published on the Company's website, thereby ensuring transparency, accountability and effective shareholder participation.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Cont'd

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

II. CONDUCT OF GENERAL MEETINGS cont'd

Intended Outcome 13.0 cont'd

- 13.4 At the 41st AGM and two (2) EGMs, the Chairman ensured adequate time was allocated for shareholders to raise questions, while the Board and senior management responded with meaningful comprehensive answers. All questions raised were properly addressed, reflecting the Company's commitment to meaningful dialogue with its shareholders.

In addition, in line with Practices 13.5 and 13.6 of the MCCG, the Company published on its website the Minutes of the 41st AGM and both EGMs together with the questions submitted by shareholders and the corresponding responses from the Board and Management. These measures demonstrate the Company's proactive approach in strengthening shareholder engagement and fostering transparency, accountability, and effective two-way communication.

- 13.5 During the financial year under review, the 41st AGM and two EGMs were conducted fully virtually, with Symphony Corporate Services Sdn. Bhd. ("Symphony") acting as Poll Administrator and Propoll Solutions Sdn. Bhd. serving as Independent Scrutineer for all meetings.

Consistent with Practice 13.5 of the MCCG, the Company has published on its website the Minutes of the AGM and EGMs together with the questions submitted by shareholders and the corresponding responses from the Board and Management. This demonstrates the Company's commitment to transparency, accountability and effective shareholder engagement.

- 13.6 Following the 41st AGM held on 27 November 2024, the Company published on its website the Minutes of Meeting together with the questions raised by shareholders and the corresponding responses from the Board and Management in December 2024. The Company also uploaded on its website the Minutes of the EGMs.

These initiatives reflect the Company's commitment to Practice 13.6 of the MCCG, which encourages companies to make public the Minutes of general meetings promptly after the conclusion of the meetings, thereby promoting greater transparency, accountability and effective shareholder engagement.

The CG Statement and the CG Report are made in accordance with a resolution of the Board of Directors passed on 10 October 2025.

DIRECTORS' RESPONSIBILITY STATEMENT

FOR THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 ("Act") to prepare the financial statements for each financial year which have been made out in accordance with applicable Malaysian Financial Reporting Standards, IFRS Accounting Standards, the requirements of the Act in Malaysia and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are responsible to ensure that the financial statements give a true and fair view of the financial position of the Group and the Company at the end of the financial year, and of the financial performance and cash flows of the Group and the Company for the financial year ended 30 June 2025. Where there are new accounting standards or policies that become effective during the year, the impact of these new requirements would be stated in the notes to the financial statements, accordingly.

In the preparation of the financial statements, the Directors ensure that Management have:

- (a) applied appropriate and consistent accounting policies;
- (b) made judgements and estimates that are reasonable and prudent;
- (c) ensured that all applicable accounting standards have been followed; and
- (d) prepared the financial statements on a going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue operations for the foreseeable future.

The Directors have responsibility to ensure that the Group and the Company keep accounting records which disclose the financial position of the Group and the Company with reasonable accuracy, enabling them to ensure that the financial statements comply with the provisions of the Act.

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

AUDIT COMMITTEE REPORT

The Board presents the Audit Committee Report (“AC Report”) which provides insights into the manner in which the Audit Committee (“AC”) discharged its functions for the Group during FYE 2025.

COMPOSITION OF THE AUDIT COMMITTEE

The AC comprises three (3) members who are all INEDs. The AC meets the requirements of Paragraph 15.09(1)(a) and (b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and Practice 9.4 under Principle B of the Malaysian Code of Corporate Governance (“MCCG”), as the AC must comprise not fewer than three (3) members, all of whom must be Non-Executive Directors with a majority being Independent Directors.

The AC was established with the primary objective of assisting the Board in fulfilling its fiduciary responsibilities relating to corporate accounting, financial reporting practices, system of risk management and internal controls, audit process, and the independence of auditors.

As at the date of this AC Report, the AC comprises of the following members:

Chairperson	:	Ms. Yong Hui Nee (Independent Non-Executive Director)
Member	:	Datuk Leong Kam Weng (Independent Non-Executive Director)
Member	:	Ms. Freda Liu Phit Jang (Independent Non-Executive Director)

The AC Chairperson, Ms. Yong Hui Nee is a member of the MIA, thereby fulfilling the financial expertise requisite pursuant to Paragraph 15.09(1)(c) of the MMLR of Bursa Securities. The Company also complies with Paragraph 15.10 of the MMLR of Bursa Securities, in which the Chairperson of the AC is an INED, and Practice 1.4 under Principle A of the MCCG, in which the Chairperson of the AC is not the Chairperson of the Board. In addition, no alternate Director is appointed as a member of the AC pursuant to its Terms of Reference.

TERMS OF REFERENCE OF AUDIT COMMITTEE

The Terms of Reference (“TOR”) of the AC covering its scope of duties and responsibilities, authority, and other relevant matters are available on the Company’s corporate website at <https://www.exsimhospitality.com/investor-relations/corporate-governance>.

MEETINGS AND ATTENDANCE

During FYE 2025, the AC held six (6) meetings. The details of the attendance of the AC members are as follows:

Committee Member	Meeting Attendance	Percentage of Attendance
Ms. Yong Hui Nee	6/6	100%
Datuk Leong Kam Weng	6/6	100%
Ms. Freda Liu Phit Jang	6/6	100%

The Management and the Group Accountant were invited to attend all the AC meetings to provide clarification and information on the financial performance, audit issues, and relevant matters pertaining to the Group’s operations.

AUDIT COMMITTEE REPORT

Cont'd

MEETINGS AND ATTENDANCE cont'd

The External Auditors and/or Internal Auditors, where necessary, were invited to the AC meetings to provide explanations and respond to queries, with the Company Secretaries in attendance. The External Auditors, Messrs. Crowe Malaysia PLT, were present at four (4) of the meetings held during FYE 2025 to present the Audit Planning Memorandum and Audit Review Memorandum in respect of the Audited Financial Statements of the Company for FYE 2025, as well as to present their pro forma on the Proposed Rights Issue with Warrants. The Internal Auditors, Eco Asia Governance Advisory Sdn. Bhd. ("Eco Asia"), attended two (2) meetings during FYE 2025 to present the Internal Audit Plan, Internal Audit Findings, and follow-up Review Reports.

Minutes of each AC meeting were recorded and tabled for confirmation at the next AC meeting and subsequently to the Board for notation. The AC Chairperson reports to the Board on activities undertaken and key recommendations for the Board's consideration and decision.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The summary of activities of the AC in discharging their functions and duties during FYE 2025 are as follows:-

(1) Financial Reporting

- (i) Reviewed and ensured that the Group's financial reporting and disclosure requirements are in compliance with:
 - Provisions of the Companies Act 2016;
 - MMLR of Bursa Securities;
 - Malaysian Financial Reporting Standards;
 - International Financial Reporting Standards; and
 - Other legal and regulatory requirements.
- (ii) Reviewed the draft unaudited quarterly financial results as well as the audited annual financial statements of the Company and the Group, together with the audit findings and issues arising from the audits with the External Auditors, before recommending to the Board for approval and releasing the announcement to Bursa Securities, focusing particularly on:
 - Any changes in or implementation of major accounting policy;
 - Significant matters highlighted, including financial reporting issues, significant judgements made by Management, significant and unusual events or transactions, and how these matters were addressed;
 - Any significant adjustments arising from the audit; and
 - Compliance with all applicable accounting standards and legal requirements.
- (iii) Reviewed and deliberated on the Reply Letter to Bursa Securities in relation to the Company's level of operations prior to submission.

(2) Risk Management and Internal Control

- (i) Reviewed the internal control systems adopted within the Group to ensure that they are in place, effectively administered and regularly monitored.
- (ii) Reviewed the reports from the Internal Auditors on:
 - Human Resources Processes;
 - Payroll Management and Employee Safeguards Review; and
 - Project Management Review.
- (iii) Received and considered reports from the Risk Management Committee on any significant risks that could have an impact on the Group's internal control environment.
- (iv) Assessed the risk management and internal control systems, processes, policies and procedures to ensure compliance with all relevant laws, rules and regulations, directives and guidelines established by the relevant regulatory bodies.

AUDIT COMMITTEE REPORT

Cont'd

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE cont'd

(3) Internal Audit Function

- (i) Reviewed and assessed the performance of the Internal Auditors who undertake the internal audit function of the Group.
- (ii) Reviewed and assessed the scope of work of the Internal Auditors.
- (iii) Reviewed and assessed the adequacy of resources, experience and competency of the outsourced internal audit function.
- (iv) Received and considered the risk profiling of the Company and its Group from the Risk Management Committee, which has primary oversight of the Group's risk management framework, including any significant risks with potential impact on the internal control environment.
- (v) Met with the Internal Auditors during the financial year to discuss internal audit-related matters.
- (vi) Reviewed the internal audit plan and internal audit reports issued by the Internal Auditors, considered their findings and recommendations as well as Management's responses, and monitored the implementation of agreed recommendations and action plans.

Further details of the activities of internal auditors performed during FYE 2025 are outlined in the Statement of Risk Management and Internal Control within this Annual Report.

(4) Oversight of External Audit

- (i) Reviewed the Audit Planning Memorandum, covering the scope and nature of the statutory audit of the Company's and the Group's financial statements prior to the audit engagements.
- (ii) Reviewed and discussed with the External Auditors the Audit Review Memorandum in order to understand and consider significant accounting adjustments and auditing issues arising from the audits, in particular the recommendations and appropriate actions to be taken by Management.
- (iii) Conducted two (2) private sessions with the External Auditors to discuss any issues arising from the audits without the presence of Management and Executive Directors.
- (iv) Reviewed and deliberated on the draft independent auditors' report by the External Auditors, including significant matters and/or management letter highlighted for improvement measures that Management should consider pertaining to weaknesses or deficiencies in the internal control systems, as well as Management's response to the management letter.
- (v) Conducted an annual performance assessment to evaluate the External Auditors, taking into consideration their independence, performance, competence and experience, as well as the provision of non-audit services and audit fees, and recommended to the Board their re-appointment.

AUDIT COMMITTEE REPORT

Cont'd

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE cont'd

(5) Related Party Transactions (“RPTs”) and Conflict of Interest (“COI”) and/or Potential COI

- (i) Reviewed the inter-company transactions and any related / interested party transactions that arose within the Company and the Group to ensure compliance with Malaysian Accounting Standards Board and Bursa Securities.
- (ii) Reviewed any related party transactions and conflict of interest that may arise within the Group including any transactions, procedures or course of conduct that raises questions of Management’s integrity.
- (iii) Reviewed and ensured that related party transactions and recurrent related party transactions were carried out at arm’s length and under normal commercial terms with adequate disclosure to Bursa Securities.
- (iv) Reviewed the disclosure of COI and/or potential COI of the Directors and Key Senior Management, including any actions, procedures or conduct that may raise questions about the Management’s integrity.
- (v) Reviewed the framework for COI management. The AC plays a crucial role in overseeing COI within the Group and is committed to ensuring a robust framework for identifying, evaluating, approving, reporting and monitoring COI situations. During the year, the AC diligently reviewed and monitored all actual and potential COI situations involving Directors and senior management.

COI Situations

Details of actual or potential COI situations involving specific Directors and senior management of the Group, along with measures taken to address them, are set out below:

To address the COI arising from Mr. Tan Hai Liang, the Managing Director, and Mr. Paramjit Singh Gill A/L Gurdev Singh, the Executive Director (collectively referred to as “Affected Directors”), the AC noted that both individuals are business partners of Mr. Lim Aik Hoe and Mr. Lim Aik Kiat, who are the substantial shareholders of the Company holding indirect interest in EHB through their direct shareholding in EXSIM Hospitality Holdings Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016 (collectively referred to as “Interested Major Shareholders”).

The relevant transactions between the Group and the Interested Major Shareholders and/or persons connected to them are as follows:

- (a) The Group has entered into recurrent related parties transactions of a revenue or trading nature (“RRPTs”) with person connected to the Interested Major Shareholders in the ordinary course of business and on normal commercial terms. These transactions, which are necessary for the Group’s day-to-day operations, have been disclosed in the Circulars to Shareholders dated 30 October 2024 and 6 January 2025, respectively.
- (b) The Company has proposed to undertake the proposed rights issue with warrants on a full subscription basis to raise gross proceeds of approximately RM250.79 million (“Proposed Rights Issue With Warrants”) and a proposed acquisition by its wholly-owned subsidiary, Uppervista Sdn. Bhd. involving the purchase from Arcadia Hospitality Sdn. Bhd. of a 5-star rated hotel tower together with retail podium known as Tower E, comprising 294 hotel rooms, a restaurant, a ballroom, swimming pool, retail spaces and other supporting facilities in Empire City, for a purchase consideration of RM240.25 million to be fully satisfied in cash (“Proposed Acquisition”). As disclosed in the Circular to Shareholders dated 31 July 2025 (“Circular”), the Proposed Rights Issue with Warrants will be applied to partly finance the Proposed Acquisition. Given the Interested Major Shareholders’ interests in the Proposed Acquisition, the Proposed Acquisition constitutes a related party transaction under Paragraph 10.08 of MMLR of Bursa Securities and the interested Major Shareholders are also deemed interested in the Proposed Rights Issue with Warrants.

AUDIT COMMITTEE REPORT

Cont'd

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE cont'd

(5) Related Party Transactions ("RPTs") and Conflict of Interest ("COI") and/or Potential COI cont'd

Safeguards and Monitoring

In view of their business relationship with the Interested Major Shareholders, both Affected Directors are deemed to have a potential COI in respect of the RRPTs, the Proposed Rights Issue with Warrants and the Proposed Acquisition. To address and manage these COI situations, the following safeguards and monitoring measures were implemented:

(a) Regular Disclosure of interest

The Affected Directors have consistently updated their declarations of interest to the Board, including disclosing any direct or indirect interests in the relevant entities and proposed transactions. This ensures that the Board is apprised of all potential COI situations on a timely basis.

(b) Abstention from Deliberation and Voting:

The Affected Directors abstained from all deliberations and decision-making at the Board level on matters where a COI existed or could reasonably be perceived to exist. This practice preserves the independence and objectivity of the Board's decision-making process.

(c) Review by the AC

All transactions involving the Interested Major Shareholders, including RRPTs or RPTs were reviewed by the AC, which comprises only Independent Non-Executive Directors. In discharging its oversight role, the AC:

- (a) Evaluates the rationale, terms and transaction value of each RPT and RRPT;
- (b) Assesses whether transactions are carried out at arm's length and on normal commercial terms; and
- (c) Ensures compliance with the MMLR, the Company's COI Policy and applicable governance standards.

(d) Board Oversight and Approval:

RPTs and RRPTs were tabled for the Board's consideration and approval, with the Affected Directors recusing themselves from the process. This layered oversight ensures transparency and reinforces accountability.

(e) Maintenance of Register of RPTs and RRPTs

The Company maintains an internal register to track all RPTs and RRPTs, including the details of interested parties, transaction values and approval status. The register is subject to periodic review by the AC and the Board.

(f) Independent Adviser's Opinion (where applicable)

The Company may seek the opinion of an independent adviser on whether the terms of the RPTs are at arm's length and fair, particularly if the RPTs are material in nature, in accordance with the MMLR.

AUDIT COMMITTEE REPORT

Cont'd

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE cont'd

(5) Related Party Transactions ("RPTs") and Conflict of Interest ("COI") and/or Potential COI cont'd

Safeguards and Monitoring cont'd

(g) Annual Shareholders' Mandate (for RRPTs):

Where applicable, RRPTs are conducted under a valid shareholders' mandate, and full disclosures are made in the Circular to Shareholders and Annual Report. This ensures transparency and shareholder oversight.

AC's Discharge of Duties

In carrying out its responsibilities, the AC carefully evaluated all aspects of the RPTs and RRPTs, including the rationale, basis, transaction values, terms and conditions. After due consideration, the AC formed the opinion that the transactions were:

- in the best interests of the Group;
- fair, reasonable and on normal commercial terms; and
- not detrimental to the interest of the non-interested shareholders of the Company.

The AC further assessed the nature of the actual and potential COI situations involving the Affected Directors and was satisfied that adequate safeguards and control measures are in place to effectively manage and mitigate such COIs. These measures strengthen the Group's governance framework and ensure that the interests of the Group and its non-interested shareholders are protected.

Based on the implementation of these measures, AC concluded that the potential COIs had been appropriately addressed, and that the Affected Directors' interests did not compromise their fiduciary duties to the Group nor impaired the Group's ability to pursue future growth opportunities.

Premised on the AC's assessment, the Board (excluding Mr. Tan Hai Liang and Mr. Paramjit Singh Gill A/L Gurdev Singh) is of the view that the identified COI situations have been sufficiently mitigated and managed in accordance with the Company's COI Policy and good corporate governance practice.

(6) Annual Report

Reviewed and recommended to the Board the following for approval and inclusion in the Company's Annual Report:

- (i) AC Report;
- (ii) Statement on Risk Management and Internal Control ("SORMIC");
- (iii) Corporate Governance Overview Statement ("CGOS"); and
- (iv) Corporate Governance Report.

(7) Training

During the financial year under review, all AC members attended various training programmes as part of their continuous professional development. The list of trainings attended is disclosed in the CGOS within this Annual Report.

(8) Others

- (i) There was no insider trading reported during the financial year under review; and
- (ii) There were no whistle-blower reports during the financial year under review.

AUDIT COMMITTEE REPORT

Cont'd

AUDIT AND NON-AUDIT FEES

The fees paid/payable for services rendered by the external auditors during FYE 2025 are as below:

Description	Audit Fee (RM)	Non-Audit Fee (RM)*	Total (RM)
The Company	55,000	58,000	113,000
The Group	114,000	58,000	172,000

* Details of non-audit fees are set out in the Additional Compliance Information of this Annual Report.

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to Eco Asia, an established external professional internal audit firm, which reports to the AC directly. They assist the AC in reviewing the effectiveness of the internal control systems within the Group whilst ensuring that there is an appropriate balance of controls and risks throughout the Group in achieving its business objectives. Through internal audit review, remedial action has been taken against weaknesses identified in the systems and controls of the respective operating units. The outsourced internal audit function is independent and performed audit assignments with impartiality, proficiency and due professional care.

The internal audit was performed by three (3) internal auditors of Eco Asia, which was led by its Head of Internal Audit, Ms. Janeeta Salim, an associate member of the IIA Malaysia. She has vast experience and exposure in the internal audit field.

The work of internal audit function, among others, include:

- (a) developed the annual Internal Audit Plan and proposed to the AC;
- (b) conducted follow-up reviews to assess if appropriate action has been taken to address issues highlighted in previous internal audit reports; and
- (c) presented significant internal audit findings and areas for improvement to the AC for consideration on the recommended corrective measures together with the Management's responses.

Eco Asia reported to the AC based on the approved scope of work and areas of improvement. Follow up reviews on previous internal audit reviews were also carried out to ensure that all the agreed recommendations were implemented according to the timeline; and feedback/update to the AC on the implementation status from the internal auditors.

The total cost incurred for the internal audit function in respect of FYE 2025 was RM32,000.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The Board of Directors (“Board”) is pleased to present the Statement on Risk Management and Internal Control (“SORMIC”) pursuant to Paragraph 15.26(b) of the Main Market Listing Requirement (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). The SORMIC is prepared with reference to *Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers* issued by Bursa Securities. The SORMIC does not include the risk management and internal control practices of the Group’s associates.

BOARD’S RESPONSIBILITY

The Board is responsible for the Group’s system of internal control and risk management and for reviewing the adequacy and integrity of the system. The system covers risks and controls on financial, operational, and compliance/legal aspects. This system is designed to manage, rather than to eliminate, the risks in the pursuit of the Group’s business objective as well as to safeguard shareholders’ investments and Group’s assets. The system serves to provide reasonable but not absolute assurance against the risk of material misstatement, loss or fraud.

RISK MANAGEMENT SYSTEM

The Board has established an ongoing risk management process for identifying, measuring, evaluating and managing the Group’s principal risks that may significantly impact the Group. This process is carried out via the following risk management governance structure:

- The Board – discharges its responsibilities and duties by ensuring a sound system of risk management and internal control is in place for the Group. The Board has established the Audit Committee, Risk Management Committee to assist them in fulfilling their responsibilities and duties. The Board formulates the Group’s business strategies and reviews the Group’s significant risks and internal control issue arise on a half-yearly basis. Additional meetings may be called as and when the Board deems necessary. The Board also directs appropriate actions as and when significant risks and internal control issues arise.
- The Audit Committee – on behalf of the Board, the Audit Committee, with the assistance of the Risk Management Committee established a system of risk management and internal control. The Audit Committee, on behalf of the Board, reviews the significant risks and internal controls of the Group’s business and activities and highlights significant risks and issues to the Board on a half-yearly basis. The Audit Committee is also assisted by an outsourced Internal Auditors who carries out its functions independently with a risk-based approach and provides assessment as whether risks are being adequately evaluated, managed and controlled. It further evaluates the effectiveness of the governance, risk management and internal controls framework and facilitates enhancement, where appropriate.
- The Risk Management Committee (“RMC”) – assists the Audit Committee in establishing risk management framework and process capable of identifying and managing significant risks inherent or developed in the Group’s business and activities. The RMC meets with the risk owners to review the risks on a half-yearly basis and presents its reports to the Audit Committee. Additional meetings may be called as and when the RMC deems necessary. The RMC comprises the Executive Directors and Group Accountant.

RISK MANAGEMENT PROCESS

Risks are reported and monitored at the operational level using a Risk Register which captures risks, mitigating measures and risk ratings. Where applicable, Key Risk Indicators (“KRIs”) are established to monitor risks. The Risk Register is presented to the RMC for review on a half-yearly basis. The level of risk tolerance is guided by a risk likelihood and impact matrix which enables the risk to be rated and prioritised accordingly.

For risks that are material, the mitigating measures and KRIs are presented to the Management for review on a half-yearly basis. Risks are reviewed and managed at each level of reporting and consolidated for review at the next higher level, before they are escalated for review at Group level.

High and new risk areas are immediately flagged and reported to the Audit Committee whose comments and advice are noted for the full Board’s information.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Cont'd

TYPES OF RISKS

The group's principal business activities include hotel operations, fit-out services, and investment. There have been no significant changes in the nature of these activities during the financial year.

The Group's significant risk exposure for the financial year ended 30 June 2025 ("FY2025") can be broadly categorised into the following categories:

Financial Risk	Operational Risk
<p>The risk of loss arising from:</p> <ul style="list-style-type: none"> Potential impairment of amount owing by an associate Cash flow risk 	<p>The risk of loss arising from:</p> <ul style="list-style-type: none"> Service standards Upkeep and maintenance of hotel facilities Safety and fire hazards Cost overruns for refurbishing the hotel and delay in reopening impacting business recovering timeline
Compliance/Legal Risk	External Risk
<p>The risk of loss arising from:</p> <ul style="list-style-type: none"> Non-compliance with statutory/regulatory requirements 	<p>The risk of loss arising from:</p> <ul style="list-style-type: none"> Domestics and/or global economic slowdown Price wars among competitors Interest rate fluctuation

INTERNAL CONTROL SYSTEM

The Group has implemented an internal control system that provides effective governance and oversight of internal control, comprising a set of mechanisms and processes designed to support risk management, ensure regulatory compliance and promote operational effectiveness. The internal control system is reviewed and updated periodically to ensure that it remains relevant and effective in addressing changes in the business environment. Amongst others, the key elements of the Group's internal controls are as follows:

- (i) An organisational structure with clear lines of accountability and responsibilities provides a sound framework within the organisation in facilitating check and balance for proper decision-making at the appropriate authority levels of management, including matters that require the Board's approval;
- (ii) Several Company policies including the Code of Business Ethics, Whistleblowing Policy and Anti-Bribery and Anti-Corruption Policy, which cover policies and procedures on dealings with external parties, Conflict of Interest, insider trading, compliance with laws, money laundering, bribery, corruption and others, are implemented to promote ethical business practices;
- (iii) Directors' Fit and Proper Policy for the Nomination Committee ("NC"), which sets out the criteria for the appointment and re-appointment of Directors;
- (iv) The Board Committees meet periodically to carry out their duties and responsibilities as outlined in their respective Term of Reference to ensure the Board has maintained effective supervision over the control processes; and

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Cont'd

INTERNAL CONTROL SYSTEM cont'd

The Group has implemented an internal control system that provides effective governance and oversight of internal control, comprising a set of mechanisms and processes designed to support risk management, ensure regulatory compliance and promote operational effectiveness. The internal control system is reviewed and updated periodically to ensure that it remains relevant and effective in addressing changes in the business environment. Amongst others, the key elements of the Group's internal controls are as follows: cont'd

- (v) Audit Committee and the Board review findings of internal and external audit on accounting and internal control issues and have discussions with Management regarding the corrective actions required to address identified issues and risks. The Group's internal control system does not apply to associated companies in which the Group does not have full management control.

INTERNAL AUDIT FUNCTION

The Board outsourced its internal audit function to an independent professional firm and the firm is adopted internal audit methodology in accordance with the International Professional Practice Framework. Any significant control lapses and/or deficiencies noted from the reviews will be documented and communicated to Management for review and corrective actions. The Internal Auditors report to the Audit Committee on all significant non-compliance, internal control weaknesses and actions taken by Management to resolve the audit issues identified.

The Internal Auditors are responsible for planning, implementing and reporting on the internal audit timeline and activities of the Group.

During the financial year under review, the Internal Auditors carried out the following activities:

- Presented proposed audit plan for Audit Committee approval. Audit Committee reviewed and accepted the proposed audit plan for the financial year ending 30 June 2025 and 30 June 2026.
- Conduct internal audit in the following areas:
 - Human resources processes
 - Payroll management
 - Employee safeguard review
 - Project management review
- Discussed with the management team and respective auditees in the course of conducting audit on any significant control lapses and/or deficiencies noted from the reviews for their consideration and corrective actions.
- Submitted reports to Audit Committee for any significant non-compliance, internal control weakness and actions taken by the Management to resolve the audit issues identified.

Based on the internal audit review conducted during FY2025, the Board, through the Audit Committee, is of the view that no significant weaknesses were identified in the risk management and internal control system that may result in material losses, contingencies or uncertainties that would require separate disclosure in this statement.

ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The Managing Director, Executive Director and Group Accountant have provided to the Board with reasonable assurance that the Group's risk management and internal control system have been operating adequately and effectively in all material respects for the financial year under review and up to the date of approval of this statement, based on the current risk management and internal control system adopted by the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

Cont'd

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

Pursuant to Paragraph 15.23 of MMLR, the external auditors have reviewed this statement. The external auditors' review was performed in accordance with the Audit and Assurance Practice Guide 3 issued by the Malaysian Institute of Accountants. Audit and Assurance Practice Guide 3 does not require the external auditors to consider this statement covers all risks and controls or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system.

Based on the procedures performed, the external auditors have reported to the Board that nothing has come to their attention that cause them to believe that this statement included in this Annual Report, in all material respects, has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, nor factually inaccurate.

CONCLUSION

The Board has taken the necessary steps to ensure that appropriate systems are in place for the assets of the Group to be adequately safeguarded through the prevention and detection of fraud and other irregularities and material misstatements.

The Board believes that the Group's risk management and internal control system are satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require separate disclosure in this statement. The Board continues to take appropriate measures to sustain and, where required, to improve the Group's risk management and internal control system in meeting the Group's strategic objectives.

The Board, together with Board Committees and management, remains committed to enhance and improve the implementation of risk for the Group.

The statement is made in accordance with a resolution of the Board dated 17 October 2025.

SUSTAINABILITY STATEMENT

DELIVERING EXCELLENT SERVICE, DRIVING SUSTAINABLE IMPACT

EXSIM Hospitality Berhad (“EHB”) has actively embedded sustainability into our value-creation approach, shaping our business philosophy as a responsible player within the hospitality and fit-out sectors. In this sustainability statement, we outline the environmental, social and governance (“ESG”) developments that drive our operations and highlight the progress we have achieved over the past year.

