INTERNATIONAL

VersaLink™

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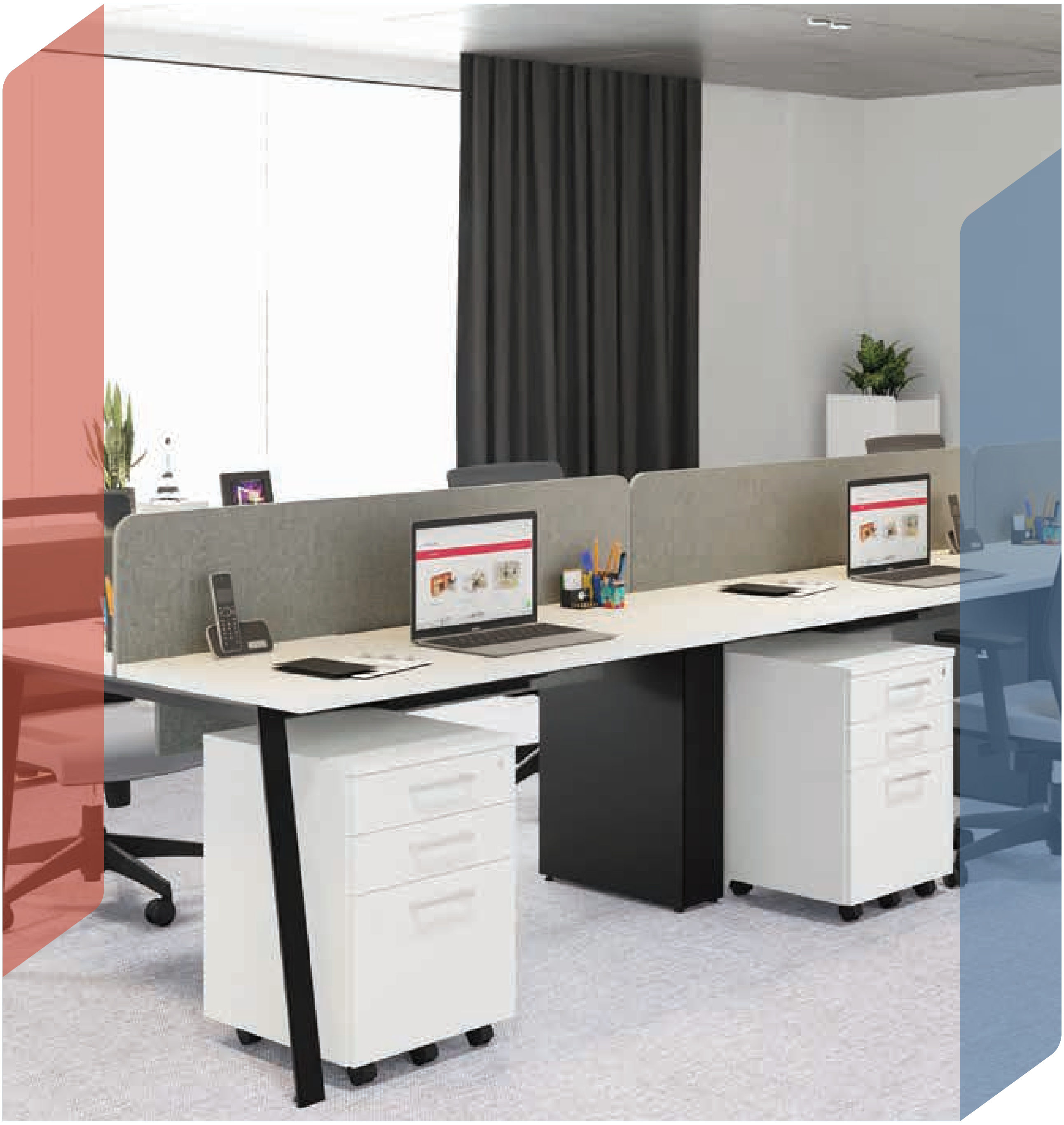
ANNUAL REPORT 2026

This annual report has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").

This annual report has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this annual report, including the correctness of any of the statements or opinions made, or reports contained in this annual report.

The contact person for the Sponsor is Ms Goh Mei Xian, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.



CONTENTS

CORPORATE PROFILE AND OUR BUSINESS

Versalink Holdings Limited ("Versalink" or the "Company", and together with its subsidiaries, the "Group") is one of the leading and established manufacturers of mid to high-end system furniture in Singapore, Malaysia and abroad.

Versalink was established in 1991 and was listed on the Catalist Board of the Singapore Exchange on 24 September 2014. The Group is principally engaged in the design, manufacture and supply of a wide range of system furniture tailored to its customers' specifications under its "**Versalink**" brand or on an original equipment manufacturers ("**OEM**") basis.

In addition, the Group supplies ancillary products such as seating models and work tools that are sourced from third party manufacturers. The Group is also the reseller of various established international third-party brands of premium office furniture.

As part of its value-added service to customers, the Group provides workspace planning and consulting services to customers who require advice on optimising the usage of space and/or customisation of system furniture.

After more than three decades, Versalink has built a wide customer base located in more than 40 countries in Australia, Asia, Middle East, Africa and North America. Its customers include architects, contractors, corporate customers, dealers, designers and OEM customers, in Singapore, Malaysia and abroad.

Versalink's manufacturing plant is located at Lot 6119, Jalan Haji Salleh, Batu 51/2, Off Jalan Meru, 41050 Klang, Selangor Darul Ehsan, Malaysia, which is strategically located near to Port Klang, one of the seven (7) major ports in Malaysia to facilitate the distribution of system furniture.

Versalink has been and will continue to develop, design and produce modern system furniture. The Group has achieved numerous awards and certifications over the years, which is a testament to Versalink being one of the key players in the system furniture industry in Malaysia.

The Group dedicates its resources to continuous research and development to ensure that its system furniture remains at the forefront of system furniture design. In addition, the Group devotes its resources to giving back to society by implementing various social and environmentally responsible corporate practices.

The Group's core business can be segregated into two (2) business divisions, namely Domestic Sales and Export Sales.

Domestic Sales

Domestic sales in Malaysia are derived mainly from project sales by way of tenders, directly negotiated contracts with contractors who operate in the office renovation and fit-out sector, corporate customers who require renovation and fit-out services for their corporate offices, and walk-in customers who place orders at the showroom located at Versalink's manufacturing plant. Other domestic sales are derived from sales made to distributors, resellers, retailers, and OEM customers.

Export Sales

Export sales are primarily from overseas dealers such as furniture importers, distributors and retailers who resell the Group's products to end-users through their respective retail networks. The Group also supplies to furniture brand owners that purchase from the Group on an OEM basis.

CORPORATE INFORMATION

BOARD OF DIRECTORS	**Ge Shuming** *Executive Director and Chairman* **Law Kian Siong (Matthew Law)** *Executive Director*	**Chong Kwang Shih** *Lead Independent Non-Executive Director* **Liu Xiaohua** *Independent Non-Executive Director*	**Xue Congyan** *Independent Non-Executive Director*
AUDIT COMMITTEE	**Chong Kwang Shih** *(Chairman)*	Xue Congyan	Liu Xiaohua
NOMINATING COMMITTEE	**Xue Congyan** *(Chairman)*	Chong Kwang Shih	Liu Xiaohua
REMUNERATION COMMITTEE	**Liu Xiaohua** *(Chairman)*	Chong Kwang Shih	Xue Congyan

COMPANY SECRETARY	REGISTERED OFFICE	SHARE REGISTRAR & SHARE TRANSFER OFFICE
Lim Kok Meng	16 Raffles Quay #17-03 Hong Leong Building Singapore 048581 T: (65) 6228 3488 F: (65) 6535 0680 E: ir@versalink.com W: versalink.com	**Boardroom Corporate & Advisory Services Pte. Ltd.** 1 Harbourfront Avenue #14-07, Keppel Bay Tower Singapore 098632

AUDITORS	SPONSOR
Foo Kon Tan LLP 1 Raffles Place #04-61 One Raffles Place Tower 2 Singapore 048616 T: (65) 6336 3355 F: (65) 6337 2197 *Audit Partner-in-charge: Kong Chih Hsiang, Raymond (Member of the Institute of Singapore Chartered Accountants) (Effective from financial year ended 28 February 2025)*	**ZICO Capital Pte. Ltd.** 77 Robinson Road #06-03, Robinson 77 Singapore 068896

PRINCIPAL PLACE OF BUSINESS	PRINCIPAL BANKERS
Lot 6119, Jalan Haji Salleh **Batu 5 ½, Off Jalan Meru, 41050 Klang** **Selangor Darul Ehsan, Malaysia** T: (603) 3392 6888 F: (603) 3392 3377	**AmBank (M) Berhad** 4, 1st Floor, Jalan Puteri 1/1 Bandar Puteri, 47100 Puchong Selangor Darul Ehsan, Malaysia **United Overseas Bank (Malaysia) Berhad** Level 20, Plaza 1 UOB KL, 7, Jalan Raja Laut, 50350 Kuala Lumpur, Wilayah Persekutuan, Malaysia **Malayan Banking Berhad** Suite 2.01 (Level 2), Intan Millennium Square 68, Jalan Batai Laut 4, Taman Intan, 41300 Klang Selangor Darul Ehsan, Malaysia

DIRECTORS' PROFILE

Ge Shuming

(Executive Director and Chairman of the Board)

Ge Shuming was appointed as an Executive Director and Chairman of the Board of Directors of the Company on 19 July 2023.

Ge Shuming is primarily responsible for the Company's business development, including proactively setting new business goals, identifying potential risks and opportunities, and leading strategic business decisions to drive the Company's growth.

With over eight years of experience in corporate management, Ge Shuming also brings extensive expertise in operations and marketing management within the life science industry. He has deep insights into industrial development and strategic planning and has successfully implemented practical applications in human resource and business management.

Ge Shuming holds a Bachelor's Degree in Pharmaceutical Engineering from the Minzu University of China and a Master's Degree in Business Management from the Hong Kong Polytechnic University.

Other Present Listed Directorship:
NIL

Past Listed Directorship
(Preceding Five Years):
NIL

Law Kian Siong (Matthew Law)

(Executive Director)

Matthew Law was appointed as an Executive Director on 21 August 2014. He joined the Group in January 1994 and was appointed as Chief Executive Officer (CEO) in 2012. On 19 July 2023, he was re-designated from Executive Director and Group CEO to Executive Director of the Company.

Matthew Law is responsible for the Group's strategic direction and expansion plans, developing and maintaining relationships with customers and suppliers, and overseeing the Group's general operations, including research and development, warehouse management, quality assurance, logistics, and purchasing departments. With over 20 years of experience in the furniture industry, he has played a key role in the establishment and growth of the Group's business.

Matthew Law holds a Bachelor's Degree in Business Administration from Camden University, USA, and currently serves on the Board of Trustees of the Malaysian Timber Council. Matthew Law is also the Deputy President of the Malaysian Furniture Council, and the Honorary President and Committee Member of the Kuala Lumpur and Selangor Furniture Association.

Pursuant to Article 114 of the Company's Constitution, Matthew Law will be retiring and will be seeking re-election at the forthcoming Annual General Meeting.

Other Present Listed Directorship:
NIL

Past Listed Directorship
(Preceding Five Years):
NIL

Liu Xiaohua

(Independent Non-Executive Director)

Liu Xiaohua was appointed as an Independent Non-Executive Director on 19 July 2023. She currently serves as the Chairman of the Remuneration Committee and is a member of the Audit Committee and the Nominating Committee.

With a multidisciplinary background, Liu Xiaohua began her career in the legal industry as a legal specialist and lawyer before transitioning into project management and investment. She has over 10 years of experience in corporate advisory and equity markets, primarily in China.

Liu Xiaohua also currently serves as an Independent Non-Executive Director, Chairman of the Board, Chairman of the Nominating Committee, and a member of the Audit Committee and the Remuneration Committee of Camsing Healthcare Limited.

Liu Xiaohua holds a Master of Law from the China University of Geosciences, Beijing, and a Bachelor of Law from the Tianjin University of Commerce.

Other Present Listed Directorships:
Camsing Healthcare Limited
First Capital Securities Co., Ltd.

Past Listed Directorships
(Preceding Five Years):
Tracy Energy Technology Co., Ltd.

DIRECTORS' PROFILE

Chong Kwang Shih
(Lead Independent Non-Executive Director)

Chong Kwang Shih was appointed as the Lead Independent Non-Executive Director on 19 October 2023. He currently serves as the Chairman of the Audit Committee, and is also a member of both the Remuneration Committee and the Nominating Committee.

With over 25 years of experience in financial management, fundraising, restructuring, and investments, Chong Kwang Shih brings extensive expertise to the Board. His career includes serving as the Chief Financial Officer ("CFO") for several companies listed on the SGX-ST, including OIO Holdings Limited (formerly known as DLF Holdings Limited), AJJ Medtech Holdings Limited (formerly known as OEL (Holdings) Limited), and Emerging Towns & Cities Singapore Ltd. (formerly known as Cedar Strategic Holdings Ltd.). In these roles, Chong Kwang Shih was responsible for financial and management reporting, budgeting, regulatory and financial controls, risk management, statutory compliance, due diligence, process improvements, treasury, and management recruitment.

Chong Kwang Shih holds a Bachelor of Commerce and Administration with a major in Accountancy from the Victoria University of Wellington, New Zealand.

Pursuant to Article 114 of the Company's Constitution, Chong Kwang Shih will be retiring and will be seeking re-election at the forthcoming Annual General Meeting.

Other Present Listed Directorship:
NIL

Past Listed Directorship
(Preceding Five Years):
AGV Group Limited

Xue Congyan
(Independent Non-Executive Director)

Xue Congyan was appointed as an Independent Non-Executive Director on 19 July 2023. He is currently the Chairman of the Nominating Committee, as well as a member of the Audit Committee and the Remuneration Committee.

With over 20 years of extensive experience in international mergers and acquisitions and corporate finance, Xue Congyan has led or managed numerous transactions, including fundraising, public listings, mergers and acquisitions, and investment management across a variety of industries.

Xue Congyan is currently also an Independent Non-Executive Director, Chairman of the Remuneration Committee and a member of the Audit Committee and the Nominating Committee of Camsing Healthcare Limited. Xue Congyan had also previously served as an Independent Non-Executive Director, Chairman of the Nominating Committee, and a member of the Audit and Remuneration Committees of Zixin Group Holdings Limited.

Having worked in professional capital markets firms such as Beijing Chum Investment Corporation and Chardan Capital Markets LLC, Xue Congyan is currently the Managing Director of Go & Company (HK) Limited, which he co-founded in April 2012. He is also the Founder of Mundial Financial Group, LLC and Beijing Gloryhope Capital (Limited Partnership).

Xue Congyan earned a Bachelor of Science in Computer Science from the Angeles University of the Philippines in 2000, a Master of Science in International Finance (with Merit) from the University of Leeds, UK, in 2003, and a Master of Science in Global Finance from HKUST & NYU Stern School of Business in 2013.

Other Present Listed Directorships:
Camsing Healthcare Limited

Past Listed Directorship
(Preceding Five Years):
Zixin Group Holdings Limited

KEY MANAGEMENT PROFILE

Yu Liangbing
(Vice President of the Company)

Yu Liangbing was appointed as the Vice President of the Company on 4 March 2024. He is responsible for increasing the competitiveness of the Group through technological innovation, management and business model innovation, as well as through potential acquisitions, joint ventures and strategic investments.

Yu Liangbing has over 20 years of experience in the management of business operations and strategic investments. From 1998 to 2017, Yu Liangbing worked at CYTS Holdings Co. Ltd., in which he has served in various capacities, including as Vice President of International Tourism Company, General Manager of Operations Management Department, General Manager of Inbound Online Business Department, General Manager of Destination Overseas Marketing Business Department, General Manager of Investment Management Department, and Strategic Planning Director of Securities Department. Yu Liangbing is currently an Executive Partner at Beijing Gloryhope Oriental Investment Center (Limited Partnership).

Yu Liangbing graduated with a Bachelor's Degree in Investments Economics and Economic Law from the Huazhong University of Science and Technology.

Law Kian Guan (Adam Law)
(Director of the Company's subsidiaries)

Adam Law joined the Group in September 2005 and was appointed as an Executive Director of the Company on 21 April 2014. He voluntarily resigned as Executive Director on 8 March 2022 but continues to contribute to the Group as a Director of the Company's subsidiaries.

With over 15 years of experience in the furniture industry, Adam Law oversees the progress and completion of special projects within the Group, including furniture manufacturing processes and other initiatives as directed by the Company's management. He is responsible for production, project, and site management, as well as the technical aspects of the Group's products. Additionally, Adam Law ensures compliance with the Group's procedures and policies and supervises the production and technical departments.

Adam Law holds a National Technical Certificate Grade 3 in Motor Vehicle Mechanics, a Certificate of Apprenticeship in Automotive Technology (Light Vehicles) from the Institute of Technical Education, and a Certificate of Participation in Solid Edge with Synchronous Technology Fundamental Training from Esolid Solutions Sdn Bhd, Malaysia.

Len Kwai Keong
(Research and Development Manager)

Len Kwai Keong joined the Group in February 1994 and is currently the Research and Development Manager. He is responsible for overseeing technical drawings, bills of materials, and assisting in the design of new products.

Len Kwai Keong began his career with the Group as an apprentice in the production line, where he spent 8 years learning the intricacies of furniture making. In 2011, he was transferred to the Research and Development Department as a Designer, and he was promoted to Research and Development Supervisor in 2012. With over 20 years of experience and expertise in the furniture industry, Len Kwai Keong was promoted to Research and Development Manager in May 2015.

Len Kwai Keong possesses extensive knowledge and skills in furniture making and has completed advanced training in Inventor 2008: Advanced Part Modeling, Solid Edge with Synchronous Technology, Autodesk, and 3Ds Max.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MISSION, VISION AND CORE VALUES

MISSION

Our mission is to create good impact in all that we do, through conscious business ethics where we develop best business practices and policies to achieve higher levels of success, a more satisfied workforce, business growth and longevity. We practice mindfulness and consider the impact of our business on our employees, customers, suppliers, shareholders, the environment, and our community for each choice made, so as to ensure a strong foundation of integrity, support, goodwill and ethical behaviour in our business.

VISION

Our ultimate vision is to become an ethical global company, where we incorporate social goals in all our business goals, so as to maximise improvements in the financial, social and environment wellbeing of all our stakeholders.

CORE VALUES

ACT WITH INTEGRITY

We believe that everything starts with integrity. We act with integrity and engage in honest business practices.

RESPECT OURSELVES AND OTHERS

We treat ourselves and others with dignity and respect, while being tolerant and accepting of differences. We are mindful of our own thoughts, words and action at all times.

KEEP OUR COMMITMENTS

We keep to our commitments and use our best endeavours in the course of our business. We persevere and never give up.

BEING RESPONSIBLE

We believe that we are responsible for everything that we do and every outcome of our own thoughts, words and actions. We do not blame others. We work together to achieve our goals as a team towards our common vision and goals.

POSITIVE ATTITUDE

We believe that anything is possible with a positive attitude, and such positive attitude can bring both financial prosperity and improved wellbeing to all our stakeholders.

SHARING AND CARING

It is our nature and joy to share and care. We believe that we have the abundance of wealth, knowledge, skills and experiences to share with everyone.

STRIVE TO BE MORE

We always strive to be more through action, learning, experiencing and growing.

GROUP CORPORATE STRUCTURE

VersaLink INTERNATIONAL

(Incorporated in Singapore)

100%

VERSALINK MARKETING SDN. BHD.

(Incorporated in Malaysia)

100%

JEMARAMAS JAYA SDN. BHD.