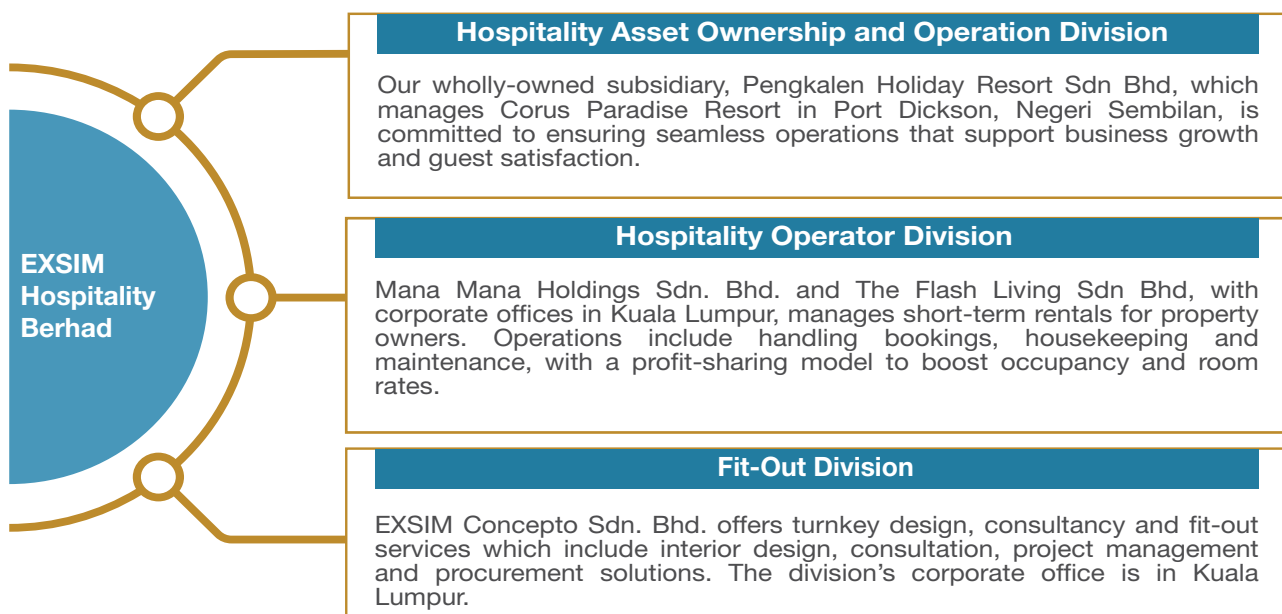
During this reporting period, we conducted our first materiality assessment to identify the sustainability matters most relevant to our changing operational landscape, enabling a deeper understanding of key sustainability topics. We also adopted three United Nations Sustainable Development Goals (“UN SDGs”) to drive more meaningful contributions to the global sustainability agenda.

Expanding on this foundation, we introduced our Sustainability Strategy to delineate our approach towards long-term sustainable growth. The strategy is supported by our newly established Sustainability Policy, which articulates our core sustainability principles and practices, fostering consistent and collaborative efforts throughout the Group. These initiatives are further strengthened by our newly implemented Sustainability Governance Structure, which promotes ethical and informed decision-making at all organisational levels and provides a structured pathway toward realising our sustainability ambitions.

Furthermore, we adopted elements of the International Financial Reporting Standards (“IFRS”) S2 this year to provide best-practice climate-related disclosures relevant to our operations as a hospitality asset owner, operator and service provider.

REPORTING SCOPE AND BOUNDARY

Our reporting boundary encompasses the period from 1 July 2024 to 30 June 2025 (“FYE2025”), covering the sustainability activities of the following operations, including our headquarters located at EXSIM Tower in Kuala Lumpur.



This report presents data for FYE2025, reflecting the Group's restructuring into EHB. Corus Paradise Resort provided data for FYE2024 and limited data for FYE2025, as the resort was undergoing renovation during the reporting period that is scheduled for completion by mid-2026.

SUSTAINABILITY STATEMENT

Cont'd

REPORTING FRAMEWORK AND GUIDELINES

The statement was prepared in compliance with the Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("MMLR") and aligned with the Sustainability Reporting Guide (3rd Edition). Our disclosures are further guided by the International Financial Reporting Standards ("IFRS") S2, Global Reporting Initiative ("GRI") and the United Nations Sustainable Development Goals ("UN SDGs").



UPHOLDING DATA INTEGRITY

We ensure the reliability of our sustainability disclosures by sourcing data directly from the relevant information owners, who have internally verified its accuracy.

POINT OF CONTACT

The Group values feedback and suggestions on our sustainability reporting to support continuous improvement. Please direct any enquiries or comments to us via the following email address.



info@exsimgroup.com

ACCOLADES AND MEMBERSHIPS

ACCREDITATIONS AND CERTIFICATIONS

Mana Mana Holdings Sdn. Bhd. was recognised in the Malaysia Book of Records as the largest short-stay management company chain, with a portfolio totalling 3,263 keys.



MEMBERSHIPS AND ASSOCIATIONS

EHB actively engages with industry associations to stay abreast of hospitality trends, contribute to sector-wide progress and foster responsible business practices aligned with our sustainability priorities.

Malaysian Association of Hotels



Malaysian Employers Federation



SUSTAINABILITY STATEMENT

Cont'd

OUR SUSTAINABILITY HIGHLIGHTS FOR FYE2025

Delivering Economic and Service Excellence

EHB drives economic growth by upholding responsible business values and delivering service excellence, ensuring long-term stakeholder value and exceptional guest experiences.



Zero complaints received from customers for the Fit-Out Division



99.7% of procurement was allocated to local suppliers

Ethical Governance Standards

Guided by our governance framework, we are committed to upholding equality and ethical values in our business practices, driving high standards of integrity and fostering lasting stakeholder trust.



100% of executive level employees from Corus Paradise Resort attended anti-corruption training



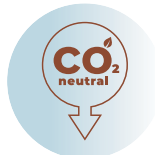
44% women's representation on the Board of Directors



Zero substantiated cases of bribery and corruption

Environmental Stewardship and Sustainability

We remain focused on minimising our environmental footprint by focusing on managing energy, GHG emissions, water and waste to improve our climate resilience.



21% reduction in total GHG emissions



25% reduction in energy consumption



13.82MT of waste diverted from landfills

Social Impact and Development

The Group fosters employee development through implementing capacity building programmes and supports community welfare initiatives, generating positive social impact.



349 hours of Health and Safety training provided to 42 employees



258 hours of training provided to non-executive employees



Zero substantiated cases of human rights violations and discrimination

SUSTAINABILITY STATEMENT

Cont'd

REFLECTING ON OUR SUSTAINABLE PROGRESSION

We initiated our sustainability journey in FYE2018 and have consistently built forward momentum. Now reporting as EHB in FYE2025, we continue to implement initiatives that advance our objectives and demonstrate our commitment to sustainable development.

FYE2018 – FYE2019	FYE2020 – FYE2023	FYE2024	FYE2025
FYE2018 <ul style="list-style-type: none"> Published our inaugural sustainability statement in alignment with the Bursa Malaysia Sustainability Reporting Guide (2nd Edition) Reported disclosures under three pillars: Economic, Environmental and Social (“EES”) Identified seven stakeholder groups (Investors, Regulatory Agencies, Customers, Suppliers, Employees, Industry Peers and Local Communities) 	FYE2020 <ul style="list-style-type: none"> Established an Anti-Corruption and Anti-Bribery Policy to enhance governance and uphold ethical business practices Adopted a Whistleblowing Policy FYE2021 <ul style="list-style-type: none"> Updated sustainability pillars: Environmental, Social and Governance (“ESG”) FYE2022 – FYE2023 <ul style="list-style-type: none"> Maintained qualitative disclosures 	<ul style="list-style-type: none"> Prepared the Sustainability Statement for FYE2024 with reference to Bursa Malaysia Securities Berhad’s Sustainability Reporting Guide (3rd Edition) Included quantitative performance data based on Bursa’s Main Market Listing Requirements and incorporated a performance data table in the report 	<ul style="list-style-type: none"> Developed a Sustainability Policy Developed a Sustainability Framework comprising the Sustainability Strategy, Sustainability Policy and Terms of Reference for the Sustainability Governance Structure Conducted the first materiality assessment and established a Materiality Matrix Aligned the Group’s FYE2025 initiatives with three UN SDGs

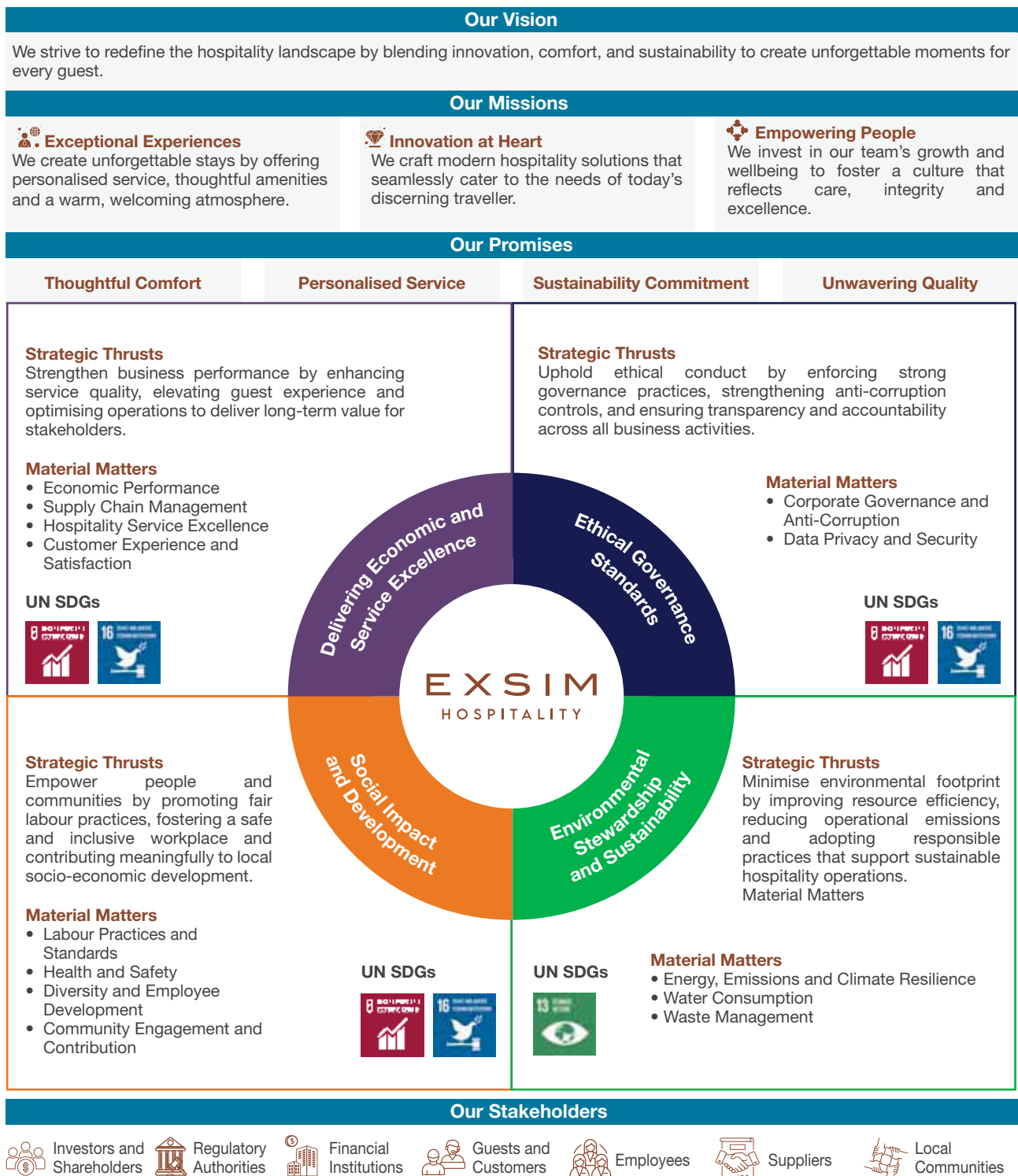
SUSTAINABILITY STATEMENT

Cont'd

OUR SUSTAINABILITY DIRECTION

SUSTAINABILITY APPROACH

In FYE2025, we established a Sustainability Approach that aligns four sustainability pillars, strategic thrusts, material matters and adopted UN SDGs with our corporate Vision and Mission, driving sustainable development and reinforcing our commitments to stakeholders.



SUSTAINABILITY STATEMENT

Cont'd

SUSTAINABILITY POLICY

We reinforced our commitment to sustainable development through the introduction of the Sustainability Policy, which outlines EHB's core sustainability principles and operational guidelines. The Policy supports the integration of sustainability considerations across our hospitality and fit-out services, guiding ethical conduct, environmental stewardship, inclusive growth and long-term value creation.

Delivering Economic and Service Excellence

- Manage and invest in hospitality properties that deliver stable returns to support long-term growth and resilience
- Prioritise local procurement to stimulate economic growth, create business opportunities and enhance supply chain resilience
- Foster a culture of innovation and operational efficiency to drive business development
- Implement training programmes and process improvements based on industry benchmarks to maintain service excellence
- Leverage customer feedback channels to gain insights into their expectations, enabling the Group to enhance service quality and the guest experience
- Apply sustainable design principles in our fit-out and refurbishment projects by selecting efficient layouts and sustainable materials

Ethical Governance Standards

- Operate with integrity to prevent all forms of corruption, bribery and unethical business conduct
- Ensure full compliance with applicable laws, hospitality licensing regulations, employment standards and ESG reporting requirements
- Protect guest, employee and partner data through robust cybersecurity measures and strict data privacy protocols
- Cultivate a workplace grounded in transparency, ethical behaviour and accountability
- Provide transparent information on sustainability practices, performance and goals
- Uphold the highest standards of integrity and ethical conduct

Environmental Stewardship and Sustainability

- Monitor energy consumption across properties and explore opportunities to improve energy consumption
- Reduce greenhouse gas ("GHG") emissions by adopting low-carbon practices and progressively enhancing building energy efficiency
- Enhance waste management across the Group's operations through implementing waste reduction initiatives and improving waste disposal systems
- Optimise water consumption by installing water-efficient fixtures, monitoring consumption patterns and promoting responsible consumption practices

Social Impact and Development

- Uphold ethical labour standards that comply with legal requirements and industry best practices
- Adhere to strict safety protocols and comply with relevant occupational health and safety standards to safeguard the well-being of our employees and guests
- Invest in our people through providing training, career development and leadership opportunities
- Develop a diverse workplace culture that prohibits all forms of discrimination and values different backgrounds and experiences
- Support local communities and measure social impact by contributing to initiatives that improve social well-being
- Track performance in labour practices, staff development and community contributions to guide continuous improvement

SUSTAINABILITY STATEMENT

Cont'd

SUPPORTING GLOBAL PROGRESSION

The 17 interconnected UN SDGs guide global efforts to address key challenges and promote sustainable development. EHB supports these goals by adopting the three SDGs most relevant to our operations, aligning our initiatives with the pursuit of a more equitable and sustainable future.



UNSDGs	Our Contribution
	<p>Target 8.3: Support local economy with productive activities, and provide decent job creation</p> <ul style="list-style-type: none"> Allocated 99.7% of procurement to local suppliers, supporting domestic economic growth
	<p>Target 8.5: Achieve full and productive employment and decent work</p> <ul style="list-style-type: none"> Provided employee training in health and safety, e-invoicing, hygiene and halal food management to enhance skills and support professional development
	<p>Target 8.8: Protect labour rights and promote safe and secure working environments</p> <ul style="list-style-type: none"> Provided 182 hours of employee training across the Group Organised employee engagement activities throughout the financial year, including townhalls and festive gatherings
	<p>Target 8.9: Devise and implement strategies to promote sustainable tourism</p> <ul style="list-style-type: none"> Provided a 24/7 guest support hotline, collected guest feedback through digital platforms and implemented response protocols to promptly address issues at the Hospitality division Conducted bi-annual internal audits and annual external audits for our hotel to maintain compliance with the relevant regulations and safety standards
	<p>Target 13.2: Integrate climate change measures into policies, strategies and planning</p> <ul style="list-style-type: none"> Disclosed Scope 1, 2 and selected Scope 3 GHG emissions (limited to business travel and employee commute) Initiated climate-related disclosures, outlining relevant risks and management approaches
	<p>Target 16.5: Reduce instances of corruption and bribery</p> <ul style="list-style-type: none"> Provided anti-bribery and corruption training to 100% of executive-level employees at Corus Paradise Resort Recorded zero substantiated cases of corruption

SUSTAINABILITY STATEMENT

Cont'd

DRIVING SUSTAINABLE GROWTH WITH STRATEGIC LEADERSHIP

EHB upholds robust governance through a newly established three-tier governance structure comprising the Board of Directors, the Sustainability Steering Committee (“SSC”) and the Sustainability Working Group (“SWG”). This structure clearly defines roles and responsibilities across all levels, providing strategic direction for the Group’s sustainability agenda and supporting the effective implementation of sustainability policies, procedures and initiatives.

Roles	Responsibilities
Board of Directors 	i. Provide strategic oversight of the Group’s sustainability governance, including climate-related strategies, policies and targets ii. Set the strategic direction for integrating sustainability considerations, including climate-related risks and opportunities into the Group’s business strategy and risk management iii. Review and endorse sustainability policies, strategies and material sustainability matters
Sustainability Steering Committee (Key Senior Management Team) 	i. Develop and recommend sustainability policies, strategies, initiatives and targets ii. Support the Board in managing sustainability and climate-related risks and opportunities iii. Identify material sustainability issues and recommend sustainability-related strategies and initiatives to the Board iv. Provide regular progress updates to the Board on the Group’s sustainability progress v. Track and consolidate sustainability performance data for monitoring and reporting
Sustainability Working Group (Heads of Departments)	i. Execute sustainability policies, strategies and initiatives planned by the SSC and approved by the Board ii. Monitor the performance of sustainability initiatives and provide regular performance updates to the SSC iii. Collaborate with internal and external stakeholders to drive sustainability efforts across the Group iv. Recommend enhanced sustainability practices for adoption to the SCC

SUSTAINABILITY STATEMENT

Cont'd

INTEGRATING STAKEHOLDER FEEDBACK

The Group engages stakeholders through various channels to gain insights into their diverse perspectives and emerging market trends in the hospitality sector. We use these insights to refine our sustainability initiatives, ensuring alignment with stakeholder priorities and supporting long-term value creation.



SHAREHOLDERS AND INVESTORS

Why We Engage	Engagement Channels and Frequency
Transparent and consistent communication on the Group's strategic priorities, financial performance and sustainability efforts fosters trust, supports informed decision-making and reinforces accountability	<p>Annual</p> <ul style="list-style-type: none"> ➤ Annual Report ➤ Annual General Meeting ➤ Financial Statements <p>Quarterly</p> <ul style="list-style-type: none"> ➤ Quarterly Reports <p>As and when required</p> <ul style="list-style-type: none"> ➤ Company Website
Key Concerns Raised	Our Responses
<ul style="list-style-type: none"> • Clarity on financial performance and outlook • Risk management and governance practices • Impact of regulatory changes on operations • ESG integration 	<ul style="list-style-type: none"> • Provide quarterly financial reports and conduct regular investor briefings • Maintain robust governance frameworks and clearly communicate risk mitigation strategies effectively • Monitor regulatory developments and promptly communicate their implications and corresponding adaptation plans • Demonstrate commitment to sustainability through clear ESG goals, progress reporting and risk management

SUSTAINABILITY STATEMENT

Cont'd



REGULATORY AUTHORITIES

Why We Engage	Engagement Channels and Frequency
Active regulatory engagement ensures compliance with industry regulations, keeps us informed of emerging legal requirements and enables constructive responses to evolving policies and expectations	Annual <ul style="list-style-type: none"> ➤ Annual Report As and when required <ul style="list-style-type: none"> ➤ Seminar or information sessions held by regulatory bodies
Key Concerns Raised	Our Responses
<ul style="list-style-type: none"> • Compliance with hospitality industry regulations • Health and safety standards in operations • Transparency and cooperation during inspections and audits 	<ul style="list-style-type: none"> • Ensure strict compliance with local and national hospitality regulations across all operations • Enforce rigorous health and safety protocols supported by ongoing monitoring and staff training • Fully cooperate with regulatory authorities during site inspections and audits



FINANCIAL INSTITUTIONS

Why We Engage	Engagement Channels and Frequency
Ongoing business relations with financial institutions support strategic growth, manage financial risks and ensure alignment with responsible financing practices and sustainability-linked expectations	As and when required <ul style="list-style-type: none"> ➤ Meetings ➤ Participating in networking events
Key Concerns Raised	Our Responses
<ul style="list-style-type: none"> • Clarity on financial performance and cash flow • Risk management, especially related to hospitality sector volatility • Capital allocation and investment strategy 	<ul style="list-style-type: none"> • Provide regular and transparent financial reporting to demonstrate operational stability and support sustainable growth • Implement risk assessment and mitigation strategies for hospitality and property management • Communicate strategic capital deployment plans to maximise returns and support long-term growth

SUSTAINABILITY STATEMENT

Cont'd



GUESTS AND CUSTOMERS

Why We Engage	Engagement Channels and Frequency
Guest and customer feedback informs our approach to sustainability, safety and product responsibility, enabling continuous enhancement of the guest experience	As and when required <ul style="list-style-type: none"> ➤ Customers provide regular feedback ➤ Participation in industry networking events
Key Concerns Raised	Our Responses
<ul style="list-style-type: none"> • Quality and consistency of hospitality services • Responsiveness to guest feedback and complaints • Transparency in pricing and booking processes • Integration of sustainable practices in hospitality 	<ul style="list-style-type: none"> • Deliver high service standards through continuous staff training, quality assurance and guest feedback mechanisms • Maintain open communication channels and address guest concerns promptly to strengthen trust and improve the overall guest experience • Ensure clear and accurate communication of pricing and availability to build trust and confidence • Promote environmentally responsible practices, including energy efficiency and waste reduction, to meet evolving guest expectations



EMPLOYEES

Why We Engage	Engagement Channels and Frequency
Collaborative and inclusive employee engagement supports development, well-being and alignment with the Group's sustainability goals.	Annual <ul style="list-style-type: none"> ➤ Training and development ➤ Safety training and awareness ➤ Appraisals As and when required <ul style="list-style-type: none"> ➤ Training on whistle-blowing policy
Key Concerns Raised	Our Responses
<ul style="list-style-type: none"> • Opportunities for career development and training • Workplace health, safety and well-being • Fair compensation and benefits 	<ul style="list-style-type: none"> • Provide structured training programmes and career progression pathways to support employee growth and skills development • Enforce comprehensive health and safety protocols, supported by ongoing training and a positive work environment • Maintain competitive remuneration and benefits packages aligned with industry benchmarks and employee expectations

SUSTAINABILITY STATEMENT

Cont'd



SUPPLIERS

Why We Engage	Engagement Channels and Frequency
Close engagement with suppliers promotes ethical practices, ensures supply chain compliance and strengthens alignment with the Group's sustainability and procurement standards	Annual <ul style="list-style-type: none"> ➤ Contracts ➤ Vendor registration As and when required <ul style="list-style-type: none"> ➤ Terms as specified in the contracts
Key Concerns Raised	Our Responses
<ul style="list-style-type: none"> • Quality and timeliness of materials and services • Fair and transparent procurement processes 	<ul style="list-style-type: none"> • Maintain clear communication and monitor supplier performance to ensure the timely delivery of high-quality goods and services • Conduct procurement processes equitably, with transparency and accountability across the supply chain



LOCAL COMMUNITIES

Why We Engage	Engagement Channels and Frequency
Local community engagement through outreach, partnerships and dialogue addresses social and environmental concerns, supports community development and fosters long-term positive relationships	As and when required <ul style="list-style-type: none"> ➤ Corporate social responsibility
Key Concerns Raised	Our Responses
<ul style="list-style-type: none"> • Contribution to community development and well-being 	<ul style="list-style-type: none"> • Engage in community initiatives and partnerships to support social development and stimulate local economic growth

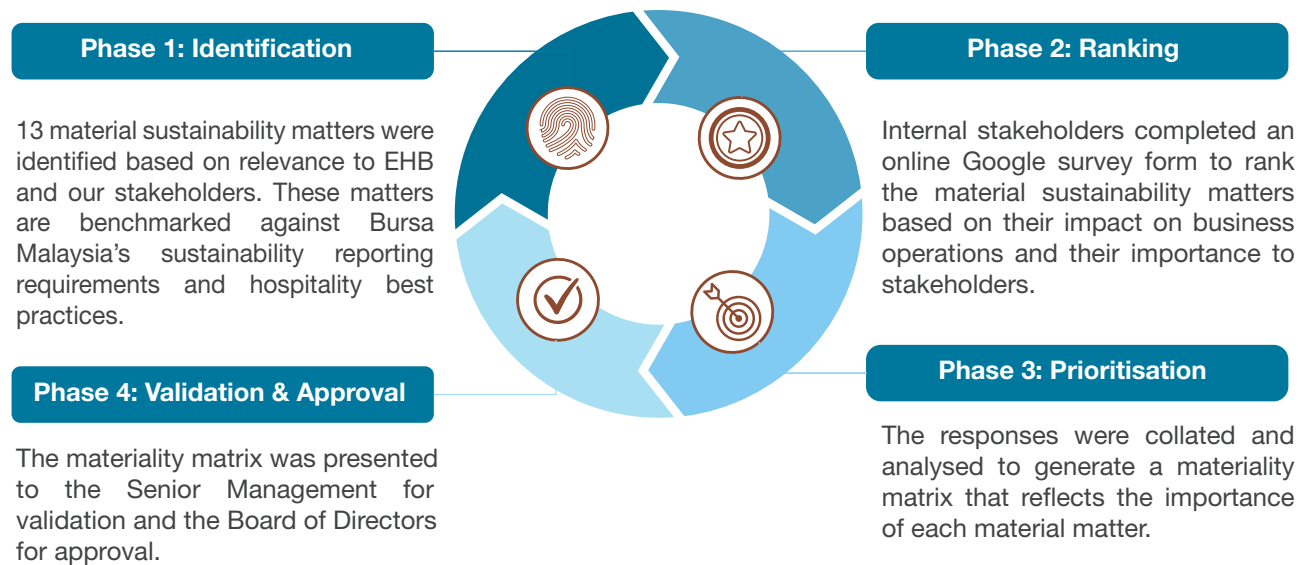
SUSTAINABILITY STATEMENT

Cont'd

DETERMINING OUR SUSTAINABILITY FOCUS

We advance sustainability by developing strategies grounded in a clear understanding of the Group's most material challenges. In FYE2025, we conducted our first materiality assessment to identify the sustainability matters most relevant to the Group and our stakeholders, enabling informed decision-making and the focused allocation of resources to the areas of highest priority.

The materiality assessment process consists of the following four phases:



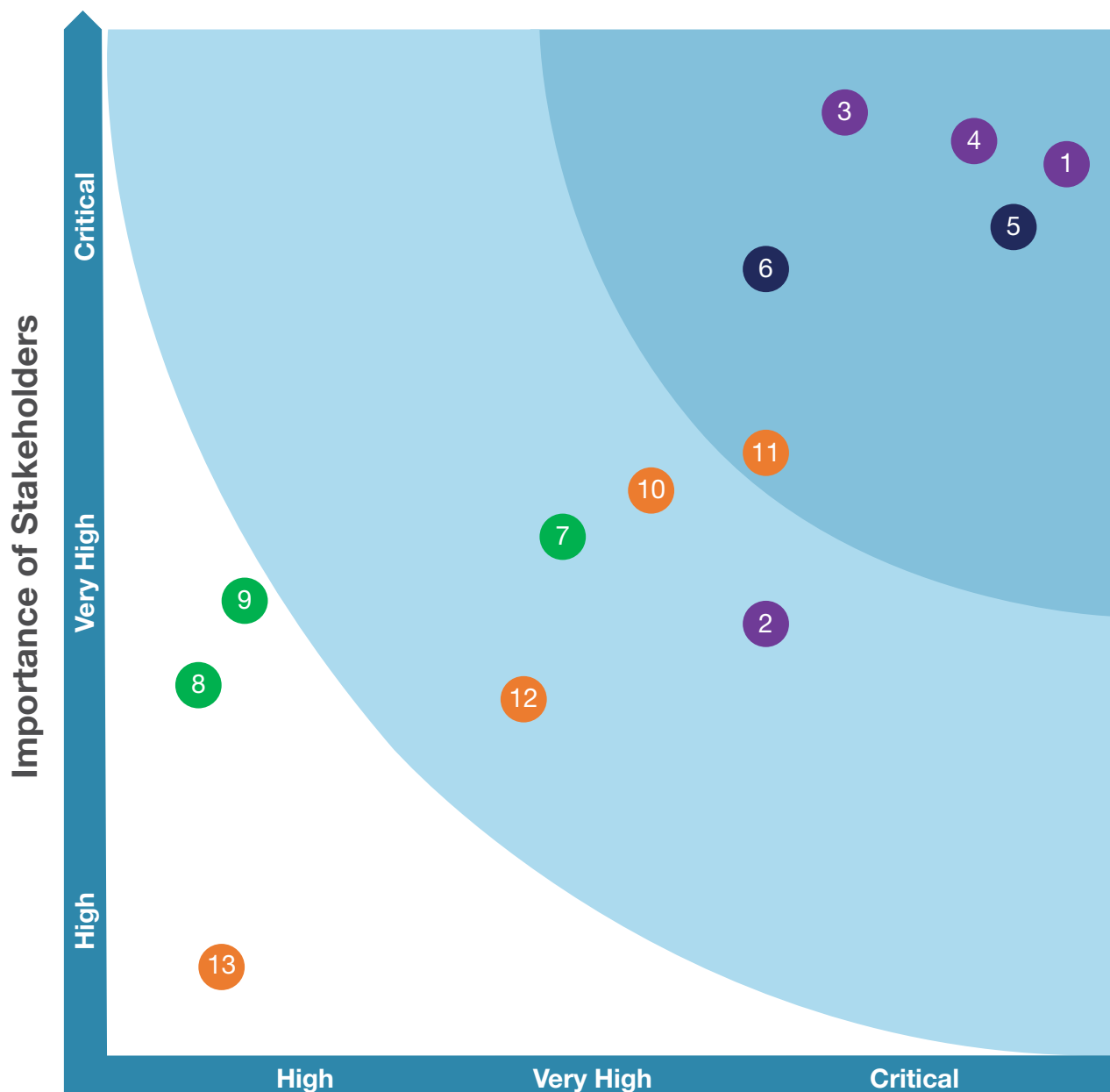
VISUALISING THE MATERIAL SUSTAINABILITY PRIORITIES

13 material matters were identified, assessed for their significance and mapped onto a materiality matrix to reflect their relevance to both our operations and stakeholders.

The highest priority matters identified include Economic Performance, Customer Experience and Satisfaction, Hospitality Service Excellence, Corporate Governance and Anti-Corruption, Data Privacy and Security, and Health and Safety.

SUSTAINABILITY STATEMENT

Cont'd



Impact On Business Operations

Delivering Economic and Service Excellence		Ethical Governance Standards	
1	Economic Performance	5	Corporate Governance and Anti-Corruption
2	Supply Chain Management	6	Data Privacy and Security
3	Hospitality Service Excellence		
4	Customer Experience and Satisfaction		
Environmental Stewardship and Sustainability		Social Impact and Development	
7	Energy, Emissions and Climate Resilience	10	Labour Practices and Standards
8	Water Consumption	11	Health and Safety
9	Waste Management	12	Diversity and Employee Development
		13	Community Engagement and Contribution

SUSTAINABILITY STATEMENT

Cont'd

CONNECTING THE MATERIAL MATTERS

The following illustrates the alignment between our material sustainability matters, the priorities of our key stakeholders and the UN SDGs, demonstrating how our sustainability initiatives meet stakeholder expectations while supporting global objectives.

Material Matters	Our Approach	UN SDGs	Stakeholder Groups
Pillar: Delivering Economic and Service Excellence			
Economic Performance	We prioritise our financial health and overall profitability to ensure long-term business sustainability and value creation.	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div></div> <div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div></div>	<div></div> <div></div> <div></div> <div></div>
Supply Chain Management	The Group sources from domestic suppliers and maintains a regional supply chain to support the local economy.		
Hospitality Service Excellence	We commit to providing services that uphold the highest standards, comply with regulatory requirements and exceed customer expectations.		
Customer Experience and Satisfaction	EHB aims to deliver high-quality service and create a positive, efficient experience for every customer.		
Pillar: Ethical Governance Standards			
Corporate Governance and Anti-Corruption	We uphold ethical business practices through a robust governance structure, implementing policies, codes and procedures that upholds integrity and transparency within the Group and among our stakeholders.	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div></div> <div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div></div>	<div></div> <div></div>
Data Privacy and Security	The Group safeguards customers' data privacy by implementing data privacy measures.		
Pillar: Environmental Stewardship and Sustainability			
Energy, Emissions and Climate Resilience	We manage our energy consumption to minimise GHG emissions and improving our climate resilience.	<div>13 CLIMATE ACTION</div> <div></div>	<div></div> <div></div> <div></div>
Water Consumption	EHB aims to efficiently manage our water consumption across our operations through adopting water efficiency measures.		
Waste Management	We mitigate environmental impacts through effective waste management, focusing on responsible disposal and reducing waste generation.		
Pillar: Social Impact and Development			
Labour Practices and Standards	The Group implements measures and procedures that ensure compliance with labour laws and standards, safeguarding the rights of our employees across our operations.	<div>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</div> <div></div> <div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<div></div> <div></div>
Health and Safety	We ensure the health and safety of our employees by maintaining a safe and conducive working environment.		
Diversity and Employee Development	EHB advocates for equal opportunity and inclusivity in our workforce regardless of gender and social background.	<div>8 DECENT WORK AND ECONOMIC GROWTH</div> <div></div>	<div></div> <div></div>
Community Engagement and Contribution	We allocate resources to contribute to charitable initiatives, aiming to enhance community well-being.		

SUSTAINABILITY STATEMENT

Cont'd

MONITORING OUR SUSTAINABILITY PROGRESSION

We introduced Sustainability Key Performance Indicators (“KPIs”) in FYE2025 to drive our sustainability agenda, enabling structured evaluation and continuous performance tracking.

● Achieved ● In-progress

Material Matters		KPIs	Performance FYE2025
Delivering Economic and Service Excellence			
Supply Chain Management	Allocate at least 70% of our procurement expenditure to local suppliers annually		●
Ethical Governance Standards			
Corporate Governance and Anti-Corruption	Achieve zero reported incidents of bribery and corruption annually		●
	Achieve zero reported grievances or whistle-blowing complaints to the Group annually		●
Environmental Stewardship and Sustainability			
Energy, Emissions and Climate Resilience	Establish the baseline year for Scope 1 GHG emissions by FYE2027		●
	Establish the baseline year for Scope 2 GHG emissions by FYE2027		●
Waste Management	Establish the baseline year for waste reduction targets by FYE2027		●
Social Impact and Development			
Health and Safety	Maintain zero fatalities throughout the reporting period		●
Labour Practices and Standards	Achieve zero substantiated complaints of human rights violations annually		●

DISCLOSING CLIMATE RISKS AND OPPORTUNITIES

Understanding the impacts and financial implications of climate change on our hospitality-related operations is crucial to strengthening our operational resilience and advancing our transition towards a low-carbon economy. In FYE2025, EHB adopted elements of the IFRS S2 in alignment with the latest National Sustainability Reporting Framework (“NSRF”), providing climate disclosures across the four core segments: Governance, Strategy, Risk Management, and Metrics and Targets.

GOVERNANCE

Our sustainability and climate-related risks and opportunities are governed through a multi-tiered framework comprising the Board, SSC and SWG. These bodies engage in regular discussions and decision-making processes to evaluate sustainability and climate-related risks, identify growth opportunities and monitor progress. The structure ensures continuous oversight of our initiatives and alignment of our risk management strategies with EHB’s sustainability and climate objectives.

SUSTAINABILITY STATEMENT

Cont'd

The Board Oversight

- The Board integrates climate-related considerations into EHB's governance and risk management
- The Board oversees EHB's corporate responsibility efforts and climate-related initiatives
- The Board receives quarterly updates on key sustainability management activities and climate risks through the SSC

Led by the Managing Director, the SSC is responsible for implementing initiatives across the Group to operationalise our sustainability strategy. It conducts quarterly meetings to embed climate considerations into decision-making and business operations. Sustainability performance and climate risk management are also incorporated as key evaluation metrics for senior management, reinforcing accountability.

Management Oversight

- The MD oversees the Group's sustainability direction and initiatives
- Approves sustainability-related decisions and climate matters
- Supported by the SWG, which monitors sustainability risks and opportunities as well as oversees the implementation of strategies, including climate mitigation and adaptation
- The SSC sets sustainability targets and climate-related goals to manage the Group's climate impacts

STRATEGY

We are committed to enhancing climate awareness across our operations and aligning our strategic direction with the Group's Sustainability Policy. In FYE2025, we initiated the tracking and disclosure of our Scope 1, Scope 2 and Scope 3 GHG emissions, ensuring alignment with applicable regulations and contributing to our climate-related KPIs.

RISK MANAGEMENT

EHB implemented various initiatives to manage climate-related risks, with our approach and related performance insights detailed in the sections titled "Energy, Emissions and Climate Resilience", "Waste Management" and "Water Consumption".

METRICS AND TARGET

We track key climate-related metrics to minimise environmental impacts and promote sustainable growth and resilience. These metrics include Scope 1, 2 and 3 GHG emissions, with Scope 3 disclosures focusing on employee commute and business travel. Beyond emissions, we also monitor performance indicators such as waste generation and water consumption. Where available, historical data is provided to support trend analysis and informed decision-making.

Quantified Data	Units
Energy Consumption	Gigajoules ("GJ")
GHG Emissions	tCO ₂ e
Waste Generated	MT
Water	ML

To support our sustainability goals, we established annual KPIs aimed at reducing emissions and waste generation. These KPIs enable performance monitoring and regular evaluations to ensure continuous improvement and effective management of climate-related risks and opportunities.

- Establish a baseline year by FYE2027
- Set energy intensity (GJ/RM'000) and emissions intensity (tCO₂e/RM'000) targets by FYE2027

SUSTAINABILITY STATEMENT

Cont'd

DELIVERING ECONOMIC AND SERVICE EXCELLENCE

Maintaining a resilient and profitable business model is paramount for long-term value creation within the dynamic hospitality industry. EHB strives to balance financial growth with responsible business values and stakeholder interests, driving sustainable economic growth through strategic diversification, operational excellence and prudent risk management.

MATERIAL MATTERS

- Economic Performance
- Supply Chain Management
- Hospitality Service Excellence
- Guest Experience and Satisfaction

HIGHLIGHTS

- 99.7% of procurement was allocated to local suppliers
- Zero customer complaints received from customers for the Fit-Out Division



SUSTAINABILITY STATEMENT

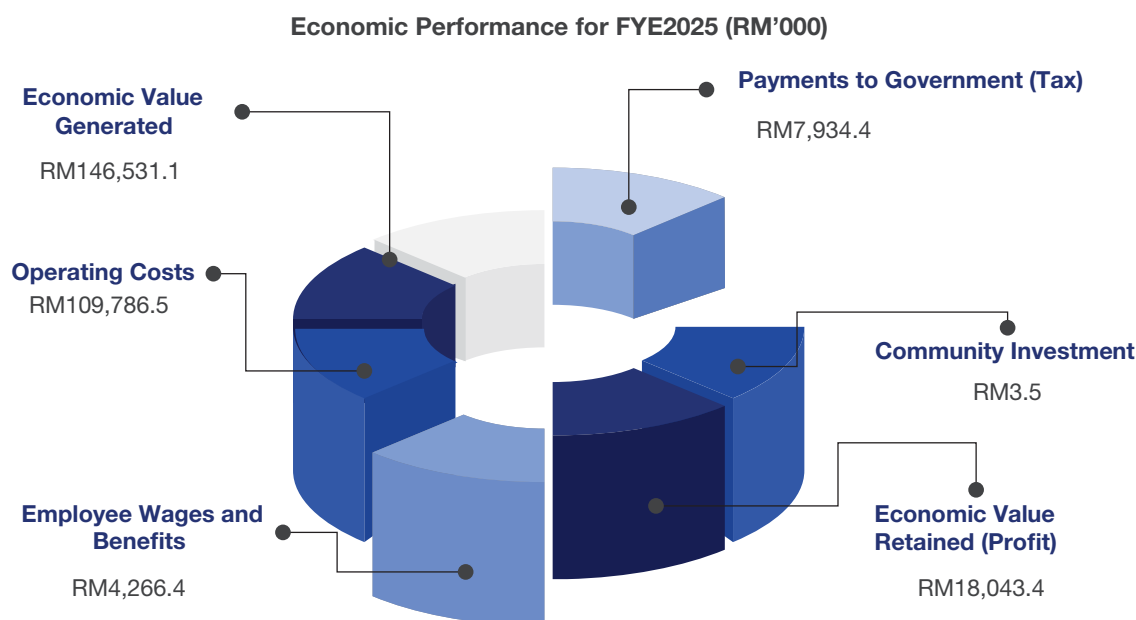
Cont'd

ECONOMIC PERFORMANCE

Economic performance constitutes a fundamental pillar of our sustainable business strategy, and we recognise that long-term value creation is contingent on responsible economic resource management and establishing positive relationships with our stakeholders.

In FYE2024, the Group underwent a strategic realignment following the majority acquisition of Pan Malaysia Holdings Berhad by EXSIM Hospitality Holdings Sdn. Bhd., marking our transition into EHB. As part of this restructuring, we formed the Hospitality Operator Division, comprising Mana Mana Holdings Sdn. Bhd., incorporated in July 2024, and The Flash Living Sdn. Bhd., acquired in August 2024.

The year also saw the establishment of EXSIM Concepto Sdn. Bhd., a new subsidiary providing interior design and fit-out services, positioning EHB to better capitalise on new growth opportunities while enhancing operational efficiency and market competitiveness.



SUPPLY CHAIN MANAGEMENT

EHB prioritises efficient supply chain management to source the diverse goods and services essential for our hospitality and fit-out operations. We focus on engaging local suppliers to ensure greater oversight of procurement quality, strengthen supply chain resilience and reduce transportation-related emissions.



99.7% of procurement allocated to local suppliers

The Group selects local suppliers across all our operating regions based on financial stability, product and service quality, adherence to Health, Safety and Environment ("HSE") standards and legal compliance. Suppliers are evaluated through a supplier evaluation form based on quality, price, financial health and timeliness of delivery.



HOSPITALITY SERVICE EXCELLENCE

We are focused on delivering exceptional services that consistently meet guest expectations, strengthening customer loyalty and EHB's brand image. Guest-centric experiences are embedded at every touchpoint, with our customer-facing teams trained to anticipate needs, personalise interactions and respond promptly to enquiries and requests to ensure seamless service across the Group.

SUSTAINABILITY STATEMENT

Cont'd

At our managed properties, we routinely collect feedback through post-stay surveys and online platforms to gauge guest sentiment and uncover service enhancement opportunities. These insights inform improvements in frontline training and service design, reinforcing our ability to consistently deliver guest satisfaction.

We uphold high operational standards with bi-annual internal audits and annual external audits that ensure compliance with relevant Malaysian regulations where applicable, which include the following:

- Tourism Industry Act 1992
- Occupational Safety and Health Act 1994 and its Amendments
- Food Act 1983 and its Amendments

These audits ensure EHB's hospitality offerings remain compliant with regulations, reinforcing our service protocols, safety standards and housekeeping practices, laying a strong foundation for sustainable growth and long-term guest loyalty.

CUSTOMER EXPERIENCE AND SATISFACTION

As an essential component of the hospitality sector, delivering exceptional customer service enables us to curate personalised guest experiences that foster satisfaction and drive referrals, differentiating EHB within a competitive market.

Hospitality Asset Ownership and Operation Division

At Corus Paradise Resort, guest feedback is collected through Guest Survey Forms and major online platforms, including Tripadvisor, Agoda, Booking.com and Google Review, with responses provided within 24 hours via email or phone to ensure timely, two-way communication.

All guest complaints are managed in accordance with a formal Standard Operating Procedure ("SOP"), which outlines the process for escalation, investigation and corrective action. These mechanisms will remain in place and strengthened upon the resort's reopening to ensure a consistently positive guest experience.

Hospitality Operator Division

The division has a dedicated 24/7 guest support hotline, supported by digital platforms that collect guest feedback and swift response protocols to address enquiries and issues, typically within the same day.

We actively monitor online review platforms and implement service recovery measures based on structured complaint handling SOPs. Internal quality checks, including post-stay surveys and operational audits, are conducted to ensure service consistency, while feedback is systematically reviewed to inform continuous improvement.

Fit-Out Division

Within our Fit-Out Division, we focus on delivering bespoke interior solutions, working closely with clients to ensure alignment with their standards and requirements, from concept development to completion. Client feedback is gathered through post-completion reviews to assess workmanship, timeliness and overall satisfaction. We received zero customer complaints in this reporting year, reflecting the quality and responsiveness of our service.



SUSTAINABILITY STATEMENT

Cont'd

ETHICAL GOVERNANCE STANDARDS

Governance drives EHB's sustainable development, embedding ethical values into our business practices to promote accountability and prudent decision-making. Guided by our governance framework, we aim to foster a workplace culture that upholds the highest standards of integrity and builds lasting stakeholder trust across our hospitality operations.

MATERIAL MATTERS

- Corporate Governance and Anti-Corruption
- Data Privacy and Security

HIGHLIGHTS

- 100% of executive level employees from Corus Paradise Resort attended anti-corruption training
- Zero substantiated cases of corruption for the past two years
- Zero substantiated complaints of data privacy breaches for the past two years



SUSTAINABILITY STATEMENT

Cont'd

CORPORATE GOVERNANCE AND ANTI-CORRUPTION

Good governance forms a robust basis for reinforcing operational resilience, ensuring EHB’s adherence to anti-corruption best practices and ethical business conduct across our operations.

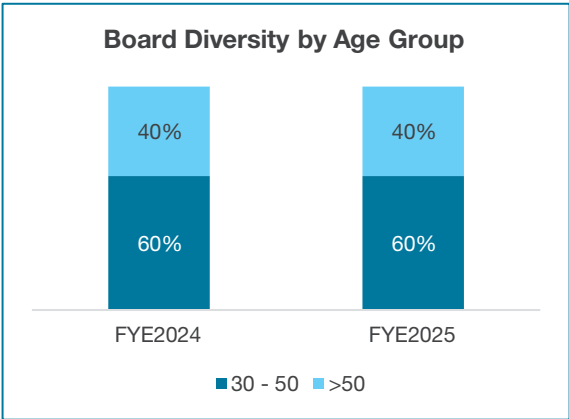
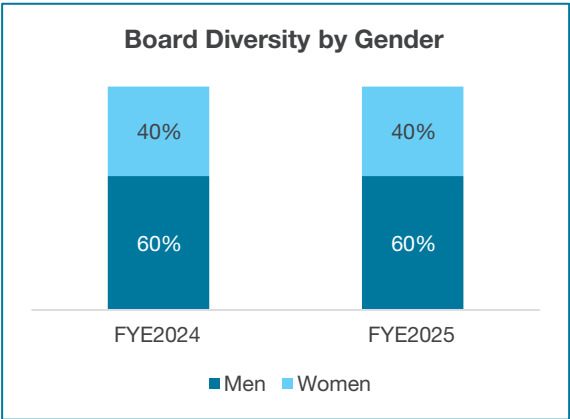
CORPORATE GOVERNANCE

Our governance is guided by policies and codes that uphold legal, regulatory and industry compliance. These policies are available on our corporate website and are periodically communicated to our employees through training programmes to promote regulatory awareness and compliance. The Group’s Code of Business Ethics outlines a no-gift policy, aligning with EHB’s commitment to conducting all business dealings with integrity.

Whistleblower Policy	Anti-Bribery and Anti-Corruption Policy
Conflict of Interest Policy	Terms of Reference of Nomination Committee
Code of Business Ethics	Terms of Reference of Audit Committee
Directors’ Fit and Proper Policy	Related Party Transaction Policy
Board Charter	Terms of Reference of Remuneration Committee
Remuneration Policy	

BOARD DIVERSITY

EHB’s Board of Directors comprises five members, with women accounting for 40% of the Board, exceeding the minimum recommendation of 30% female representation set by the Malaysian Code on Corporate Governance (“MCCG”).



SUSTAINABILITY STATEMENT

Cont'd

BOARD DEVELOPMENT AND COMPLIANCE TRAINING

In FYE2025, our directors participated in the Mandatory Accreditation Programme ("MAP") organised by the Institute of Corporate Directors Malaysia ("ICDM"). The programme is designed to equip directors with knowledge of corporate governance, encompassing their responsibilities, fiduciary duties, liabilities and other pertinent requirements in alignment with Bursa Malaysia's Listing Requirements ("LR").



Four directors attended the MAP for a cumulative **112 hours**.

» Mandatory Accreditation Programme Part I

Designed to provide first-time directors of Bursa Malaysia-listed companies and directors of companies seeking listing with knowledge of the latest corporate governance principles and best practices to strengthen their leadership effectiveness.

» Mandatory Accreditation Programme Part II: Leading for Impact ("LIP")

An initiative under the Securities Commission Malaysia's Corporate Governance Strategic Priorities 2021-2023, this programme is designed to enhance the capacity of directors to effectively address sustainability risks and opportunities, enabling stronger oversight over material sustainability matters.

ANTI-BRIBERY AND CORRUPTION

Our resort operations, Corus Paradise Resort, conducts briefings on the Anti-Bribery and Anti-Corruption Policy for all new employees as part of the onboarding process.



ZERO substantiated cases of corruption for the past two years

Percentage of Employees that Received Anti-Corruption Training by Employee Category for Corus Paradise Hotel

Employee Category	FYE2024	FYE2025
Executive	0%	100%
Non-Executive/Technical	24%	100%

Note: Anti-Corruption training was provided to employees of Corus Paradise Resort for only FYE2024 and FYE2025.

DATA PRIVACY AND SECURITY

We regularly manage vast amounts of sensitive personal information from guests and customers, making data privacy and security measures necessary to preserve the integrity of EHB's daily operations and foster stakeholder trust.

In line with the Personal Data Protection Act 2010 ("PDPA") and its amendments, the Group applies strict confidentiality and security standards in managing guest information. We recorded no substantiated complaints of data breaches in FYE2025, reflecting the effectiveness of our data security initiatives and guest confidence.



Zero substantiated complaints of data privacy breaches for the past 2 years

SUSTAINABILITY STATEMENT

Cont'd

ENVIRONMENTAL STEWARDSHIP AND SUSTAINABILITY

Business resilience in the hospitality sector is characterised by operational efficiency and prudent resource management. Accordingly, EHB addresses the environmental impacts of our activities, focusing on managing energy, emissions, water and waste to improve our climate resilience. We integrate sustainable practices across our operations, driving responsible value creation and enabling us to contribute positively to local ecosystems and surrounding communities.

MATERIAL MATTERS

- Energy, Emissions and Climate Resilience
- Water Consumption
- Waste Management

HIGHLIGHTS

- 21% reduction in total GHG emissions
- 25% reduction in energy consumption
- 13.82MT of waste diverted from landfills

13 CLIMATE ACTION



SUSTAINABILITY STATEMENT

Cont'd

ENERGY, EMISSIONS AND CLIMATE RESILIENCE

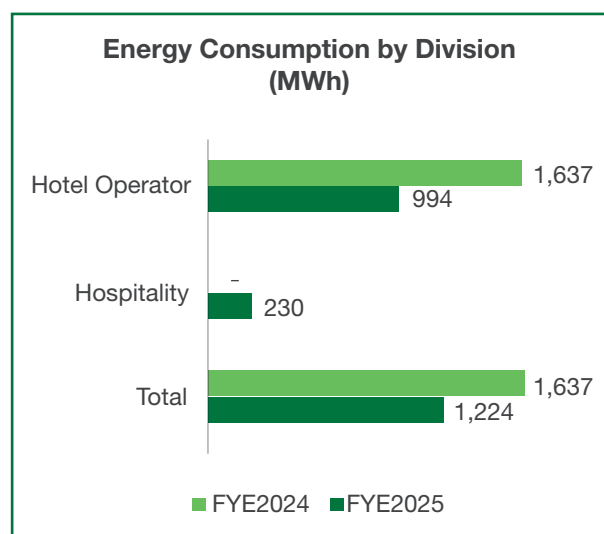
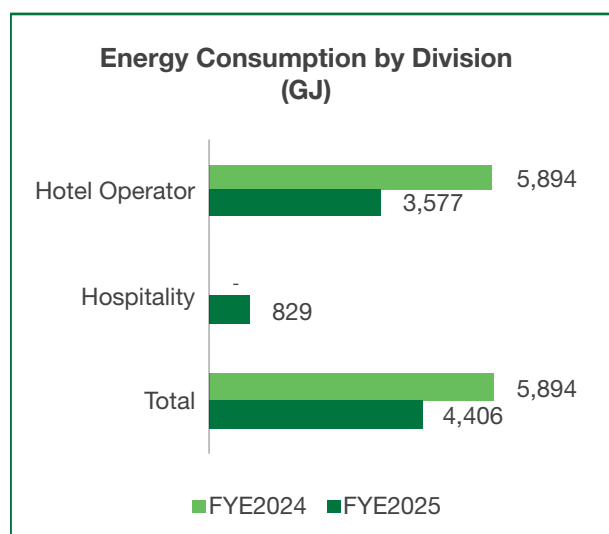
Our hospitality operations run continuously to provide guests with responsive, round-the-clock services, necessitating consistent energy consumption. Implementing energy-efficient initiatives is therefore essential to optimise performance and mitigate emissions associated with our activities.

EHB endeavours to minimise our carbon footprint by considering the adoption of energy-efficient systems and equipment where feasible, alongside implementing energy consumption monitoring to identify improvement areas. For FYE2025, we commenced the replacement of incandescent and fluorescent lighting with energy-efficient light-emitting diodes ("LEDs") across our facilities at the Corus Paradise Resort.

ENERGY CONSUMPTION

We recorded a total energy consumption of 4,406 GJ in FYE2025, with the Hotel Operator division accounting for the largest share at 81%, followed by the Hospitality division at 19%. The energy consumption of the Hotel Operator division reduced significantly this year due to the short-term cessation of hospitality operations at the Corus Paradise Resort for renovation works.

Currently, our operations at EXSIM Concepto and our Headquarters are based in EXSIM Tower, where the utility bill for electricity is included in the rental paid to the building manager. Therefore, accurate electricity consumption data for these entities could not be obtained.

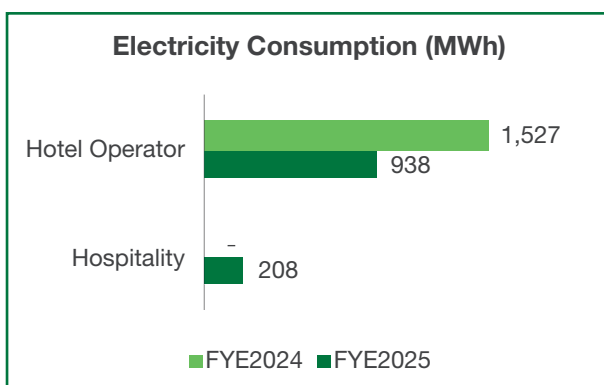


Note:

1. Energy consumption data for FYE2024 was limited to the Hotel Operator Division (Corus Paradise Resort)
2. Energy consumption for FYE2024 has been restated due to discrepancies in the data

ELECTRICITY CONSUMPTION

The Group's energy consumption is largely attributed to purchased electricity for our operations. Our total electricity consumption totalled 1,146 MWh across the Hotel Operator and Hospitality divisions, marking a 25% decrease from FYE2024.