(Incorporated in Malaysia)

100%

KAIYUAN HOLDINGS LIMITED

(Incorporated in the British Virgin Islands)

100%

KAIYUAN (SG) INVESTMENT PRIVATE LIMITED

(Incorporated in Singapore)

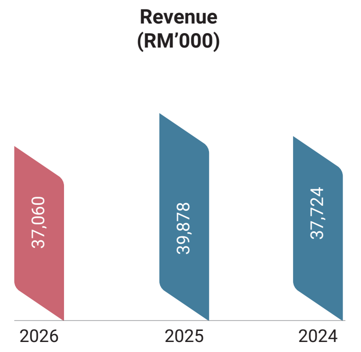
100%

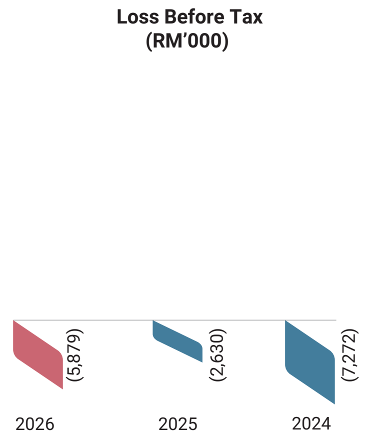
VERSALINK (S) PTE. LTD.

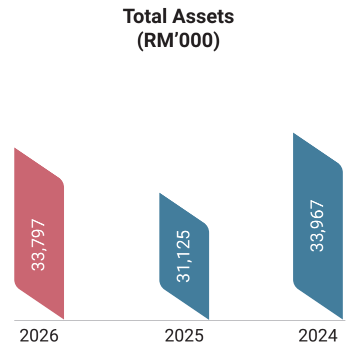
(Incorporated in Singapore)

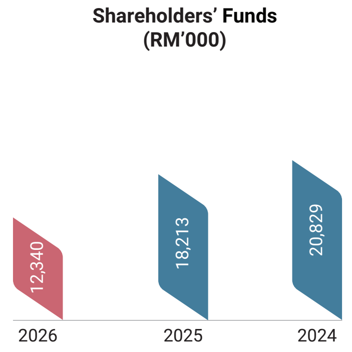
GROUP FINANCIAL HIGHLIGHTS

FOR THE YEAR	FY2026 RM'000	FY2025 RM'000	FY2024 RM'000
Statement of comprehensive income			
Revenue	37,060	39,878	37,724
Loss, before tax	(5,879)	(2,630)	(7,272)
Loss, net of tax attributable to owners of the Company	(5,879)	(2,628)	(7,076)
Statement of Financial Position			
Total assets	33,797	31,125	33,967
Equity attributable to owners of the Company	12,340	18,213	20,829
Share capital	36,435	36,435	36,435
Ratios			
Loss per share (on weighted average number of ordinary shares in issue) (cents)	(4.35)	(1.95)	(5.24)
Loss per share (on fully diluted basis) (cents)	(4.35)	(1.95)	(5.24)









INTERNATIONAL VersaLink™ PODS

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of Versalink's Board of Directors, it is my pleasure to present to you the Annual Report and the Audited Financial Statements of the Group for the financial year ended 28 February 2026.

FINANCIAL PERFORMANCE

REVENUE

The Group's revenue for FY2026 was RM37.06 million, representing a decrease of RM2.82 million or 7.1% as compared to RM39.88 million recorded in the previous financial year ended 28 February 2025 ("FY2025").

The revenue contribution by the export segment accounted for 45.4% of the Group's total revenue in FY2026 (FY2025: 52.8%), while the domestic segment contributed the remaining 54.6% (FY2025: 47.2%).

• Export Segment

The export segment recorded a lower revenue of RM16.82 million in FY2026, as compared to RM21.06 million in FY2025. The decrease in revenue of RM4.24 million was mainly due to the completion of major contracts which were orders placed in advance by customers in anticipation of global uncertainties arising from U.S. tariff policies.

Accordingly, revenue from the Middle East, North America, Singapore and Africa declined by RM6.93 million, from RM14.21 million in FY2025 to RM7.28 million in FY2026. The decrease was partially offset by an increase in revenue from Asia and Oceania (excluding Singapore and Malaysia) of RM2.69 million, rising from RM6.85 million in FY2025 to RM9.54 million in FY2026.

• Domestic Segment

The domestic segment recorded a higher revenue of RM20.24 million in FY2026, as compared to RM18.82 million in FY2025. The increase in revenue of RM1.42 million was mainly attributable to an increase in revenue from the Central region of Peninsular Malaysia of RM1.42 million, from RM18.82 million in FY2025 to RM20.24 million in FY2026, due to the securing of higher-value contracts; partially offset by a decrease in revenue from (i) the sales by dealers of RM10,000, from RM0.53 million in FY2025 to RM0.52 million in FY2026; and (ii) the Northern region of Peninsular Malaysia of RM0.61 million, from RM1.17 million in FY2025 to RM0.56 million in FY2026.

The overall decrease in revenue in FY2026 was mainly due to lower contribution from the export segment following the completion of advance orders, partially offset by stronger performance in the domestic segment.

GROSS PROFIT

The gross profit remained relatively stable at RM8.86 million in FY2026 as compared to RM8.91 million in FY2025, while the gross profit margin increased from 22.4% in FY2025 to 23.9% in FY2026. The increase in gross profit margin was mainly due to the reduction in the Group's cost of sales by 8.9%, partially offset by the decrease in revenue of 7.1%.

• Export Segment

The gross profit and gross profit margin for the export segment were affected in line with the lower revenue contribution during the financial year under review. The decline was mainly attributable to the completion of higher-value export orders in the previous financial year, resulting in a lower revenue base in FY2026. This was partially mitigated by improved cost management and lower material and labour costs.

• Domestic Segment

The domestic segment recorded an improvement in gross profit contribution, in line with higher revenue achieved during the financial year under review. The improvement was mainly driven by higher-value contracts secured, as well as better cost efficiency. However, this was partially offset by higher production overheads, including inventory write-offs and operational expenses incurred during the financial year.

CHAIRMAN'S STATEMENT

INTEREST INCOME

Interest income increased slightly to RM0.32 million in FY2026 from RM0.30 million in FY2025, mainly due to interest from fixed deposits and customer-related charges.

OTHER INCOME AND GAINS

Other income and gains decreased by RM0.69 million or 52.9%, from RM1.30 million in FY2025 to RM0.61 million in FY2026. The decrease was mainly due to the absence of one-off items recognised in FY2025, including the reversal of impairment on plant and equipment of RM0.53 million and write-back of provision for royalty and commission of RM0.12 million, which did not recur in FY2026.

The decrease was partially offset by higher rental income of RM0.11 million, as well as minor contributions from gain on disposal of plant and equipment and insurance claims during FY2026.

MARKETING AND DISTRIBUTION EXPENSES

Marketing and distribution expenses decreased by RM0.51 million or 16.7%, from RM3.07 million in FY2025 to RM2.56 million in FY2026. This was mainly due to the reduction in advertising and promotion expenses of RM0.13 million, sales commissions of RM0.07 million, employee benefits expenses of RM0.09 million, and logistics expenses of RM0.08 million, as well as other minor decreases during the financial year.

ADMINISTRATIVE EXPENSES

Administrative expenses increased by RM2.91 million or 32.1%, from RM9.10 million in FY2025 to RM12.01 million in FY2026. This was mainly due to (i) an increase in provision for repair and maintenance of building of RM1.20 million; (ii) an increase in the write-off of obsolete finished goods of RM0.29 million; (iii) higher depreciation of right-of-use assets of RM0.37 million; and (iv) an increase in employee benefits expenses of RM1.01 million, arising from additional headcount hired to support new revenue initiatives.

OTHER LOSSES

Other losses increased by RM0.04 million or 4.8%, from RM0.78 million in FY2025 to RM0.82 million in FY2026. This was mainly due to higher realised and unrealised foreign exchange losses during the financial year.

FINANCE COSTS

Finance costs increased by RM0.09 million or 42.2%, from RM0.20 million in FY2025 to RM0.29 million in FY2026. This was mainly due to the increase in interest on loans from shareholder and director of RM0.16 million in FY2026, partially offset by lower interest on lease liabilities of RM0.11 million (FY2025: RM0.15 million) and lower interest on bankers' acceptances of RM0.02 million (FY2025: RM0.04 million).

FINANCIAL RESULTS

As a result of the above, the Group reported a net loss after tax of RM5.88 million in FY2026 as compared to a net loss after tax of RM2.63 million in FY2025.

WORKING CAPITAL POSITION

The Group reported a positive working capital position of RM7.62 million as at 28 February 2026, as compared to RM14.54 million as at 28 February 2025.

LIQUIDITY

As at 28 February 2026, the Group recorded cash and cash equivalents of RM14.15 million as compared to RM6.83 million as at 28 February 2025.

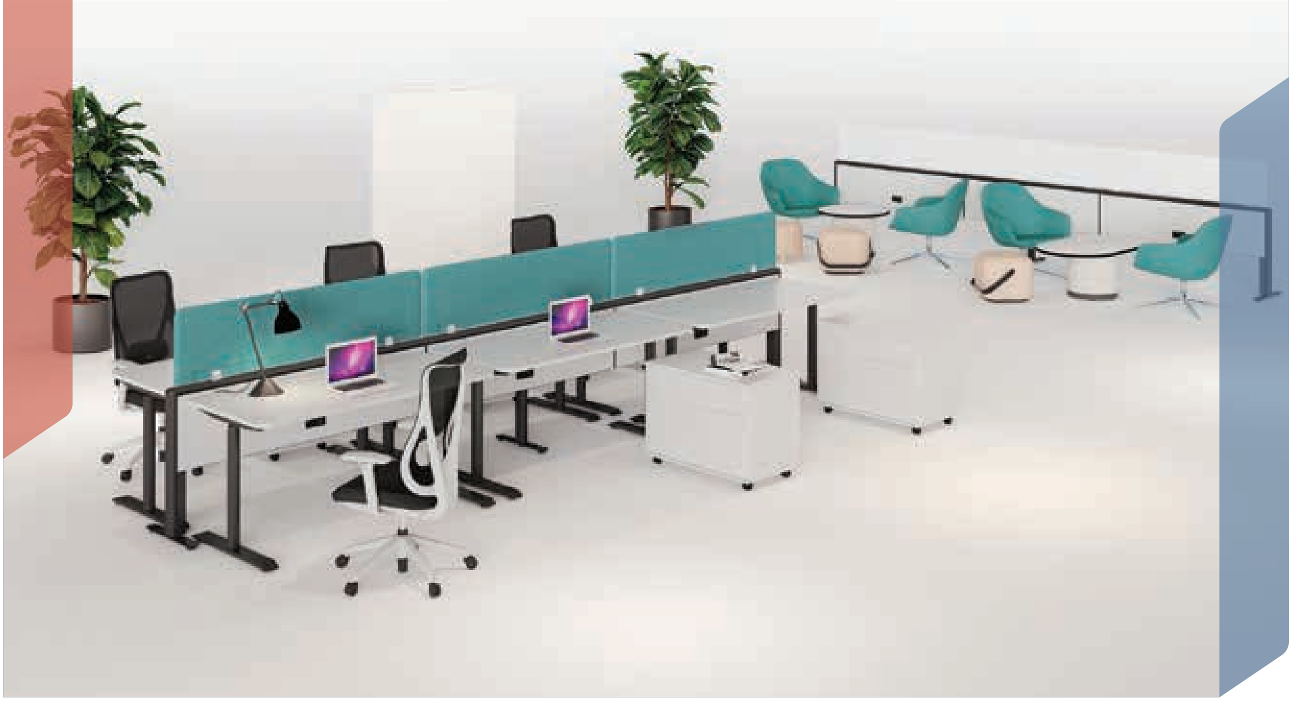
Net cash generated from operating activities for FY2026 amounted to RM2.96 million. This was mainly due to (i) operating cash flows before changes in working capital of RM0.79 million; (ii) net working capital inflows of RM2.97 million, arising mainly from the decrease in inventories of RM0.69 million, decrease in trade and other receivables of RM0.85 million, increase in other financial assets of RM0.09 million and increase in trade and other payables of RM0.73 million and (iii), income taxes paid partially offset by income taxes refunded of RM0.01 million.

Net cash generated from investing activities for FY2026 amounted to RM4.36 million, mainly due to the purchase of plant and equipment of RM0.45 million, partially offset by proceeds from disposal of plant and equipment of RM0.01 million, withdrawal of fixed deposits of RM4.47 million and interest received of RM0.33 million.

Net cash generated from financing activities for FY2026 amounted to RM1.17 million. This was mainly due to (i) advancement from a director of RM1.55 million; and (ii) decrease in cash restricted in use of RM2.44 million, partially offset by (a) repayment of lease liabilities of RM2.57 million; (b) repayment of bankers' acceptance of RM0.12 million; and (c) interest paid of RM0.13 million.

CHAIRMAN'S STATEMENT

SYSTEM SERIES
Sovica A
Cluster of 6 workstation



DIVIDEND STATEMENT

Based on the Group's financial performance for FY2026 and after taking into consideration the challenging economic environment, the Board does not recommend any dividend for FY2026 (FY2025: Nil) as the Group is in a loss-making position and intends to conserve cash for working capital requirements and future business opportunities of the Group.

FUTURE PROSPECTS

The Group continues to face headwinds in view of current global macroeconomic conditions, including ongoing geopolitical tensions, relatively high inflation rates and the continued prevalence of hybrid work arrangements. The system furniture industry has also become increasingly competitive, with rising costs and greater access to alternative products through e-commerce platforms. This is further exacerbated by the uncertain tariff policies implemented by the U.S., which has impeded the flow of trade globally, and affected various aspects of supply chains across all industries. The geopolitical developments in the Middle East have also contributed to volatility in oil prices, thereby placing additional pressure on global trade flows and supply chains, as well as cost pressures on the Group.

The Group has recently secured two contracts in the Middle East and the commencement thereof is pending resolution on the geopolitical conflict in the Middle East. The delay in commencement of the projects is, barring unforeseen circumstances, not expected to have a material impact on the financial position of the Group.

The Group will continue to remain resilient and prudent in its decision-making in addressing the above challenges, with emphasis on effective cost management, enhancing production efficiency and exploring new revenue opportunities, including the provision of services in support of mining operations, such as the distribution and transport of extracted minerals, and other related logistical and support services.

ACKNOWLEDGMENT AND APPRECIATION

On behalf of the Board, I would like to express our gratitude and appreciation to all Versalink's employees for their dedication, diligence, hard work and loyalty.

I would like to also extend our sincere thanks to all our customers, suppliers, principals, business associates, financiers and government authorities for their assistance and continued support towards the Group.

CHAIRMAN'S STATEMENT

My appreciation goes to all the directors, for their invaluable service in the past few years to the Group.

Finally, I would like to express our sincere gratitude to our valued shareholders for their continuous support and confidence in Versalink for all these years.

We look forward to greater achievements for the Group in the year ahead.

Mr Ge Shuming
Executive Director and Chairman

CORPORATE GOVERNANCE REPORT

The board of directors (the "**Board**" or "**Directors**") of Versalink Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is committed to maintaining a high standard of corporate governance within the Group to promote greater transparency, to safeguard the interests of the Company's shareholders, employees and other stakeholders, and to promote investors' confidence.

In accordance with Rule 710 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual – Section B: Rules of the Catalist (the "**Catalist Rules**"), this Corporate Governance Report outlines the Company's corporate governance practices that were in place during the financial year ended 28 February 2026 ("**FY2026**"), with specific references made to the principles of the Code of Governance 2018 (the "**Code**") and the Catalist Rules.

The Company confirms that it has substantially complied with the principles and provisions as set out in the Code for FY2026. Appropriate explanations have been provided in the relevant sections below where there are deviations from the Code. The Group will continue to assess its corporate governance practices and implement changes to its practices as and when required.

A. BOARD MATTERS

The Board's Conduct of Affairs

Principle 1: The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

The Board is responsible for the overall corporate governance, strategic direction, formulation of policies and overseeing the investments and business of the Company and the Group.

The Board recognizes that Directors are fiduciaries who should act objectively in the best interests of the Group and hold the management team of the Company ("**Management**") accountable for performance. The Board has put in place a code of conduct and ethics, set appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Group. Directors facing conflicts of interest also recuse themselves from discussions and decisions involving the issues of conflict. *Provision 1.1.*

The Board understands the business of the Company and the Group, supervises the Management of the Group's affairs by Management, and is accountable to shareholders of the Company for the Management and performance of the Group's businesses. Each Director understands their directorship duties (including their respective roles as executive, non-executive and independent directors). *Provision 1.2.*

The main roles of the Board, apart from its statutory responsibilities, are to:

(a) provide entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;

(b) establish a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of shareholders' interests and the Company's assets;

(c) review Management's performance;

(d) identify the key stakeholder groups and recognize that their perceptions affect the Company's reputation;

(e) set the Company's values and standards and ensure that obligations to shareholders and other stakeholders are understood and met; and

(f) consider sustainability issues in the formulation of its strategies.

CORPORATE GOVERNANCE REPORT

The Company has adopted internal guidelines on the following matters that are reserved for the Board's decision and/or approval: *Provision 1.3.*

(1) overall business strategies;

(2) corporate governance and compliance;

(3) financial performance and result announcements;

(4) audited results and annual reports;

(5) annual budgets, investment and divestment proposals;

(6) material acquisition and disposal of assets;

(7) internal controls and risks management;

(8) declaration of interim dividends and proposed final dividends; and

(9) all matters which are delegated to Board Committees, which are to be reported to and monitored by the Board.

To assist the execution of its responsibilities, the Board has formed three (3) committees: (i) Audit Committee ("**AC**"); (ii) Nominating Committee ("**NC**"); and (iii) Remuneration Committee ("**RC**") (collectively referred herein as the "**Board Committees**", each a "**Board Committee**"). The Board Committees were formed at the time of the Company's listing on the SGX-ST and are chaired by Independent Non-Executive Directors. The Board Committees are formed with and function within clear written terms of reference setting out their compositions, authorities, operating procedures and duties, including reporting back to the Board. These terms of reference are reviewed on a regular basis. Please refer to the respective principles in this Corporate Governance Report for further information on the Board Committees, including the names of the committee members, the terms of reference, any delegation of the Board's authority to make decisions, and a summary of each Board Committee's activities. *Provision 1.4.*

The Directors attend and actively participate in Board and Board Committee meetings, and the Directors with multiple board representations ensure that sufficient time and attention are given to the affairs of each company. The number of meetings held by the Board and Board Committees in FY2026 and the respective Directors' attendance for the said meetings are as follows: *Provision 1.5.*

Name of Director	**Board**		**Audit Committee**		**Nominating Committee**		**Remuneration Committee**		**AGM/EGM**	
	No. Held	**No. Attended**	**No. Held**	**No. Attended**	**No. Held**	**No. Attended**	**No. Held**	**No. Attended**	**No. Held**	**No. Attended**
Mr Ge Shuming	2	2	3	3^	1	1^	1	1^	1	1
Mr Law Kian Siong	2	2	3	3^	1	1^	1	1^	1	1
Mr Chong Kwang Shih	2	2	3	3	1	1	1	1	1	1
Mr Xue Congyan	2	2	3	3	1	1	1	1	1	1
Ms Liu Xiaohua	2	2	3	3	1	1	1	1	1	1

^ By invitation.

The Management provides Directors with complete, adequate and timely information prior to meetings and on an ongoing basis to enable them to make informed decisions and discharge their duties and responsibilities. This includes the provision of board papers and related materials, background or explanatory information relating to matters to be brought before the Board and/or the Board Committee, on a timely basis prior to each Board and/or Board Committee meeting to enable the Board and/or the Board Committee to make informed decisions. The Company's Constitution permits the Directors to attend meetings through the use of audio-visual communication equipment. *Provisions 1.6.*

The Directors also have separate and independent access to Management, the Company Secretary and external advisers (where necessary) at the Company's expense. The Directors are also entitled to request additional information from Management as and when required. *Provision 1.7.*

The Company has in place orientation programs for newly appointed Directors to familiarize with the Group's operations, business issues and the relevant regulations and governance requirements. Upon appointment, each Director will also be provided with a formal letter of appointment setting out their duties, obligations and terms of appointment. If a newly appointed Director does not have any prior experience as a director of a listed company, the Company arranges for the newly appointed Director to undertake training in the roles and responsibilities of a director of a listed company, organized by the Singapore Institute of Directors as required under Rule 406(3)(a) of the Catalist Rules, so as to familiarise such person with the relevant rules and regulations governing a listed company. The Company also arranges for its Directors to attend other courses organized by other training institutions relating to areas such as accounting, legal or such other specific areas that may be required for the Directors to discharge their roles and responsibilities. *Provision 1.2.*

In this regard, the Company notes that all Directors have fulfilled the training requirements under Rule 406(3)(a) of the Catalist Rules.

The Directors are also provided with regular updates on pertinent developments in the Group's business and governance standards, including changes in laws and regulations, financial reporting standards and industry-related matters, to enable them to make well-informed decisions and to ensure that the Directors are competent in carrying out their expected roles and responsibilities. New releases issued by the SGX-ST, Accounting and Corporate Regulatory Authority and other relevant regulatory bodies which are relevant to the Group and/or Directors are circulated to the Board. Directors are also encouraged to attend seminars and participate in training courses to enable them to perform effectively as Directors. The Company will arrange and will bear the cost of such training for the Directors.

The Company Secretary will attend all Board and Board Committee meetings. He or she is responsible for ensuring that procedures are followed and that the Company has complied with the requirements of the Companies Act 1967 of Singapore (the "**Companies Act**") and all other rules and regulations that are applicable to the Company. The appointment and removal of the Company Secretary is a decision of the Board as a whole. *Provision 1.7.*

Board Composition and Guidance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

As at the date of this Annual Report, the Board comprises two (2) Executive Directors and three (3) Independent Non-Executive Directors, and their membership on the Board Committees are as follows:

Name of Director	Board Membership	Audit Committee	Nominating Committee	Remuneration Committee
Mr Ge Shuming	Executive Director and Chairman	–	–	–
Mr Law Kian Siong	Executive Director	–	–	–
Mr Chong Kwang Shih	Lead Independent Non-Executive Director	Chairman	Member	Member
Mr Xue Congyan	Independent Non-Executive Director	Member	Chairman	Member
Ms Liu Xiaohua	Independent Non-Executive Director	Member	Member	Chairman

Provision 2.1.

Provision 2.1 of the Code provides that an "independent" Director is one who is independent in conduct, character and judgment, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Director's independent business judgment in the best interests of the Company. The criterion for independent is further elaborated in the practice guidance accompanying the Code (the "**Practice Guidance**") and Rule 406(3)(d) of the Catalist Rules.

The independence of each Director is reviewed annually by the NC with reference to the criterion of independence set out in the Code, the Practice Guidance and the Catalist Rules. Each Director is also required to disclose to the Board any relationships or circumstances as and when they arise, which are likely to affect, or could appear to affect the Director's judgment. In its review, the NC shall consider all nature of relationships and circumstances that could influence the judgement and decisions of the Directors before tabling its findings and recommendations to the Board for approval.

For FY2026, the Independent Non-Executive Directors (namely, Mr Chong Kwang Shih, Mr Xue Congyan and Ms Liu Xiaohua) have confirmed that they or their immediate family members do not have any relationship with the Company or any of its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the Directors' independent business judgement, and the Directors' ability to act in the best interests of the Company. None of the circumstances pursuant to Rule 406(3)(d) of the Catalist Rules apply to the Independent Non-Executive Directors. Save for Ms Liu Xiaohua, who has an indirect interest in 6,000,000 of the Company's ordinary shares, amounting to 4.44% of the Company's total number of ordinary shares as of the date of this Annual Report, none of the other Independent Non-Executive Directors own the Company's shares. The Independent Non-Executive Directors have not been in any foreseeable situation that could compromise their independence of thought and decision. The NC has therefore identified each of the Independent Non-Executive Directors as being independent. The Board has taken into consideration the review conducted by the NC and has also determined that each of the Independent Non-Executive Directors is independent.

As at the date of this Annual Report, the majority of the Board members are Independent Non-Executive Directors, namely Mr Chong Kwang Shih, Mr Xue Congyan and Ms Liu Xiaohua in compliance with Provisions 2.2 and 2.3 of the Code.

Provisions 2.2 and 2.3.

The Board comprises Directors with an appropriate balance and mix of skills, knowledge, experience and other aspects of diversity such as age and gender so as to avoid groupthink and foster constructive debate. The NC and the Board have also assessed that the Board and the Board Committees are of an appropriate size, after taking into account the nature and scope of the Group's operations, as well as the requirements of the business and industry that the Group is operating in.

Provision 2.4.

The Company is committed to building a diverse, inclusive and collaborative culture. The Company recognizes the benefits of diversity on the Board, and views diversity on the Board as an essential element to attain the Group's strategic objectives and sustainable development for the Group. The Board has taken the following steps to maintain or enhance its balance and diversity, which include assessing the existing attributes and core competencies of the Board which are complementary for enhancing the efficacy of the Board, and evaluation by the Directors of the skill sets the other Directors possess, with a view to understanding the range of expertise which may be lacking by the Board. The Board has, at the recommendation of the NC, approved and adopted a Board Diversity Policy to formalize the Company's approach towards achieving diversity on its Board. Under the Board Diversity Policy, it is noted that whilst it is important to promote boardroom diversity in terms of amongst others, gender, age and ethnicity, the Board is of the view that the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board remains a top propriety. Having regard to the guidelines of the Board Diversity Policy, the NC will, in reviewing the Board's composition and the appointment of directors, take into consideration the above factors. The current composition of the Board reflects the abovementioned approach, in which the Board provides the Group with a diversity of skills, experience and knowledge, including accounting, finance, investment, regulatory compliance, business and management experience as well as industry knowledge that are critical for the Group's business objectives. Key information regarding the Directors, such as academic and professional qualifications, is set out in the Annual Report under "Directors' Profile".

The Board notes that Rule 406(3)(d) of the Catalist Rules has been amended with effect from 1 January 2022 such that an independent director will not be considered independent if he or she has served on the Board for more than nine (9) years and his or her continued appointment as an independent director has not been sought and approved under a two-tier shareholders vote. In this regard, the Board confirms that none of the Independent Non-Executive Directors have served on the Board for more than nine (9) years from the date of his or her first appointment.

The Board has three (3) Independent Non-Executive Directors who endeavour to constructively challenge and help develop proposals on strategy and to review the performance of Management in meeting the Group's strategic goals and objectives. During FY2026, the Independent Non-Executive Directors communicated among themselves without the presence of Management as and when the occasions warrant. The Company also co-ordinates informal sessions for the Independent Non-Executive Directors to meet without the presence of the Management as and when it is required by the Independent Non-Executive Directors. The chairman of such meetings provide feedback to the Board and/or Chairman when appropriate.

Provision 2.5.

Chairman and Chief Executive Officer

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provisions 3.1 and 3.2.

Mr Ge Shuming is currently the Executive Director and Chairman of the Board. He works hand-in-hand with the Lead Independent Non-Executive Director, Mr Chong Kwang Shih, in setting the tone for the Board's conduct and ensures that the Group adheres to best corporate governance practices as prescribed by the Code. To ensure the Board's effectiveness in discharging its responsibilities, Mr Ge Shuming and Mr Chong Kwang Shih ensure that the Board holds regular meetings and that the Board receives sufficient information from Management on a timely basis. Both Directors also encourage constructive relations within the Board and between the Board and Management.

The Company does not currently have a Chief Executive Officer ("**CEO**") and these responsibilities are carried out by the two (2) Executive Directors who are responsible for the day-to-day management of the business. Taking into account the current corporate structure, size, nature and scope of the Group's operations, the Board is of the opinion that it is not necessary for the Group to appoint a CEO at present, and the current arrangement is beneficial and would be in the interest of the Company's shareholders and the Group as a whole.

Provision 3.3.

Notwithstanding the Executive Directors having assumed the additional responsibilities of the CEO, there are sufficient safeguards to ensure that the decision-making process by the Board remains independent, and that major decisions are made without any individual or group of individuals being able to exercise unfettered power or influence. Such safeguards include the Board Committees being chaired by Independent Non-Executive Directors. The Lead Independent Non-Executive Director, Mr Chong Kwang Shih, also provides leadership in situations where the Chairman is conflicted and is available to shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman or Management are inappropriate or inadequate.

Based on the aforesaid, the Board is of the view that there remains an appropriate balance of power and accountability to ensure independent decision making at the Board level.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provisions 4.1 and 4.2.

The NC is established for the purpose of ensuring that there is a formal and transparent process for all Board appointments. The NC comprises the Company's three (3) Independent Non-Executive Directors namely, Mr Chong Kwang Shih, Mr Xue Congyan and Ms Liu Xiaohua. The Chairman of the NC is Mr Xue Congyan, who is independent.

Provision 4.5.

The NC meets at least once a year. The terms of reference of the NC sets out its duties and responsibilities. The NC is authorized by the Board to:

(a) to make recommendations to the Board on the appointment and re-appointment of Directors (including alternate Directors, if applicable);

(b) to regularly review the Board structure, size and composition and make recommendations to the Board with regard to any adjustments that are deemed necessary;

(c) to determine the process for the search, nomination, selection and appointment of new Board members, assess nominees or candidates for appointment or election to the Board, and determining whether or not such nominee has the requisite qualifications and whether or not he or she is independent;

(d) to review the succession plans for Directors, in particular, the Chairman, Chief Executive Officer and key management personnel;

(e) to develop a process for the evaluation of performance of the Board, its Board Committees and Directors;

(f) to determine how the Board's performance may be evaluated, and propose objective performance criteria;

(g) to assess the effectiveness of the Board as a whole and its Board Committees and to assess the contribution by the Chairman and each individual Director to the effectiveness of the Board;

(h) to review training and professional development programs for the Board;

(i) to determine, on an annual basis, if a Director is independent;

(j) to review and recommend Directors who are retiring by rotation or are newly appointed to be put forward for re-election;

(k) to review and determine whether the Director is able to and has been adequately carrying out his or her duties as a Director of the Company, taking into consideration the Director's number of Board representations on listed companies and other principal commitments; and

(l) such other duties or functions as may be delegated by the Board or required by regulatory authorities.

All Directors are required to submit themselves for nomination and re-election at regular intervals and at least once every three (3) years. Directors appointed as an additional Director or to fill any casual vacancy shall hold office only until the next annual general meeting of the Company ("**AGM**") and shall be eligible for re-election.

Each member of the NC shall abstain from voting on any resolution in respect of the assessment of his or her performance or re-nomination as a Director.

The NC considers and recommends to the Board the appropriate structure, size and needs of the Board, with regard to the appropriate skills mix, personal qualities and experience required for the effective performance of the Board. The NC also recommends all appointments and retirements of Directors and considers candidates to fill new positions created by expansion or vacancies that occur by resignation, retirement or for any other reasons.

Provision 4.3.

Candidates are selected based on their character, judgment, business experience and acumen. Where a Director has multiple board representations, the NC will evaluate if a Director is able to and has been adequately carrying out his or her duties as Director of the Company. Based on the Directors' contributions at meetings of the Board and the Board Committees, as well as their time commitment to the affairs of the Company, the NC and the Board believes that at present, it would not be meaningful to define the maximum limit on the number of listed company board representations and other principal commitments which any Director may hold, and the Board has instead tasked the NC to review if a Director with multiple board representations is devoting sufficient time and attention to the affairs of the Company. In this regard, the NC is satisfied that the Directors are able to and have adequately carried out their duties as Directors of the Company, as well as sufficient time and attention are given by the Directors to the affairs of the Company.

Provisions 4.3 and 4.5.

Pursuant to Article 114 of the Company's Constitution, not less than one third of the Directors (who have been longest in office since their appointment or re-election) are to retire from office by rotation at each AGM of the Company. A retiring Director is eligible for re-election by the shareholders of the Company at the AGM.

At the forthcoming AGM, Mr Law Kian Siong and Mr Chong Kwang Shih will be retiring from office by rotation pursuant to Article 114 of the Company's Constitution. Mr Law Kian Siong and Mr Chong Kwang Shih, being eligible for re-election, have offered themselves for re-election. The NC has recommended and the Board has agreed for Mr Law Kian Siong and Mr Chong Kwang Shih to be put forward for re-election at the forthcoming AGM. In making the recommendation, the NC has considered, amongst others, the respective Director's competencies, commitment and overall contribution to the Board (such as attendance, participation, preparedness and candour).

Upon being re-elected as a Director of the Company at the forthcoming AGM:

(1) Mr Law Kian Siong shall remain as an Executive Director of the Company; and

(2) Mr Chong Kwang Shih shall remain as the Lead Independent Non-Executive Director of the Company, the Chairman of the AC, as well as a member of the NC and the RC.

The Company has put in place a process to ensure the continuous monitoring of the independence of the Directors whereby the Directors must immediately disclose their relationships with the Company, its related corporations, its substantial shareholders or its officers, if any, which may affect their independence, to the Board. If the Board, having taken into account the views of the NC, determines that such directors are independent notwithstanding the existence of such relationships, the Company discloses the relationships and its reasons in its annual report. *Provision 4.4.*

The NC reviews the independence of each Director annually in accordance with the definition of independence as set out in the Code and its Practice Guidance, including taking into consideration whether the Directors fall under any circumstances pursuant to Rule 406(3)(d) of the Catalist Rules. The Independent Non-Executive Directors are also required to submit their confirmation of independence annually for the NC's review. The Board and the NC have reviewed the independence of its Independent Non-Executive Directors and the NC are of the opinion that the Company's current Independent Non-Executive Directors (namely, Mr Chong Kwang Shih, Mr Xue Congyan and Ms Liu Xiaohua) are independent after taking into account the circumstances set forth in the Code, the Practice Guidance, Rule 406(3)(d) of the Catalist Rules and any other salient factors. The NC has also assessed that the current Independent Non-Executive Directors are independent for the purposes of Rule 704(7) of the Catalist Rules.

As at the date of this Annual Report, there is no Independent Non-Executive Director who has served the Company for more than nine (9) years.

Key information regarding the Directors is set out in pages 4 and 5 of this Annual Report.

Currently, the Company does not have any alternate Director on the Board.

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual Directors

A formal assessment process is in place to assess the effectiveness of the Board Committees and the Board as a whole, and for assessing the contribution by the Chairman and each individual Director. *Provision 5.1.*

The NC has adopted the performance evaluation forms recommended by the Singapore Institute of Directors. The evaluations are conducted annually. As part of the process, the Directors will complete the evaluation forms which are collated by the Company Secretary, who will then summarise the results of the evaluation and present it to the NC. Recommendations for improvement are then submitted to the Board for discussion and for implementation in areas where performance and effectiveness could be enhanced.

The performance criteria for the board evaluation are in respect of board size, board composition, board independence, as well as the board's decision-making processes, strategic planning, accountability and performance in discharging its principal functions and financial targets.

The evaluation of the Board is to be performed annually by having each member of the Board complete Board and individual Directors' evaluation questionnaires based on the above assessment parameters.

The Board has not engaged any external facilitator in conducting the assessment of the Board's performance. Where necessary, the NC will consider such engagement.

Provision 5.2.

The Board, in concurrence with the NC, is satisfied that, for FY2026, the Chairman and each individual Director have allocated sufficient time and attention to the affairs of the Company, and is of the view that the performance and effectiveness of the Board as a whole and each of the Board Committees, as well as the contribution by the Chairman and each individual Director to the effectiveness of the Board have been satisfactory.

B. REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provisions 6.1 and 6.2.

The RC comprises the Company's three (3) Independent Non-Executive Directors namely, Mr Chong Kwang Shih, Mr Xue Congyan and Ms Liu Xiaohua. The Chairman of the RC is Ms Liu Xiaohua, who is independent.

The RC meets at least once a year. The terms of reference of the RC sets out its duties and responsibilities. The RC is authorized by the Board to:

(a) review and recommend to the Board a general framework of remuneration for the Board and key management personnel;

(b) review and recommend to the Board the specific remuneration packages and terms of employment for each Director, key management personnel of the Group and employees related to Directors or controlling shareholders of the Group;

(c) review whether the Executive Directors and key management personnel should be eligible for benefits under any long-term incentive schemes which may be set up from time to time and to do all acts necessary in connection therewith;

(d) administer any performance-based bonus scheme and any other share option scheme or share plan established from time to time for the Directors and key management personnel;

(e) carry out its duties in the manner that it deems expedient, subject always to any regulations or restrictions that may be imposed upon the RC by the Board; and

(f) consider the disclosure requirements for Directors' and key management personnel's remuneration as required by the SGX-ST and the Code.

The RC also considers all aspects of remuneration, including termination clauses contained in the contracts of service for key management personnel to ensure that they are fair, reasonable and not overly generous. The RC aims to be fair and avoid rewarding poor performance. *Provision 6.3.*

The RC has full authority to obtain external professional advice on matters relating to remuneration should the need arises. The Board has not engaged any external remuneration consultant to advise on remuneration matters for FY2026. In respect of fees for Directors, approval of shareholders is required at each AGM of the Company. *Provision 6.4.*

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

The RC carries out annual reviews of the remuneration packages of the Board and key management personnel. In reviewing the remuneration packages, the RC takes into account the current market circumstances and whether remuneration package links rewards to corporate and individual performance. The RC also considers whether the remuneration packages are aligned with the interests of shareholders and other stakeholders, and whether it promotes the long-term success of the Company. The RC also assesses whether the remuneration packages are appropriate to attract, retain and motivate the Board and key management personnel to provide good stewardship of the Company and to successfully manage the Company for the long term. *Provisions 7.1 and 7.3.*

Mr Ge Shuming has entered into a service agreement for three (3) years with effect from the date of his appointment as an Executive Director of the Company (i.e. 19 July 2023), the same to be continued unless terminated. He is entitled to a fixed monthly salary and an annual incentive bonus based on both his and the Company's performance under his service agreement. Mr Ge Shuming's service agreement can be terminated if he, *inter alia*, is guilty of any dishonesty, gross misconduct, willful neglect of duty, continued material breach of the provisions of his service agreement, or if becomes bankrupt, persistently refuses to carry out any reasonable lawful order given to him in the course of their employment or persistently fails diligently to attend to his duties.

Mr Law Kian Siong is employed by the Group and is entitled to a fixed monthly salary and an annual wage supplement of two (2) month's basic salary, to be pro-rated accordingly if his period of employment for the relevant financial year is shorter than six (6) calendar months.

The Independent Non-Executive Directors receive Directors' fees in accordance with their contributions, taking into account factors such as effort, time spent, the responsibilities of the Independent Non-Executive Directors, and the need to pay competitive fees to attract, retain and motivate the Independent Non-Executive Directors. The RC ensures that the Independent Non-Executive Directors are not overly compensated to the extent their independence may be compromised. No Director is involved in deciding his or her own remuneration package. *Provisions 7.2 and 7.3.*

The Company does not intend to use contractual provisions to allow it to reclaim incentive components of remuneration from Executive Directors and key management personnel save for in exceptional circumstances such as misstatement of financial results, or misconduct resulting in financial loss to the Group. The Executive Directors owe a fiduciary duty to the Company and the Company should be able to avail itself to remedies against the Executive Directors in the event of such breach of fiduciary duties.

Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The details of the remuneration paid to the Directors for FY2026 are as follows:

Provisions 8.1 and 8.3.

Name of Director	Salary (SGD)	Bonus (SGD)	Directors' Fees (SGD)	Allowances & Other Benefits[1] (SGD)	Total Remuneration (SGD)
Mr Ge Shuming	240,000	–	–	–	240,000
Mr Law Kian Siong[2]	110,664	9,222	–	18,042	137,928
Mr Chong Kwang Shih	–	–	60,000	–	60,000
Mr Xue Congyan	–	–	60,000	–	60,000
Ms Liu Xiaohua	–	–	36,000	–	36,000

The Company's key management personnel (who are not Directors or the Chief Executive Officer) were paid an aggregate remuneration of SGD 430,328[4] in FY2026, in which their respective remuneration are as follows:

Name of Key Management Personnel[3]	Salary (%)	Bonus (%)	Directors' Fees (%)	Allowances & Other Benefits[1] (%)	Total Remuneration (%)
Between SGD 200,000 to SGD 300,000					
Mr Yu Liangbing	100	–	–	–	100
Between SGD 100,000 to SGD 199,999					
Mr Law Kian Guan	80	7	–	13	100
Mr Len Kwai Keong	78	10	–	12	100

1 Allowance and Other Benefits mainly relates to provision of mobile allowance and statutory contributions in connection with salary.
2 As Mr Law Kian Siong's remuneration is paid in Malaysian Ringgit ("**MYR**"), his remuneration above is premised on the exchange rate of MYR 1: SGD 0.3074.
3 There are only three (3) employees identified as key management personnel (who are not Directors or the Chief Executive Officer) of the Group in FY2026.
4 As the remuneration of Mr Law Kian Guan and Mr Len Kwai Keong are paid in MYR, the aggregate remuneration of the Company's key management personnel is premised on the exchange rate of MYR 1: SGD 0.3074, where applicable.