SUSTAINABILITY STATEMENT

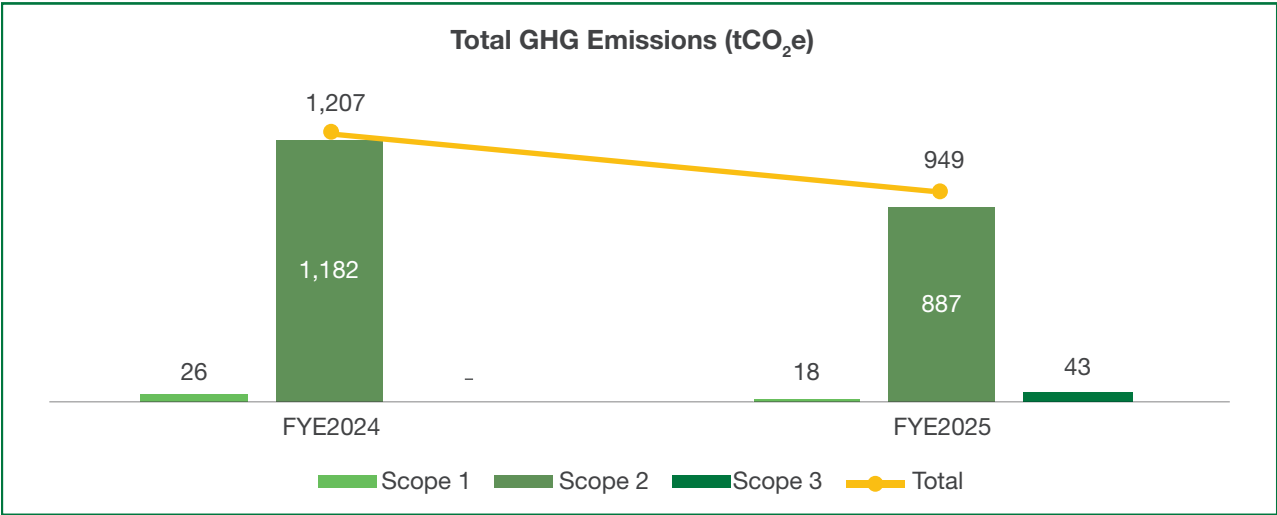
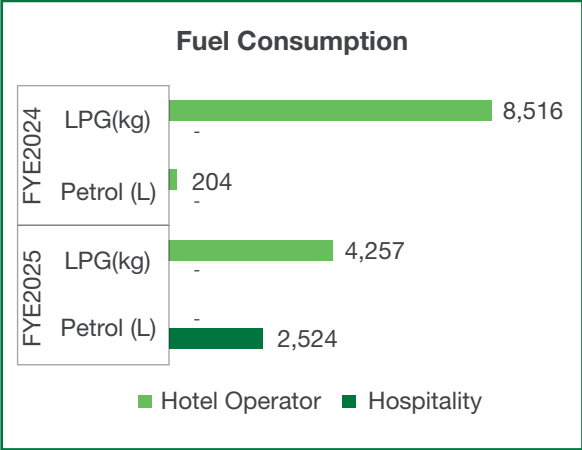
Cont'd

FUEL CONSUMPTION

During the year, we consumed 4,257 kg of Liquefied Petroleum Gas (“LPG”) for kitchen operation at the Corus Paradise Resort, alongside 2,524 litres of petrol for our company-owned vehicles in the Hotel Operator and Hospitality divisions.

GHG EMISSIONS

EHB’s total GHG emissions amounted to 949 tCO₂e in FYE2025. The reduction in emissions during the reporting period was primarily attributed to the pause in hospitality operations at the Corus Paradise Resort during its renovation period.



Note:

1. Scope 1 GHG emissions for mobile combustion (fuel consumption for Company-owned vehicle) and stationary combustion (LPG consumption at the hotel restaurant) are calculated following the GHG Protocol Scope 1 Guidance, with emission factors derived from the UK Government’s GHG Conversion Factors for 2023 and 2024.
2. Scope 2 GHG emissions for purchased electricity (location based) are calculated using the location-based approach, in accordance with the GHG Protocol Scope 2 Guidance. The emission factors are derived from the 2022 Grid Emission Factors provided by Grid Malaysia, specifically for Peninsular Malaysia.
3. Scope 3 GHG emissions for business travel is calculated using the distance-based method as outlined by the GHG Protocol Scope 3 Guidance, with emission factors derived from the UK Government’s GHG Conversion Factors for 2024.

SUSTAINABILITY STATEMENT

Cont'd

SCOPE 1

Scope 1 GHG emissions from mobile combustion encompass petrol and diesel fuel consumed by company-owned vehicles across our operations, in addition to the LPG consumed by our kitchen for stationary combustion. In FYE2025, our Scope 1 GHG emissions decreased by 27% due to the temporary shutdown of hospitality operations at the Corus Paradise Resort.

SCOPE 2

Scope 2 GHG emissions (location-based) are derived from indirect emissions from purchased electricity utilised in our operations. EHB's total Scope 2 GHG emissions for FYE2025 amounted to 887 tCO₂e from the Hotel Operator and Hospitality divisions.

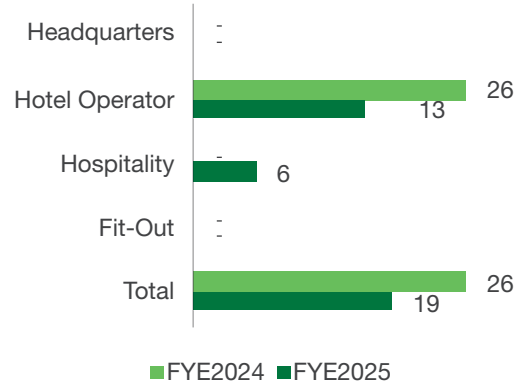
SCOPE 3

In FYE2025, we commenced monitoring our Scope 3 GHG emissions from business air travel and employee commuting (from employees who are based at the headquarters in EXSIM Tower, Kuala Lumpur, and Corus Paradise Resort, Port Dickson), which totalled 43 tCO₂e.

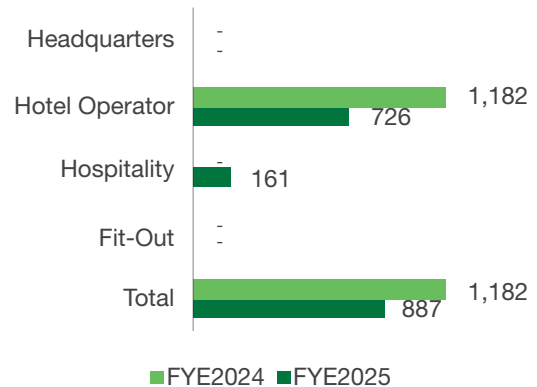
Note:

Employee commute emissions were generated from 22 employees that participated in the survey for this year.

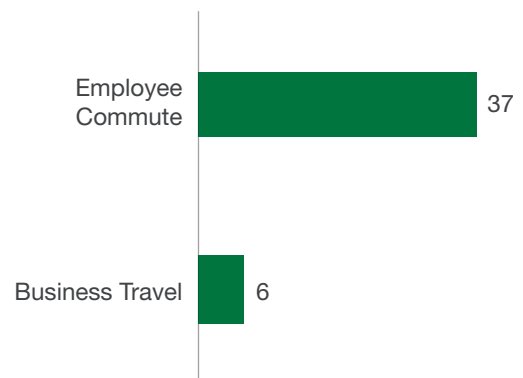
Scope 1 GHG Emissions (tCO₂e)



Scope 2 GHG Emissions (tCO₂e)



Scope 3 GHG Emissions (tCO₂e)



SUSTAINABILITY STATEMENT

Cont'd

WATER CONSUMPTION

Clean water is essential for our operations, particularly within the hospitality division, supporting key functions such as guest accommodation maintenance, laundry services, landscaping and food preparation. Responsible management ensures a high-quality guest experience while minimising our impact on this vital resource.

We are exploring future water management initiatives, such as the potential installation of water-efficient fixtures and the implementation of water consumption monitoring procedures across our operations. In FYE2025, our overall water consumption increased by 14% compared to FYE2024, primarily due to the renovation works at Corus Paradise Resort leading to the suspension of hospitality operations.

Note: Water consumption data excludes the headquarters, which houses the offices of both the Hospitality Division and the Fit-Out Division, as water usage is included in the monthly rental of the office unit. The office is also shared with EXSIM Development Sdn. Bhd.

WASTE MANAGEMENT

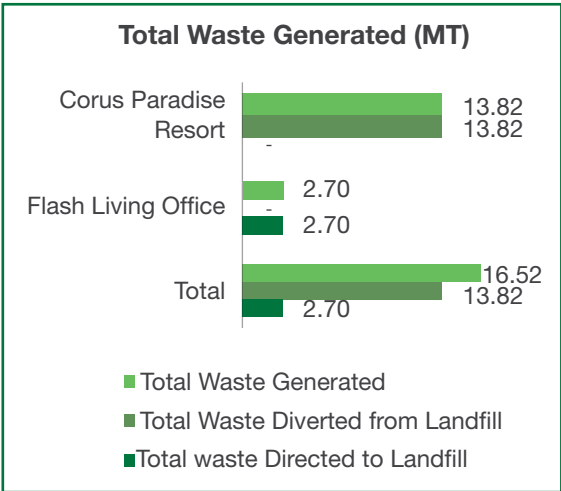
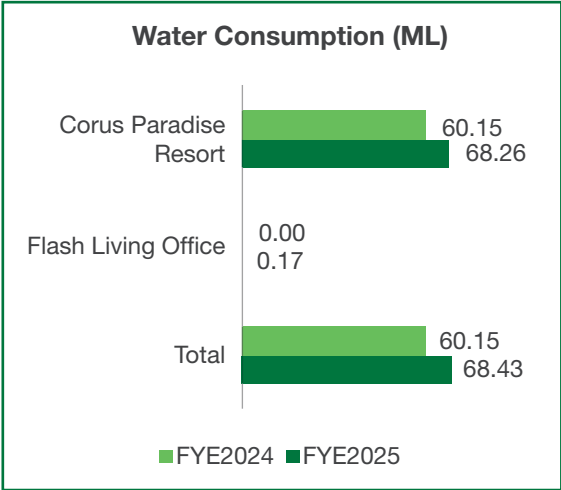
Given the varied waste streams generated such as food scraps, cleaning chemicals and refurbishment materials, effective waste management is essential for resource efficiency and regulatory compliance. EHB practices the Reduce, Reuse and Recycle approach to responsibly manage our waste generation, aiming to optimise our resource consumption wherever feasible and reduce the volume of waste sent to landfills.

We engage with 3rd party recycling vendors to dispose of our waste from the Corus Paradise Resort, which comprises of scrap metal and plastics from the on-going renovation works this financial year. We also dispose of used cooking oil through a waste collector.

Within our fit-out operations, we strive to deliver bespoke interior solutions for hospitality assets that balance functionality, aesthetics and sustainability. Part of this commitment includes exploring waste reduction through thoughtful design choices that minimise material waste and utilising environmentally friendly materials.

Note:

- 1. Waste data excludes the headquarters, which houses the offices of both the Hospitality Division and the Fit-Out Division, as waste is managed by the building management in a centralised system.
- 2. Waste data is only available for FYE2025.



SUSTAINABILITY STATEMENT

Cont'd

SOCIAL IMPACT AND DEVELOPMENT

Beyond delivering exceptional service to guests and customers, our ethical obligations as a hospitality and fit-out service provider include upholding social equity. We strive to generate positive social impact, implementing inclusive initiatives and supporting philanthropic efforts that empower both our people and the communities we serve.

MATERIAL MATTERS

- Health and Safety
- Labour Practices and Standards
- Diversity and Employee Development
- Community Engagement and Contribution

HIGHLIGHTS

- 349 hours of Health and Safety training provided to 42 employees
- Zero fatalities reported this reporting year
- Zero Lost Time Incident Rate ("LTIR") recorded
- Zero substantiated cases of human rights violation and discrimination recorded



SUSTAINABILITY STATEMENT

Cont'd

LABOUR PRACTICES AND STANDARDS

Our employees are the backbone of our operations, their expertise being instrumental in delivering quality hospitality and fit-out services that enhance the client experience. We prioritise their well-being by developing a supportive workplace environment grounded in fair labour standards, aiming to enhance their productivity, quality of their work and our long-term success.

EHB's Code of Business Ethics outlines our zero-tolerance policy against all forms of discrimination and sexual harassment, ensuring alignment with the pertinent anti-discrimination laws.



Zero substantiated complaints concerning human rights violations for the past two years

Code of Business Ethics

- » Ensuring compliance with laws in the local jurisdictions that prohibit workplace discrimination
- » Upholding our responsibility to maintain a work environment free from unlawful discrimination and harassment
- » Providing a conducive working environment that protects employees from all forms of sexual harassment or behaviour

EMPLOYEE BENEFITS

We provide our full-time and contract employees with the following benefits to support their professional journey within the Group and attract skilled talent.

	Benefits	Full-time employees	Contract employees
1.	Leave Entitlement	✓	✓
2.	Allowance	✓	✓
3.	Expense Reimbursement (Mileage, Entertainment and Accommodation)	✓	✓
4.	Healthcare (Medical and Hospitalisation)	✓	✓
5.	Life Insurance	✓	✓
6.	Retirement Provision	✓	✓
7.	Disability and Invalidity Coverage	✓	✓

Note:

1. Life insurance does not cover employees of Corus Paradise Resort and The Flash Living.
2. Retirement provision does not cover contract employees of Corus Paradise Resort; employees of EXSIM Hospitality, Mana Mana Holdings and EXSIM Concepto.
3. Disability and invalidity coverage is provided for employees of EXSIM Hospitality, Mana Mana Holdings and EXSIM Concepto.

SUSTAINABILITY STATEMENT

Cont'd

In addition to our existing healthcare benefits, we provided influenza vaccinations to our employees in FYE2025 to support their continued health and well-being. Each vaccine, priced at RM70, was made claimable through EHB's internal Human Resources system.

PARENTAL LEAVE

During the reporting year, one employee utilised parental leave in accordance with the Group's leave policy.



	Gender	FYE2025
Number of employees that took parental leave	Male	0
	Female	1
Number of employees that returned after parental leave	Male	0
	Female	0
Number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	Male	0
	Female	0

HEALTH AND SAFETY

Upholding stringent health and safety standards across our operations enables us to cultivate a safe workplace environment, safeguarding the well-being of our guests, customers and staff. EHB complies with the Occupational Safety and Health Act ("OSHA") 1994 and its Amendments. Our Health, Safety and Environment ("HSE") management system at Corus Paradise Resort is guided by our Workplace Safety and Health Policy. Additionally, we appointed a Safety and Health Coordinator to oversee workplace safety, ensure our compliance with relevant regulations and promote a safe working environment for all employees.

At Corus Paradise Resort, the Occupational Safety and Health ("OSH") Committee supports compliance with health, safety and environmental regulations, with quarterly meetings held to advance related agendas. This reporting year, meetings were deferred as operational activities were suspended during the renovation.



Zero

instances of non-compliance with health and safety regulations in FYE2025



Zero

lost time injuries over a total of 930,383 manhours in FYE2025

HEALTH AND SAFETY TRAINING

In FYE2025, our Occupational Health and Safety Training programmes included a range of activities designed to enhance awareness and mitigate health risks, fostering a safe and healthy work environment.



Four HSE training programmes in FYE2025

42 attendees
349 total training hours

SUSTAINABILITY STATEMENT

Cont'd



Chemical Safety Awareness

20 resort staff members attended training programmes on safe chemical handling practices as per the Occupational Safety and Health Act 1994 and its amendments.



Workplace Ergonomic Awareness

Occupational ergonomics briefings were provided to 19 resort employees to promote safe work habits during their daily responsibilities. The briefings emphasised the importance of maintaining correct working postures to reduce the risk of work-related strain and injuries, thereby supporting improved labour productivity.



Organisasi Keselamatan Kebakaran Badan Peneraju Industri Bidang Kebombaan Seminar 2025

This seminar aimed to enhance employees' awareness of fire safety regulations, focusing on the Fire Services Act 1988 (Act 341) and other related regulations.

Occupational Safety and Health Coordinator Certification

This certification training was provided to the designated personnel responsible for employee safety and health, equipping them with the necessary knowledge and skills to effectively manage workplace safety.



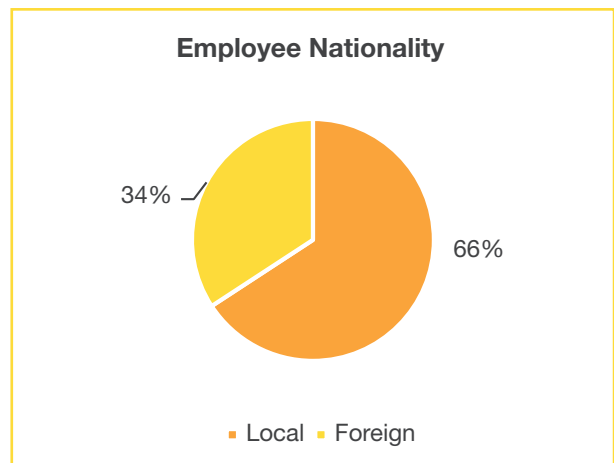
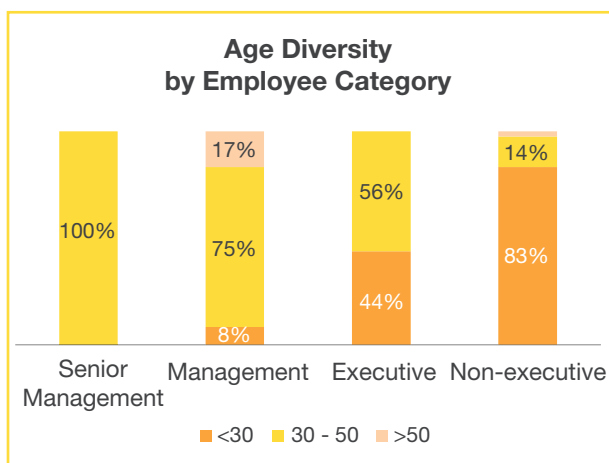
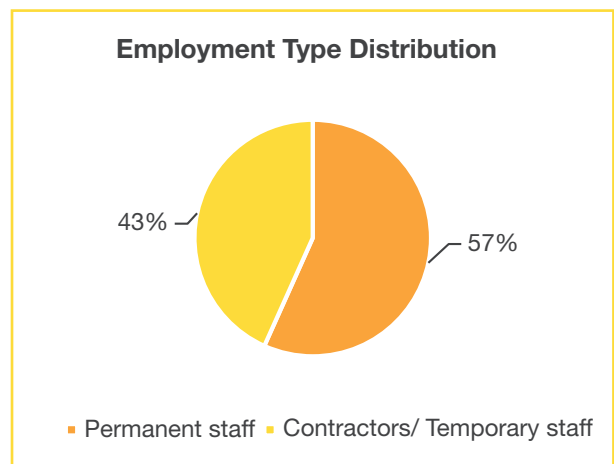
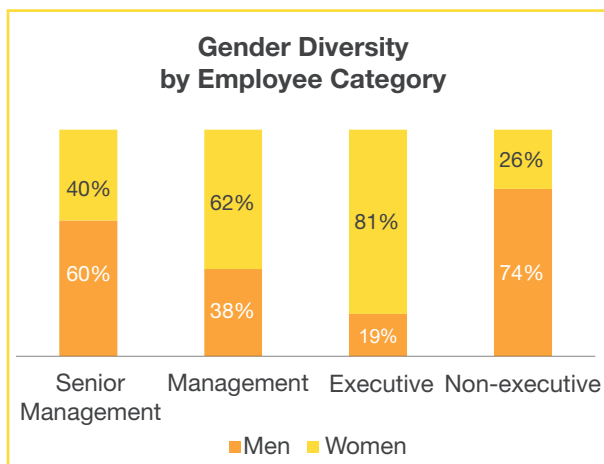
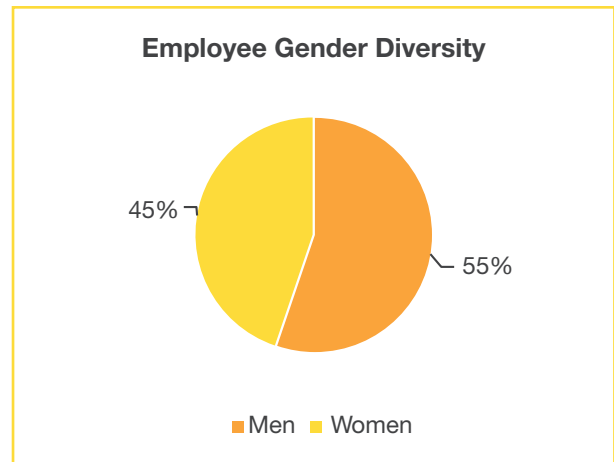
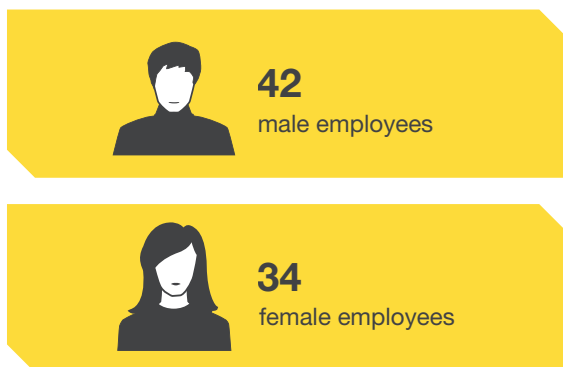
SUSTAINABILITY STATEMENT

Cont'd

DIVERSITY AND EMPLOYEE DEVELOPMENT

EHB recognises that a diverse workforce fosters a cohesive and innovative business culture, supporting professional development as well as the delivery of exceptional hospitality experiences and fit-out services. We cultivate an inclusive workplace environment through an unbiased employee recruitment process, guided by our Recruitment Policy, which offers equal opportunities for all candidates regardless of gender, race or background.

In FYE2025, the Group's workforce consisted of a total of 76 employees.

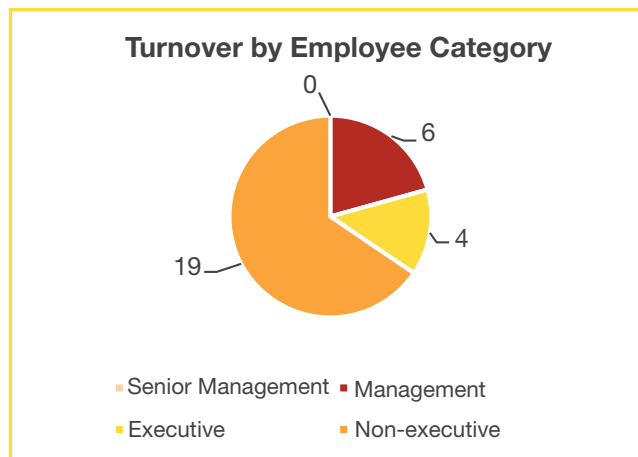
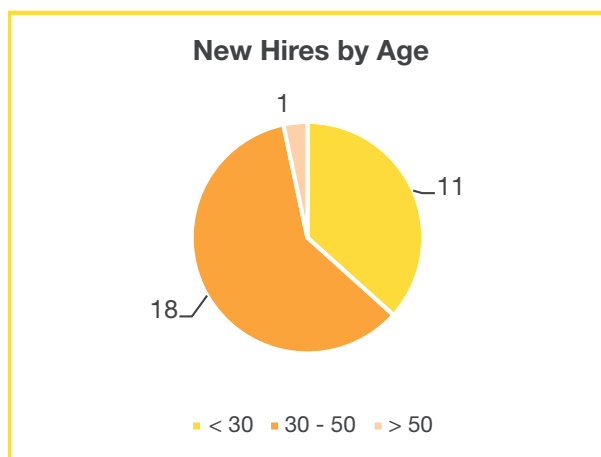
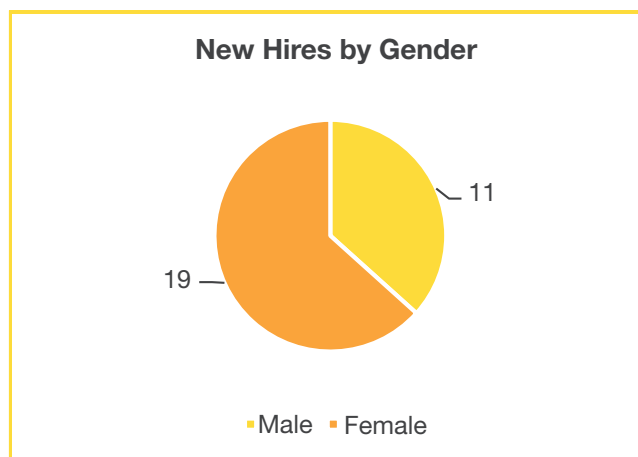
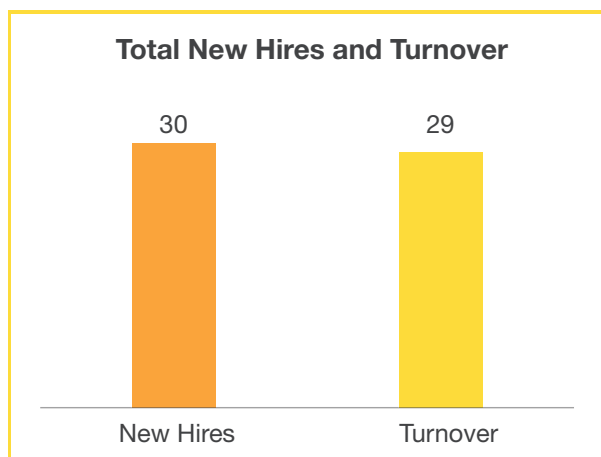


SUSTAINABILITY STATEMENT

Cont'd

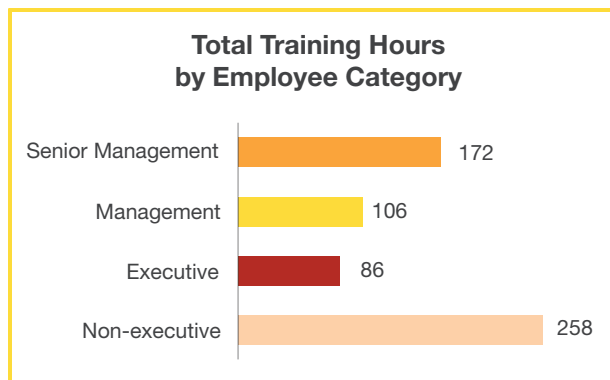
EMPLOYEE NEW HIRES AND TURNOVER

In FYE2025, EHB recorded a new hire rate of 39% and turnover rate of 38%. The majority of new hires were women, aged between 30 and 50 years.



TRAINING AND DEVELOPMENT

In FYE2025, EHB conducted 14 training programmes covering General Training, Technical Skills, Health, Safety and Environment ("HSE") and Hygiene. These sessions were designed to enhance industry awareness, strengthen regulatory compliance and uphold high standards of safety and cleanliness across our hospitality operations.



SUSTAINABILITY STATEMENT

Cont'd

TALENT ATTRACTION AND RETENTION STRATEGIES

EHB implemented an employee recognition and awards programme to acknowledge and celebrate the contributions and achievements of our workforce, helping us retain valued employees and attract new talent.

The Group also promotes equal opportunities for career growth and development. We conduct merit-based performance assessments to support talent mobility across the Group, providing employees with clear pathways for advancement and reinforcing our commitment to retaining a skilled talent pool.



Halal Colloquium
(General training)



This conference featured forums, exhibitions and knowledge sharing discussions led by industry experts on halal products and services, aimed at raising employee awareness and highlighting opportunities within local and global halal markets.



2 attendees



E-Invoice
(Technical skills training)



We arranged an e-invoice programme to equip the resort staff with the knowledge and skills to understand, implement and manage e-invoicing, with a focus on strategies for compliance.



6 attendees



Basic Hygiene 101
(Hygiene training)



We provided training on personal and workplace hygiene to maintain high hygiene standards, which is crucial to enhance the guest experience, prevent health risks and uphold the resort's reputation.



8 attendees

SUSTAINABILITY STATEMENT

Cont'd



D-Edge Talks: Simplify Hospitality



This session covered Artificial Intelligence (“AI”) applications in areas such as dynamic pricing, content optimisation, sentiment analysis of guest reviews, automated guest communication, demand forecasting and competitor monitoring. Additionally, it emphasised how AI can be leveraged to evaluate channel performance, improve resource allocation as well as drive higher conversions and revenue across platforms.



1 attendee

EMPLOYEE ENGAGEMENT

In FYE2025, we focused on strengthening our team dynamics by organising various events to drive greater collaboration and improve overall performance.



Festive Celebration



We celebrated various festive occasions that reflect the rich heritage of our employees.



Staff Gathering



Gatherings were organised to promote team spirit, express gratitude for employees' hard work and encourage employee interaction outside the regular work routine.