During FY2026, the Company does not have any employee share schemes or performance share plans in place.

The remuneration of Ms. Liu Jing, a substantial shareholder of the Company and Mr. Ge Wei, the brother of Mr. Ge Shuming, the Chairman and Executive Director of the Company, was each above SGD 150,000 but below SGD 250,000 during FY2026. The remuneration of Mr. Yu Liangbing, a substantial shareholder of the Company, and Mr. Law Kian Guan, the brother of Mr. Law Kian Siong, an Executive Director of the Company, is as disclosed in the table above. Save for the aforesaid, there is no other employee of the Company that is a substantial shareholder, or is an immediate family member of a Director, the CEO, or a substantial shareholder of the Company, whose remuneration exceeds SGD 100,000 in FY2026.

Provision 8.2.

C. ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders

The Board is responsible for the governance of risk of the Group and maintains a system of internal controls and risk management to safeguard shareholders' interests and the Group's assets. *Provision 9.1.*

The AC, through the assistance of internal and external auditors, reviews and reports to the Board on the adequacy of the Company's system of internal controls and risk management, including financial and operational compliance, information technology controls, risk management policies and systems established by the Management. In assessing the effectiveness of internal controls, the AC ensures that the key objectives are met, material assets are safeguarded and reliable financial information is prepared in compliance with applicable internal policies, laws and regulations.

The Board acknowledges that it is responsible for the overall internal control framework but recognizes that no system or internal control provides absolute assurance against the occurrence of material financial misstatement or losses, poor judgment in decision-making, human errors, fraud or other irregularities.

For FY2026, the Board and the AC have obtained assurance from: *Provision 9.2.*

(a) the Executive Directors and other key management personnel that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and

(b) the Executive Directors and other key management personnel that the Group's risk management and internal control systems in place are adequate and effective in addressing the Group's risk management and internal control systems.

Based on the internal controls established and maintained by the Group, work performed by the internal and external auditors, risk management reports, assurance from the Executive Directors and reviews performed by the Management, the Board, with the concurrence of the AC, is of the opinion that the system of internal controls (including financial, operational, compliance and information technology controls) and risk management systems in place are adequate and effective in addressing financial, operational, compliance and information technology risks of the Group as at 28 February 2026.

The Board did not establish a separate Board risk committee as the Board is currently assisted by the AC, internal auditors and external auditors in carrying out its responsibility of overseeing the Group's risk management framework and policies.

Audit Committee

Principle 10: The Board has an Audit Committee which discharges its duties objectively.

The AC comprises the Company's three (3) Independent Non-Executive Directors, namely, Mr Chong Kwang Shih, Mr Xue Congyan and Ms Liu Xiaohua. The Chairman of the AC is Mr Chong Kwang Shih, who is independent. All AC members, including the AC Chairman have recent and relevant accounting or related financial management expertise or experience. The AC members possess many years of experience in accounting and finance, investment, regulatory compliance, business or financial management. The Board considers that the AC members are appropriately qualified to discharge the responsibilities of the AC. *Provision 10.2.*

The AC members are not former partners or directors of the Company's existing auditing firm and they have no financial interest in such auditing firm. *Provision 10.3.*

The role of the AC is to assist the Board with discharging its responsibility to: *Provisions 10.1, 10.4 and 10.5.*

(a) safeguard the Group's assets;

(b) maintain adequate accounting records;

(c) develop and maintain effective systems of internal controls and risk management;

(d) ensure integrity of financial statements; and

(e) provide arrangements whereby concerns on financial improprieties or other matters raised by whistle-blowers are investigated and appropriate follow-up action are taken.

The AC meets at least twice a year. The terms of reference of the AC sets out its duties and responsibilities. The AC is authorized by the Board to:

(1) review significant financial reporting issues and judgments to ensure integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;

(2) review and report to the Board at least annually on the adequacy and effectiveness of the Company's internal controls (including financial, operational, compliance and information technology controls) and risk management policies (in which such review can be carried out internally or with the assistance of any competent third parties);

(3) review at least annually the independence, adequacy and effectiveness of the Company's internal audit function, including ensuring it is staffed with persons with the relevant qualifications and experience;

(4) ensure that the internal audit function is adequately resourced and has appropriate standing within the Company;

(5) review the internal audit program and ensure coordination between the internal and external auditors and Management;

(6) review the scope and results of the internal audit procedures;

(7) review the scope and results of the external audit, and the independence and objectivity of the external auditors;

(8) approve the hiring, removal, evaluation and compensation of the head of the internal audit function (if applicable), or accounting/auditing firm or corporation if the internal audit function is outsourced;

(9) make recommendations to the Board on proposals to shareholders on the appointment, re-appointment, resignation and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;

(10) ensure co-ordination where more than one (1) auditing firm or corporation is involved;

(11) review with the internal and external auditors:

   (i) their audit plan, including the nature and scope of the audit before the audit commences;

(ii) their evaluation of the system of internal controls;

(iii) their audit report; and

(iv) their management letters and Management's responses;

(12) review interested person transactions falling within the scope of the Catalist Rules on a half-yearly basis;

(13) review the half year and full year financial statements of the Company before submission to the Board for approval, focusing in particular, on:

(i) changes in accounting policies and practices;

(ii) major risk areas;

(iii) significant adjustments resulting from the audit;

(iv) the going concern statement;

(v) compliance with accounting standards; and

(vi) compliance with stock exchange and statutory/regulatory requirements;

(14) review the audited financial statements of the Company and the consolidated balance sheet and profit and loss account, before approval by the Board;

(15) discuss problems and concerns, if any, arising from half-yearly and/or full year audits, in consultation with the internal and external auditors, where necessary;

(16) meet with the external and internal auditors without the presence of Management, at least annually, to discuss any problems or concerns they may have;

(17) ensure where deficiencies in internal controls have been identified, appropriate and prompt remedial action is taken by Management;

(18) review the assistance given by Management to the internal and external auditors;

(19) review annually the independence of the external auditors, the aggregate amount of fees paid to the external auditors for the financial year and the breakdown of the fees paid in total for audit and non-audit services respectively;

(20) review and discuss with the external auditors, any suspected fraud or irregularity, or suspected infringement of any applicable law, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and Management's response;

(21) review the policy and arrangements by which staff of the Company or of the Group and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or any other matters; and conduct an independent investigation of such matters for appropriate follow-up action pursuant to the Company's whistle-blowing program;

(22) investigate any matter within the AC's purview, with full access to and co-operation by Management and full discretion to invite any Director or executive officer to attend its meetings, and reasonable resources to enable it to discharge its function properly;

(23) report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(24) undertake such other reviews and projects as may be requested by the Board; and

(25) undertake such other functions and duties as may be required by statute or the Catalist Rules, as amended from time to time.

The AC is authorized to obtain independent professional advice if it deems necessary in the discharge of its responsibilities. Such expenses are to be borne by the Group. The AC has full access to the Management and full discretion to invite any Director or key management personnel to attend its meetings and will be given resources to enable it to discharge this function.

For FY2026, the AC has met with the external auditors and internal auditors without the presence of Management at least once.

Foo Kon Tan LLP, an audit firm registered with the Accounting and Corporate Regulatory Authority and approved under the Accountants Act 2004 of Singapore, was appointed as the external auditors of the Company since the Company's extraordinary general meeting on 24 September 2024. Mr Raymond Kong, who is a registered public accountant under the Accountants Act 2004 of Singapore, is the audit partner-in-charge assigned to the audit of the Group for FY2026.

The external auditors are responsible for performing an independent audit of the Group's financial statements in accordance with the financial reporting standards, and for issuing a report thereon. The AC's responsibility is to monitor these processes, as well as to review the audit plan and scope of examination of the external auditors and the assistance given by the Group's officers to the external auditors. In relation to the key audit matters raised in the external auditors' report, the AC noted the external auditors' independent opinion on the Management's accounting, treatment and estimates and concluded that they are appropriate and the AC is satisfied that the key audit matters, after taking into consideration, *inter alia*, the approach and methodology used, have been properly dealt with.

The AC has reviewed the audit services provided by the external auditors and is satisfied that the external auditors are independent and the AC has recommended the reappointment of Foo Kon Tan LLP as the external auditors of the Company at the forthcoming AGM. In making its recommendation, the AC has also considered the adequacy of the resources and experience of the external auditors' firm and the audit partner-in-charge assigned to the audit, the firm's other audit engagements, the size and complexity of the Group, and the number and experience of supervisory and professional staff assigned to the particular audit as well as the standard and quality of work performed by the external auditors for FY2026. There were no non-audit services rendered during FY2026. The Company is in compliance with Rules 712 and 715 of the Catalist Rules.

Details of the aggregate amount of audit and non-audit services paid or payable to the external auditors in FY2026 are disclosed in page 69 of the Annual Report.

The Company has established an internal audit function that is independent of the activities it audits. As recommended by the AC, the Company has outsourced the internal audit function to an independent corporation, PKF-CAP Risk Consulting Pte Ltd ("**PKF**"). The internal auditors report functionally to the Chairman of AC and administratively to the Executive Directors. A risk-based internal audit plan was approved by the AC and the results of the audit findings were submitted to the AC for its review.

The internal audit function primarily focuses on assessing whether the current system of risk management and internal control provides reasonable assurance on:

(A) compliance with applicable laws, regulations, policy and procedures;

(B) reliability and integrity of information; and

(C) safeguarding of assets.

The AC also reviews and decides on the appointment, termination and remuneration of internal auditors.

During FY2026, PKF reviewed key internal controls in selected areas based on a risk-based internal audit plan and reported its findings together with recommendations on areas for improvement for the AC's attention, so as to improve the adequacy and effectiveness of internal controls. The AC is satisfied that the Group's outsourced internal audit function is independent, effective and adequately resourced, and has appropriate standing within the Group.

The internal auditors, PKF, have unfettered access to all the Group's documents, records, properties and personnel, including access to the AC.

All AC members have to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements. This is done via regular updates and briefings provided by the external auditors to the AC as well as accounting standards update seminars conducted by various accounting firms or professional bodies.

Whistle-blowing Policy

To encourage proper work ethics and deter any misconduct or wrongdoing within the Group, the Group has established a whistle-blowing policy that stipulates the mechanism and procedures by which concerns about such plausible improprieties may be raised. To provide a channel for both employees and external parties to raise concerns and issues in good faith on possible corruption, suspected fraud and other non-compliance issues (including misconduct or wrongdoing relating to the Group and its officers), a dedicated email address allows whistle-blowers to contact the AC directly, who is responsible for oversight and monitoring of whistle-blowing.

The AC will address the issues or concerns raised and ensure that necessary arrangements are in place for independent investigation of issues raised in good faith by the employees or external parties and also appropriate follow-up actions based on the results of the investigation. Where appropriate or required, a report shall be made to the relevant authorities for further investigation or action.

Information received pertaining to whistle-blowing will be treated with confidentiality and restricted to the designated persons-in-charge of the investigation to protect the identity and interest of whistle-blowers against any detrimental or unfair treatment.

No such whistle-blowing report was received for FY2026.

D. SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

The Board is accountable to the shareholders and is mindful of its obligation to provide timely and fair disclosure of material information to shareholders, investors and the public. The Board treats all shareholders fairly and equitably, and seeks to protect and facilitate the exercise of its shareholders' rights.

The Company announces financial information, major developments and other price-sensitive information on the SGXNet in a timely manner to ensure investors are kept abreast of the Group's developments. The annual report, circulars and notices of all shareholders' meetings will be posted on the Company's website and SGXNet.

The Chairman of the Board and the various Board Committees are normally present and available to address questions at general meetings of the Company. The external auditors are present to assist the Board in addressing any relevant queries from the shareholders. All shareholders are encouraged to attend the Company's general meetings to ensure a high level of accountability and to be updated on the Group's strategies and goals. *Provision 11.3.*

All Directors were present at the AGM for FY2025 held on 28 August 2025. Save for this meeting, there were no other general meetings of the Company held during FY2026.

All shareholders are entitled to participate in and vote at the general meetings. If any shareholder is unable to attend, he or she is allowed to appoint up to two (2) proxies to vote on his or her behalf at the general meeting through a proxy form sent in advance. The Company's Constitution does not include the nominee or custodial services to appoint more than two (2) proxies. *Provision 11.1.*

The Company is not implementing absentia voting methods such as voting via mail, email or fax until security, integrity and other pertinent issues are satisfactorily resolved. *Provision 11.4.*

Minutes of general meetings of shareholders will be published on the Company's corporate website and announced via SGXNet as soon as practicable within one (1) month from the date of such meeting. The minutes will record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting and responses from the Directors and Management. *Provision 11.5.*

The Company ensures that there are separate resolutions at general meetings on each substantially separate issue. Where the resolutions are "bundled", the Company will explain the reasons and material implications in the notice of meeting. For greater transparency, the Company will put all resolutions to vote by poll and make an announcement of the detailed results of the number of votes cast for and against each resolution and the respective percentages will be presented and announced on the same day. *Provision 11.2.*

The Company's previous AGM held on 28 August 2025 was held in a wholly physical format. The upcoming AGM will also be held in a wholly physical format, at Raffles Marina, Theatrette, Level 2, Raffles Marina, 10 Tuas West Drive, Singapore 638404. There will be no option for shareholders to participate virtually. Arrangements relating to attendance at the AGM, submission of questions to the Chairman of the Meeting in advance of, or at, the AGM, and voting at the AGM by shareholders or their duly appointed proxy(ies), are set out in the notice of the upcoming AGM.

The Company does not have a fixed dividend policy. The form, frequency and amount of future dividends on the shares of the Company that the Directors may recommend or declare in respect of any particular financial year or period will be subject to the factors outlined below as well as any other factors deemed relevant by the Directors: *Provision 11.6.*

(a) the level of the Group's cash and retained earnings;

(b) the Group's actual and projected financial performance;

(c) the Group's projected levels of capital expenditure and other investment plans;

(d) the Group's working capital requirements and general financing condition;

(e) restrictions on payment of dividends imposed on the Group by the Group's financing arrangements (if any); and

(f) the general economic and business conditions in countries in which the Group operates.

Having considered the current challenging business environment which the Group operates and that the Group is in a loss making position, the Board has decided that it would be more prudent to retain cash for its operations, and the Company will not be declaring any dividends for FY2026 (FY2025: nil).

Engagement with Shareholders

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Communication with shareholders are mainly made via SGXNet. This includes half year and full year financial results announcements, public announcements on major developments and price-sensitive information, as well as annual reports and sustainability reports. Some of these documents are also made available on the Company's corporate website.

Provisions 12.1, 12.2 and 12.3.

The Company does not have an investor relations policy but maintains an investor relations website and the contact details of the investor relations can be found on the Company's website which allows for an ongoing exchange of views so as to actively engage and promote regular, effective and fair communication with shareholders.

Shareholders may contact the Company via telephone or email to IR@versalink.com with questions and they will receive responses in a timely manner.

E. MANAGING STAKEHOLDERS RELATIONSHIPS

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Board regularly engages the stakeholders through various means and communication channels. The relationships with material stakeholders have an impact on the Company's long-term sustainability, service and products standards. By considering and balancing the needs and interests of material stakeholders, it would ensure the interests of the Company are best served. The material stakeholders of the Company include investors, employees, customers, government and regulators as well as the community. The Group has also undertaken a process to determine the economic, environmental, social and governance issues, which are important to these stakeholders.

Provisions 13.1, 13.2 and 13.3.

Detailed approach to the stakeholder engagement and materiality assessment will be disclosed in the Group's sustainability report for FY2026 ("**SR2026**"), which will be released on SGXNet at the same time as this Annual Report, to keep stakeholders informed on the Group's business and operations. The SR2026, prepared in accordance with the Global Reporting Initiative Standards, highlights the governance, environmental and social factors that the Company has determined to be material to the Group and its stakeholders. The SR2026 also describes the Group's sustainability practices with reference to the primary components and climate-related disclosure set out in Rule 711B of the Catalist Rules.

To allow communication and engagement with stakeholders, all stakeholders are welcome to provide their valuable feedback on the Group's sustainability report at sustainability@versalink.com.

F. COMPLIANCE WITH APPLICABLE CATALIST RULES

Dealings in Securities

The Company has adopted a policy whereby its Directors and employees are prohibited from dealing in the securities of the Company while in possession of price-sensitive information as well as during the period commencing one (1) month before the announcement of the Company's half year and full year results and ending on the date of the announcement of the relevant results. The Directors and officers are to refrain from dealing in the Company's securities on short-term considerations.

The Directors and employees are also required to adhere to the provisions of the Securities and Futures Act 2001 of Singapore, the Companies Act, the Catalist Rules and any other relevant regulations with regard to their securities transactions.

Directors and employees are also expected to observe insider trading laws at all times even when dealing with securities within the permitted trading period.

In view of the processes in place, in the opinion of the Directors, the Company has complied with Rule 1204(19) of the Catalist Rules on dealings in securities.

Interested Person Transactions

The Group has established internal control policies to ensure that transactions with interested persons are properly reviewed and approved, and that these transactions with interested persons are conducted at arm's length and in the best interest of the Group. Any Director who is interested in a transaction will abstain and refrain from deliberating, discussing, making recommendations and approving the transaction. The Group does not have a general mandate from shareholders for interested person transactions pursuant to Rule 920(1)(a) of the Catalist Rules.

There were no interested person transactions exceeding SGD 100,000 entered into by the Group in FY2026.

Material Contracts

Pursuant to Rule 1204(8) of the Catalist Rules, save for the service agreement entered into with Mr Ge Shuming, Executive Director and Chairman of the Company as well as a controlling shareholder ("**Mr Ge**"), the employment of Mr Law Kian Siong, Executive Director of the Company, and as set out below, there are no other material contracts entered into by the Company or any of its subsidiaries involving the interest of any Director, the CEO or controlling shareholder of the Company, either still subsisting as at the end of FY2026 or if not then subsisting, entered into since the end of FY2025:

(a) the loan agreement dated 18 June 2024, as amended and supplemented by an extension letter dated 21 July 2025, entered into amongst Mr Ge and the Company granting an unsecured loan of S$200,000 to the Company at an interest rate of 5.0% per annum, to be repaid on 17 July 2026 ("**Loan 1**");

(b) the loan agreement dated 29 August 2024, as amended and supplemented by an extension letter dated 21 July 2025, entered into amongst Mr Ge and the Company granting an unsecured loan of S$200,000 to the Company at an interest rate of 5.0% per annum, to be repaid on 28 August 2026 ("**Loan 2**");

(c) the facility agreement dated 26 May 2025 entered into amongst Mr Ge and the Company granting an unsecured loan of S$500,000 to the Company at an interest rate of 5.0% per annum, to be repaid on 25 May 2026 ("**Loan 3**"); and

(d) the loan agreement dated 1 March 2026 (the "**2026 Loan Agreement**") entered into amongst Mr Ge and the Company granting an unsecured loan of S$1,400,000 to the Company at an interest rate of 5.0% per annum, such agreement to supersede and replace Loan 1, Loan 2 and Loan 3 (collectively, the "**Prior Loans**"), and the loan to be repaid on 28 February 2027. Pursuant to the 2026 Loan Agreement, parties had also agreed and acknowledged that the interest accruing and arising from the Prior Loans has been repaid in full as at the date of the 2026 Loan Agreement.

Non-Sponsor Fees

Pursuant to Rule 1204(21) of the Catalist Rules, there were no non-sponsor fees payable or paid to ZICO Capital Pte. Ltd. in FY2026.

ADDITIONAL INFORMATION REQUIRED PURSUANT TO RULE 720(5) OF THE CATALIST RULES ON DIRECTORS SEEKING FOR RE-ELECTION

The following additional information on Mr Law Kian Siong and Mr Chong Kwang Shih, whom are seeking re-election as Directors of the Company at the upcoming AGM, is to be read in conjunction with their respective biographies in the section headed "Directors' Profile" in this Annual Report.