SUSTAINABILITY STATEMENT

Cont'd



Farewell Lunch

- » We organised a lunch gathering to express our heartfelt appreciation to Corus Paradise Resort staff affected by retrenchment due to the resort's refurbishment. We deeply value their contributions to the resort during its final period of operations.



Townhall Meeting

- » This townhall session involved all resort staff and addressed the temporarily closure for upgrades of Corus Paradise Resort. A Question & Answer ("Q&A") session was conducted to address staff concerns and outline the support measures in place.

COMMUNITY ENGAGEMENT AND CONTRIBUTION

The Group strives to promote social equity and support the growth of the local communities in which we operate by investing in Corporate Social Responsibility ("CSR") initiatives. In the year under review, EHB contributed to the following CSR programmes.



Pertubuhan Kebajikan Kanak-Kanak Cacat Permata Hati Kuala Lumpur

In collaboration with MyKey, a contribution of RM1,500 was made to support the Sharing Smiles & Support initiative.

SUSTAINABILITY STATEMENT

Cont'd



St. John Ambulance Malaysia

Contributed RM2,000 in support of Kawasan Selangor Tengah Selatan ("KSTS") Night Annual Charity Dinner.

MOVING TOWARDS THE FUTURE

FYE2025 marked significant progress in EHB's sustainability journey, highlighted by the implementation of our Sustainability Strategy and the initial adoption of selected elements of IFRS S2. Building on this foundation, we drive further advancements, guided by an intensified focus on integrating sustainability considerations across all aspects of our operations.

As the Group moves forward, EHB will continue to strengthen our sustainability efforts and adopting best practices, aiming to deliver long-term value to stakeholders and contributing meaningfully to a more sustainable tomorrow.



SUSTAINABILITY STATEMENT

Cont'd

Performance Data Table

Indicator	Measurement Unit	2024	2025
Bursa (Anti-corruption)			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Senior Management	Percentage	0.00	0.00
Management	Percentage	44.00 *	0.00
Executive	Percentage	0.00 *	100.00
Non-Executive	Percentage	24.00 *	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	0.00 *	0.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Bursa (Community/Society)			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	5,014.00	3,500.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	7	2
Bursa (Diversity)			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Senior Management Under 30	Percentage	0.00	0.00
Senior Management Between 30-50	Percentage	41.00 *	100.00
Senior Management Above 50	Percentage	59.00 *	0.00
Management Under 30	Percentage	50.00 *	8.00
Management Between 30-50	Percentage	50.00 *	75.00
Management Above 50	Percentage	0.00 *	17.00
Executive Under 30	Percentage	22.00 *	44.00
Executive Between 30-50	Percentage	53.00 *	56.00
Executive Above 50	Percentage	25.00 *	0.00
Non-Executive Under 30	Percentage	100.00 *	83.00
Non-Executive Between 30-50	Percentage	0.00	14.00
Non-Executive Above 50	Percentage	0.00	3.00
Gender Group by Employee Category			
Senior Management Male	Percentage	66.00 *	60.00
Senior Management Female	Percentage	34.00 *	40.00
Management Male	Percentage	80.00 *	38.00
Management Female	Percentage	20.00 *	62.00
Executive Male	Percentage	54.00 *	19.00
Executive Female	Percentage	46.00 *	81.00
Non-Executive Male	Percentage	100.00 *	74.00
Non-Executive Female	Percentage	0.00	26.00

Internal assurance

External assurance

No assurance

(*)Restated

SUSTAINABILITY STATEMENT

Cont'd

Indicator	Measurement Unit	2024	2025
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	60.00	60.00
Female	Percentage	40.00	40.00
Under 30	Percentage	0.00	0.00
Between 30-50	Percentage	60.00	60.00
Above 50	Percentage	40.00	40.00
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	1,637.00 *	1,224.00
Bursa (Health and safety)			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.00	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	27	42
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Senior Management	Hours	144 *	172
Management	Hours	90 *	106
Executive	Hours	167 *	86
Non-Executive	Hours	120 *	258
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	25.00 *	43.00
Bursa C6(c) Total number of employee turnover by employee category			
Senior Management	Number	4 *	0
Management	Number	8 *	6
Executive	Number	21 *	4
Non-Executive	Number	3 *	19
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00	99.70
Bursa (Data privacy and security)			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	60.150000 *	68.430000

SUSTAINABILITY STATEMENT

Cont'd

Indicator	Measurement Unit	2024	2025
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	0.00	16.52
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	0.00	13.82
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	0.00	2.70
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	26.00 *	19.00
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	1,182.00 *	887.00
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	0.00	43.00

ADDITIONAL COMPLIANCE INFORMATION

AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred for services rendered to the Group and the Company, for the financial year ended 30 June 2025 by the external auditors are as follows:

	Group RM'000	Company RM'000
Audit fees		
- Financial Audit	114	55
Non-audit fees		
- Review of Statement on Risk Management and Internal Control	4	4
- Reporting Accountant for Proposed Rights Issue and Acquisition of Asset	54	54
TOTAL	172	113

MATERIAL CONTRACTS

There were no material contracts entered into by the Company and its subsidiaries involving Directors' or major shareholders' interests, which were still subsisting as at the end of the financial year ended 30 June 2025 or which were entered into since the end of the previous financial period.

RECURRENT RELATED PARTY TRANSACTION

The Group has entered into recurrent related party transactions of a revenue or trading nature ("RRPT") in the ordinary course of business. The Company, at the 41st AGM held on 27 November 2024 and the EGM held on 21 January 2025, obtained two (2) separate mandates from its shareholders for the EHB Group to enter into RRPTs with related parties on normal commercial terms, not more favourable to the related parties than those generally available to the public, and necessary for the EHB Group's day-to-day operations.

In accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the authority conferred by the said mandates shall lapse at the conclusion of the forthcoming AGM, unless a renewal is obtained from the shareholders of EHB. Accordingly, the Company is seeking for shareholders' approval at the forthcoming AGM for the Proposed Renewal of the Existing RRPT Mandate.

The details of the Proposed Renewal of the Existing RRPT Mandate, including the names of the related parties, the nature of their relationships, and the transaction values, are disclosed in the Circular to Shareholders dated 24 October 2025.

FINANCIAL STATEMENTS

94	Directors' Report
100	Statement by Directors
100	Statutory Declaration
101	Independent Auditors' Report
105	Statements of Financial Position
107	Statements of Profit or Loss and Other Comprehensive Income
108	Statements of Changes in Equity
110	Statements of Cash Flows
112	Notes to the Financial Statements



DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2025.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding.

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

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

RESULTS

	The Group RM'000	The Company RM'000
Profit after taxation for the financial year	18,043	4,672
Attributable to:		
Owners of the Company	18,036	4,672
Non-controlling interests	7	-
	18,043	4,672

DIVIDEND

No dividend was recommended by the directors for the financial year.

RESERVES AND PROVISIONS

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

ISSUES OF SHARES AND DEBENTURES

During the financial year:

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

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS' REPORT

Cont'd

BAD AND DOUBTFUL DEBTS

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

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

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

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

DIRECTORS' REPORT

Cont'd

ITEMS OF AN UNUSUAL NATURE

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

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

Tan Hai Liang*
 Paramjit Singh Gill A/L Gurdev Singh*
 Datuk Leong Kam Weng
 Freda Liu Phit Jang
 Yong Hui Nee

* *Director of the Company and its subsidiaries*

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

Tan Sook Yee	<i>(Appointed on 14 October 2024)</i>
Leow Mun Tung	<i>(Appointed on 16 October 2024)</i>
Rose Binte Rawi	<i>(Appointed on 25 November 2024)</i>
Siew Wai Mun	<i>(Appointed on 16 May 2025)</i>
Tan Yen Hong	<i>(Appointed on 14 July 2025)</i>
Tan Yen Wei	<i>(Appointed on 14 July 2025)</i>
Yap Pei Ying	<i>(Appointed on 14 July 2025)</i>
Alda Tan Pek Yung	<i>(Appointed on 10 September 2025)</i>
Kwan Toh Sum	<i>(Appointed on 10 September 2025)</i>
Toh Weng Chee	<i>(Appointed on 10 September 2025)</i>
Tan Yi Lang	<i>(Appointed on 12 September 2024 and resigned on 3 September 2025)</i>

DIRECTORS' INTERESTS

None of the directors holding office at the end of the financial year had any interest in shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

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

DIRECTORS' REPORT

Cont'd

DIRECTORS' REMUNERATION

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

	The Group RM'000	The Company RM'000
<u>Executive Directors</u>		
Salaries and other emoluments	154	154
<u>Independent Directors</u>		
Fee	126	126
Other benefits	60	60
	186	186
Total directors' remuneration	340	340

INDEMNITY AND INSURANCE COSTS

During the financial year, the amount of insurance effected for the directors and officers of the Company and its subsidiaries was RM8,000,000.

No indemnity was given to or insurance effected for the auditors of the Company.

SUBSIDIARIES

(a) The details of the Company's subsidiaries are as follows:

Name of Subsidiary	Country of Incorporation	Percentage of Issued Share Capital Held by Parent %	Principal Activities
Subsidiaries of the Company			
Pengkalen Holiday Resort Sdn. Bhd.	Malaysia	100	Operating a hotel.
EXSIM Concepto Sdn. Bhd.	Malaysia	100	Provide specialised fit-out services for hospitality assets.
Mana Mana Holdings Sdn. Bhd.	Malaysia	100	Investment holding and operator of hospitality assets.
Uppervista Sdn. Bhd.	Malaysia	100	Investment holding company for hospitality assets.
Blossom Hectares Sdn. Bhd.	Malaysia	100	Investment holding company for hospitality assets.
Golden Carps Pte. Ltd.	Singapore	100	Dormant.
Grandvestment Company Limited	Hong Kong	100	Dormant.

DIRECTORS' REPORT

Cont'd

SUBSIDIARIES cont'd

(a) The details of the Company's subsidiaries are as follows: cont'd

Name of Subsidiary	Country of Incorporation	Percentage of Issued Share Capital Held by Parent %	Principal Activities
Subsidiaries of the Company cont'd			
Asia Entertainment Network Sdn. Bhd.	Malaysia	60	Under liquidation.
Pengkalen Building Materials Sdn. Bhd.	Malaysia	100	Under liquidation.
Pengkalen Electronics Industries Sdn. Bhd.	Malaysia	67	Under liquidation.
Technitone (M) Sdn. Bhd.	Malaysia	64.10	Under liquidation.
Subsidiaries of Mana Mana Holdings Sdn. Bhd.			
The Flash Living Sdn. Bhd.	Malaysia	60	To carry on business in providing short-term accommodation, property management and all other related activities.
Mana Mana Style Sdn. Bhd.	Malaysia	60	To carry on business in providing short-term accommodation, property management and all other related activities.
MyKey International Sdn. Bhd.	Malaysia	60	To engage in property management, acquisition and leasing services; to operate in trade, import, export, distribution and retail of goods and commodities; and investment holding.
Subsidiary of Technitone (M) Sdn. Bhd.			
Office Business Systems Sdn. Bhd.	Malaysia	100	Under liquidation.
Subsidiary of Office Business Systems Sdn. Bhd.			
Office Business Systems (Malacca) Sdn. Bhd.	Malaysia	65	Under liquidation.
Office Business Systems (Penang) Sdn. Bhd.	Malaysia	100	Under liquidation.
Sensor Equipment Sdn. Bhd.	Malaysia	100	Under liquidation.

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

DIRECTORS' REPORT

Cont'd

SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

The significant event occurring after the reporting period is disclosed in Note 36 to the financial statements.

HOLDING COMPANY

The holding company is EXSIM Hospitality Holdings Sdn. Bhd., a company incorporated in Malaysia.

AUDITORS

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

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

	The Group RM'000	The Company RM'000
Audit fees	114	55
Non-audit fees	58	58
	<u>172</u>	<u>113</u>

Signed in accordance with a resolution of the directors dated 17 October 2025.

Tan Hai Liang

Paramjit Singh Gill A/L Gurdev Singh

STATEMENT BY DIRECTORS

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

We, Tan Hai Liang and Paramjit Singh Gill A/L Gurdev Singh, being two of the directors of EXSIM Hospitality Berhad, state that, in the opinion of the directors, the financial statements set out on pages 105 to 161 are drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2025 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 17 October 2025.

Tan Hai Liang

Paramjit Singh Gill A/L Gurdev Singh

STATUTORY DECLARATION

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

I, Tan Yi Lang, MIA Membership Number: 38182, being the officer primarily responsible for the financial management of EXSIM Hospitality Berhad, do solemnly and sincerely declare that the financial statements set out on pages 105 to 161 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned
Tan Yi Lang
at Kuala Lumpur
in the Federal Territory
on this 17 October 2025.

Before me

Tan Yi Lang

Shaiful Hilmi Bin Halim (W-804)
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EXSIM HOSPITALITY BERHAD
(Incorporated in Malaysia) Registration No: 198301000236 (95469 - W)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of EXSIM Hospitality Berhad, which comprise the statements of financial position of the Group and of the Company as at 30 June 2025, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 105 to 161.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

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

Recoverability of trade receivables Refer to Notes 11 and 35.1(b)(iii) to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>As at 30 June 2025, the Group's carrying amount of trade receivables was RM117.869 million.</p> <p>The management assess the allowance of impairment losses on trade receivables based on the following:</p> <ol style="list-style-type: none"> 1. Customers' payment and credit history; and 2. Specific known facts or circumstances on customers' ability to pay. <p>We determined this to be a key audit matter as the amount is significant and the impairment assessment of trade receivables involved significant management judgement.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • Reviewed the ageing analysis of receivables and tested its accuracy; • Reviewed subsequent cash collections for major receivables and overdue amounts; • Examined, where applicable, other evidence including customers' correspondences, proposed or existing settlement plans and repayment schedules; • Evaluated, where applicable, the reasonableness and tested the adequacy of the Group's impairment losses recognised for identified exposures on trade receivables by assessing the relevant assumptions and historical collection data; and • Reviewed the adequacy of the Group's disclosure in this area.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EXSIM HOSPITALITY BERHAD

(Incorporated in Malaysia) Registration No: 198301000236 (95469 - W)

Cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS cont'd

Key Audit Matters cont'd

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

Revenue recognition Refer to Note 22 to the financial statements	
Key Audit Matter	How our audit addressed the Key Audit Matter
<p>The Group recognises revenue on construction contracts over time in the period in which the services are rendered.</p> <p>The recognition of revenue is therefore dependent on amongst others, the Group's budgeted construction costs, which require significant estimates and judgements.</p> <p>This is a key audit matter as the amount is significant and the determination of the progress of construction requires significant judgement by management.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • Verified contracts secured and reviewed budgeted costs; • Assessed the estimated total contract costs to complete through enquiries with management; • Assessed reliability of contract budgets by comparing to actual incurred; • Performed verification on the actual progress billings issued and actual costs incurred for the financial year; • Recomputed revenue recognised and checked calculation of the percentage of completion; and • Reviewed the adequacy of the Group's disclosures in respect of revenue.

There are no key audit matters to report for the Company.

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EXSIM HOSPITALITY BERHAD
(Incorporated in Malaysia) Registration No: 198301000236 (95469 - W)
Cont'd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS cont'd

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF EXSIM HOSPITALITY BERHAD

(Incorporated in Malaysia) Registration No: 198301000236 (95469 - W)

Cont'd

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, are disclosed in Note 8 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.

Crowe Malaysia PLT

201906000005 (LLP0018817-LCA) & AF 1018

Chartered Accountants

Kuala Lumpur

17 October 2025

Lean Wei Ee

03827/05/2026 J

Chartered Accountant

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

		The Group		The Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	6	14,077	30,604	250	-
Right-of-use assets	7	3,826	3,882	-	-
Investments in subsidiaries	8	-	-	12,406	-
Investment in an associate	9	-	-	-	-
		17,903	34,486	12,656	-
Current assets					
Inventories	10	2	94	-	-
Trade and other receivables	11	127,734	18,077	8,311	16,911
Contract assets	12	2,979	-	-	-
Amount owing by subsidiaries	13	-	-	7,059	4,164
Current tax assets		11	9	-	-
Short-term money market deposit	14	-	125	-	125
Cash and bank balances		7,047	327	129	14
		137,773	18,632	15,499	21,214
TOTAL ASSETS		155,676	53,118	28,155	21,214
EQUITY AND LIABILITIES					
Share capital	15	92,887	92,887	92,887	92,887
Reserves		-	12,204	-	-
Accumulated losses		(59,043)	(77,079)	(70,015)	(74,687)
Equity attributable to owners of the Company		33,844	28,012	22,872	18,200
Non-controlling interests		51	-	-	-
TOTAL EQUITY		33,895	28,012	22,872	18,200

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

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2025

Cont'd

		The Group		The Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
LIABILITIES					
Non-current liabilities					
Lease liabilities	16	5	-	-	-
Term loan	17	11,198	12,524	-	-
Deferred tax liabilities	18	295	3,827	-	-
		11,498	16,351	-	-
Current liabilities					
Trade and other payables	19	39,999	5,517	3,233	2,564
Contract liabilities	12	33	-	-	-
Amount owing to holding company	20	5,308	1,970	1,480	450
Amount owing to subsidiaries	13	-	-	570	-
Lease liabilities	16	29	-	-	-
Term loan	17	1,355	1,268	-	-
Short-term financing	21	55,497	-	-	-
Current tax liabilities		8,062	-	-	-
		110,283	8,755	5,283	3,014
TOTAL LIABILITIES		121,781	25,106	5,283	3,014
TOTAL EQUITY AND LIABILITIES		155,676	53,118	28,155	21,214

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Revenue	22	146,531	5,695	-	24
Cost of services		(109,787)	(3,199)	-	-
Gross profit		36,744	2,496	-	24
Other operating income		183	80	1	2
Administrative expenses		(9,312)	(6,000)	(27,469)	(1,056)
Finance costs		(1,933)	(736)	-	-
Net reversal of impairment losses/ (Impairment losses) on financial assets	23	296	(9,330)	32,140	(9,811)
Profit/(Loss) before taxation	24	25,978	(13,490)	4,672	(10,841)
Income tax (expense)/credit	25	(7,935)	160	-	-
Profit/(Loss) after taxation		18,043	(13,330)	4,672	(10,841)
Other comprehensive income					
<u>Items that Will Not be Reclassified Subsequently to Profit or Loss</u>					
Reversal of revaluation surplus of property, plant and equipment	26	(12,204)	-	-	-
Total comprehensive income/(expenses) for the financial year		5,839	(13,330)	4,672	(10,841)
Profit/(Loss) after taxation					
Attributable to:					
- Owner of the Company		18,036	(13,330)	4,672	(10,841)
- Non-controlling interests		7	-	-	-
		18,043	(13,330)	4,672	(10,841)
Total comprehensive income/(expense)					
Attributable to:					
- Owner of the Company		5,832	(13,330)	4,672	(10,841)
- Non-controlling interests		7	-	-	-
		5,839	(13,330)	4,672	(10,841)
Basic/Diluted earnings/(loss) per share attributable to owners of the Company (sen)	27	1.94	(1.44)		

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Share capital RM'000	Revaluation reserves RM'000	Accumulated Losses RM'000	Attributable to Owners of the Company RM'000	Non- controlling interests RM'000	Total equity RM'000
The Group						
At 1.7.2023	92,887	12,204	(63,749)	41,342	-	41,342
Loss after taxation/Total comprehensive expenses for the financial year	-	-	(13,330)	(13,330)	-	(13,330)
At 30.6.2024/1.7.2024	92,887	12,204	(77,079)	28,012	-	28,012
Profit after taxation	-	-	18,036	18,036	7	18,043
Other comprehensive income for the financial year:						
- Reversal of revaluation surplus of property, plant and equipment	-	(12,204)	-	(12,204)	-	(12,204)
Total comprehensive income for the financial year	-	(12,204)	18,036	5,832	7	5,839
Acquisition of a subsidiary	-	-	-	-	40	40
Incorporation of subsidiaries	-	-	-	-	4	4
Total changes in ownership interests in subsidiaries	-	-	-	-	44	44
At 30.6.2025	92,887	-	(59,043)	33,844	51	33,895

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

	Share capital RM'000	Accumulated losses RM'000	Total equity RM'000
The Company			
At 1.7.2023	92,887	(63,846)	29,041
Loss after taxation/Total comprehensive expenses for the financial year	-	(10,841)	(10,841)
At 30.6.2024/1.7.2024	92,887	(74,687)	18,200
Profit after taxation/Total comprehensive income for the financial year	-	4,672	4,672
At 30.6.2025	92,887	(70,015)	22,872

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	Note	The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
OPERATING ACTIVITIES					
Profit/(Loss) before taxation		25,978	(13,490)	4,672	(10,841)
Adjustments for:					
Bad debt written off		87	-	-	-
Depreciation:					
- property, plant and equipment	6	1,561	1,580	4	-
- right-of-use assets	7	115	88	-	-
Deposit written off		5	-	5	-
Gain on bargain purchase		(43)	-	-	-
Inventories written off		13	-	-	-
Interest expense		1,933	736	-	-
Interest income		(10)	(2)	(1)	(2)
Property, plant and equipment written off		224	-	-	-
(Reversal of)/Impairment losses on:					
- trade receivables		(38)	-	-	-
- other receivables		82	-	-	-
- amount owing by an associate		(340)	9,330	(340)	9,330
- amount owing by subsidiaries		-	-	(31,800)	481
- investment in subsidiaries		-	-	25,394	-
Operating profit/(loss) before working capital changes		29,567	(1,758)	(2,066)	(1,032)
Contract assets		(2,979)	-	-	-
Contract liabilities		33	-	-	-
Inventories		79	(24)	-	-
Trade and other receivables		(118,652)	204	(1,064)	(3)
Trade and other payables		33,578	(817)	669	(292)
Cash for operations		(58,374)	(2,395)	(2,461)	(1,327)
Income tax paid		-	28	-	-
Income tax refunded		(35)	-	-	-
NET CASH FOR OPERATING ACTIVITIES		(58,409)	(2,367)	(2,461)	(1,327)

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

		The Group		The Company	
		2025	2024	2025	2024
	Note	RM'000	RM'000	RM'000	RM'000
INVESTING ACTIVITIES					
Acquisition of subsidiary, net of cash and cash equivalents acquired	28	186	-	(60)	-
Purchase of property, plant and equipment	29(a)	(834)	(103)	(254)	-
Repayment from an associate		10,000	4,227	10,000	4,708
Advances to subsidiaries		-	-	(2,266)	(3,272)
Interest received		10	2	1	2
Investment in subsidiaries		-	-	(6,000)	-
NET CASH FROM INVESTING ACTIVITIES		9,362	4,126	1,421	1,438
FINANCING ACTIVITIES					
Advances from holding company		3,338	1,970	1,030	450
Capital contributed by non-controlling interests		4	-	-	-
Repayment to former holding company		-	(440)	-	(440)
Repayment to former related companies		-	(534)	-	-
Interest paid	29(b)	(932)	(1,658)	-	-
Increase in restricted cash		(3,006)	-	-	-
Drawdown from short-term financing	29(b)	54,496	-	-	-
Repayment of term loan	29(b)	(1,239)	(719)	-	-
Repayment of lease liabilities	29(b)	(25)	-	-	-
NET CASH FROM/(FOR) FINANCING ACTIVITIES		52,636	(1,381)	1,030	10
NET CHANGES		3,589	378	(10)	121
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		452	74	139	18
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	29(d)	4,041	452	129	139

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

1. GENERAL INFORMATION

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

Registered office : D-09-02, Level 9, EXSIM Tower
Millerz Square @ Old Klang Road
Megan Legasi
No.357, Jalan Kelang Lama
58000 Kuala Lumpur.

Principal place of business : D-35-01, Level 35, EXSIM Tower
Millerz Square @ Old Klang Road
Megan Legasi
No.357, Jalan Kelang Lama
58000 Kuala Lumpur.

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

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 17 October 2025.

2. HOLDING COMPANY

The holding company is EXSIM Hospitality Holdings Sdn. Bhd., a company incorporated in Malaysia.

3. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activities of the subsidiaries are set out in Note 8 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

4. BASIS OF PREPARATION

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

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

MFRSs (Including The Consequential Amendments)

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

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

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards (including the consequential amendments, if any) did not have any material impact on the Group’s financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

4. BASIS OF PREPARATION cont'd

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

MFRSs (Including The Consequential Amendments)	Effective Date
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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

MFRS 18 Presentation and Disclosure of Financial Statements

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

5. MATERIAL ACCOUNTING POLICY INFORMATION

5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

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

(a) Depreciation of Property, Plant and Equipment

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

5. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS cont'd

Key Sources of Estimation Uncertainty cont'd

(b) Property, Plant and Equipment under Revaluation

Certain properties of the Group are reported at revalued amounts which are based on valuations performed by independent professional valuers by reference to the selling prices of recent transactions and asking prices of similar properties of nearby location and where necessary, adjusting for tenure, location, size, market trends and others. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuations. The carrying amount of property, plant and equipment measured at revaluation as at the reporting date is disclosed in Note 6 to the financial statements.

(c) Impairment of Property, Plant and Equipment and Right-of-use Assets

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

(d) Write-down of Inventories

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

(e) Impairment of Trade Receivables and Contract Assets

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables and contract assets. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying value of trade receivables and contract assets. The carrying amounts of trade receivables and contract assets as at the reporting date are disclosed in Notes 11 and 12 to the financial statements respectively.

(f) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amounts of other receivables, amounts owing by subsidiaries and amount owing by an associate as at the reporting date are disclosed in Notes 11 and 13 to the financial statements respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

5. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS cont'd

Key Sources of Estimation Uncertainty cont'd

(g) Revenue Recognition for Construction Contracts

The Group recognises construction revenue by reference to the construction progress using the input method, determined based on the proportion of construction costs incurred for work performed to date over the estimated total construction costs. The total estimated costs are based on approved budgets, which require assessment and judgement to be made on changes in, for example, work scope, changes in costs and costs to completion. In making the judgement, management relies on past experience and the work of specialists. The carrying amounts of contract assets and contract liabilities as at the reporting date are disclosed in Note 12 to the financial statements.

(h) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amounts of current tax assets and current tax liabilities of the Group are RM11,000 and RM8,062,000 (2024 - RM9,000 and Nil) respectively.

(i) Discount Rates used in Leases

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

Critical Judgements Made In Applying Accounting Policies

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

(a) Lease Terms

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

5.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets at Amortised Cost

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

5. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

5.2 FINANCIAL INSTRUMENTS cont'd

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

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

(c) Equity

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

5.3 INVESTMENTS IN SUBSIDIARIES

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

5.4 INVESTMENT IN AN ASSOCIATE

Investment in an associate is stated in the financial statements of the Company at cost less impairment losses, if any, and accounted for using the equity method in the financial statements of the Group.

5.5 PROPERTY, PLANT AND EQUIPMENT

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

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

Buildings are stated at revalued amount based on periodic valuations, at least once in every 5 years, less subsequent depreciation for building. Surpluses arising from the revaluation are recognised in other comprehensive income and accumulated in equity under the revaluation reserve to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss. Deficits arising from the revaluation, to the extent that they are not supported by any previous revaluation surpluses, are recognised in profit or loss.

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

Long term leasehold land (Right-of-use asset)	66 - 92 years
Buildings	remaining useful life of 24 years
Office equipment	10% - 20%
Furniture and fittings	10% - 20%
Motor vehicles	20%
Plant and machinery	5% - 10%
Renovation	10% - 20%

5.6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

5. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

5.6 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES cont'd

(b) Right-of-use Assets

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

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

(c) Lease Liabilities

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

5.7 INVENTORIES

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

5.8 REVENUE FROM CONTRACTS WITH CUSTOMERS

Revenue is recognised by reference to each distinct performance obligation in the contract with customer and is measured at the consideration specified in the contract of which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of sales and service tax, returns, rebates and discounts.

The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of that asset.