Name of Director	Mr Law Kian Siong	Mr Chong Kwang Shih
Date of appointment	11 July 2014	19 October 2023
Date of last re-appointment (if applicable)	27 June 2024	27 June 2024
Age	51	59
Country of principal residence	Malaysia	Singapore
The Board's comments on this re-election (including rationale, selection criteria, board diversity consideration, and the search and nomination process)	The NC has recommended and the Board has concurred with the NC for Mr Law Kian Siong to retire and seek re-election at the forthcoming AGM following an assessment of his contributions, qualifications, experience and the diversity of the Board with regards to the objective of the Board Diversity Policy of the Company.	The NC has recommended and the Board has concurred with the NC for Mr Chong Kwang Shih to retire and seek re-election at the forthcoming AGM following an assessment of his contributions, qualifications, experience and the diversity of the Board with regards to the objective of the Board Diversity Policy of the Company. Mr Chong Kwang Shih is considered independent for the purposes of Rule 704(7) of the Catalist Rules.
Whether appointment is executive, and if so, the area of responsibility	Executive Please refer to the section headed "Directors' Profile" in this Annual Report for information on the area of responsibility.	Lead Independent Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Director	Lead Independent Non-Executive Director AC Chairman RC Member NC Member
Professional Qualifications	Bachelor's Degree in Business Administration from Camden University of the United States of America	Bachelor of Commerce and Administration (Major: Accountancy) from the Victoria University of Wellington in New Zealand

CORPORATE GOVERNANCE REPORT

Name of Director	Mr Law Kian Siong	Mr Chong Kwang Shih
Working experience and occupation(s) during the past 10 years	2014 to present: Executive Director of Versalink Holdings Limited 2014 to July 2023: Group Chief Executive Officer of Versalink Holdings Limited	October 2023 to present: Lead Independent Non-Executive Director of Versalink Holdings Limited June 2024 to June 2025: Chief Financial Officer of FF Global Pte Ltd November 2022 to May 2024: Chief Financial Officer of CYS Global Remit Pte Ltd February 2020 to October 2022: Executive Director of Dew Corporate Advisory Pte Ltd September 2019 to January 2020: Group Chief Financial Officer of DLF Holdings Limited February 2017 to August 2019: Executive Director of Dew Corporate Advisory Pte Ltd July 2015 to January 2017: Chief Financial Officer of OEL (Holdings) Limited
Shareholding interest in the listed issuer and its subsidiaries	No	No
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Sibling of the director of the Group's subsidiaries, Mr Law Kian Guan Director of the Group's principal subsidiaries, details as set out below	No
Conflict of interest (including any competing business)	No	No
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes
Other Principal Commitments including Directorships		
• Past (for the last 5 years)	**Directorship** Nil. **Other Principal Commitment** Nil	**Directorships** AGV Group Limited (In Compulsory Liquidation) AGV Galvanizing (Singapore) Pte. Ltd. **Other Principal Commitment** Nil
• Present	**Directorships** Jemaramas Jaya Sdn. Bhd. Versalink Marketing Sdn. Bhd. **Other Principal Commitments** Malaysian Furniture Council (Deputy President) KL and Selangor Furniture Association (Executive Advisor)	**Directorship** Dew Corporate Advisory Pte Ltd **Other Principal Commitment** Nil

CORPORATE GOVERNANCE REPORT

Name of Director	Mr Law Kian Siong	Mr Chong Kwang Shih
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	Yes Mr Chong Kwang Shih served as an independent director of AGV Group Limited (“**AGV**”) from June 2018 to January 2022, and was the lead independent director of AGV from November 2019 to January 2022 with positions held in AGV’s various board committees. AGV provided hot-dip galvanizing services in Singapore and Malaysia, with a hot-dip galvanizing plant located in each jurisdiction. On 24 January 2022, AGV was placed under interim judicial management, with Mr Leow Quek Shiong and Mr Gary Loh Weng Fatt, care of BDO Advisory Pte. Ltd. (collectively, “**BDO**”) being appointed as the joint and several interim judicial managers. Subsequently, AGV was placed under judicial management on 4 May 2022 with BDO being appointed as the joint and several judicial managers. AGV was thereafter ordered to be wound up by the General Division of the High Court of Singapore on 25 November 2022, with BDO being appointed as the joint and several liquidators. Further details pertaining to AGV’s judicial Management, liquidation and delisting can be found in AGV’s SGXNet announcements from 20 January 2022 up till 3 October 2024.
(c) Whether there is any unsatisfied judgment against him?	No	No

Name of Director	Mr Law Kian Siong	Mr Chong Kwang Shih
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No
(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Mr Law Kian Siong	Mr Chong Kwang Shih
(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No

CORPORATE GOVERNANCE REPORT

Name of Director	Mr Law Kian Siong	Mr Chong Kwang Shih
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No
Any prior experience as a director of a listed Company? *If yes, please provide details of prior experience.* *If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange. Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).*	Not applicable as this is a re-election of a Director of the Company.	Not applicable as this is a re-election of a Director of the Company.

STATEMENT BY DIRECTORS AND FINANCIAL STATEMENTS

DIRECTORS' STATEMENT

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2026

We are pleased to submit this statement to the shareholders together with the audited consolidated financial statements of Versalink Holdings Limited (the "**Company**") and its subsidiaries (together with the Company, the "**Group**") for the financial year ended 28 February 2026 ("**FY2026**").

Opinion of the directors

In the opinion of the directors,

(a) the accompanying financial statements of the Group and the statement of financial position of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 28 February 2026 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International); and

(b) as of the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Name of directors

The directors of the Company in office at the date of this statement are:

Ge Shuming	Executive Director and Chairman of the Board
Law Kian Siong	Executive Director
Chong Kwang Shih	Lead Independent Non-Executive Director
Xue Congyan	Independent Non-Executive Director
Liu Xiaohua	Independent Non-Executive Director

Arrangements to enable directors to acquire shares or debentures

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

Directors' interests in shares or debentures

According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Direct Interest		Deemed Interest	
Name of directors and company in which interests are held	**As at 1.3.2025**	**As at 28.2.2026**	**As at 1.3.2025**	**As at 28.2.2026**
The Company - Versalink Holdings Limited	Number of ordinary shares			
Ge Shuming	–	–	39,208,500	39,208,500
Liu Xiaohua	–	–	6,000,000	6,000,000

The directors' interest in the ordinary shares of the Company as at 21 March 2026 were the same as those as at 28 February 2026.

Share options

No options were granted during the financial year to take up unissued shares of the Company or of its subsidiaries.

No shares were issued during the financial year to which this report relates by virtue of the exercise of options to take up unissued shares of the Company or of its subsidiaries.

There were no unissued shares of the Company or its subsidiaries under option at the end of the financial year.

Audit Committee

The members of the Audit Committee at the end of the financial year were as follows:

Chong Kwang Shih	–	Chairman of Audit Committee (Independent Non-Executive Director)
Xue Congyan	–	Member (Independent Non-Executive Director)
Liu Xiaohua	–	Member (Independent Non-Executive Director)

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Act. In performing those functions, the Audit Committee reviewed:

(a) the audit plan provided by the independent auditor;

(b) the independent auditor's evaluation of the Company's internal accounting controls in the course of their statutory audit, report on the financial statements of the Company and the Group, and assessment of the assistance given by the Company's Management for the statutory audit;

(c) the scope and results of the internal audit procedures undertaken by the internal auditor (including those relating to risk management as well as financial, operational, and compliance controls) and the internal auditor's assessment of the assistance given by the Company's Management in the course of its internal audit;

(d) the financial statements of the Company and the Group prior to submission to the Company's Board of Directors for adoption; and

(e) the interested person transactions (as defined in Chapter 9 of the SGX-ST Listing Manual Section B: Rules of Catalist).

Other functions performed by the audit committee are described in the report on corporate governance included in the annual report of the company. It also includes an explanation of how independent auditor objectivity and independence is safeguarded where the independent auditor provides non-audit services.

The Audit Committee has recommended to the Board that the independent auditor, Foo Kon Tan LLP, be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Independent auditor

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the directors

LAW KIAN SIONG

GE SHUMING

Dated: 10 June 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF VERSALINK HOLDINGS LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Versalink Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 28 February 2026, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 28 February 2026, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code"), as applicable to audits of financial statement of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(1) Impairment of plant and equipment

As at 28 February 2026, the Group's plant and equipment amounted to RM2,430,000 as disclosed in Note 12 to the financial statements.

The Group reported a loss before tax of RM5,879,000 for the financial year ended 28 February 2026. Management performed an impairment test on the plant and equipment due to the existence of impairment indicators as at the balance sheet date. The impairment test was conducted by comparing the carrying amounts of the plant and equipment to their recoverable amounts which is based on the higher of fair value less costs of disposal ("FVLCD") and value in use.

Management estimated the recoverable amounts of the plant and equipment based on FVLCD. Management engaged an external independent valuer ("Valuer") to perform the valuation of the plant and equipment and considered the reasonableness of the valuation taking into consideration the current market conditions of the plant and equipment, the recent market sales of the similar plant and equipment, the specifications, age and conditions of the plant and equipment as well as the cost to a market participant buyer to acquire or construct a substitute asset of comparable utility, adjusted for obsolescence.

No impairment loss or reversal of impairment loss was recognised on plant and equipment during the current financial year. We have determined this as a key audit matter due to the significant judgement involved in the estimation of the values of the plant and equipment.

Key Audit Matters (cont'd)

(1) Impairment of plant and equipment (cont'd)

Our responses and work performed:

We assessed the appropriateness of management's identification of the cash generating units ("CGU") through making inquiries with management and our understanding of the Group's operations and its internal management reporting process. We have considered both internal and external sources of information in determining whether the plant and equipment have any indicators of impairment as well as whether there is any indication of further impairment loss or reversal of impairment loss is required.

We evaluated management's assessment on the reversal of impairment loss by comparing the carrying values of the plant and equipment with their respective recoverable amounts determined based on the FVLCD, to determine if any further impairment loss or reversal of impairment loss is required. We have also assessed the competency and objectivity of the management expert.

We involved our auditor's expert to assist us in evaluating the valuation methodologies and assessing the appropriateness of key assumptions and inputs used, inter alia the replacement costs of similar plant and equipment currently owned by the Group adjusted for age, condition and technological obsolescence of the plant and equipment, and considered the industry situation in which the Group operates in. We evaluated the competency and objectivity of the auditor's expert and the adequacy of the work performed by the auditor's expert.

We have also assessed the adequacy of the disclosures made in the financial statements.

(2) Allowance for slow-moving inventories

As at 28 February 2026, the carrying amount of the Group's inventories was RM3,119,000 as disclosed in Note 16, comprising mainly raw materials amounting to RM2,501,000 which included plywood, chipboards and metal frames used in the production of a wide range of system furniture under the Group's "Versalink" brand or on an Original Equipment Manufacturer ("OEM") basis. Such raw materials stored in the Group's warehouse may be susceptible to wear and tear and moisture damages.

In respect of finished goods, it may be subject to changing consumer demands due to the product design, trends, inventory and market conditions at the reporting date. Accordingly, such finished goods may not be recoverable in full if such finished goods become slow moving, or if their selling prices have declined below the carrying amounts.

During the current financial year, management wrote off additional inventories of RM1,912,000 in the consolidated statement of comprehensive income. Furthermore, management utilised the provision for inventory obsolescence recognised in prior years in respect of raw materials amounting to RM1,696,000.

Management carried out an assessment to determine if there are inventories that had to be written down to its net realisable value as at the end of the financial year. This may happen if the inventories were damaged, become obsolete, of if their selling prices have declined. In making this determination, management takes into account a combination of factors, which include the age of the inventories, historical and subsequent selling prices and committed orders of the Group's products.

The level of judgement involved in determining whether a provision for inventory obsolescence should be recognised and how it should be measured, coupled with the fact that provision movements impact earnings is one of the key judgemental areas that our audit concentrates on.

Key Audit Matters (cont'd)

(2) Allowance for slow-moving inventories (cont'd)

Our responses and work performed:

In respect of the audit procedures performed on the valuation of inventories, we have performed specific audit procedures to address the risk:

(a) Tested the reliability of the inventory ageing report which management uses as a basis to identify inventories with net realisable value issues on a sample basis and assessed whether there were any significant build ups of aged inventories;

(b) Attended and observed management's physical stock count process, including identification of damaged inventories;

(c) Held discussions with management to understand management's assessment on the allowance percentage applied on its inventories as well as the basis for the estimated net realisable value of inventories and evaluated the reasonableness of management's assessment against historical selling prices, actual subsequent sales or committed sales orders, as appropriate, on a sample basis; and

(d) Reviewed and tested inventories to ensure they are stated at lower of cost and net realisable value.

(3) Impairment of trade and other receivables

Trade and other receivables totalled RM3,354,000, net of allowance for expected credit losses ("ECL") of RM162,000 as disclosed in Note 17 to the financial statements as at 28 February 2026. There was no additional impairment loss recognised on trade and other receivables in the consolidated statement of comprehensive income during the current financial year.

The recoverability of trade and other receivables is a key element of the Group's working capital management, which is managed on an ongoing basis by management. Management determines impairment of trade and other receivables by making debtor-specific assessment for credit-impaired debtors. For the remaining group of debtors, management provides lifetime expected credited losses using a provision matrix. The provision rates are determined based on the Group's historical default rates analysed based on days past due by grouping customers based on the customer profiles, adjusted for current and forward-looking information.

This area is a key audit matter due to the amounts involved, as well as the inherent subjectivity that was involved in making judgement by the management in relation to the assumptions used in the expected credit loss model such as forward-looking macroeconomic factors.

Our responses and work performed:

Our audit procedures included (i) assessing the recoverability of the significant aged debts, by discussing with management, checking subsequent collections and corroborating to the historical payment records of the debtor; and (ii) assessing whether disclosures in respect of the credit risk of trade receivables is appropriate.

For the simplified expected credit losses ("ECL") model, our audit procedures included the review of management's process over the recoverability of outstanding trade receivables, including the payments made by the customers subsequent to the reporting period. We have also tested the reasonableness of management's assumptions and inputs used in the ECL model by comparing to historical credit loss rates and reviewed data and information that management has used, including consideration of forward-looking information based on specific economic data.

Key Audit Matters (cont'd)

(4) Impairment of cost of investment in subsidiaries

The carrying amount of the Company's investment in JJ and VM (collectively known as "Office Furniture Business") is RM15,514,000 as disclosed in Note 15 to the financial statements as at the balance sheet date.

Management assessed and determined that there were indicators of impairment in relation to the Company's investment in JJ and VM due to weaker performance, current economic environment and geopolitical uncertainties.

Management has assessed JJ and VM collectively as the smallest identifiable group of assets (the "Office Furniture Business") that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Management performed an impairment test by comparing the carrying amount of the company's investment in Office Furniture Business to the recoverable amount which is the higher of FVLCD and value in use. Management estimated the recoverable amount of the Office Furniture Business based on FVLCD.

Based on management's assessment, the recoverable amount of the Company's investment in Office Furniture Business was lower than the carrying amount. Consequently, management recorded an impairment loss of RM6,756,000 in the current financial year.

In estimating the FVLCD, management engaged external independent valuer ("Valuer) to perform the valuations of the subsidiaries and considered the reasonableness of the valuation taking into consideration the current environment. The valuation methodologies require the use of various estimates and assumptions determined by management and the Valuer.

Our responses and work performed:

We assessed the appropriateness of management's identification of the cash generating unit ("CGU") through making inquiries with management and our understanding of the Group's operations and its internal management reporting process. We considered both internal and external sources of information to determine if the CGU has any indicators of impairment as well as whether there is any indication that the impairment loss recognised on the CGU in prior years may no longer exist or may have decreased.

We evaluated management's assessment of impairment by comparing the carrying amount of the investment with the recoverable amount determined based on FVLCD, to determine if any impairment loss or reversal of impairment loss is required. We have assessed the competency and objectivity of the management expert.

With the assistance of our auditor's expert, we assessed the appropriateness of the valuation methodology adopted and evaluated the reasonableness of the key assumptions and inputs used. We have evaluated the competency and objectivity of the auditor's expert and the adequacy of the disclosures made in the financial statements.

(5) Provision for litigation

In 2022, a customer commenced legal proceedings against a subsidiary of the Group for breach of 3 contracts. The customer has claimed for damages in the sum of RM1,680,000.

In 2023, the Court had directed the parties to the legal proceedings to exchange documents in support of their respective claims. Having perused the evidence submitted by the customer in support of their claim, management was of the opinion that it was probable that an outflow of resources will be required to fulfil the claim made by the customer. Consequently, management recorded a provision amounting to RM1,680,000 as at 29 February 2024.

Key Audit Matters (cont'd)

(5) Provision for litigation (cont'd)

On 27 March 2025, the High Court granted the customer's application to amend its Writ and resubmit the statement of claim. The customer's claim against a subsidiary of the Group was increased from RM1,680,000 to RM2,700,000, inclusive of interest and costs. Management had sought legal and expert advice from its legal counsel and appointed expert witness, and concluded that a reliable estimate cannot be made of the amount of the obligation as at 28 February 2025 on the basis that they have not received any supporting documents from the customer's appointed lawyers on the additional claims made. Accordingly, no additional provision has been recorded.

As at the balance sheet date, the Company's legal counsel confirmed that the legal suit is fixed for a full trial in September 2026 and January 2027 and no material update to the legal position of the legal proceedings since their last update, save for the fixing of the dates of the full trial. Accordingly, no additional provision has been recorded as at 28 February 2026.

Such risks relating to litigation, claims and other contingencies (collectively, the "contingencies") could have a material financial impact if the exposures were to materialise. The determination by management of whether, and how much, to provide and/or disclose for such contingencies is also highly judgemental.

Our responses and work performed:

We assessed the Group's process for identifying significant adverse developments arising from contingencies and supervising the legal and regulatory developments. We evaluated management's assessment of the likely outcomes and potential exposures arising from the significant contingencies and considered the requirements for any provisions and related disclosures. Our work included the following:

(a) Held discussions with management, the Group's legal counsel and the Audit Committee and reviewing relevant documents and correspondences with the customer's appointed legal counsel;

(b) Assessed the progress of the contingencies, including reviewing the Company's public announcements;

(c) Considered any evidence of legal disputes which we were made aware;

(d) Obtained independent legal confirmation letters from the Company's external lawyers;

(e) Inquired with the Company's external legal counsel, together with the management's appointed expert witness, to understand the scope, approach and status of the legal proceedings; and

(f) Assessed the adequacy of the disclosures in the financial statements in respect of this matter.

Information other than the Financial Statements and Auditor's Report thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements 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, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements 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 Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 SSAs 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 SSAs, 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, 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 internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's 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 ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements 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 purpose of the group audit. We remain solely responsible for our audit opinion.

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

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

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

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary companies incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Kong Chih Hsiang Raymond.