The Group transfers control of a good or service at a point in time unless one of the following over time criteria is met:

- The customer simultaneously receives and consumes the benefits provided as the Company performs.
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.
- The Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

(a) Revenue from Hotel Operations

Revenue from providing services to guests of the hotel includes provision of rooms, food and beverage sales, other departments' sales and ancillary services. The services rendered are distinct performance obligations, for which prices invoiced to the guests are representative of their stand-alone selling prices. These obligations are fulfilled over time when they relate to room rentals that is over the stay within the hotel, and at a point in time for other goods or services, when they have been delivered or rendered.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

5. MATERIAL ACCOUNTING POLICY INFORMATION cont'd

5.8 REVENUE FROM CONTRACTS WITH CUSTOMERS cont'd

(b) Revenue from Hospitality Operator

The Group manages short-term rentals for property owners, handling everything from bookings to housekeeping and maintenance. Revenue from hospitality operator is recognised over time in the period when services are rendered using an output method determined by proportion of services provided to date relative to the total services to be provided.

(c) Revenue from Fit-out

The Group provides complete solutions for hospitality asset owners, handling everything from design and consultation to fit-out which include interior design, strategic advice, project management, and procurement, all tailored to the hospitality industry.

Revenue from fit-out is recognised over time in the period in which the services are rendered using the input method, determined based on the proportion of construction costs incurred for work performed to date over the estimated total construction costs. Transaction price is computed based on the price specified in the contract and adjusted for any variable consideration such as incentives, penalties and liquidated ascertained damages.

Progress billings to the customer are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. A contract asset is recognised when the Group has performed under the contract but has not billed the customer. Conversely, a contract liability is recognised when the Group has not performed under the contract but have billed or received advance payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

When the outcome of a contract cannot be reasonably measured but the Group expects to recover the costs incurred in satisfying the performance obligation, revenue is recognised only to the extent of contract costs incurred until such time that the Group can reasonably measure the outcome of the performance obligation. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue on a contract, the expected loss is recognised as an expense immediately, with a corresponding provision for an onerous contract.

5.9 REVENUE FROM OTHER SOURCES AND OTHER OPERATING INCOME

(a) Management Fees

Management fees are recognised on an accrual basis.

(b) Interest Income

Interest income is recognised on an accrual basis using the effective interest method.

(c) Rental Income

Rental income is accounted for on a straight-line method over the lease term.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

6. PROPERTY, PLANT AND EQUIPMENT

	At 1.7.2024	Additions	Written off	Impairment Loss	Depreciation Charges	At 30.6.2025
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2025						
Carrying Amount						
Buildings	29,516	-	-	(15,576)	(1,342)	12,598
Office equipment	781	102	(45)	-	(153)	685
Furniture and fittings	73	-	(5)	-	(12)	56
Plant and machinery	9	-	-	-	(4)	5
Renovation	225	-	(174)	-	(50)	1
Capital work in progress	-	732	-	-	-	732
	30,604	834	(224)	(15,576)	(1,561)	14,077

	At 1.7.2023	Additions	Depreciation Charges	At 30.6.2024
The Group	RM'000	RM'000	RM'000	RM'000
2024				
Carrying Amount				
Buildings	30,858	-	(1,342)	29,516
Office equipment	849	98	(166)	781
Furniture and fittings	86	-	(13)	73
Plant and machinery	14	-	(5)	9
Renovation	274	5	(54)	225
	32,081	103	(1,580)	30,604

	At 1.7.2024	Additions	Depreciation Charge	At 30.6.2025
The Company	RM'000	RM'000	RM'000	RM'000
2025				
Carrying Amount				
Office equipment	-	22	(4)	18
Capital work in progress	-	232	-	232
	-	254	(4)	250

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

6. PROPERTY, PLANT AND EQUIPMENT cont'd

The Group	At Cost RM'000	At Valuation RM'000	Accumulated Impairment Loss RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
2025					
Buildings	-	32,200	(15,576)	(4,026)	12,598
Office equipment	1,960	-	-	(1,275)	685
Furniture and fittings	110	-	-	(54)	56
Motor vehicles	3	-	-	(3)	-
Plant and machinery	318	-	-	(313)	5
Renovation	7	-	-	(6)	1
Capital work in progress	732	-	-	-	732
	3,130	32,200	(15,576)	(5,677)	14,077

The Group	At Cost RM'000	At Valuation RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
2024				
Buildings	-	32,200	(2,684)	29,516
Office equipment	2,977	-	(2,196)	781
Furniture and fittings	273	-	(200)	73
Motor vehicles	3	-	(3)	-
Plant and machinery	326	-	(317)	9
Renovation	1,445	-	(1,220)	225
	5,024	32,200	(6,620)	30,604

The Company	At Cost RM'000	Accumulated Depreciation RM'000	Carrying Amount RM'000
2025			
Office equipment	22	(4)	18
Capital work in progress	232	-	232
	254	(4)	250
2024			
Office equipment	263	(263)	-
Furniture and fittings	119	(119)	-
	382	(382)	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

6. PROPERTY, PLANT AND EQUIPMENT cont'd

- (a) The buildings of the Group have been charged against a licensed bank for banking facilities granted to the Group as disclosed in Note 17 to the financial statements.
- (b) The Group's buildings were revalued by independent professional valuers. The surplus arising from the revaluations, net of deferred taxation, have been credited to other comprehensive income and accumulated in equity under the revaluation reserve.

During the financial year, an impairment loss is approximately RM12.204 million was recognised in the Other Comprehensive Income, reducing the revaluation reserve accordingly.

	The Group	
	2025	2024
	RM'000	RM'000
Revaluation reserve	16,057	16,057
Deferred tax liabilities	(3,853)	(3,853)
Impairment loss	(12,204)	-
	-	12,204

- (c) The details of the Group's property, plant and equipment carried at fair value are analysed as follows:

	Level 1	Level 2	Level 3	Total
The Group	RM'000	RM'000	RM'000	RM'000
2025				
Buildings	-	-	12,598	12,598
2024				
Buildings	-	-	29,516	29,516

The level 3 fair value has been determined using a discounted cash flow approach performed by independent professional valuer based on the following significant unobservable inputs:

Unobservable Inputs		Relationship of Unobservable Inputs to Fair Value
Discount rate of 12%	Reflects current market assessments of the uncertainty in the amount and timing of cash flows.	The higher the discount rate, the lower the fair value. A change in the discount rate by 1% would increase/decrease the fair value by RM4,000,000.
Occupancy rate ranging from 30% - 75%	Based on future market conditions and demand for room.	The higher the occupancy rate, the higher the fair value. A change in the occupancy rate by 1% would increase/decrease the fair value by RM1,000,000.
Average room rate of RM155 - RM250	Based on current and expected future market conditions.	The higher the average room rate, the higher the fair value. A change in the average room rate of RM5 would increase/decrease the fair value by RM2,000,000.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

6. PROPERTY, PLANT AND EQUIPMENT cont'd

(c) cont'd

The following table shows a reconciliation of level 3 fair value:

	The Group	
	2025 RM'000	2024 RM'000
At July 2024/2023	29,516	30,858
Impairment loss	(15,576)	-
Depreciation for the year	(1,342)	(1,342)
At 30 June	12,598	29,516

There were no transfers between level 1, level 2 and level 3 during the financial year.

The fair value measurements of the buildings are based on the highest and best use which does not differ from their actual use.

(d) If the buildings were measured using the cost model, the carrying amounts would be as follows:

	The Group	
	2025 RM'000	2024 RM'000
Cost	34,765	34,765
Accumulated depreciation	(20,782)	(20,062)
Accumulated impairment loss	(2,626)	(2,626)
	11,357	12,077

7. RIGHT-OF-USE ASSETS

	At 1.7.2024 RM'000	Addition RM'000	Modification of Lease Liabilities RM'000	Depreciation Charges RM'000	At 30.6.2025 RM'000
The Group					
2025					
Carrying Amount					
Long term leasehold land	3,882	-	-	(88)	3,794
Hostels	-	84	(25)	(27)	32
	3,882	84	(25)	(115)	3,826

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

7. RIGHT-OF-USE ASSETS cont'd

	At 1.7.2023	Depreciation Charge	At 30.6.2024
	RM'000	RM'000	RM'000
The Group			
2024			
Carrying Amount			
Long term leasehold land	3,970	(88)	3,882

The Group leases certain pieces of leasehold land and hostels of which the leasing activities are summarised below:

- (i) Long term leasehold land The leases are for periods of 66 - 92 years with no renewal or purchase option. The leases do not allow the Group to assign, transfer or sublease or create any charge, lien or trust in respect of or dispose of the whole or any part of the land. A tenancy is, however, allowed with the consent of the lessor.
- (ii) Hostels The leases periods are 2 years with an option to renew after that date.

The leasehold land of the Group has been charged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 17 to the financial statements.

8. INVESTMENTS IN SUBSIDIARIES

	The Company	
	2025	2024
	RM'000	RM'000
Unquoted shares, at cost	41,505	3,705
Accumulated impairment losses	(29,099)	(3,705)
	12,406	-

The details of the subsidiaries are as follows:

Name of Subsidiary	Country of Incorporation	Percentage of Issued Share Capital Held by Parent				Principal Activities
		The Company		Subsidiary		
		2025	2024	2025	2024	
		%	%	%	%	
Subsidiaries of the Company						
Pengkalan Holiday Resort Sdn. Bhd.	Malaysia	100	100	-	-	Operating a hotel.
Golden Carps Pte. Ltd.+	Singapore	100	100	-	-	Dormant.
Grandvestment Company Limited+	Hong Kong	100	100	-	-	Dormant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

8. INVESTMENTS IN SUBSIDIARIES cont'd

Name of Subsidiary	Country of Incorporation	Percentage of Issued Share Capital Held by Parent				Principal Activities
		The Company		Subsidiary		
		2025	2024	2025	2024	
		%	%	%	%	
Subsidiaries of the Company cont'd						
EXSIM Concepto Sdn. Bhd.	Malaysia	100	-	-	-	To provide specialised fit-out services for hospitality assets.
Mana Mana Holdings Sdn. Bhd.	Malaysia	100	-	-	-	Investment holding and operator of hospitality assets.
Uppervista Sdn. Bhd.	Malaysia	100	-	-	-	Investment holding company for hospitality assets.
Blossom Hectares Sdn. Bhd.	Malaysia	100	-	-	-	Investment holding company for hospitality assets.
Asia Entertainment Network Sdn. Bhd.^	Malaysia	60	60	-	-	Under liquidation.
Pengkalen Building Materials Sdn. Bhd.^	Malaysia	100	100	-	-	Under liquidation.
Pengkalen Electronics Industries Sdn. Bhd.^	Malaysia	67	67	-	-	Under liquidation.
Technitone (M) Sdn. Bhd.^	Malaysia	64.10	64.10	-	-	Under liquidation.
Subsidiaries of Mana Mana Holdings Sdn. Bhd.						
The Flash Living Sdn. Bhd.	Malaysia	-	-	60	-	To carry on business in providing short-term accommodation, property management and all other related activities.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

8. INVESTMENTS IN SUBSIDIARIES cont'd

Name of Subsidiary	Country of Incorporation	Percentage of Issued Share Capital Held by Parent				Principal Activities
		The Company		Subsidiary		
		2025	2024	2025	2024	
		%	%	%	%	
Subsidiaries of Mana Mana Holdings Sdn. Bhd. cont'd						
Mana Mana Style Sdn. Bhd.	Malaysia	-	-	60	-	To carry on business in providing short-term accommodation, property management and all other related activities.
MyKey International Sdn. Bhd.	Malaysia	-	-	60	-	To engage in property management, acquisition and leasing services; to operate in trade, import, export, distribution and retail of goods and commodities; and investment holding.
Subsidiaries of Technitone (M) Sdn. Bhd.						
Office Business Systems Sdn. Bhd.^	Malaysia	-	-	100	100	Under liquidation.
Subsidiaries of Office Business Systems Sdn. Bhd.						
Office Business Systems (Malacca) Sdn. Bhd.^	Malaysia	-	-	65	65	Under liquidation.
Office Business Systems (Penang) Sdn. Bhd.^	Malaysia	-	-	100	100	Under liquidation.
Sensor Equipment Sdn. Bhd.^	Malaysia	-	-	100	100	Under liquidation.

+ Subsidiaries audited by other firms of chartered accountants.

[^] Subsidiaries under liquidation and not dealt with in the consolidated financial statements of the Group for financial year ended 30 June 2025 and 30 June 2024. The contributions of these subsidiaries to the Group are insignificant.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

8. INVESTMENTS IN SUBSIDIARIES cont'd

(a) Movement in direct subsidiaries of the Company

- (i) On 11 July 2024, the Company incorporated a wholly-owned subsidiary, EXSIM Concepto Sdn. Bhd. with paid-up capital of RM1 comprising of 1 share. Subsequently, on the 19 August 2024 and 20 September 2024, the Company subscribed for additional 749,999 shares and 4,250,000 shares of RM1 each respectively.
- (ii) On 22 July 2024, the Company incorporated a wholly-owned subsidiary, Mana Mana Holdings Sdn. Bhd. ("MMH") with paid-up capital of RM1 comprising of 1 share. Subsequently, on 22 November 2024, the Company subscribed for additional 999,999 shares of RM1 each.
- (iii) On 9 September 2024, the Company has acquired two wholly-owned subsidiaries. The details of the acquisitions are disclosed in Note 28(b) to the financial statements.
- (iv) On 11 October 2024, the Company subscribed for additional 31,800,000 shares of RM1 each of Pengkalen Holiday Resort Sdn. Bhd. ("PHR") by way of capitalisation of RM31,800,000 from amount due from PHR.

(b) Movement in subsidiaries held through MMH

- (i) On 27 August 2024, MMH has acquired 60% of equity interest in The Flash Living Sdn. Bhd.. The details of the acquisition are disclosed in Note 28(a) to the financial statements.
- (ii) Mana Mana Style Sdn. Bhd. was incorporated on 14 October 2024 and is 60%-owned subsidiary of MMH. It has issued share capital of RM60 comprising 60 ordinary shares.
- (iii) MyKey International Sdn. Bhd. was incorporated on 16 October 2024 and is 60%-owned subsidiary of MMH. It has issued share capital of RM6,000 comprising 6,000 ordinary shares.

(c) The non-controlling interests at the end of the reporting period comprise the following:

	Effective Equity Interest		The Company	
	2025	2024	2025	2024
	%	%	RM'000	RM'000
The Flash Living Sdn. Bhd.	40	-	49	-
Mana Mana Style Sdn. Bhd.	40	-	(3)	-
MyKey International Sdn. Bhd.	40	-	5	-
			<hr/> 51	<hr/> -

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

8. INVESTMENTS IN SUBSIDIARIES cont'd

- (d) The summarised financial information (before intra-group elimination) for The Flash Living Sdn. Bhd. ("TFL") that has non-controlling interests that are material to the Group is as follows:

	TFL 2025 RM'000
<u>At 30 June</u>	
Non-current assets	32
Current assets	815
Non-current liabilities	(5)
Current liabilities	(676)
Net assets	<u>166</u>
<u>Financial Period From 27 August 2024 to 30 June 2025</u>	
Revenue	3,578
Profit for the financial period	23
Total comprehensive income	<u>23</u>
Total comprehensive income attributable to non-controlling interests	<u>9</u>
Net cash flows from operating activities	32
Net cash flows from investing activities	-
Net cash flows for financing activities	<u>(439)</u>

- (e) Summarised financial information of non-controlling interests has not been presented as the non-controlling interests of the other subsidiaries are not individually material to the Group.

9. INVESTMENT IN AN ASSOCIATE

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Unquoted shares, at cost	296,672	296,672	296,672	296,672
Share of post-acquisition reserve	(54,068)	(54,068)	-	-
	242,604	242,604	296,672	296,672
Accumulated impairment losses	(242,604)	(242,604)	(296,672)	(296,672)
	-	-	-	-
Accumulated impairment losses:				
At 1 July 2024/2023/30 June	(242,604)	(242,604)	(296,672)	(296,672)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

9. INVESTMENT IN AN ASSOCIATE cont'd

The details of the associates are as follows:

Name of Associate	Country of Incorporation	Percentage of Ownership				Principal Activities
		The Company		Associate		
		2025	2024	2025	2024	
		%	%	%	%	
Pan Malaysia Capital Berhad	Malaysia	34.84	34.84	-	-	Investment holding.
Subsidiaries of Pan Malaysia Capital Berhad						
Bayan Niaga Sdn. Bhd.	Malaysia	-	-	100	100	Investment holding.
PM Asset Management Sdn. Bhd.	Malaysia	-	-	100	100	Investment holding.

The summarised financial information of the associate that is material to the Group is as follows:

	2025	2024
	RM'000	RM'000
<u>At 30 June</u>		
Non-current assets	11,913	-
Current assets	7,815	50,583
Non-current liabilities	-	-
Current liabilities	(60,293)	(88,520)
Net liabilities	(40,565)	(37,937)
<u>Financial year ended 30 June</u>		
Revenue	-	5,125
Loss for the financial year/Total comprehensive expenses	(2,628)	(959)

The Group has not recognised losses relating to Pan Malaysia Capital Berhad as its share of losses has exceeded the Group's interest in this associate. The Group's cumulative share of unrecognised losses at the end of the reporting period was RM14,136,000 (2024 - RM13,220,000). The Group has no obligation in respect of these losses.

10. INVENTORIES

	The Group	
	2025	2024
	RM'000	RM'000
Consumables, food and beverages	2	94
Recognised in profit or loss:		
Inventories recognised as cost of services	535	868
Inventories written off	13	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

11. TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Trade				
Trade receivables				
- Third parties	71,152	396	-	-
- Related parties	40,614	-	-	-
Retention sum				
- Third parties	3,285	-	-	-
- Related parties	2,818	-	-	-
Allowance for impairment losses	-	(38)	-	-
	117,869	358	-	-
Non-Trade				
Other receivables				
- Third parties	11,173	11,356	15	33
- Related parties	4	-	-	-
Allowance for impairment losses	(10,794)	(10,978)	-	(18)
	383	378	15	15
Deposits	362	419	-	84
Allowance for impairment losses	-	(79)	-	(79)
	362	340	-	5
	118,614	1,076	15	20
Prepayments	1,803	110	1,065	-
Advance payments to suppliers	86	-	-	-
Amount owing by an associate	19,819	29,819	19,819	29,819
Allowance for impairment losses	(12,588)	(12,928)	(12,588)	(12,928)
	7,231	16,891	7,231	16,891
	127,734	18,077	8,311	16,911

- (a) The Group's and the Company's normal trade credit terms range from 30 to 270 (2024 - 30) days.
- (b) The advance payments to suppliers are unsecured and interest-free. The amount owing will be recovered against future purchases from suppliers.
- (c) The amount owing by an associate represents non-trade balances (current), unsecured interest-free advances and payments made on behalf. The amount owing is repayable on demand and is to be settled in cash.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

11. TRADE AND OTHER RECEIVABLES cont'd

(d) The reconciliation of movements in the allowance for impairment losses are as follows:

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Trade receivables				
At 1 July 2024/2023	(38)	(38)	-	-
Reversal (Note 23)	38	-	-	-
At 30 June	-	(38)	-	-
Other receivables				
At 1 July 2024/2023	(10,978)	(10,608)	(18)	-
Reclassification	-	(370)	-	(18)
Additions (Note 23)	(82)	-	-	-
Written off	266	-	18	-
At 30 June	(10,794)	(10,978)	-	(18)
Deposits				
At 1 July 2024/2023	(79)	(79)	(79)	(79)
Written off	79	-	79	-
At 30 June	-	(79)	-	(79)
Amount owing by an associate				
At 1 July 2024/2023	(12,928)	(15,598)	(12,928)	(15,598)
Assignment of debt	-	12,000	-	12,000
Reversal/(Additions) (Note 23)	340	(9,330)	340	(9,330)
At 30 June	(12,588)	(12,928)	(12,588)	(12,928)

12. CONTRACT ASSETS/(LIABILITIES)

Contract Assets

	The Group	
	2025	2024
	RM'000	RM'000
At 1 July 2024/2023	-	-
Performance obligations performed	130,026	-
Transfer to trade receivables	(127,047)	-
At 30 June	2,979	-
Represented by:		
Fit-out services	2,979	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

12. CONTRACT ASSETS/(LIABILITIES) cont'd

Contract Assets cont'd

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

Contract Liabilities

	The Group	
	2025	2024
	RM'000	RM'000
At 1 July 2024/2023	-	-
Performance obligations performed	8,437	-
Amounts billed for unfulfilled performance obligations	(8,470)	-
At 30 June	(33)	-
Represented by:		
Fit-out services	(33)	-

- (a) The contract liabilities primarily relate to advances received from customers to render fit-out services. The amount will be recognised as revenue when the performance obligations are satisfied.
- (b) The transaction price allocated to unsatisfied performance obligations as at the reporting date are as follows:

	The Group	
	2025	2024
	RM'000	RM'000
<u>Fit-out services</u>		
Within 1 year	33	-

The amount disclosed above do not have variable consideration.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

13. AMOUNTS OWING BY/(TO) SUBSIDIARIES

	The Company	
	2025 RM'000	2024 RM'000
Amount Owing by Subsidiaries		
<u>Current</u>		
Non-trade balances	270,300	299,205
Allowance for impairment losses	(263,241)	(295,041)
	<u>7,059</u>	<u>4,164</u>
Allowance for impairment losses:		
At 1 July 2024/2023	(295,041)	(294,560)
Reversal/(Additions) during the financial year (Note 23)	31,800	(481)
At 30 June	<u>(263,241)</u>	<u>(295,041)</u>
Amount Owing to Subsidiaries		
<u>Current</u>		
Non-trade balances	<u>570</u>	<u>-</u>

The amounts owing are non-trade in nature and represents unsecured interest-free advances and payments made on behalf which are repayable on demand. The amounts owing are to be settled in cash.

14. SHORT-TERM MONEY MARKET DEPOSIT

In the previous financial year, the short-term money market deposit of the Group and the Company at the end of the reporting period bore an effective interest rate of 2.35% per annum. The deposit has maturity period of 7 days.

15. SHARE CAPITAL

	The Group/The Company			
	2025 Number of shares ('000)	2024 ('000)	2025 RM'000	2024 RM'000
Issued and fully paid-up				
Ordinary shares				
At 1 July 2024/2023/30 June	<u>928,867</u>	<u>928,867</u>	<u>92,887</u>	<u>92,887</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company, and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

16. LEASE LIABILITIES

	The Group	
	2025	2024
	RM'000	RM'000
At 1 July 2024/2023	-	-
Additions	84	-
Interest expense recognised in profit or loss (Note 24)	3	-
Derecognition due to lease modification	(25)	-
Repayment of principal	(25)	-
Repayment of interest expense	(3)	-
At 30 June	34	-
Analysed by:		
Current liabilities	29	-
Non-current liabilities	5	-
	34	-

17. TERM LOAN

	The Group	
	2025	2024
	RM'000	RM'000
Current liabilities	1,355	1,268
Non-current liabilities	11,198	12,524
	12,553	13,792

- (a) The term loan is secured by a first party legal charge over the leasehold land and buildings of the Group as disclosed in Notes 6 and 7 to the financial statements respectively. In addition, the term loan is guaranteed by the former holding company Malayan United Industries Berhad.
- (b) The term loan is repayable in one hundred sixty-eight (168) monthly instalments commencing December 2014.
- (c) The term loan bore an effective interest rate of 6.81% (2024 - 6.81%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

18. DEFERRED TAX LIABILITIES

The Group	At 1.7.2024 RM'000	Recognised in Profit or Loss RM'000	Recognised in Other Comprehensive Income RM'000	At 30.6.2025 RM'000
2025				
<i>Deferred Tax Liabilities</i>				
Property, plant and equipment	3,827	(160)	(3,372)	295
		At 1.7.2023 RM'000	Recognised in Profit or Loss RM'000	At 30.6.2024 RM'000
2024				
<i>Deferred Tax Liabilities</i>				
Property, plant and equipment*		3,987	(160)	3,827

* Includes the deferred tax from the revaluation of buildings.

19. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Trade payables:				
Third parties	24,183	566	-	-
Non-controlling interests	47	-	-	-
Related parties	60	-	-	-
Retention sum	4,281	-	-	-
Accruals	5,308	-	-	-
	33,879	566	-	-
Other payables:				
Other payables	3,893	4,257	2,594	2,194
Related parties	425	-	420	-
Non-controlling interests	6	-	-	-
Deposit received	1,156	-	-	-
Advanced from customers	9	-	-	-
Provisions	17	123	-	-
Accruals	555	571	219	370
Sales tax payables	59	-	-	-
	6,120	4,951	3,233	2,564
	39,999	5,517	3,233	2,564

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

19. TRADE AND OTHER PAYABLES cont'd

- (a) The normal trade credit terms granted to the Group and to the Company range from 14 to 60 (2024 - 14 to 60) days.
- (b) Provisions include a claim for service charge brought against a subsidiary of the Company.

20. AMOUNT OWING TO HOLDING COMPANY

The non-trade balances represent unsecured interest-free advances and payments made on behalf. The amount owing is repayable on demand and is to be settled in cash.

21. SHORT-TERM FINANCING

	The Group	
	2025	2024
	RM'000	RM'000
<u>Secured</u>		
Revolving credit	55,497	-

- (a) The short-term financing of the Group is secured by the following:
 - (i) Specific debenture over all the assets to be delivered under the contracts financed by the Bank;
 - (ii) Corporate guarantee by the Company;
 - (iii) Charge over designated accounts;
 - (iv) Letter of set off/marginal deposit over account maintained with the Bank;
 - (v) Letter of subordination by the Company;
 - (vi) Letter of negative pledge; and
 - (vii) Assignment of contract proceeds from the project funded.
- (b) The short-term financing at the end of the reporting period bore effective interest rates range from 6.74% to 7.24% per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

22. REVENUE

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
<u>Revenue recognised over time</u>				
- Fit-out	138,463	-	-	-
- Room revenue - Own and Operate	2,572	3,335	-	-
- Room revenue - Hospitality Operator	3,578	-	-	-
- Management fee	349	-	-	24
	144,962	3,335	-	24
<u>Revenue recognised at a point in time</u>				
- Food and beverage sales	1,517	2,277	-	-
- Other hotel services	52	83	-	-
	1,569	2,360	-	-
	146,531	5,695	-	24

- (a) The information on the disaggregation of revenue by geographical market is disclosed in Note 33 to the financial statements.
- (b) The information on transaction price allocated to unsatisfied performance obligations as at the reporting date is disclosed in Note 12(b) to the financial statements.

23. NET REVERSAL OF IMPAIRMENT LOSSES/(IMPAIRMENT LOSSES) ON FINANCIAL ASSETS

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Impairment losses on:				
- amount owing by a subsidiary (Note 13)	-	-	-	(481)
- amount owing by an associate (Note 11(d))	-	(9,330)	-	(9,330)
- other receivables	(82)	-	-	-
Reversal of impairment losses on:				
- trade receivables (Note 11(d))	38	-	-	-
- amount owing by a subsidiary (Note 13)	-	-	31,800	-
- amount owing by an associate (Note 11(d))	340	-	340	-
	296	(9,330)	32,140	(9,811)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

24. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before taxation is arrived at after charging/(crediting):				
Auditors' remuneration:				
- audit fees:				
- current year	114	70	55	50
- non-audit fees	58	4	58	4
Directors' remuneration (Note 31)	340	379	340	379
Material Expenses/(Income)				
Bad debt written off	87	-	-	-
Depreciation:				
- property, plant and equipment (Note 6)	1,561	1,580	4	-
- right-of-use assets (Note 7)	115	88	-	-
Deposit written off	5	-	5	-
Impairment loss on investment in subsidiaries	-	-	25,394	-
Interest expense on lease liabilities	3	-	-	-
Interest expense on financial liabilities not at fair value through profit or loss:				
- term loan (Note 29(b))	929	736	-	-
- short-term financing (Note 29(b))	1,001	-	-	-
Inventories written off (Note 10)	13	-	-	-
Lease expense:				
- short-term lease	18	-	-	-
Property, plant and equipment written off (Note 6)	224	-	-	-
Staff costs (Note 30)	3,926	2,836	447	-
Gain on bargaining purchase	(43)	-	-	-
Interest income on financial assets measured at amortised cost:				
- short-term money market deposit	(1)	(2)	(1)	(2)
- others	(9)	-	-	-
Rental income on premises	(61)	(58)	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

25. INCOME TAX EXPENSE/(CREDIT)

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Current tax expense	8,095	-	-	-
Deferred tax	(160)	(160)	-	-
	7,935	(160)	-	-

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

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before taxation	25,978	(13,490)	4,672	(10,841)
Tax at the statutory tax rate of 24% (2024 - 24%)	6,235	(3,237)	1,121	(2,602)
Tax effects of:				
Non-allowable expenses	889	2,325	6,321	2,417
Non-taxable income	(82)	-	(7,713)	-
Crystallisation of deferred tax on revaluation reserve	(160)	(160)	-	-
Deferred tax assets not recognised during the financial year	1,053	912	271	185
	7,935	(160)	-	-

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024 - 24%) of the estimated assessable profit for the financial year.