Foo Kon Tan LLP
Public Accountants and
Chartered Accountants

Singapore,
10 June 2026

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2026

	Note	2026 RM'000	2025 RM'000
Revenue	5	37,060	39,878
Cost of sales		(28,202)	(30,965)
Gross profit		8,858	8,913
Interest income		327	303
Other income and gains	6	614	1,303
Marketing and distribution expenses	7	(2,555)	(3,066)
Administrative expenses	7	(12,011)	(9,095)
Other losses	6	(822)	(784)
Finance costs	8	(290)	(204)
Loss before income tax		(5,879)	(2,630)
Income tax credit	10	–	2
Net loss and total comprehensive loss for the financial year		(5,879)	(2,628)
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations, net of tax		6	12
Other comprehensive loss for the year, net of tax		6	12
Total comprehensive loss		(5,873)	(2,616)
Loss, net of tax attributable to owners of the company		(5,879)	(2,628)
Loss, net of tax		(5,879)	(2,628)
Total comprehensive loss for the year attributable to owners of the company		(5,879)	(2,628)
Total comprehensive loss for the year		(5,879)	(2,628)
Loss per share (Sen Ringgit Malaysian)			
Basic and diluted	11	(4.35)	(1.95)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 28 FEBRUARY 2026

	Note	The Group 2026 RM'000	The Group 2025 RM'000	The Company 2026 RM'000	The Company 2025 RM'000
ASSETS					
Non-Current Assets					
Plant and equipment	12	2,430	2,997	–	–
Right-of-use assets	13	6,976	796	–	–
Intangible assets	14	–	–	–	–
Investment in subsidiaries	15	–	–	15,514	22,270
Total non-current assets		9,406	3,793	15,514	22,270
Current Assets					
Inventories	16	3,119	5,717	–	–
Trade and other receivables	17	3,354	4,193	10,841	10,765
Other non-financial assets	18	2,080	1,989	29	44
Cash and bank balances	19	15,838	15,433	26	186
Total current assets		24,391	27,332	10,896	10,995
Total assets		33,797	31,125	26,410	33,265
EQUITY AND LIABILITIES					
Capital and reserves					
Share capital	20	36,435	36,435	36,435	36,435
Accumulated losses		(24,084)	(18,205)	(18,467)	(7,366)
Foreign currency translation reserve		(11)	(17)	–	–
Total equity		12,340	18,213	17,968	29,069
LIABILITIES					
Non-Current Liabilities					
Deferred tax liabilities	10	82	82	–	–
Lease liabilities	21	4,604	39	–	–
Total non-current liabilities		4,686	121	–	–
Current Liabilities					
Income tax payable		–	–	–	–
Trade and other payables	22	7,263	6,353	4,556	1,830
Other financial liabilities	23	4,171	2,773	3,886	2,366
Lease liabilities	21	2,457	1,985	–	–
Provisions	24	2,880	1,680	–	–
Total current liabilities		16,771	12,791	8,442	4,196
Total liabilities		21,457	12,912	8,442	4,196
Total equity and liabilities		33,797	31,125	26,410	33,265

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2026

The Group	Share capital RM'000	Accumulated losses RM'000	Foreign currency translation reserve RM'000	Total equity RM'000
At 1 March 2024	36,435	(15,577)	(29)	20,829
Total comprehensive loss for the year	–	(2,628)	12	(2,616)
At 28 February 2025	36,435	(18,205)	(17)	18,213
Total comprehensive loss for the year	–	(5,879)	6	(5,873)
At 28 February 2026	36,435	(24,084)	(11)	12,340

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2026

	Note	Year ended 28 February 2026 RM'000	Year ended 28 February 2025 RM'000
Cash Flows from Operating Activities			
Loss before taxation		(5,879)	(2,630)
Adjustments for:			
Reversal for impairment on plant and equipment	12	–	(527)
Depreciation of plant and equipment	12	1,013	1,015
Depreciation of right-of-use assets	13	1,430	1,061
Gain on disposal of plant and equipment	6	(9)	(1)
Inventories written off	7,16	1,912	447
Interest income		(327)	(303)
Interest expense	8	290	204
Provision for lease maintenance	7	1,200	–
Unrealised foreign exchange losses		1,165	559
Operating profit/(loss) before working capital changes		795	(175)
Changes in inventories		686	(639)
Changes in trade and other receivables		850	108
Changes in other non-financial assets		(91)	(21)
Changes in trade and other payables		727	73
Cash generated from/(used in) operations		2,967	(654)
Income tax paid		(75)	(38)
Income taxes refunded		63	–
Net cash generated from/(used in) operating activities		2,955	(692)
Cash Flows from Investing Activities			
Purchase of plant and equipment	12	(447)	(102)
Proceeds from disposal of plant and equipment		10	54
Withdrawal/(placement) of fixed deposits		4,465	(4,465)
Interest received		327	303
Net cash generated from/(used in) investing activities		4,355	(4,210)
Cash Flows from Financing Activities			
Decrease/(increase) in cash restricted in use	Note A	2,446	(199)
Repayment of borrowings	Note A	(122)	(85)
Repayment of lease liabilities	Note A	(2,573)	(2,528)
Loan from a shareholder	Note A	–	1,007
Loan from a director	Note A	1,545	1,359
Interest paid	Note A	(131)	(204)
Net cash generated from/(used in) financing activities		1,165	(650)
Net increase/(decrease) in cash and cash equivalents		8,475	(5,552)
Cash and cash equivalents at beginning of year		6,830	12,941
Effect of foreign exchange rate changes		(1,159)	(559)
Cash and cash equivalents at end of year	19	14,146	6,830

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 28 FEBRUARY 2026

Note A:

The table below details changes in the Group's assets and liabilities arising from investing and financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	Lease liabilities RM'000 (Note 21)	Other financial liabilities RM'000 (Note 23)	Loan from a shareholder RM'000 (Note 23)	Loan from a director RM'000 (Note 23)	Cash pledged for bank facilities RM'000 (Note 19)	Fixed deposits RM'000 (Note 19)	Total RM'000
At 1 March 2024	4,552	492	–	–	3,939	–	8,983
Cash flows:							
Repayment of borrowings	–	(85)	–	–	–	–	(85)
Repayment of lease liabilities	(2,528)	–	–	–	–	–	(2,528)
Interest paid	(150)	(54)	–	–	–	–	(204)
Loan from a shareholder	–	–	1,007	–	–	–	1,007
Loan from a director	–	–	–	1,359	–	–	1,359
Interest received	–	–	–	–	199	104	303
Increase in cash restricted in use	–	–	–	–	199	–	199
Placement of fixed deposits	–	–	–	–	–	4,465	4,465
	(2,678)	(139)	1,007	1,359	398	4,569	4,516
Non-cash flows:							
Interest income	–	–	–	–	(199)	(104)	(303)
Interest expense (Note 8)	150	54	–	–	–	–	204
	150	54	–	–	(199)	(104)	(99)
At 28 February 2025	2,024	407	1,007	1,359	4,138	4,465	13,400
At 1 March 2025	2,024	407	1,007	1,359	4,138	4,465	13,400
Cash flows:							
Repayment of borrowings	–	(122)	–	–	–	–	(122)
Repayment of lease liabilities	(2,573)	–	–	–	–	–	(2,573)
Maturity of fixed deposits	–	–	–	–	–	(4,465)	(4,465)
Interest paid	(109)	(22)	–	–	–	–	(131)
Interest received	–	–	–	–	54	273	327
Decrease in cash restricted in use	–	–	–	–	(2,446)	–	(2,446)
Loan from a director	–	–	–	1,545	–	–	1,545
	(2,682)	(144)	–	1,545	(2,392)	(4,192)	(7,865)
Non-cash flows:							
New lease liabilities recognised upon renewal of lease	7,610	–	–	–	–	–	7,610
Interest expense (Note 8)	109	22	49	110	–	–	290
Interest income	–	–	–	–	(54)	(273)	(327)
Foreign exchange adjustment	–	–	(75)	(109)	–	–	(184)
	7,719	22	(26)	1	(54)	(273)	7,389
At 28 February 2026	7,061	285	981	2,905	1,692	–	12,924

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1 General information

The financial statements of the Group and the Company for the year ended 28 February 2026 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' statement.

The Company is incorporated in Singapore with limited liability. The Company is listed on the Catalist Board in the Singapore Exchange Securities Trading Limited on 24 September 2014.

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

The principal activities of the subsidiaries are described in Note 15 to the financial statements.

The registered office is 16 Raffles Quay, #17-03 Hong Leong Building, Singapore 048581. The principal place of business is Lot 6119, Jalan Haji Salleh, Batu 5^1/2 Off Jalan Meru 41050 Klang Selangor, Malaysia.

2 Basis of preparation

The financial statements are prepared on a going concern basis under the historical cost convention except where a financial reporting standard requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in the financial reporting standards may not be applied when the effect of applying them is not material. The disclosures required by financial reporting standards may not be provided if the information resulting from that disclosure is not material.

The financial statements are presented in Ringgit Malaysian ("RM") which is the Company's functional currency. All financial information has been presented in RM and rounded to the nearest thousand (RM'000), except when otherwise stated.

Principles of consolidation

The consolidated financial statements include the financial statements made up to the end of the reporting period of the Company and all of its subsidiaries. The consolidated financial statements are the financial statements of the Group (the parent and its subsidiaries) presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee. They are de-consolidated from the date that control ceases.

Changes in the group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the Group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the Group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value at the date when control is lost and is subsequently accounted as equity investments financial assets in accordance with the financial reporting standard on financial instruments.

3 Material accounting policy information

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied throughout the financial years, unless otherwise stated.

3.1 Standards issued and effective that are applicable to the Group

The Group and the Company has applied Amendments to SFRS(I) 1-21 *Lack of Exchangeability* for the first time for the annual period beginning on 1 March 2025. The application of these amendments to accounting standards and interpretations did not have a material effect on the financial statements.

3 Material accounting policy information (cont'd)

3.2 Standards issued but not yet effective

At the date of authorisation of these financial statements, the Group and the Company have not adopted the new and revised SFRS(I) and amendments to SFRS(I) that have been issued but are not yet effective to them. Management anticipates that the adoption of these new and revised SFRS(I) pronouncements in future periods will not have a material impact on the Group's and the Company's accounting policies in the period of their initial application.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 9 and SFRS(I) 7	*Amendments to the Classification and Measurement of Financial Instruments*	1 January 2026
Amendments to SFRS(I) 9 and SFRS(I) 7	*Contracts Referencing Nature-dependent Electricity*	1 January 2026
Annual Improvements to SFRS(I)s – Volume 11:		
– Amendments to SFRS(I) 1	*Hedge Accounting by a First-Time Adopter*	1 January 2026
– Amendments to SFRS(I) 7	*Gain or Loss on Derecognition*	1 January 2026
– Amendments to SFRS(I) 7	*Disclosure of Deferred Difference between Fair Value and Transaction Price*	1 January 2026
– Amendments to SFRS(I) 7	*Introduction and Credit Risk Disclosures*	1 January 2026
– Amendments to SFRS(I) 9	*Derecognition of Lease Liabilities*	1 January 2026
– Amendments to SFRS(I) 9	*Transaction Price*	1 January 2026
– Amendments to SFRS(I) 10	*Determination of a 'De Facto Agent'*	1 January 2026
– Amendments to SFRS(I) 1-7	*Cost Method*	1 January 2026
SFRS(I) 18	*Presentation and Disclosure in Financial Statements*	1 January 2027
SFRS(I) 19	*Subsidiaries without Public Accountability: Disclosures*	1 January 2027
Amendments to SFRS(I) 1-21	*Translation to a Hyperinflationary Presentation Currency*	1 January 2027
Amendments to SFRS(I) 10 and SFRS(I) 1-28	*Sale or Contribution of Assets between an Investor and its Associate or Joint*	Yet to be determined

SFRS(I) 18 *Presentation and Disclosure in Financial Statements*

SFRS(I) 18 replaces SFRS(I) 1 Presentation of Financial Statements:

- introduces new categories and subtotals in the statement of profit or loss;
- requires disclosure of management-defined performance measures; and
- includes new requirements for the location, aggregation and disaggregation of financial information.

An entity will be required to:

- classify all income and expenses within its statement of profit or loss into five categories: operating, investing, financing, income taxes, and discontinued operations; and
- present subtotals for "operating profit or loss" and "profit or loss before financing and income taxes".

An entity will need to assess whether it has a 'main business activity' of investing in assets or providing financing to customers, as specific classification requirements will apply to such entities. Determining whether an entity has such a specified main business activity depends on the facts and circumstances and may require significant judgement. An entity may have more than one main business activity.

3 Material accounting policy information (cont'd)

3.2 Standards issued but not yet effective (cont'd)

SFRS(I) 18 introduces the concept of a management-defined performance measure (MPM) which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity. Furthermore, SFRS(I) 18 requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by SFRS(I) 18 or another standard.

SFRS(I) 18 differentiates between 'presenting' information in the primary financial statements and 'disclosing' it in the notes and introduces a principle for determining the location of information based on identified 'roles' of the primary financial statements and the notes. SFRS(I) 18 requires aggregation and disaggregation of information to be performed with reference to similar and dissimilar characteristics. Guidance is also provided for determining meaningful descriptions, or labels, for items that are aggregated in the financial statements.

SFRS(I) 18 and consequential amendments to other standards are effective for reporting periods beginning on or after 1 January 2027 and will apply retrospectively. Early adoption is permitted and must be disclosed. The Group and the Company are currently assessing the impact of SFRS(I) 18. It is currently impracticable to disclose any further information on the known or reasonably estimable impact to the financial statements in the period of initial application.

3.3 Revenue and income recognition

Revenue is recognised at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to a customer (which excludes estimates of variable consideration that are subject to constraints, such as right of return exists, and modifications), net of any related taxes and excluding any amounts collected on behalf of third parties. An asset (goods or services) is transferred when or as the customer obtains control of that asset. As a practical expedient the effects of any significant financing component is not adjusted if the payment for the good or service will be within one year.

Sale of goods

Revenue is recognised at a point in time when the performance obligation is satisfied by transferring a promised good or service to the customer. Control of the goods is transferred to the customer, generally on delivery of the goods (in this respect, incoterms are considered).

Services

Revenue from service orders and term projects is recognised when the entity satisfies the performance obligation at a point in time generally when the significant acts have been completed and when transfer of control occurs. For services that are not material transactions revenue is recognised as the services are provided.

Dividend income from equity instruments is recognised only when the entity's right to receive payment of the dividend is established; it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Interest income is recognised using the effective interest method.

3.4 Government grants

Government grants are recognised at fair value when there is reasonable assurance that the conditions attaching to them will be complied with and that the grants will be received. Grants in recognition of specific expenses are recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate.

3 Material accounting policy information (cont'd)

3.5 Employee compensation

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

(a) *Defined contribution plans*

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid.

(b) *Employee leave entitlement*

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date.

3.6 Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowings. Interest expense is calculated using the effective interest rate method. Borrowing costs are recognised as an expense in the period in which they are incurred except that borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that necessarily take a substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of that asset until substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

3.7 Foreign currency transactions

The functional currency is the Ringgit Malaysian as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting period, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting period and fair value measurement dates respectively. All realised and unrealised exchange adjustment gain and losses are dealt with in profit or loss except when a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. The presentation is in the functional currency.

3.8 Translation of financial statements of other entities

Each entity in the group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the combined financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting period rates of exchange and income and expense items for each statement presenting other comprehensive income are translated at average rates of exchange for the reporting period. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

3 Material accounting policy information (cont'd)

3.9 Income taxes

Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting period in respect of current tax and deferred tax. Current income tax is the expected tax payable on the taxable income for the reporting period; calculated using rates enacted or substantively enacted at the statements of financial position date; and inclusive of any adjustment to income tax payable or recoverable in respect of previous reporting period. Deferred tax is recognised using the liability method; based on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective income tax bases; and determined using tax rates that have been enacted or substantively enacted by the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries, branches and associates, and joint arrangements except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for any deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

3.10 Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line method to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets (or, for certain leased assets, the shorter lease term). An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle.

The annual rates of depreciation are as follows:

Furniture and fittings	–	10% to 20%
Motor vehicles	–	20%
Plant and machinery	–	10% to 20%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements. Work in progress is not depreciated as these assets are not yet available for use.

The gain or loss arising from the derecognition of an item of property, plant and equipment is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting period and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

3 Material accounting policy information (cont'd)

3.11 Leases

(a) When the Group is the lessee:

At the inception of the contract, the Group assesses if the contract contains a lease. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Reassessment is only required when the terms and conditions of the contract are changed.

Right-of-use assets

The Group recognises a right-of-use asset and lease liability at the date which the underlying asset is available for use. Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The annual rate of depreciation is 33%.

Lease liabilities

The initial measurement of lease liability is measured at the present value of the lease payments discounted using the implicit rate in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease liability is measured at amortised cost using the effective interest method. Lease liability is remeasured when:

- There is a change in future lease payments arising from changes in an index or rate;
- There is a change in the Company's assessment of whether it will exercise an extension option; or
- There is modification in the scope or the consideration of the lease that was not part of the original term.

Lease liability is remeasured with a corresponding adjustment to the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term and low-value leases

The Group has elected to not recognise right-of-use assets and lease liabilities for short-term leases that have lease terms of 12 months or less and leases of low value leases. Lease payments relating to these leases are expensed to profit or loss on a straight-line basis over the lease term.

3 Material accounting policy information (cont'd)

3.11 Leases (cont'd)

(b) When the Group is the lessor:

The Group leases its land and building under operating leases to non-related parties.

Lessor – Operating leases

Leases where the Group retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognised in profit or loss on a straight-line basis over the lease term.

Initial direct costs incurred by the Group in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognised as an expense in profit or loss over the lease term on the same basis as the lease income.

Lessor – Subleases

In classifying a sublease, the Group as an intermediate lessor classifies the sublease as a finance or an operating lease with reference to the right-of-use asset arising from the head lease, rather than the underlying asset.

When the sublease is assessed as an operating lease, the Group recognises lease income from the sublease in profit or loss within "Other income". The right-of-use asset relating to the head lease is not derecognised.

3.12 Intangible assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

3.13 Investment in subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity.

In the Company's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

3 Material accounting policy information (cont'd)

3.14 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis.

Net realisable value represents the estimated selling price less the estimated costs to completion and the estimated costs necessary to make the sale.

3.15 Impairment of non-financial assets

Plant and equipment, right-of-use assets, intangible assets and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash-generating-unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation and depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset is recognised in profit or loss.

3.16 Financial instruments

Recognition and derecognition of financial instruments:

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the entity becomes party to the contractual provisions of the instrument. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised and derecognised, as applicable, using trade date accounting or settlement date accounting.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the entity neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

A financial liability is derecognised from the statement of financial position when, and only when, it is extinguished, that is, when the obligation specified in the contract is discharged or cancelled or expires.

At initial recognition the financial asset or financial liability is measured at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

3 Material accounting policy information (cont'd)

3.16 Financial instruments (cont'd)

Categories of financial assets and financial liabilities:

The financial reporting standard on financial instruments includes four categories of financial assets and two categories for liabilities. At the end of the reporting period, the reporting entity has the following categories of financial assets and financial liabilities:

Financial asset classified as measured at amortised cost: A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss ("FVTPL"), that is (a) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Typically trade and other receivables, bank and cash balances are classified in this category.

Financial liability classified as measured at amortised cost: A financial liability is measured at amortised cost if it's not (a) contingent consideration recognised by an acquirer in a business combination, (b) held for trading, or (c) designated as at fair value through profit or loss ("FVTPL"). Typically trade and other payables, borrowings and lease liabilities are classified in this category.

3.17 Cash and bank balances

For the purpose of presentation in the consolidated statement of cash flows, cash and bank balances include cash on hand and deposits with financial institutions which are subject to an insignificant risk of change in value. For cash subjected to restriction, assessment is made on the economic substance of the restriction and whether they meet the definition of cash and cash equivalents.

3.18 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

3.19 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities. Trade and other payables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

3.20 Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

3 Material accounting policy information (cont'd)

3.21 Fair value measurement

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. When measuring the fair value of an asset or a liability, market observable data to the extent possible is used. If the fair value of an asset or a liability is not directly observable, an estimate is made using valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs (e.g. by use of the market comparable approach that reflects recent transaction prices for similar items, discounted cash flow analysis, or option pricing models refined to reflect the issuer's specific circumstances).

Inputs used are consistent with the characteristics of the asset/liability that market participants would take into account. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value.

Fair values are categorised into different levels in a fair value hierarchy based on the degree to which the inputs to the measurement are observable and the significance of the inputs to the fair value measurement in its entirety:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

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

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs). Transfers between levels of the fair value hierarchy are recognised at the end of the reporting period during which the change occurred.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may be disclosed separately unless there are significant differences at the end of the reporting period and in the event the fair values are disclosed in the relevant notes to the financial statements. The recurring measurements are made at each reporting period.

3.22 Related Party relationships and transactions

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and Company if that person:

(i) has control or joint control over the Company;

(ii) has significant influence over the Company; or

(iii) is a member of the key management personnel of the Group or Company or of a parent of the Company.

3 Material accounting policy information (cont'd)

3.22 Related Party relationships and transactions (cont'd)

A related party is defined as follows: (Cont'd)

(b) An entity is related to the Group and the Company if any of the following conditions applies:

(i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) both entities are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

3.23 Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and the Company. Directors and certain senior managerial personnel are considered key management personnel.

3.24 Segment Reporting

The Group discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources for operating segments.

3.25 Contingencies

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

3 Material accounting policy information (cont'd)

3.25 Contingencies (cont'd)

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised in the financial statements, except for contingent liability assumed in a business combination that is a present obligation and for which fair value can be reliably determined.

3.26 Borrowings

Borrowings are presented as current liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities. Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

4 Critical accounting estimates, assumptions and judgements

Disclosures on material information about the assumptions management made about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

4.1 Determination of functional currency

The functional currency of each entity within the Group is the currency of the primary economic environment in which it operates. The determination of functional currency requires significant judgement, and similar facts and circumstances may lead different entities to reach different conclusions. Management reassesses the functional currency when there are changes in underlying transactions, events, and conditions that determine the primary economic environment.

The determination of functional currency affects the carrying amounts of non-current assets recognised in the statement of financial position and, consequently, the depreciation and amortisation of those assets recognised in profit or loss and other comprehensive income. It also affects the recognition of foreign exchange gains and losses in the statement of profit or loss and other comprehensive income.

4.2 Assessing the carrying amounts of plant and equipment

An assessment is made for the reporting period whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amount of the asset is measured based on the higher of fair value less costs of disposal and value in use calculations which incorporate a number of key estimates and assumptions. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting period that are different from assumptions could require a material adjustment to the carrying amount of the balances affected.

The carrying amount of plant and equipment at the end of the reporting period affected by the assumption is RM2,430,000 (2025 – RM2,997,000 as disclosed in Notes 12 to the financial statements.

4 Critical accounting estimates, assumptions and judgements (cont'd)

4.3 Assessing expected credit loss allowance on trade receivables

The assessment of the expected credit losses ("ECL") requires a degree of estimation and judgement. In measuring the expected credit losses, management considers all reasonable and supportable information such as the reporting entity's past experience at collecting receipts, any increase in the number of delayed receipts in the portfolio past the average credit period, and forward-looking information such as forecasts of future economic conditions.

The carrying amounts might change materially within the next reporting period but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting period. The carrying amount is disclosed in the Note 17 to the financial statements.

4.4 Assessing loss allowance on inventories

The assessment of the allowance for impairment loss on inventories requires a degree of estimation and judgement. The level of the loss allowance is assessed by taking into account the recent sales experience, the ageing of inventories, other factors that affect inventory obsolescence and subsequent events. Possible changes in these estimates could result in revisions to the stated value of the inventories.

The carrying amounts of inventories at the end of the reporting period is disclosed in the Note 16 to the financial statements.

4.5 Assessing the impairment loss on subsidiary

Where an investee is in net equity deficit and or has suffered losses, a test is made whether the investment in the investee has suffered any impairment loss. This measurement requires significant judgement. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting period that are different from assumptions could require a material adjustment to the carrying amount of the investee affected.

The carrying amount of the investment in subsidiaries at the end of the reporting date affected by the assumption is RM15,514,000 (2025 – RM22,270,000) as disclosed in Note 15 to the financial statements.

4.6 Assessing the provision for litigation

The assessment of the provision for litigation involves a degree of estimation and judgment. The level of the provision is determined based on legal advice obtained from the appointed external counsel. Changes in these estimates may result in revisions to the recorded amount of the litigation provision. The carrying amount of the provision as at the end of the reporting period is disclosed in Note 24 – Provisions.

5 Revenue

The Group	**2026 RM'000**	**2025 RM'000**
Sale of goods, at a point in time	37,060	39,878

The customers are mainly retailers and corporate customers. Also see Note 25.

6 Other income and gains and other losses

The Group	2026 RM'000	2025 RM'000
Reversal of impairment loss on plant and equipment (Note 12)	–	527
Writeback of provision for royalty and commission	–	120
Foreign exchange loss	(822)	(784)
Gain on disposal of plant and equipment	9	1
Rental income	526	413
Sundry income	79	242
	(208)	519
Represented by:		
Other income and gains	614	1,303
Other losses	(822)	(784)
	(208)	519

7 Marketing and distribution expenses and administrative expenses

The major components include the following:

The Group	2026 RM'000	2025 RM'000
Marketing and distribution expenses:		
Advertisement and promotions	114	242
Depreciation of plant and equipment (Note 12)	33	33
Employee benefits expense (Note 9)	1,454	1,540
Insurance expense	86	85
Logistics expense	333	409
Professional fees	–	2
Sales commission	79	150
Rental expenses	22	22
Repairs and maintenance	–	48
Utilities expenses	130	141
Upkeep expenses	123	160
Administrative expenses:		
Depreciation of plant and equipment (Note 12)	60	49
Depreciation of right-of-use assets (Note 13)	1,430	1,061
Employee benefits expense (Note 9)	6,029	5,012
Inventories written off	295	–
Professional fees (Note A)	1,075	1,059
Provision for lease maintenance (Note B) (Note 24)	1,200	–
Recruitment expense	298	283
Repairs and maintenance	–	443
Audit fees to:		
– Auditor of the Company	319	307
– Other auditors – network firms	85	85

Note A:

Professional fees mainly comprise audit fees of RM404,000 (2025: RM392,000), secretarial fees of RM242,000 (2025: RM151,000) and valuation and consultancy fees of RM197,000 (2025: RM514,000).

7 Marketing and distribution expenses and administrative expenses (cont'd)

Note B:

Pursuant to the renewal of the tenancy agreement in July 2025 with the landlord in respect of the right-of-use assets as disclosed in Note 13 to the financial statements, the Group was provided with a list of required repairs and rectification works to be made on the factory building following the site inspection carried out by the landlord. Management has quantified and estimated the costs of the required repair works based on quotations received from third party contractors and made the necessary provision in the consolidated financial statements in the current financial year in accordance with SFRS(I) 1-16 – *Property, Plant and Equipment*.

8 Finance costs

The Group	2026 RM'000	2025 RM'000
Interest expense	181	54
Interest on lease liabilities	109	150
	290	204

9 Employee compensation

The Group	2026 RM'000	2025 RM'000
Short term employee benefits expense	12,642	11,140
Employer's contribution to defined contribution plan	623	604
Other benefits	391	395
	13,656	12,139
The employee benefits expense is charged as follows:		
Cost of sales (Note 16)	6,173	5,587
Marketing and distribution expenses (Note 7)	1,454	1,540
Administrative expenses (Note 7)	6,029	5,012
	13,656	12,139

10 Income tax expense

(a) Components of income tax expense recognised in profit or loss include:

The Group	2026 RM'000	2025 RM'000
Tax expense attributable to loss is made up of:		
Current income tax		
– current year	–	–
– over-provision in prior years	–	(2)
	–	(2)
Deferred taxation		
– current year	–	–
	–	–
Income tax credit	–	(2)

10 Income tax expense (cont'd)

(a) Components of income tax expense recognised in profit or loss include: (cont'd)

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the standard rates of income tax as follows:

The Group	2026 RM'000	2025 RM'000
Loss before income tax	(5,879)	(2,630)
Tax calculated at Malaysia statutory tax rate of 24%	(1,411)	(631)
Effect of:		
– Different tax rate in different country and change in tax rate	304	256
– Expenses not deductible for tax purposes	1,185	747
– Income not subject to tax	(25)	(151)
– Utilisation of deferred tax assets previously not recognised	(53)	(221)
– Over provision in prior year	–	(2)
Tax credit	–	(2)

The tax effect of major expenses not deductible for tax purposes include the following:

The Group	2026 RM'000	2025 RM'000
Provision for lease and maintenance	288	–
Depreciation of non-qualifying plant and equipment	–	1
Other non-deductible expenses incurred by the Company*	738	616
Others	159	130

* These relate to professional fees and directors' remuneration incurred by the Company which are not deductible for Singapore income tax purposes as they are not incurred wholly and exclusively in the production of taxable income.

(b) Deferred tax balance in the statements of financial position

The Group	2026 RM'000	2025 RM'000
Deferred tax liabilities recognised in profit or loss:		
Excess of net book value on plant and equipment over tax values	1,028	1,028
Provisions	(946)	(946)
Net	82	82

It is impractical to estimate the amount expected to be settled or used within one year.

The Group's subsidiaries have accumulated tax losses of RM6,171,000 (2025 – RM6,392,000) as at 28 February 2026. In accordance with the relevant tax regulations in Malaysia, tax losses incurred in a financial year can be carried forward for a maximum period of ten years to be offset against future taxable profit. It is not certain whether future taxable profit will be available against the subsidiary's unused tax losses can be utilised. Consequently, a deferred tax asset has not been recognised.

Temporary differences arising in connection with interests in subsidiaries are insignificant.

11 Loss per share

Basic loss per share

Basic loss per share is calculated by dividing net loss for the financial year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The Group	2026	2025
Net loss attributable to owners of the Company (RM'000)	**(5,879)**	(2,628)
Weighted average number of ordinary shares in issue ('000)	135,000	135,000
Basic loss per share (in RM sen)	**(4.35)**	(1.95)

The weighted average number of ordinary shares refers to shares in issue outstanding during the reporting period.

The basic loss per share ratio is based on the weighted average number of ordinary shares outstanding during the reporting period. There is no dilution of loss per share as there are no dilutive potential ordinary shares outstanding as at the end of the reporting period.

12 Plant and equipment

The Group	Furniture and fittings RM'000	Motor vehicles RM'000	Plant and machinery RM'000	Total RM'000
Cost				
At 1 March 2024	6,292	693	22,050	29,035
Additions	53	–	49	102
Disposals	(11)	–	(2,439)	(2,450)
Write-offs	(3)	–	(3,360)	(3,363)
At 28 February 2025	6,331	693	16,300	23,324
Additions	84	196	167	447
Disposals	–	(62)	(15)	(77)
Write-offs	(468)	–	(751)	(1,219)
At 28 February 2026	5,947	827	15,701	22,475
Accumulated depreciation				
At 1 March 2024	6,159	591	18,849	25,599
Reversal of impairment loss	–	–	(527)	(527)
Depreciation for the year	52	33	930	1,015
Disposal	(11)	–	(2,386)	(2,397)
Write-offs	(3)	–	(3,360)	(3,363)
At 28 February 2025	6,197	624	13,506	20,327
Depreciation for the year	44	52	917	1,013
Disposal	–	(63)	(13)	(76)
Write-offs	(468)	–	(751)	(1,219)
At 28 February 2026	5,773	613	13,659	20,045
Carrying amount				
At 28 February 2026	174	214	2,042	2,430
At 28 February 2025	134	69	2,794	2,997

12 Plant and equipment (cont'd)

Certain items at a carrying value of RM39,000 (2025 – RM69,000) are under lease agreements (See Note 21). Allocation of the depreciation expense:

The Group	2026 RM'000	2025 RM'000
Cost of sales	920	933
Marketing and distribution expenses	33	33
Administrative expenses	60	49
	1,013	1,015

(a) Fully depreciated plant and equipment still in use had initial costs of:

The Group	2026 RM'000	2025 RM'000
Furniture and fittings	5,146	5,429
Plant and machinery	5,128	4,881
Motor vehicles	468	531
	10,742	10,841

(b) Reversal of impairment losses:

In FY2025, a reversal of impairment loss of RM527,000 was recognised due to an increase in recoverable amount of the plant and equipment arising from changes in market value.

No impairment loss or reversal of impairment loss was recognised on plant and equipment during the current financial year.

The impairment test was conducted by comparing the carrying amounts of the plant and equipment to their recoverable amounts which is based on the higher of FVLCD and value in use. Management estimated the recoverable amounts of the plant and equipment based on FVLCD.

The FVLCD was based on a valuation made by a firm of independent professional valuer based on depreciated replacement cost method and cost comparison approach. The valuation took into consideration the cost of replacement, age, services and obsolescence, condition of maintenance, intensity of use, state of repair, future economic working life, and local market conditions. The fair value measurement is categorised within the fair value hierarchy at Level 3.

13 Right-of-use assets

The Group	Land and buildings RM'000
Cost	
At 1 March 2024 and 28 February 2025	3,184
Disposal	(3,184)
Additions	7,610
At 28 February 2026	7,610
Accumulated depreciation	
At 1 March 2024	1,327
Depreciation for the year	1,061
At 28 February 2025	2,388
Depreciation for the year	1,430
Disposal	(3,184)
At 28 February 2026	634
Carrying amount	
At 28 February 2026	6,976
At 28 February 2025	796

13 Right-of-use assets (cont'd)

The depreciation expense is charged to administrative expenses.

Operating lease payments for the Group are for rentals payable for the land and buildings.

There are restrictions or covenants imposed by the lessor to sublet the asset to another party. The right-of-use asset can only be used by the lessee. Typically, the leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. Insurance, and maintenance fees on right-of-use assets are usually required under the lease.

For the underlying assets, expected useful lives are determined by reference to comparable owned assets or the lease term, if shorter. Material residual value estimates and estimates of useful life are updated as required annually. Impairment loss allowance is provided if it is determined that the right-of-use asset is impaired. The estimated useful life of the assets is 3 (2025 – 1) years.

14 Intangible asset

The Group	**Development cost RM'000**
Cost	
At 1 March 2024, 28 February 2025 and 28 February 2026	910

The Group	**Development cost RM'000**
Accumulated amortisation and impairment losses	
At 1 March 2024, 28 February 2025 and 28 February 2026	910
Carrying amount	
At 1 March 2024, 28 February 2025 and 28 February 2026	–

Development cost relates to the designer fees incurred in relation to the creation of a new luxury system furniture range by an Italian Architectural Firm.

The decreasing performance of the luxury system furniture by the Italian Architectural Firm with the brand name of AD MAIORA was considered sufficient to trigger the impairment test. The amount had been fully impaired since the year ended 28 February 2019.

15 Investment in subsidiaries

The Company	**2026 RM'000**	**2025 RM'000**
At cost:		
Balance at beginning of the year	44,138	44,138
Disposal	–	–
	44,138	44,138
Allowance for impairment	(28,624)	(21,868)
Balance at end of the year	15,514	22,270
Movements in allowance for impairment:		
Balance at beginning of the year	(21,868)	(19,616)
Allowance of impairment	(6,756)	(2,252)
Balance at end of the year	(28,624)	(21,868)

15 Investment in subsidiaries (cont'd)

Impairment assessment

Management assesses at each end of the reporting period whether there is any objective evidence that the carrying amount of its investment in Jemaramas Jaya Sdn. Bhd. ("JJ") and Versalink Marketing Sdn. Bhd. ("VM") (collectively known as "Office Furniture Business") are impaired.

Management assessed and determined that there were indicators of impairment in relation to the Company's investment in JJ and VM, due to the weaker performance, current economic environment and geopolitical uncertainties. Management has assessed JJ and VM collectively as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Management performed an impairment test by comparing the carrying amount of the company's investment in Office Furniture Business to the recoverable amount which is the higher of FVLCD and value in use. Management estimated the recoverable amount of the Office Furniture Business based on FVLCD.

The fair value less costs of disposal was measured by a firm of independent professional valuer. The quantitative information about fair value measurements using significant unobservable inputs (Level 3) for the cash generating unit (categorised in its entirety without taking into account whether the "costs of disposal" are observable) are as follows:

	2026	2025
The Company		
Valuation technique: Fair value less costs of disposal method		
The quantitative information about fair value measurements using significant unobservable inputs (Level 3):		
EBITDA multiple (2025: Revenue multiple)	7.4 times	0.5 times
Discount for lack of marketability	20%	20%
Control premium	20%	20%

The Company's subsidiaries at the reporting date are as follows:

Name of subsidiaries	Place of incorporation/ principal place of business	Principal activities	Cost of investment		Effective interest equity held by the Company	
			2026	2025	2026	2025
			RM'000	RM'000	%	%
Jemaramas Jaya Sdn. Bhd.[a]	Malaysia	Manufacture, marketing and sale of system furniture and other furniture related products	32,101	32,101	100	100
Versalink Marketing Sdn.Bhd.[a]	Malaysia	Marketing and sale of system furniture and other furniture related products	12,037	12,037	100	100
Versalink (S) Pte Ltd.[b][c]	Singapore	Dormant	–	–	100	100
Kaiyuan Holdings Limited[c][d]	Virgin Islands, British	Dormant	–	–	100	100
Held through Kaiyuan Holdings Limited:						
Kaiyuan (SG) Investment Private Limited[b][c]	Singapore	Dormant	–	–	100	100
			44,138	44,138		

15 Investment in subsidiaries (cont'd)

Impairment assessment (cont'd)

As required by Rule 716 of the Catalist Listing Manual of The Singapore Exchange Securities Trading Limited, the Audit Committee and the Board of Directors of the Company have satisfied themselves that the appointment of different auditor for certain of its overseas subsidiaries would not compromise the standard and effectiveness of the audit of the Group.

(a) Audited by HLB Ler Lum Chew PLT, Malaysia, a member firm of HLB International

(b) Audited by Foo Kon Tan LLP, a member of HLB International.

(c) The cost of investment is less than RM1,000.

(d) No audit required.

16 Inventories

The Group	2026 RM'000	2025 RM'000
At cost:		
Work-in-progress	123	235
At net realisable value:		
Raw materials	2,501	4,755
Finished goods	495	727
	3,119	5,717
Inventories are stated after allowance. Movements in allowance:		
Balance at beginning of year	1,912	4,354
Utilisation of allowance during the year	(1,696)	(2,442)
Balance at end of year	216	1,912
The write-down of inventories charged to profit or loss included in cost of sales:		
Inventories written off	1,617	447
Changes in inventories of finished goods and work-in-progress -increase	(539)	(594)
The amount of inventories included in cost of sales	15,803	19,844
Employee benefits expense (Note 9)	6,173	5,587
Other direct overhead costs included in cost of sales	5,148	5,681

There are no inventories pledged as security for liabilities.

17 Trade and other receivables

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Trade receivables:				
Outside parties	2,516	3,402	–	–
Less: Allowance for impairment:				
– collectively impaired	(162)	(209)	–	–
	2,354	3,193	–	–
Other receivables:				
Subsidiaries	–	–	10,841	10,765
Outside party[a]	1,000	1,000	–	–
	1,000	1,000	10,841	10,765
	3,354	4,193	10,841	10,765

(a) This relates to the amount held by the purchaser's solicitors which will be released to the subsidiary upon fulfilment of transferring the land and building to the purchaser under the sale and leaseback agreement.

17 Trade and other receivables (cont'd)

The movement of loss allowance provision during the year is as follows:

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Balance at beginning of year	209	242	–	–
Written off	(47)	(33)	–	–
Balance at end of year	162	209	–	–

The Group and the Company does not hold any collateral on the trade and other receivables, accordingly, the maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented on the statement of financial position.

(i) Concentration of credit risk

There is a significant concentration of credit risk with respect to trade receivables as the exposure is concentrated with a few counterparties and customers.

(ii) Credit risk exposure

The Group determines concentrations of credit risk by monitoring the country of its trade receivables on an ongoing basis. The credit risk for trade receivables by countries at the end of the reporting period, approximately:

- 40% (2025 – 70%) of the group's trade receivables from Malaysia.
- 60% (2025 – 30%) of the group's trade receivables from other countries.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 30 to 90 days (2025 – 30 to 90 days). Certain customers have taken a longer period to settle the amounts.

Ageing analysis of the age of trade receivables that are past due as at the end of the reporting period but not impaired:

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Trade receivables:				
Less than 3 months	2,281	3,027	–	–
3 to 6 months	73	116	–	–
Over 6 months	–	50	–	–
	2,354	3,193	–	–

The expected credit losses ("ECL") on the trade receivables are based on the simplified approach to measuring ECL which uses a lifetime ECL allowance approach for all such assets recognised from initial recognition of these assets. These receivables are grouped based on shared credit risk characteristics and the days past due for measuring the ECL including the impact of the current economic conditions. The allowance model is based on the historical observed default rates (over a period of 12 months) over the expected life of the trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

17 Trade and other receivables (cont'd)

The ageing of the all the balances is as follows:

The Group	**Gross amount**		**Expected loss rate**		**Loss allowance**	
	2026	**2025**	**2026**	**2025**	**2026**	**2025**
	RM'000	**RM'000**	**%**	**%**	**RM'000**	**RM'000**
Trade receivables:						
1 to 30 days past due	1,949	2,448	–	–	–	–
31 to 60 days past due	194	510	–	–	–	–
61 to 90 days past due	138	68	–	–	–	–
91 to 120 days past due	235	50	69	–	162	–
121 to 150 days past due	–	6	–	–	–	–
151 days to 1 year past due	–	81	–	–	–	–
Over 1 year past due	–	239	–	87	–	209
	2,516	3,402			162	209

The amounts are written off when there are indications that there is no reasonable expectation of recovery or the failure of a debtor to make contractual payments over an extended period.