The amounts of temporary differences for which no deferred tax assets have been recognised in the statements of financial position are as follows:

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment	(2,108)	(3,048)	(5)	-
Other provisions	17	160	-	-
Unutilised tax losses	35,477	32,729	19,750	18,624
Unabsorbed capital allowances	10,548	9,703	3,014	3,005
	43,934	39,544	22,759	21,629

Deferred tax assets have not been recognised in respect of these items as it is not probable that taxable profit will be available against which the deductible temporary differences could be utilised.

The deductible temporary differences do not expire under the current tax legislation. The unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment; whereas, the unabsorbed capital allowances are allowed to be carried forward indefinitely.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

26. OTHER COMPREHENSIVE INCOME

	The Group	
	2025	2024
	RM'000	RM'000
Items that Will Not be Reclassified Subsequently to Profit or Loss		
Revaluation of property, plant and equipment	15,576	-
Less: Deferred taxation	(3,372)	-
	<u>12,204</u>	<u>-</u>

27. EARNINGS/(LOSS) PER SHARE

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

	The Group	
	2025	2024
Profit/(Loss) attributable to owners of the Company (RM'000)	18,036	(13,330)
Weighted average number of ordinary shares in issue ('000)	928,867	928,867
Basic/Diluted earnings/(loss) per share (sen)	<u>1.94</u>	<u>(1.44)</u>

The Company has not issued any dilutive potential ordinary shares and hence, the diluted loss per share is equal to the basic loss per share.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

28. ACQUISITION OF SUBSIDIARIES

- (a) On 27 August 2024, a wholly-owned subsidiary of the Company; Mana Mana Holdings Sdn. Bhd. acquired 60% equity interests in The Flash Living Sdn. Bhd.. The acquisition of this subsidiary is to enable the Group to expand its business of hospitality operator.

- (i) The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

	The Group 2025 RM'000
Trade receivables and other receivables	801
Cash and bank balances	246
Trade and other payables	(904)
Net identifiable assets acquired	143
Less: Non-controlling interests, measured at the proportionate share of the fair value of the net identifiable assets	(40)
Less: Gain on bargain purchase	(43)
Total purchase consideration	60
Less: Cash and bank balances of subsidiary acquired	(246)
Net cash inflow from the acquisition of a subsidiary	(186)
	The Company 2025 RM'000
Total purchase consideration/Net cash outflow from the acquisition of a subsidiary	60

- (ii) The subsidiary has contributed revenue of RM3,577,651 and profit after taxation of RM22,708 to the Group since the date of acquisition.

If the acquisition was effective at the beginning of the current financial year, the Group's revenue and profit after taxation for the current financial year would have been RM4,178,776 and RM79,231 respectively.

- (b) On 9 September 2024, the Company acquired two subsidiaries Uppervista Sdn. Bhd. and Blossom Hectares Sdn. Bhd. respectively. The acquisitions are to enable the Group to expand its own and operate business segment.

The details as at the date of acquisition are as follows:

- (i) The net identifiable liabilities acquired and net cash outflow arising from the acquisition of Uppervista Sdn. Bhd. is RM20.

The purchase consideration is RM20, representing a 100% equity interest in the subsidiary.

- (ii) The net identifiable liabilities acquired and net cash outflow arising from the acquisition of Blossom Hectares Sdn. Bhd. is RM20.

The purchase consideration is RM20, representing a 100% equity interest in the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

28. ACQUISITION OF SUBSIDIARIES cont'd

- (b) On 9 September 2024, the Company acquired two subsidiaries Uppervista Sdn. Bhd. and Blossom Hectares Sdn. Bhd. respectively. The acquisitions are to enable the Group to expand its own and operate business segment. cont'd

The details as at the date of acquisition are as follows: cont'd

- (iii) There is no goodwill arising from the acquisitions of Uppervista Sdn. Bhd. and Blossom Hectares Sdn. Bhd. at the respective date of acquisition.
- (c) There was no acquisition of new subsidiaries in the previous financial year.

29. CASH FLOW INFORMATION

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

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Property, plant and equipment				
Cost of property, plant and equipment purchased (Note 6)	834	103	254	-
Right-of-use assets				
Cost of right-of-use assets acquired	84	-	-	-
Less: Additions of new lease liabilities	(84)	-	-	-
	-	-	-	-

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

	Term loan	Short-term financing	Lease liabilities	Total
	RM'000	RM'000	RM'000	RM'000
The Group				
2025				
At 1 July 2024	13,792	-	-	13,792
<u>Changes in Financing Cash Flows</u>				
Proceeds from drawdown	-	54,496	-	54,496
Repayment of principal	(1,239)	-	(25)	(1,264)
Repayment of interests	(929)	-	(3)	(932)
	(2,168)	54,496	(28)	52,300

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

29. CASH FLOW INFORMATION cont'd

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

	Term loan RM'000	Short-term financing RM'000	Lease liabilities RM'000	Total RM'000
The Group cont'd				
2025 cont'd				
<u>Other Changes</u>				
Acquisition of new leases	-	-	84	84
Interest expense recognised in profit or loss (Note 24)	929	1,001	3	1,933
Derecognition due to lease modification	-	-	(25)	(25)
	929	1,001	62	1,992
At 30 June	12,553	55,497	34	68,084
2024				
At 1 July 2023	14,511	-	-	14,511
<u>Changes in Financing Cash Flows</u>				
Repayment of principal	(719)	-	-	(719)
Repayment of interests	(1,658)	-	-	(1,658)
	(2,377)	-	-	(2,377)
<u>Other Changes</u>				
Interest expense recognised in profit or loss (Note 24)	736	-	-	736
Accrued finance charges	922	-	-	922
	1,658	-	-	1,658
At 30 June	13,792	-	-	13,792

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

	The Group	
	2025	2024
	RM'000	RM'000
Interest paid on lease liabilities	3	-
Payment of lease liabilities	25	-
Payment of short-term lease	18	-
	46	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

29. CASH FLOW INFORMATION cont'd

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

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Short-term money market deposit (Note 14)	-	125	-	125
Cash and bank balances	7,047	327	129	14
	7,047	452	129	139
Less: Cash held in a designated account	(3,006)	-	-	-
	4,041	452	129	139

30. EMPLOYEE BENEFITS

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Wages, salaries and bonuses	2,642	2,316	353	-
Contributions to defined contribution plan	212	211	41	-
Other benefits	1,072	309	53	-
	3,926	2,836	447	-

31. KEY MANAGEMENT PERSONNEL COMPENSATION

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

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

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Directors				
<u>Executive Directors of the Company</u>				
Short-term employee benefits:				
- salaries and other emoluments	154	97	154	97
<u>Independent Directors of the Company</u>				
Short-term employee benefits:				
- fee	126	240	126	240
- other benefits	60	42	60	42
	186	282	186	282
Total directors' remuneration (Note 24)	340	379	340	379

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

32. RELATED PARTY DISCLOSURES

(a) Holding Company and Subsidiaries

The holding company is disclosed in Note 2 to the financial statements.

The subsidiaries are disclosed in Note 8 to the financial statements.

(b) Significant Related Party Transactions and Balances

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

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Management fee received from a subsidiary	-	-	-	24
Repayment from an associate	10,000	4,227	10,000	4,708
Advances to subsidiaries	-	-	(2,326)	(3,272)
Advances from holding company	-	1,970	1,030	450
Transactions with holding company	3,338	-	-	-
Transactions with related parties	61,913	-	-	-
Transactions with non-controlling interests	3	-	-	-
Transactions with a company in which a Director of a subsidiary has substantial interest	1	-	-	-
Purchase of services from non-controlling interests	480	-	-	-
Purchase of services from related parties	1,379	-	-	-

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

33. OPERATING SEGMENTS

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

The Group is organised into four main reportable segments as follows:

(a) Own and Operate

Hotel operations.

(b) Hospitality Operator

Provision of short-term accommodation, property management and acquisition and leasing services.

(c) Fit-out

Provision of interior design, renovation and fit-out services for hospitality assets.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

33. OPERATING SEGMENTS cont'd

The Group is organised into four main reportable segments as follows: cont'd

(d) Investment Holding

Comprise mainly investment, dormant and inactive subsidiaries.

The Executive Directors assess the performance of the reportable segments based on their profit/(loss) before interest expense and taxation. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Borrowings and investment-related activities are managed on a group basis by the central treasury function and are not allocated to reportable segments.

Each reportable segment assets is measured based on all assets of the segment other than investment in an associate and tax-related assets.

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

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Unallocated items comprise mainly income taxes and related expenses.

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

33.1 BUSINESS SEGMENTS

2025	Own and Operate RM'000	Hospitality Operator RM'000	Fit-Out RM'000	Investment Holding RM'000	The Group RM'000
Revenue					
External revenue	4,141	3,927	138,463	-	146,531
Represented by:					
<u>Revenue recognised over time</u>					
- Fit-out	-	-	138,463	-	138,463
- Room revenue - Own and Operate	2,572	-	-	-	2,572
- Room revenue - Hospitality Operator	-	3,578	-	-	3,578
- Management fee	-	349	-	-	349
<u>Revenue recognised at point of time</u>					
- Food and beverage sales	1,517	-	-	-	1,517
- Other hotel services	52	-	-	-	52
	4,141	3,927	138,463	-	146,531

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

33. OPERATING SEGMENTS cont'd

33.1 BUSINESS SEGMENTS cont'd

2025	Own and Operate RM'000	Hospitality Operator RM'000	Fit-Out RM'000	Investment Holding RM'000	The Group RM'000
Results					
Segment profit/(loss) before interest and taxation	(2,702)	(155)	32,502	4,672	34,317
Finance costs	(929)	(3)	(1,001)	-	(1,933)
Consolidation adjustment					(6,406)
Consolidated profit before taxation					25,978
Segment profit/(loss) before taxation includes the following:					
Interest expenses	929	3	1,001	-	1,933
Depreciation	1,644	28	-	4	1,676
Impairment on other receivables	82	-	-	-	82
Property, plant and equipment written off	224	-	-	-	224
Bad debts written off	87	-	-	-	87
Reversal of impairment:					
- trade and other receivables	(38)	-	-	-	(38)
- amount owing by an associate	-	-	-	(340)	(340)
Inventories written off	13	-	-	-	13
Assets					
Segment assets	19,401	2,888	126,189	28,155	176,633
Unallocated assets:					
- current tax assets					11
Consolidation adjustments					(20,968)
Consolidated total assets					155,676
Additional to non-current asset other than financial instruments:					
Property, plant and equipment	566	13	1	254	834
Right-of-use asset	-	84	-	-	84

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

33. OPERATING SEGMENTS cont'd

33.1 BUSINESS SEGMENTS cont'd

2025	Own and Operate RM'000	Hospitality Operator RM'000	Fit-Out RM'000	Investment Holding RM'000	The Group RM'000
Liabilities					
Segment liabilities	24,068	1,968	89,688	351,916	467,640
Unallocated liabilities:					
- deferred tax liabilities					295
- current tax liabilities					8,062
Consolidation adjustments					(354,216)
Consolidated total liabilities					121,781
<hr/>					
2024			Own and Operate RM'000	Investment Holding RM'000	The Group RM'000
Revenue					
External revenue			5,695	-	5,695
Inter-segment revenue			-	24	24
			5,695	24	5,719
Consolidation adjustments					(24)
Consolidated revenue					5,695
<hr/>					
Represented by:					
<u>Revenue recognised over time</u>					
- Room revenue - Own and Operate			3,335	-	3,335
- Management fee			-	24	24
<u>Revenue recognised at point of time</u>					
- Food and beverage sales			2,277	-	2,277
- Other hotel services			83	-	83
			5,695	24	5,719
Consolidation adjustments					(24)
					5,695

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

33. OPERATING SEGMENTS cont'd

33.1 BUSINESS SEGMENTS cont'd

2024	Own and Operate RM'000	Investment Holding RM'000	The Group RM'000
Results			
Segment loss before interest and taxation	(2,394)	(10,360)	(12,754)
Finance costs	(736)	-	(736)
Consolidated loss before taxation			(13,490)
Segment loss before taxation includes the following:			
Interest expenses	736	-	736
Depreciation	1,668	-	1,668
Impairment losses:			
- amount owing by an associate	-	9,330	9,330
Assets			
Segment assets	35,693	21,214	56,907
Unallocated assets:			
- current tax assets			9
Consolidation adjustments			(3,798)
Consolidated total assets			53,118
Additions to non-current assets other than financial instruments are:			
Property, plant and equipment	103	-	103
Liabilities			
Segment liabilities	54,171	349,646	403,817
Unallocated liabilities:			
- deferred tax liabilities			3,827
Consolidation adjustments			(382,538)
Consolidated total liabilities			25,106

GEOGRAPHICAL INFORMATION

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business and geographical segments is not presented.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

33. OPERATING SEGMENTS cont'd

33.1 BUSINESS SEGMENTS cont'd

MAJOR CUSTOMERS

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

	Revenue		Segment
	2025	2024	
	RM'000	RM'000	
Customer A	53,234	-	Fit-Out
Customer B	20,981	-	Fit-Out
Customer C	38,663	-	Fit-Out

34. CAPITAL COMMITMENTS

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Approved and contracted for capital expenditure in respect of the:				
- Renovation of the Group's corporate office	542	-	542	-
- Corus Hotel refurbishment	119,500	-	-	-

35. FINANCIAL INSTRUMENTS

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

35.1 FINANCIAL RISK MANAGEMENT POLICIES

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

(a) Market Risk

(i) Foreign Currency Risk

The Group and the Company do not have any transactions or balances denominated in foreign currencies and hence, are not exposed to foreign currency risk.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

35. FINANCIAL INSTRUMENTS cont'd

35.1 FINANCIAL RISK MANAGEMENT POLICIES cont'd

The policies in respect of the major areas of treasury activity are as follows: cont'd

(a) Market Risk cont'd

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group's policy is to obtain the most favourable interest rates available.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 17 and Note 21 to the financial statements respectively.

Interest Rate Risk Sensitivity Analysis

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

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Effects on Profit/(Loss) After Taxation				
Increase of 100 basis points	(95)	(105)	-	-
Decrease of 100 basis points	95	105	-	-

(iii) Equity Price Risk

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

(b) Credit Risk

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

Also, the Company's exposure to credit risk includes advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to serve their loans on an individual basis.

(i) Credit Risk Concentration Profile

At the end of the reporting period, the Group's major concentration of credit risk relates to the amounts owing by 3 customers which constituted approximately 86% of its trade receivables and contract assets (including related parties), net of loss allowance.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

35. FINANCIAL INSTRUMENTS cont'd

35.1 FINANCIAL RISK MANAGEMENT POLICIES cont'd

(b) Credit Risk cont'd

(ii) Maximum Exposure to Credit Risk

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

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries, representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period. These corporate guarantees have not been recognised in the Company's financial statements since their fair values on initial recognition were not material.

(iii) Assessment of Impairment Losses

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

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

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery (i.e. the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite the fact that they are still subject to enforcement activities.

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

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

The Group considers a receivable to be in default when the receivable is unlikely to repay its debt to the Group in full or is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Trade Receivables and Contract Assets

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

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

35. FINANCIAL INSTRUMENTS cont'd

35.1 FINANCIAL RISK MANAGEMENT POLICIES cont'd

(b) Credit Risk cont'd

(iii) Assessment of Impairment Losses cont'd

Trade Receivables and Contract Assets cont'd

Inputs, Assumptions and Techniques used for Estimating Impairment Losses cont'd

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

The expected loss rates are based on the payment profiles of sales over 12 months (2024 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions which correlate to the historical loss rate.

For construction contracts, the Group assessed the expected credit loss of each customer individually based on their financial information and past trends of payments as there are only a few customers. All of these customers have a low risk of default as they have a strong capacity to meet their debts.

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

	Gross Amount	Individual Allowance	Collective Impairment	Carrying Amount
The Group	RM'000	RM'000	RM'000	RM'000
2025				
Current (not past due)	25,423	-	-	25,423
1 to 30 days past due	22,354	-	-	22,354
31 to 60 days past due	14,378	-	-	14,378
61 to 90 days past due	20,396	-	-	20,396
91 to 120 days past due	9,147	-	-	9,147
121 to 150 days past due	14,198	-	-	14,198
151 to 180 days past due	11,973	-	-	11,973
More than 180 days past due	-	-	-	-
Trade receivables	117,869	-	-	117,869
Contract assets	2,979	-	-	2,979
	120,848	-	-	120,848

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

35. FINANCIAL INSTRUMENTS cont'd

35.1 FINANCIAL RISK MANAGEMENT POLICIES cont'd

(b) Credit Risk cont'd

(iii) Assessment of Impairment Losses cont'd

Trade Receivables and Contract Assets cont'd

Inputs, Assumptions and Techniques used for Estimating Impairment Losses cont'd

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

The Group	Gross Amount RM'000	Individual Allowance RM'000	Collective Impairment RM'000	Carrying Amount RM'000
2024				
Current (not past due)	307	-	-	307
1 to 30 days past due	50	-	-	50
31 to 60 days past due	-	-	-	-
61 to 90 days past due	-	-	-	-
91 to 120 days past due	1	-	-	1
121 to 150 days past due	-	-	-	-
151 to 180 days past due	-	-	-	-
More than 180 days past due	-	-	-	-
Credit impaired	38	(38)	-	-
Trade receivables	396	(38)	-	358
Contract assets	-	-	-	-
	396	(38)	-	358

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

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

Other Receivables

The Group applies 3-stage general approach to measure expected credit losses for its other receivables and amount owing by related companies.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

35. FINANCIAL INSTRUMENTS cont'd

35.1 FINANCIAL RISK MANAGEMENT POLICIES cont'd

(b) Credit Risk cont'd

(iii) Assessment of Impairment Losses cont'd

Other Receivables cont'd

Inputs, Assumptions and Techniques used for Estimating Impairment Losses cont'd

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

Allowance for Impairment Losses

	Gross Amount RM'000	Individual Allowance RM'000	Collective Impairment RM'000	Carrying Amount RM'000
The Group				
2025				
Low credit risk	383	-	-	383
Credit impaired	10,794	(10,794)	-	-
	11,177	(10,794)	-	383
2024				
Low credit risk	378	-	-	378
Credit impaired	10,978	(10,978)	-	-
	11,356	(10,978)	-	378
The Company				
2025				
Low credit risk	15	-	-	15
Credit impaired	-	-	-	-
	15	-	-	15
2024				
Low credit risk	15	-	-	15
Credit impaired	18	(18)	-	-
	33	(18)	-	15

The movement in the loss allowances in respect of other receivables is disclosed in Note 11 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

35. FINANCIAL INSTRUMENTS cont'd

35.1 FINANCIAL RISK MANAGEMENT POLICIES cont'd

(b) Credit Risk cont'd

(iii) Assessment of Impairment Losses cont'd

Cash and Bank Balances

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

Amount Owing By Subsidiaries (Non-trade Balances)

The Company applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

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

The Company considers loans and advances to subsidiaries have low credit risks. The Company assumes that there is a significant increase in credit risk when subsidiaries' financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers subsidiaries' loan or advance to be credit impaired when the subsidiaries are unlikely to repay its loan or advance in full or the subsidiaries are continuously loss making or having a deficit in its total equity.

The Company determines the probability of default for these loans and advances individually using internal information available.

Allowance for Impairment Losses

	Gross Amount RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
The Company			
2025			
Significant increase in credit risk	270,300	(263,241)	7,059
2024			
Significant increase in credit risk	299,205	(295,041)	4,164

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

35. FINANCIAL INSTRUMENTS cont'd

35.1 FINANCIAL RISK MANAGEMENT POLICIES cont'd

(b) Credit Risk cont'd

(iii) Assessment of Impairment Losses cont'd

Amount Owing By An Associate (Non-trade Balances)

The Group applies the 3-stage general approach to measuring expected credit losses for all inter-company balances.

Inputs, Assumptions and Techniques used for Estimating Impairment Losses

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

The Group considers loans and advances to an associate have low credit risks. The Group assumes that there is a significant increase in credit risk when an associate's financial position deteriorates significantly. As the Group is able to determine the timing of payments of an associate's loans and advances when they are payable, the Group considers the loans and advances to be in default when an associate are not able to pay when demanded. The Group considers an associate's loan or advance to be credit impaired when an associate is unlikely to repay its loan or advance in full or an associate are continuously loss making or having a deficit in its total equity.

The Group determines the probability of default for these loans and advances individually using internal information available.

Allowance for Impairment Losses

	Gross Amount RM'000	Lifetime Loss Allowance RM'000	Carrying Amount RM'000
The Group/The Company			
2025			
Significant increase in credit risk	19,819	(12,588)	7,231
2024			
Significant increase in credit risk	29,819	(12,928)	16,891

The movements in the loss allowances are disclosed in Notes 11 and 13 to the financial statements.

(c) Liquidity Risk

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

35. FINANCIAL INSTRUMENTS cont'd

35.1 FINANCIAL RISK MANAGEMENT POLICIES cont'd

(c) Liquidity Risk cont'd

Maturity Analysis

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

The Group	Contractual Coupon Rate %	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000	2 to 5 Years RM'000	Over 5 Years RM'000
2025						
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	6.70	34	35	30	5	-
Term loan	6.81	12,553	15,992	2,168	8,674	5,150
Short-term financing	6.74 - 7.24	55,497	55,497	55,497	-	-
Trade and other payables	-	38,817	38,817	38,817	-	-
Amount owing to holding company	-	5,308	5,308	5,308	-	-
		112,209	115,649	101,820	8,679	5,150
2024						
<u>Non-derivative Financial Liabilities</u>						
Term loan	6.81	13,792	18,114	2,169	8,674	7,271
Trade and other payables	-	5,517	5,517	5,517	-	-
Amount owing to holding company	-	1,970	1,970	1,970	-	-
		21,279	25,601	9,656	8,674	7,271

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

35. FINANCIAL INSTRUMENTS cont'd

35.1 FINANCIAL RISK MANAGEMENT POLICIES cont'd

(c) Liquidity Risk cont'd

Maturity Analysis cont'd

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

The Company	Contractual Coupon Rate	Carrying Amount RM'000	Contractual Undiscounted Cash Flows RM'000	Within 1 Year RM'000
2025				
<u>Non-derivative Financial Liabilities</u>				
Trade and other payables	-	3,233	3,233	3,233
Amount owing to holding company	-	1,480	1,480	1,480
Amount owing to the subsidiaries	-	570	570	570
Financial guarantee contracts in relation to corporate guarantee given to a subsidiary	-	-	100,000	100,000
		5,283	105,283	105,283
2024				
<u>Non-derivative Financial Liabilities</u>				
Trade and other payables	-	2,564	2,564	2,564
Amount owing to holding company and related companies	-	450	450	450
		3,014	3,014	3,014

35.2 CAPITAL RISK MANAGEMENT

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

35. FINANCIAL INSTRUMENTS cont'd

35.2 CAPITAL RISK MANAGEMENT cont'd

The Group manages its capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group includes within net debts, borrowing from financial institution less cash and cash equivalents. The debt-to-equity ratio of the Group at the end of the reporting period was as follows:

	The Group	
	2025 RM'000	2024 RM'000
Term loan	12,553	13,792
Short-term financing	55,497	-
	68,050	13,792
Less: Cash and cash equivalents	(4,041)	(452)
Net debt	64,009	13,340
Total equity	33,895	28,012
Debt-to-equity ratio	1.89	0.48

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

35.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Financial Assets				
<u>Amortised Cost</u>				
Trade and other receivables	125,845	17,627	7,246	16,906
Amount owing by subsidiaries	-	-	7,059	4,164
Short-term money market deposit	-	125	-	125
Cash and bank balances	7,047	327	129	14
	132,892	18,079	14,434	21,209
Financial Liabilities				
<u>Amortised Cost</u>				
Term loan	12,553	13,792	-	-
Short-term financing	55,497	-	-	-
Trade and other payables	38,817	5,517	3,233	2,564
Amount owing to holding company	5,308	1,970	1,480	450
Amount owing to subsidiaries	-	-	570	-
	112,175	21,279	5,283	3,014

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

35. FINANCIAL INSTRUMENTS cont'd

35.4 GAINS/(LOSSES) ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2025	2024	2025	2024
	RM'000	RM'000	RM'000	RM'000
Financial Asset				
<u>Amortised Cost</u>				
Net gains/(losses) recognised in profit or loss	306	(9,330)	32,140	(9,811)
Financial Liability				
<u>Amortised Cost</u>				
Net gains/(losses) recognised in profit or loss	1,933	(736)	-	-

35.5 FAIR VALUE INFORMATION

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

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

	Fair Value of Financial Instruments Carried at Fair Value			Fair Value of Financial Instruments Not Carried at Fair Value			Total Fair Value	Carrying Amount
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3		
The Group	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2025								
<u>Financial Liability</u>								
Term loan	-	-	-	-	12,553	-	12,553	12,553
2024								
<u>Financial Liability</u>								
Term loan	-	-	-	-	13,792	-	13,792	13,792

Fair Value of Financial Instruments Not Carried at Fair Value

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

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Cont'd

36. SIGNIFICANT EVENT OCCURRING AFTER THE REPORTING PERIOD

On 15 August 2025, the Board of Directors of EXSIM Hospitality Berhad ("EHB") announced that the Company had obtained its shareholders' approval at the Extraordinary General Meeting for the following resolutions:

- (a) Proposed renounceable rights issue of new ordinary shares in EHB together with free detachable warrants, at an issue price and entitlement basis to be determined and announced later to raise gross proceeds of approximately RM250.79 million; and
- (b) Proposed acquisition by Uppervista Sdn. Bhd., a wholly-owned subsidiary of the Company of a proposed 5-star rated hotel tower together with retail podium known as Tower E, comprising 294 hotel rooms, a restaurant, ballroom, swimming pool, retail spaces and other supporting facilities which form part of the mixed development project known as Empire City, Damansara located in Petaling Jaya, Selangor from Arcadia Hospitality Sdn. Bhd. for a cash consideration of RM240.25 million.

(Collectively referred to as "Proposals")

As at the date of this report, the above Proposals have not yet been completed.

LIST OF PROPERTIES

Registered and Beneficial Owner	Property Address/ Title Details	Description and Existing Use	Category of Land Use/ Tenure of Property	Land Area/ Gross Built-Up Area	Carrying Amount as at 30 June 2025 (RM'000)	Year of Acquisition	Age of Building	Last valuation was performed
Pengkalen Holiday Resort Sdn. Bhd.	Lot 286, 288, 289 and 848 3 ½ km, Jalan Pantai Port Dickson Negeri Sembilan Darul Khusus	4 lots of land with a 10-storey resort hotel	<u>Lot 286,288 and 289</u> 99-year leasehold and expiring on 5 July 2087 <u>Lot 848</u> 66-year leasehold and expiring on 8 November 2059	55,760 sq. meter / 19,312.83 sq. meter	16,392	1993	30	19 Aug 2022 (excluding leasehold land)

ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2025

Total Number of Issued Shares	:	928,867,411
Issued and Fully Paid-up	:	RM92,886,741.10
Class of Shares	:	Ordinary Shares
Voting Rights	:	One (1) Vote Per Ordinary Share

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Less than 100	418	6.999	16,017	0.001
100 - 1,000	1,669	27.947	1,320,285	0.142
1,001 - 10,000	2,693	45.094	12,408,155	1.336
10,001 - 100,000	947	15.857	32,684,725	3.519
100,001 – 5% (*)	244	4.086	227,431,010	24.485
5% and above (**)	1	0.017	655,007,219	70.517
	5,972	100.000	928,867,411	100.000

Remarks:

(*) Less than 5% of issued shareholdings

(**) 5% and above of issued shareholdings

SUBSTANTIAL SHAREHOLDERS

(Based on the Register of Substantial Shareholders)

Name	Direct		Indirect	
	No. of Shares	%	No. of Shares	%
EXSIM Hospitality Holdings Sdn. Bhd.	655,007,219	70.517	-	-
Lim Aik Hoe	-	-	655,007,219 ⁽¹⁾	70.517 ⁽¹⁾
Lim Aik Kiat	-	-	655,007,219 ⁽¹⁾	70.517 ⁽¹⁾
Lim Aik Fu	-	-	655,007,219 ⁽¹⁾	70.517 ⁽¹⁾

Note:

⁽¹⁾ Deemed interest by virtue of Section 8(4) of the Companies Act 2016.

ANALYSIS OF SHAREHOLDINGS

AS AT 30 SEPTEMBER 2025

Cont'd

LIST OF TOP THIRTY (30) LARGEST SHAREHOLDERS

(Without aggregating the securities from different securities accounts belonging to the same registered holder)

No.	Name of Shareholders	Total No. of Shares Held	%
1.	AmSec Nominees (Tempatan) Sdn Bhd - Pledged Securities Account - AmBank (M) Berhad for EXSIM Hospitality Holdings Sdn. Bhd.	655,007,219	70.517
2.	Public Nominees (Tempatan) Sdn Bhd - Pledged Securities Account For Koh Poh Seng (E-KLC)	29,260,700	3.150
3.	Acquiline Sdn Bhd	22,428,700	2.415
4.	Kejaya Kaya Sdn. Bhd.	19,507,800	2.100
5.	DB (Malaysia) Nominee (Tempatan) Sendirian Berhad - Exempt An For Deutsche Bank AG Singapore (Maybank SG PWM)	17,500,000	1.884
6.	CGS International Nominees Malaysia (Asing) Sdn. Bhd. - Pledged Securities Account For Andrew Khoo Boo Yeow (MY4726)	13,000,000	1.400
7.	Liong Lisa	12,500,000	1.346
8.	Bimsec Nominees (Tempatan) Sdn Bhd - Pledged Securities Account For Sentosa Jaya Capital Sdn Bhd	4,000,000	0.431
9.	Gan Kuok Chyuan	3,900,000	0.420
10.	Chong Swee Kwan	3,010,000	0.324
11.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account For Chin Wai Hon (MY3984)	2,800,000	0.301
12.	Lee Chin Hoe	2,720,200	0.293
13.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account For Chong Chee Choon (MY3397)	2,500,000	0.270
14.	Wong Yu Sim	2,200,000	0.237
15.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account For Wong Yih Ming (MY3522)	2,000,000	0.215
16.	Bank Kerjasama Rakyat Malaysia Berhad	1,985,751	0.214
17.	Kenanga Nominees (Tempatan) Sdn Bhd - Rakuten Trade Sdn Bhd For Loke Meng Chong	1,803,600	0.194
18.	Alliancegroup Nominees (Tempatan) Sdn Bhd - Pledged Securities Account For Tan Kak Seng (7003247)	1,800,000	0.194
19.	Phillip Nominees (Tempatan) Sdn Bhd - Octowill Trustees Berhad For Proven Venture Capital PLT	1,548,600	0.167
20.	Mohd Shafei Bin Abdullah	1,500,000	0.162
21.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Lee Seng Yong	1,500,000	0.162
22.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Yap Jun Wah	1,500,000	0.162
23.	Tan Young Tat	1,489,100	0.160
24.	Tan Shirley	1,445,000	0.156
25.	Cheong Weng Teong	1,400,000	0.151
26.	Kwan Kah Yew	1,400,000	0.151
27.	Maybank Nominees (Tempatan) Sdn Bhd - Pledged Securities Account For Ng Boon Kheong	1,370,000	0.148
28.	Ooi Cheng Hye	1,305,000	0.141
29.	UOB Kay Hian Nominees (Tempatan) Sdn Bhd - For Ong Soon Ho	1,300,000	0.140
30.	Teh Nai Sim	1,272,000	0.137

NOTICE OF FORTY-SECOND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Forty-Second Annual General Meeting (“**42nd AGM**”) of EXSIM Hospitality Berhad (“**EHB**” or the “**Company**”) will be held at Ground Floor, Lobby 1, Crystal Plaza, No. 4, Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia (“**Main Venue**”) on Thursday, 27 November 2025 at 10:00 a.m. to transact the following businesses:

AGENDA

AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 30 June 2025 together with the Reports of the Directors and Auditors thereon.
2. To approve the Executive Directors’ benefits for an amount of up to RM42,000.00 payable to Executive Directors for the period from 28 November 2025 until the next Annual General Meeting of the Company.
3. To approve the payment of Non-Executive Directors’ fees for an amount of up to RM210,000.00 payable to Non-Executive Directors on a monthly basis for the period from 28 November 2025 until the next Annual General Meeting of the Company, in such proportion and manner as the Directors may determine as follows:-

[Please refer to Explanatory Note 1]

**[Please refer to Explanatory Note 2]
[Ordinary Resolution 1]**

**[Please refer to Explanatory Note 2]
[Ordinary Resolution 2]**

No.	Type of Director	Non-Executive Directors’ fees of the Company (RM)
1.	Chairman of the Board	60,000.00
2.	Independent Non-Executive Directors	150,000.00
Total		210,000.00

AND THAT to approve the Non-Executive Directors’ benefits (excluding Directors’ fees) for an amount of up to RM80,000.00 payable to Non-Executive Directors for the period from 28 November 2025 until the next Annual General Meeting of the Company, in such proportion and manner as the Directors may determine as follows:-

No.	Type of Director	Non-Executive Directors’ benefits (excluding Directors’ fees) of the Company (RM)
1.	Chairman of the Board	20,000.00
2.	Independent Non-Executive Directors	60,000.00
Total		80,000.00

4. To re-elect the following Directors:-

4.1 Mr. Tan Hai Liang, who retires pursuant to Clause 118 of the Company’s Constitution and being eligible, has offered himself for re-election.

[Ordinary Resolution 3]

4.2 Mr. Paramjit Singh Gill A/L Gurdev Singh, who retires pursuant to Clause 118 of the Company’s Constitution and being eligible, has offered himself for re-election.

[Ordinary Resolution 4]

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

[Ordinary Resolution 5]

NOTICE OF FORTY-SECOND ANNUAL GENERAL MEETING

Cont'd

AS SPECIAL BUSINESSES

To consider and if thought fit, to pass with or without modifications, the following resolutions:-

6. ORDINARY RESOLUTION

- AUTHORITY TO ISSUE SHARES PURSUANT TO THE COMPANIES ACT 2016

“THAT subject always to the Companies Act 2016 (the “**Act**”), the Constitution of the Company and the Main Market Listing Requirements (“**MMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and approvals of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised and empowered pursuant to Sections 75 and 76 of the Act to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“**New Shares**”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“**Proposed General Mandate**”).

*[Please refer to
Explanatory Note 3]
[Ordinary Resolution 6]*

THAT the existing shareholders of the Company do hereby waive their pre-emptive rights pursuant to Section 85(1) of the Act read together with Paragraph 7.08 of the MMLR of Bursa Securities and the Company’s Constitution to be offered the New Shares to be allotted and issued under the Proposed General Mandate, which rank equally with the existing issued shares in the Company.

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

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

whichever is the earlier.

THAT the Directors be and are hereby also empowered to obtain approval from the Bursa Securities for the listing and quotation for such New Shares on Bursa Securities.

AND THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

NOTICE OF FORTY-SECOND ANNUAL GENERAL MEETING

Cont'd

7. ORDINARY RESOLUTION

- **PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE AS SET OUT IN SECTION 2.6 OF THE CIRCULAR TO SHAREHOLDERS DATED 24 OCTOBER 2025**

“THAT subject to the Act, the Constitution of the Company and the MMLR of Bursa Securities, approval be and is hereby given to the proposed renewal of existing shareholders' mandate for the recurrent related party transactions of a revenue or trading nature (**“Proposed Renewal of Existing RRPT Mandate”**) for the Company and its subsidiaries (**“Group”**) to enter into and give effect to such recurrent related party transactions of a revenue or trading nature from time to time with the related parties involving the interest of Directors, major shareholders or persons connected with Director and/or major shareholders of the EHB Group (**“Related Parties”**), as specified in Section 2.6 of the Circular to Shareholders dated 24 October 2025, provided that such arrangements and/or transactions are:-

- (a) recurrent transactions of a revenue or trading nature;
- (b) necessary for the day-to-day operations of the Group;
- (c) carried out in the ordinary course of business on normal commercial terms which are not more favourable to the Related Parties than those generally available to the public; and
- (d) not to the detriment of the minority shareholders.

THAT the authority conferred by such mandate shall commence upon passing of this resolution and shall continue to be in force until:-

- (i) the conclusion of the next AGM of the Company following the passing of this resolution, at which time this authority shall lapse, unless renewed by an ordinary resolution passed at a general meeting of the Company; or
- (ii) the expiration of the period within which the next AGM after that date is required to be held pursuant to Section 340(2) of the Act (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting;

whichever is earlier.

THAT the Directors of the Company be authorised to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary in the interest of the Company to give effect to the transactions contemplated and/or authorised by this mandate.”

*[Please refer to
Explanatory Note 4]
[Ordinary Resolution 7]*

BY ORDER OF THE BOARD

TEO SOON MEI (SSM PC No. 201908000235) (MAICSA 7018590)
NAZIRAH BINTI NAZRI (SSM PC No. 202408000275) (MAICSA 7071328)
 Company Secretaries

Kuala Lumpur
 Dated: 24 October 2025

NOTICE OF FORTY-SECOND ANNUAL GENERAL MEETING

Cont'd

Explanatory Notes:

1. Item 1 of the Agenda

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

2. Item 2 to 3 of the Agenda

Section 230(1) of the Companies Act 2016 provides that the fees of the directors and any benefits payable to the directors including any compensation for loss of employment of a director or former director of a public company or a listed company and its subsidiaries, shall be approved at a general meeting.

(i) Executive Directors' benefits for the period from 28 November 2025 until the next Annual General Meeting of the Company

At the Forty-First Annual General Meeting ("41st AGM") of the Company held on 27 November 2024, the shareholders had approved the payment of benefits to the Executive Directors for the period from 28 November 2024 until the next AGM of the Company, for an amount of up to RM42,000.00. The actual payments made during the said period were within the approved limit.

The Company now seeks shareholders' approval for the payment of benefits to the Executive Directors, including but not limited to meeting allowances, for an amount of up to RM42,000.00 for the period from 28 November 2025 until the next AGM of the Company under Ordinary Resolution 1.

In determining the total estimated amount of the Executive Directors' benefits, the Board has considered the number of scheduled meetings for the Board for the period from 28 November 2025 until the next AGM of the Company:-

Executive Director	Meeting allowance (RM)
Tan Hai Liang	21,000.00
Paramjit Singh Gill A/L Gurdev Singh	21,000.00
Total	42,000.00

The proposed Ordinary Resolution 1, if passed, will give authority to the Company to pay benefits to the Executive Directors for their services rendered for the period from 28 November 2025 until the next AGM of the Company, with payments structured on a monthly basis.

(ii) Non-Executive Directors' fees and benefits

At its 41st AGM held on 27 November 2024, the Company obtained approval from the shareholders in respect of the following payment to Non-Executive Directors:-

Type of payment to Non-Executive Directors	Approved limit granted by the shareholders at the 41 st AGM ("Approved Limits") (RM)
Non-Executive Directors' fee for the financial period from 1 July 2024 to the 42 nd AGM	162,000.00
Non-Executive Directors' benefits (other than Directors' fees) for the period from 1 July 2024 to the 42 nd AGM	80,000.00

NOTICE OF FORTY-SECOND ANNUAL GENERAL MEETING

Cont'd

The Directors' fees and meeting allowance and claimable benefits payable to Non-Executive Directors did not exceed the Approved Limits. The Board of Directors of the Company wishes to seek the shareholders' approval for the payment of Non-Executive Directors' fees for an amount up to RM210,000.00 on a monthly basis and Non-Executive Directors' benefits (excluding Directors' fees) for an amount up to RM80,000.00 payable to the Non-Executive Directors for the period from 28 November 2025 until the next AGM of the Company under Ordinary Resolution 2.

In determining the total estimated amount of the Directors' fees, the Board has considered the number of scheduled and special meetings for the Board and Board Committees as well as the number of Non-Executive Directors involved in the meeting, while the benefits payable to the Directors comprising of meetings allowances based on actual attendance of meetings by the Directors and other claimable benefits including reimbursable expenses incurred in the course of carrying out their duties as Directors. The payment of benefits to the Directors will be made by the Company on a monthly basis and/or as and when incurred.

The proposed Ordinary Resolution 2, if passed, will give authority to the Company to pay the fees and benefits to Non-Executive Directors for the period from 28 November 2025 until the next AGM of the Company.

Ordinary Resolutions 1 to 2 are to facilitate payment of Directors' fees and benefits for the financial year 2025/2026.

In the event that the proposed Directors' fees and benefits payable are insufficient due to the enlarged Board size, the Company will seek shareholders' approval at the next AGM of the Company for the additional Directors' fees and benefits payable to meet the shortfall.

3. Item 6 of the Agenda

Ordinary Resolution 6 is to seek a renewal of the general mandate for allotment and issuance of shares by the Company from time to time and to grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of shares allotted pursuant to this resolution does not exceed the prescribed limit under the MMLR of Bursa Securities ("**General Mandate**").

However, pursuant to Section 85(1) of the Act, Clause 56 of the Company's Constitution and Paragraph 7.08 of MMLR of Bursa Securities, the New Shares will have to be offered to the existing shareholders of the Company unless there is a direction to the contrary given in the general meeting of the Company. Should the existing shareholders of the Company approve the proposed Ordinary Resolution 6, they are waiving their pre-emptive rights pursuant to Section 85(1) of the Act, which then would allow the Directors to issue New Shares to any person without having to offer the said New Shares equally to all existing shareholders of the Company prior to the issuance. This will result in a dilution to the shareholding percentage of the existing shareholders of the Company.

The purpose of this General Mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot New Shares in the Company for fund raising activities, including but not limited to placement of shares for the purpose of funding the Company's current and/or future investment projects, working capital, acquisitions and/or for issuance of shares as settlement of purchase consideration, or such other purposes as the Directors may deem fit in the best interest of the Company, provided that the aggregate number of shares or convertible securities issued must not be more than 10% of the total number of issued shares. This General Mandate, unless revoked or varied by the Company in a general meeting will expire at the conclusion of the next AGM of the Company.

NOTICE OF FORTY-SECOND ANNUAL GENERAL MEETING

Cont'd

The Board of Directors of the Company is of the view that the General Mandate is in the best interest of the Company and its shareholders as it will provide flexibility to the Company to issue New Shares without the need to convene separate general meeting to obtain its shareholders' approval so as to avoid incurring additional costs and time. It will also enable the Directors to take swift action in case of a need to issue and allot New Shares in the Company fund raising activities, including but not limited to further placement of shares for the purpose of funding the Company's current and/or future investment projects, working capital, acquisitions and/or for issuance of shares as settlement of purchase consideration, or other circumstances arise which involve grant of rights to subscribe for shares, conversion of any securities into shares, or allotment of shares under an agreement or option or offer, or such applications as the Directors may deem fit in the best interest of the Company and its shareholders, provided that the aggregate number of shares or convertible securities issued must not be more than 10% of the total number of issued shares of the Company.

The proposed Ordinary Resolution 6 is a renewal of the previous year's mandate. As of the date of this Notice, no New Shares in the Company were issued pursuant to the General Mandate granted to the Directors at the last Annual General Meeting of the Company held on 27 November 2024 and which will lapse at the conclusion of the 42nd AGM.

4. Item 7 of the Agenda

Ordinary Resolution 7, if passed, will enable the Group to enter into Recurrent Related Party Transactions of a Revenue or Trading Nature in the ordinary course of business ("**RRPT**") which are necessary for the Group's day-to-day operations and on normal commercial terms not more favourable to the related parties than those generally available to the public, and are not to the detriment of the minority shareholders of the Company. The procurement of the Proposed Renewal of Existing RRPT Mandate would reduce substantially administrative time, effort and expenses associated with the convening of separate general meetings to seek shareholders' approval as and when potential RRPT arise. The shareholders' mandate is subject to renewal on an annual basis.

The authority given for Ordinary Resolution 7 mentioned above unless revoked or varied at a general meeting, will expire at the conclusion of the next AGM.

Further information on Ordinary Resolution 7 is set out in Section 2.6 of the Circular to Shareholders of the Company dated 24 October 2025 which is despatched together with the Annual Report 2025.

Notes:

- (1) *The 42nd AGM will be held at Main Venue. Members and proxies will have to attend in person at the Main Venue.*
- (2) *A member who is entitled to attend and vote at the 42nd AGM shall be entitled to appoint not more than two (2) proxies to attend, participate, speak and vote on his/her behalf at the 42nd AGM. Where a member appoints two (2) proxies to attend the 42nd AGM, the member shall specify the proportion of his/her shareholding to be represented by each proxy, failing which the appointment shall be invalid.*
- (3) *The Company shall be entitled to reject any instrument of proxy lodged if the member is not shown to have any shares entered against his name in the Register and/or subject to Clause 70 of the Company's Constitution in relation to the Record of Depositors made available to the Company.*
- (4) *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, he/she may appoint one (1) proxy only in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.*
- (5) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholding to be represented by each proxy.*

NOTICE OF FORTY-SECOND ANNUAL GENERAL MEETING

Cont'd

- (6) *The instrument appointing a proxy and the power of attorney or other authority, if any, shall be in writing under the hand of the appointer or of their attorney duly authorised in writing or a copy of that power of attorney, certified by an advocate and solicitor, or where the appointer is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised. Any alteration in the proxy form must be initialled.*
- (7) *The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 42nd AGM or at any adjournment thereof:*
- (i) *In Hardcopy Form*
- The Proxy Form shall be deposited at S-4-04, The Gamuda Biz Suites, Jalan Anggerik Vanilla 31/99, 40460 Kota Kemuning, Shah Alam, Selangor Darul Ehsan, Malaysia.*
- (ii) *By Electronic Means*
- The Proxy Form shall be electronically submitted via Symphony's Online website at <https://www.symphonycorporateservices.com.my> (Domain Registration No. D1C534619-MYNIC).*
- Please refer to the Administrative Guide for the 42nd AGM for further information on the electronic submission.*
- (8) *Pursuant to Paragraph 8.29 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this notice of the 42nd AGM will be put to vote by poll.*
- (9) *In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 November 2025 (General Meeting Record of Depositors) shall be entitled to attend, participate, speak and vote at the 42nd AGM, or to appoint proxy(ies) to attend, participate, speak and vote on their behalf.*
- (10) *Those proxy forms which are indicated with "√" in the spaces provided to show how the votes are to be cast will also be accepted.*

Personal Data Privacy:

By submitting an instrument appointing proxy(ies) and/or representative(s) to attend, speak and vote at the 42nd AGM and/or any adjournment thereof, a member of the Company:

- (i) *consents to the collection, use and disclose of the member's personal data by the Company (or its agents) for the purpose of processing and the administration by the Company (or its agents) of proxies and representatives appointed for the 42nd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 42nd AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");*
- (ii) *warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclose of the proxy(ies) and/or representative(s) personal data by the Company for the Purposes; and*
- (iii) *agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses, and damages as a result of the member's breach of warranty.*

NOTICE OF FORTY-SECOND ANNUAL GENERAL MEETING

Cont'd

STATEMENT ACCOMPANYING THE NOTICE OF THE FORTY-SECOND ANNUAL GENERAL MEETING

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

1. Director standing for election or appointment.

There is no individual seeking election or appointment as a Director at the forthcoming 42nd Annual General Meeting.

2. Directors standing for re-election.

Mr. Tan Hai Liang ("**Mr. Tan**") and Mr. Paramjit Singh Gill A/L Gurdev Singh ("**Mr. Paramjit**") (collectively referred to as the "**Retiring Directors**") are due for retirement by rotation and are standing for re-election as Directors of the Company at the 42nd AGM. In determining the eligibility of the Retiring Directors to stand for re-election, the Board, through the Nomination Committee ("**NC**"), had undertaken a formal assessment and evaluation based on the following:-

- (i) Satisfactory performance in discharging their fiduciary duties and responsibilities;
- (ii) Compliance with the fit and proper criteria in fulfilling his role as a Director of the Company;
- (iii) Ability to act objectively and in the best interest of the Company in all decision-making; and
- (iv) Assessment of potential conflict of interest

With regard to the conflict of interest ("**COI**") dimension, the NC noted that both Retiring Directors are business partners of the ultimate major shareholders of the Company. The NC carefully assessed the potential conflict risks arising from these relationships. While such circumstances may give rise to perceptions of influence, both Retiring Directors had made full and transparent disclosures and reaffirmed their commitment to act in the best interest of the Company at all times.

Having considered the above, the Board (save for the Retiring Directors, who abstained from deliberation and voting) concurs with the NC's view that both Mr. Tan and Mr. Paramjit have demonstrated the requisite character, integrity, competence, and time commitment to continue serving effectively as Directors of the Company. The Board is satisfied that they meet the requirements prescribed under paragraph 2.20A of the MMLR of Bursa Securities and have also satisfied the fit and proper assessment criteria under the Company's Fit and Proper Policy.

Accordingly, the Board recommends that the Retiring Directors who are retiring pursuant to Clause 118 of the Company's Constitution be eligible and stand for re-election at the 42nd AGM.

The profiles of these Retiring Directors are set out on Pages 6 and 7, while their declarations of conflict of interest are disclosed on Pages 43 to 45 of this Annual Report 2025.

3. Statement relating to a general mandate for the issue of securities in accordance with Paragraph 6.03(3) of the MMLR of Bursa Securities.

Please refer to the Explanatory Note 3 of the Notice of the 42nd AGM.

EXSIM
HOSPITALITY
EXSIM HOSPITALITY BERHAD
Registration No.: 198301000236 (95469-W)
(Incorporated in Malaysia)

IMPORTANT!

Please take note that all the fields underlined in this proxy form are mandatory and must be completed in full and accurately.

The Company reserves the right to invalidate and/or reject any proxy form that is not complete or accurately filled in.

CDS Account No.	Number of Shares Held

PROXY FORM

*I/We _____ NRIC No./Passport No./Company No. _____
(FULL NAME IN BLOCK LETTER)

of _____
(FULL ADDRESS)

with email: _____ and mobile phone no. _____,

being a *member/members of **EXSIM Hospitality Berhad**, hereby appoint(s):-

Full Name (in Block) [Proxy 1]	NRIC/Passport No.	Proportion of shareholding	
		No. of shares	%
Address:			
Email Address:			
Mobile Phone No.:			

and

Full Name (in Block) [Proxy 2]	NRIC/Passport No.	Proportion of shareholding	
		No. of shares	%
Address:			
Email Address:			
Mobile Phone No.:			

or failing whom, the CHAIRMAN OF THE MEETING to act as *my/our proxy to vote for *me/us on *my/our behalf at the Forty-Second Annual General Meeting (“**42nd AGM**”) of the Company to be held at Ground Floor, Lobby 1, Crystal Plaza, No. 4, Jalan 51A/223, 46100 Petaling Jaya, Selangor Darul Ehsan, Malaysia (“**Main Venue**”) on Thursday, 27 November 2025 at 10:00 a.m., or any adjournment thereof and to vote as indicated below:-

ORDINARY RESOLUTION		FOR	AGAINST
ORDINARY BUSINESS			
1.	To approve the Executive Directors’ benefits for an amount of up to RM42,000.00 payable to Executive Directors for the period from 28 November 2025 until the next Annual General Meeting of the Company.		
2.	To approve the payment of Non-Executive Directors’ fees for an amount of up to RM210,000.00 payable to Non-Executive Directors on a monthly basis for the period from 28 November 2025 until the next Annual General Meeting of the Company, in such proportion and manner as the Directors may determine and to approve the Non-Executive Directors’ benefits (excluding Directors’ fees) for an amount of up to RM80,000.00 payable to Non-Executive Directors for the period from 28 November 2025 until the next Annual General Meeting of the Company, in such proportion and manner as the Directors may determine.		
3.	Re-election of Tan Hai Liang as Director pursuant to Clause 118 of the Company’s Constitution.		
4.	Re-election of Paramjit Singh Gill A/L Gurdev Singh as Director pursuant to Clause 118 of the Company’s Constitution.		
5.	Re-appointment of Messrs. Crowe Malaysia PLT as the Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.		
SPECIAL BUSINESS			
6.	Authority to issue shares pursuant to the Companies Act 2016.		
7.	Proposed Renewal of Existing Shareholders’ Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature.		

Please indicate with an “X” in the above columns how you wish your vote to be cast. In the absence of specific direction, your proxy(ies) may vote or abstain at his/her discretion.

* *Strike out if not applicable.*

Dated this _____ day of _____ 2025

Signature/Common Seal of member

Notes:

- (1) The 42nd AGM will be held at Main Venue. Members and proxies will have to attend in person at the Main Venue.
- (2) A member who is entitled to attend and vote at the 42nd AGM shall be entitled to appoint not more than two (2) proxies to attend, participate, speak and vote on his/her behalf at the 42nd AGM. Where a member appoints two (2) proxies to attend the 42nd AGM, the member shall specify the proportion of his/her shareholding to be represented by each proxy, failing which the appointment shall be invalid.
- (3) The Company shall be entitled to reject any instrument of proxy lodged if the member is not shown to have any shares entered against his name in the Register and/or subject to Clause 70 of the Constitution in relation to the Record of Depositors made available to the Company.
- (4) Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, he/she may appoint one (1) proxy only in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- (5) Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("**Omnibus Account**"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. The appointment of two (2) or more proxies in respect of any particular Omnibus Account shall be invalid unless the exempt authorised nominee specifies the proportion of its shareholding to be represented by each proxy.
- (6) The instrument appointing a proxy and the power of attorney or other authority, if any, shall be in writing under the hand of the appointer or of their attorney duly authorised in writing or a copy of that power of attorney, certified by an advocate and solicitor, or where the appointer is a corporation, either under the corporation's common seal or under the hand of an officer or attorney duly authorised. Any alteration in the proxy form must be initialled.
- (7) The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the 42nd AGM or at any adjournment thereof:
 - (i) In Hardcopy Form
The Proxy Form shall be deposited at S-4-04, The Gamuda Biz Suites, Jalan Anggerik Vanilla 31/99, 40460 Kota Kemuning, Shah Alam, Selangor Darul Ehsan, Malaysia.
 - (ii) By Electronic Means
The Proxy Form shall be electronically submitted via Symphony's Online website at <https://www.symphonycorporateservices.com.my> (Domain Registration No. D1C534619-MYNIC).
Please refer to the Administrative Guide for the 42nd AGM for further information on the electronic submission.

1st Fold Here

Affix
Stamp

**THE SHARE REGISTRAR OF
EXSIM HOSPITALITY BERHAD**
Registration No.: 198301000236 (95469-W)
c/o: **SYMPHONY CORPORATE SERVICES SDN. BHD.**
S-4-04, The Gamuda Biz Suites,
Jalan Anggerik Vanilla 31/99,
40460 Kota Kemuning,
Shah Alam, Selangor.

2nd Fold Here

- (8) Pursuant to Paragraph 8.29 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all the resolutions set out in this notice of 42nd AGM will be put to vote by poll.
- (9) In respect of deposited securities, only members whose names appear in the Record of Depositors on 20 November 2025 (General Meeting Record of Depositors) shall be entitled to attend, participate, speak and vote at the 42nd AGM, or to appoint proxy(ies) to attend, participate, speak and vote on their behalf.
- (10) Those proxy forms which are indicated with "√" in the spaces provided to show how the votes are to be cast will also be accepted.

Personal data privacy:

By submitting an instrument appointing proxy(ies) and/or representative(s) to attend, speak and vote at the 42nd 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 processing and the administration by the Company (or its agents) of proxies and representatives appointed for the 42nd AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the 42nd AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**");
- (ii) warrants that the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclose of the proxy(ies) and/or representative(s) personal data by the Company 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.

Fold This Flap For Sealing

www.exsimhospitality.com

—

EXSIM
HOSPITALITY

EXSIM HOSPITALITY BERHAD

Registration No.: 198301000236 (95469-W)

📍 D-35-01, Level 35, EXSIM Tower, Millerz Square @ Old Klang Road,
Megan Legasi, No. 357, Jalan Kelang Lama, 58000 Kuala Lumpur.

✉ info@exsimgroup.com

☎ Tel : +603 79631999