Concentration of trade receivable customers as at the end of the reporting period:

The Group	**2026 RM'000**	**2025 RM'000**
Top 1 customer	620	940
Top 2 customers	1,168	1,290
Top 3 customers	1,530	1,558

Other receivables

The management provides ECL on other receivables using the 3-stage ECL approach. In determining ECL for other receivables, management derives the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, including cash flows from the sale of collateral and considers events such as significant adverse changes in financial conditions of the debtors and determined that significant increase in credit risk occur when there are changes in the risk that the specific debtor will default on the payments.

The amount owing by subsidiaries relates to payments made on behalf of subsidiaries. The balances are non-trade, unsecured, interest-free and repayable on demand.

18 Other non-financial assets

	The Group		**The Company**	
	2026	**2025**	**2026**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Advance payments on purchases of inventories	230	97	–	–
Other receivables	11	5	–	–
Deposits to secure services	908	868	–	–
Prepayments	750	850	29	44
Tax recoverable	181	169	–	–
	2,080	1,989	29	44

19 Cash and bank balances

	The Group		The Company	
	2026	**2025**	**2026**	**2025**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Not restricted in use	14,146	11,295	26	186
Restricted in use	1,692	4,138	–	–
	15,838	15,433	26	186
Interest earning balances	1,692	8,603	–	–

The rates of interest for the cash on interest earning balances is ranged between 1.75% to 2.10% per annum (2025 – 1.85% to 2.70%), and for a tenor of one to twelve months (2025 – one to twelve months).

Cash and cash equivalents in the consolidated statement of cash flows:

The Group	**2026 RM'000**	2025 RM'000
Amount as shown above	15,838	15,433
Cash pledged for bank facilities	(1,692)	(4,138)
Fixed deposits	–	(4,465)
	14,146	6,830

20 Share capital

The Company	**2026**	**2025**	**2026**	**2025**
	No. of ordinary shares		**RM'000**	**RM'000**
	'000	**'000**		
Issued and fully paid with no par value				
Balance at beginning and at end of year	135,000	135,000	36,435	36,435

The ordinary shares have no par value and are fully paid, carry one vote each and have no right to fixed income. The Company is not subject to any externally imposed capital requirements.

Capital Management:

In order to maintain its listing on the Singapore Stock Exchange, it has to have a capital with a free float of at least 10% of the shares. The Company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean that it will continue to satisfy that requirement, as it did throughout the reporting period.

Management receives a report from the share registrar on a regular basis on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting period.

The objectives when managing capital are: (a) to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for owners and benefits for other stakeholders, and (b) to provide an adequate return to owners by pricing the sales commensurately with the level of risk. Management sets the amount of capital to meet its requirements and the risks taken.

20 Share capital (cont'd)

Capital Management (cont'd):

There were no changes in the approach to capital management during the financial year. The Company manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, management may adjust the amounts of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity (that is, share capital and reserves).

The Group is not subject to any externally imposed capital requirements.

The gearing ratio of the Group at the reporting date is as follows:

The Group	2026 RM'000	2025 RM'000
Other financial liabilities	4,171	2,773
Lease liabilities	7,061	2,024
Less: Cash and bank balances	(15,838)	(15,433)
Net debts (A)	(4,606)	(10,636)
Equity (B)	12,340	18,213
Net debt to equity ratio (A)/(B)	0.37	0.58

21 Lease liabilities

The Group	2026 RM'000	2025 RM'000
Current	2,457	1,985
Non-current	4,604	39
	7,061	2,024

A summary of the maturity analysis of lease liabilities is disclosed in Note 27(e). Total cash outflows from leases are shown in the statement of cash flows. The related right-of-use assets are disclosed in Note 13.

<u>Leases for right-to-use assets:</u>

The Group has leases relating to the land and building and motor vehicles.

Other information about the leasing activities is summarised as follows:

The leases prohibit the lessee from selling or pledging the underlying leased assets as security unless permitted by the owners. There are no variable payments linked to an index. The leases are for terms between 3 to 5 years. Certain of the leases provide options to purchase the underlying leased asset outright (e.g. motor vehicle). There is an option to extend the lease relating to the land and building for a further term of 3 years. As at the reporting period, the undiscounted future lease payments relating to extension options not included in the measurement of lease liabilities amount to approximately RM8,189,000.

Rental expenses that were not capitalised in lease liabilities but recognised in profit or loss under "cost of sales" as short-term lease expenses of RM75,000 (2025: RM103,000).

Total cash outflow for all leases in the year amounting to RM2,757,000 (2025: RM2,781,000).

Lease liabilities under operating leases are secured by the right-of-use assets because these will revert to the lessor in the event of default.

21 Lease liabilities (cont'd)

The weighted average incremental borrowing rate applied to lease liabilities recognised is 4.15% and 5.66% (2025 – 4.83% and 5.66%) per year.

There were no future cash outflows to which the Group is potentially exposed that are not reflected in the measurement of lease liabilities above.

22 Trade and other payables

	The Group 2026 RM'000	2025 RM'000	The Company 2026 RM'000	2025 RM'000
Trade payables				
Outside parties	1,385	2,308	144	–
Other payables				
Advance from customers	400	914	–	–
Accrual for salaries	2,644	2,079	2,049	1,388
Accrual for other operating expenses	516	715	356	442
Amount due to a director	2,007	–	2,007	–
Outside parties	311	337	–	–
	5,878	4,045	4,412	1,830
	7,263	6,353	4,556	1,830

The amount due to a director is unsecured, interest-free, and repayable on demand.

Advances from customers relate to the Group's obligation to transfer goods to customers, for which the Group has received advances for the promised goods. Control of the goods is transferred to the customer at a point in time, upon delivery of the goods.

The Group	2026 RM'000	2025 RM'000
Revenue recognised in current period that was included in the advances from customers at the beginning of the period – Sales of goods	914	603

23 Other financial liabilities

	The Group 2026 RM'000	2025 RM'000	The Company 2026 RM'000	2025 RM'000
Bankers' acceptance (secured)	285	407	–	–
Loan from a director	2,905	1,359	2,905	1,359
Loan from a shareholder	981	1,007	981	1,007
	4,171	2,773	3,886	2,366

The bankers' acceptances bear floating interest rates of 3.42% to 4.03% (2025 – 3.9% to 4.08%) and are secured by joint and personal guarantee by two (2) directors of a subsidiary and pledged of fixed deposits held by a financial institution (Note 19).

The fair values of the bankers' acceptance were estimated by discounting the future cash flows payable under the terms of the loan using the year-end market interest rate applicable to loans of similar credit risk, terms and conditions. The carrying amount is a reasonable approximation of fair value (Level 2).

Loans from a director and another shareholder are unsecured, bear interest at 5.00% per annum, and are repayable within one year.

24 Provisions

The Group	2026 RM'000	2025 RM'000
Litigation (Note 1)	1,680	1,680
Provision on lease maintenance (See Note 7 Sub Note B)	1,200	–
	2,880	1,680
Movements in above provision:		
Balance at beginning of the year	1,680	1,680
Provision on lease maintenance	1,200	–
Balance at end of the year	2,880	1,680

Any litigation in which the entity is involved is analysed at each reporting date. When necessary, legal advice is sought and provisions are recorded.

Note 1:

In 2022, a customer commenced legal proceedings against a subsidiary of the Group for breach of contract. The customer claimed for damages in the sum of RM1,680,000. During the financial year ended 28 February 2022, management recognised a provision of RM840,000, being 50% of the amount claimed by the customer as it was difficult for the subsidiary of the Group to provide a reasonable estimate of the amount of obligation at that juncture.

In 2023, the Court directed parties to the legal proceedings to exchange documents in support of their respective claims. Having perused the evidence submitted by the customer in support of their claim, management was of the opinion that it was probable that an outflow of resources would be required to fulfil the claim made by the customer. Consequently, management made an additional provision of RM840,000 during the financial year ended 28 February 2023. The total provision made as at 28 February 2023 was RM1,680,000. In 2024, the legal proceeding was handed over to a new legal firm and the same advice and opinion as above were maintained. Accordingly, the provision remained as at 28 February 2025.

On 27 March 2025, the High Court granted the customer's application to amend its Writ and resubmit the Statement of Claim. The customer's claim against a subsidiary of the Group was increased from RM 1,680,000 to RM 2,700,000, inclusive of interest and costs. Management had sought legal and expert advice from its legal counsel and appointed expert witness, and concluded that a reliable estimate cannot be made of the amount of the obligation as at 28 February 2025 on the basis that they have not received any supporting documents from the customer's appointed lawyers on the additional claims made. Accordingly, no additional provision has been recorded in the previous financial year.

As at the balance sheet date, the Company's legal counsel confirmed that the legal suit is fixed for a full trial in September 2026 and January 2027 respectively and no material update to the legal position of the legal proceedings since their last update, save for the fixing of the dates of the full trial. Accordingly, no additional provision has been recorded as at 28 February 2026.

25 Segment information

The reporting entity discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria.

Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker to allocate resources and in assessing performance. Generally, financial information on segments is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by the financial reporting standard on operating segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

25 Segment information (cont'd)

25.1 Information about reportable segment profit or loss, assets and liabilities

For management purposes the reporting entity is organised into two major operating segments: domestic sales of office furniture and export sales of office furniture. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the board of directors (who are identified as the chief operating decision makers) in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

The segments are as follows:

The export sales segment is for sales of office furniture to countries overseas. The domestic sales segment is for sales of office furniture derived from local market in Malaysia. Intersegment sales are measured on the basis that the entity actually used to price the transfers.

Internal transfer pricing policies of the Group are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the material significant accounting policy information.

The management reporting system evaluates performances based on a number of factors. However, the primary profitability measurement to evaluate segment's operating results is the gross profit.

25.2 Loss from operations and reconciliations

The Group	Export RM'000	Domestic RM'000	Total RM'000
Continuing operations 2026			
Segment revenue			
Total revenue by segment	21,421	20,241	41,662
Inter-segment sales	(4,602)	–	(4,602)
Total revenue	16,819	20,241	37,060
Recurring loss before interest, tax, depreciation and amortisation (LBITDA)			(3,473)
Interest income			327
Finance costs			(290)
Depreciation			(2,443)
Loss before tax			(5,879)
Income tax credit			–
Loss, net of tax			(5,879)
Continuing operations 2025			
Segment revenue			
Total revenue by segment	26,412	18,821	45,233
Inter-segment sales	(5,355)	–	(5,355)
Total revenue	21,057	18,821	39,878
Recurring loss before interest, tax, depreciation and amortisation (LBITDA)			(1,180)
Interest income			303
Finance costs			(204)
Depreciation			(2,076)
Reversal of impairment loss			527
Loss before tax			(2,630)
Income tax credit			2
Loss, net of tax			(2,628)

25 Segment information (cont'd)

25.3 Assets and reconciliations

The Group	Export RM'000	Domestic RM'000	Unallocated RM'000	Total RM'000
2026				
Total assets for reportable segments	31,868	10,624	30,706	73,198
Elimination of inter-segment receivables	(8,760)	–	(30,641)	(39,401)
Total group assets	23,108	10,624	65	33,797
2025				
Total assets for reportable segments	29,082	10,085	33,267	72,434
Elimination of inter-segment receivables	(8,268)	(6)	(33,035)	(41,309)
Total group assets	20,814	10,079	232	31,125

25.4 Liabilities and reconciliations

The Group	Export RM'000	Domestic RM'000	Unallocated RM'000	Total RM'000
2026				
Total liabilities for reportable segments	22,696	9,790	8,716	41,202
Elimination of inter-segment payables	(11,727)	(7,760)	(341)	(19,828)
Unallocated:				
Deferred tax liabilities	–	–	82	82
Total group liabilities	10,969	2,030	8,457	21,456
2025				
Total liabilities for reportable segments	17,543	10,086	4,388	32,017
Elimination of inter-segment payables	(11,242)	(7,760)	(185)	(19,187)
Unallocated:				
Deferred tax liabilities	–	–	82	82
Total group liabilities	6,301	2,326	4,285	12,912

25.5 Other material items and reconciliations

The Group	Export RM'000	Domestic RM'000	Total RM'000
Capital expenditure for non-current assets:			
2026	8,057	–	8,057
2025	102	–	102
(Reversal)/Allowance for impairment on plant and equipment:			
2026	–	–	–
2025	(527)	–	(527)

25 Segment information (cont'd)

25.6 Geographical information

Revenue based on geographical locations of customers is as follows:

The Group	2026 RM'000	2025 RM'000
Revenue:		
Malaysia ("MY")	20,240	18,821
Middle East	2,206	4,723
North America	4,807	9,029
Asia and Oceania ex SG/MY	9,537	6,848
Africa	45	212
Singapore ("SG")	225	245
	37,060	39,878

Substantially all the Group's operations are located in Malaysia and the carrying amount of non-current assets are in Malaysia.

25.7 Revenue from major customers

The Group	2026 RM'000	2025 RM'000
Top 1 customer	9,835	7,621
Top 2 customers	15,637	13,413
Top 3 customers	18,715	17,921

26 Related party transactions

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Group and related parties at terms agreed between the parties:

(a) Related party transactions

The Group	2026 RM'000	2025 RM'000
Payments made on behalf by a director	2,007	–

(b) Key management personnel compensation

The Group	2026 RM'000	2025 RM'000
Salaries and other short-term employee benefits		
– Short-term employee benefits	3,068	3,107
– Employer's contribution to defined contribution plan	128	105

26 Related party transactions (cont'd)

(b) Key management personnel compensation (cont'd)

The above amounts are included under employee benefits expense. Included in the above amounts are following items:

The Group	2026 RM'000	2025 RM'000
Remuneration of directors of the Company		
– Short-term employee benefits	1,780	1,742
– Employer's contribution to defined contribution plan	59	48
Fees to directors of the Company	507	532

Further information about the remuneration of individual directors is provided in the report on corporate governance. Key management personnel include the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly.

Key management compensation comprised those of directors and other key management personnel totalling 8 (2025 – 8) persons.

(c) Other receivables from related parties

The movements in other receivables from related parties are as follows:

The Company	2026 RM'000	2025 RM'000
Other receivables:		
Balance at beginning of the year	10,765	10,777
Amounts paid out and settlement of liabilities on behalf of the subsidiaries	71	–
Exchange differences	5	(12)
Balance of end of the year	10,841	10,765

27 Financial instruments

(a) Financial instruments by category

The carrying amounts of financial assets at amortised cost and financial liabilities at amortised cost are as follows:

	The Group		The Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Financial assets				
Financial assets at amortised cost	19,192	19,626	10,867	10,951
Financial liabilities				
Financial liabilities at amortised cost	18,095	10,236	8,442	4,196

Further quantitative disclosures are included throughout these financial statements.

27 Financial instruments (cont'd)

b) Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. Management has certain practices for the management of financial risks and actions to be taken in order to manage the financial risks. All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following acceptable market practices. There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

(c) Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

(d) Credit risk on financial assets

Financial assets are principally from cash balances with banks, cash equivalents, receivables and other financial assets at amortised cost. They are potentially subject to credit risk due to failures by counterparties to discharge their obligations in full or in a timely manner. The maximum exposure to credit risk is the total of the fair value of the financial assets at the end of the reporting period.

Credit risk on cash balances and any other financial instruments with banks and other financial institutions is limited because the counterparties are entities with acceptable credit ratings.

For expected credit losses ("ECL") on financial assets, the general approach (three-stage approach) in the financial reporting standard on financial instruments is applied to measure the ECL allowance. Under this general approach the financial assets move through the three stages as their credit quality change. On initial recognition, a day-1 loss is recorded equal to the 12-month ECL unless the assets are considered credit impaired. However, for trade receivables that do not contain a significant financing component or when the reporting entity applies the practical expedient of not adjusting the effect of a significant financing component, the reporting entity applies the simplified approach in calculating ECL as is permitted by the financial reporting standard on financial instruments.

Under the simplified approach, the reporting entity does not track changes in credit risk but instead recognises the loss allowance at an amount equal to lifetime ECL at initial recognition and throughout its life at each reporting date. For the credit risk on the financial assets an ongoing credit evaluation is performed on the financial condition of the debtors and any loss is recognised in profit or loss. Reviews and assessments of credit exposures in excess of designated limits are made. Renewals and reviews of credits limits are subject to the same review process.

The Group and the Company held cash and bank balances as disclosed in Note 19 to the financial statements. Cash and bank balances are also subject to the impairment requirements of the standard on financial instruments. There was no identified impairment loss.

(e) Liquidity risk – financial liabilities maturity analysis

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2025 – 30 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs, and no further analysis is deemed necessary. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

27 Financial instruments (cont'd)

(e) Liquidity risk – financial liabilities maturity analysis (cont'd)

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

The Group	Carrying amount RM'000	Less than 1 year RM'000	Between 2 and 5 years RM'000	Total RM'000
At 28 February 2026				
Non-derivative financial liabilities:				
Trade and other payables (a)	6,863	6,863	–	6,863
Other financial liabilities	4,171	4,171	–	4,171
Lease liabilities	7,061	2,694	4,765	7,459
	18,095	13,728	4,765	18,493
At 28 February 2025				
Non-derivative financial liabilities:				
Trade and other payables (a)	5,439	5,439	–	5,439
Other financial liabilities	2,773	2,773	–	2,773
Lease liabilities	2,024	2,017	44	2,061
	10,236	10,229	44	10,273

(a) Excluding advance from customers

The Company	2026 RM'000	2025 RM'000
Less than one year		
Non-derivative financial liabilities:		
Trade and other payables	4,556	1,830
Other financial liabilities	3,886	2,366
	8,442	4,196

The undiscounted amounts on the borrowings with fixed and floating interest rates are determined by reference to the conditions existing at the reporting date.

The above amounts disclosed in the maturity analysis are the contractual undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

At the end of the reporting period, no claims on the financial guarantees are expected.

The Company	2026 RM'000	2025 RM'000
Bank facilities:		
Undrawn borrowing facilities	2,915	2,393

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations. A schedule showing the maturity of financial liabilities and unused bank facilities is provided regularly to management to assist in monitoring the liquidity risk.

27 Financial instruments (cont'd)

(f) Interest rate risk

Interest rate risk arises on interest-bearing financial instruments recognised in the statement of financial position and on some financial instruments not recognised in the statement of financial position. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

The Group	2026 RM'000	2025 RM'000
Financial liabilities with interest:		
Fixed rates	10,947	4,390
Floating rates	285	407
	11,232	4,797
Financial assets with interest:		
Fixed rates	1,692	8,603

The interest rates are disclosed in Notes 19, 21 and 23.

Sensitivity analysis: The effect on pre-tax (loss) profit is not material.

(g) Foreign exchange risk

Foreign exchange risk arises on financial instruments that are denominated in a foreign currency, ie in a currency other than the functional currency in which they are measured. For the purpose of this financial reporting standard on financial instruments: disclosures, currency risk does not arise from financial instruments that are non-monetary items or from financial instruments denominated in the functional currency.

Analysis of amounts denominated in non-functional currencies:

The Group	SGD RM'000	USD RM'000	Thai Baht RM'000	Chinese Renminbi RM'000	Total RM'000
28 February 2026					
Financial assets:					
Cash and bank balances	142	8,045	–	–	8,187
Trade and other receivables	–	1,207	–	–	1,207
Total financial assets	142	9,252	–	–	9,394
Financial liabilities:					
Trade and other payables	(4,556)	–	(529)	(45)	(5,130)
Borrowings	(3,886)	–	–	–	(3,886)
	(8,442)	–	(529)	(45)	(9,016)
Net financial assets/(liabilities) at end of the year	(8,300)	9,252	(529)	(45)	378
28 February 2025					
Financial assets:					
Cash and bank balances	544	8,010	–	–	8,554
Trade and other receivables	11	650	–	–	661
Total financial assets	555	8,660	–	–	9,215
Financial liabilities:					
Trade and other payables	(1,830)	(60)	(754)	–	(2,644)
Borrowings	(2,366)	–	–	–	(2,366)
	(4,196)	(60)	(754)	–	(5,010)
Net financial assets/(liabilities) at end of the year	(3,641)	8,600	(754)	–	4,205

27 Financial instruments (cont'd)

(g) Foreign exchange risk (cont'd)

	Singapore Dollar	
The Company	**2026 RM'000**	**2025 RM'000**
Financial assets:		
Cash and bank balances	26	186
Other non-financial assets	29	44
Total financial assets	55	230
Financial liabilities:		
Trade and other payables	(4,556)	(1,830)
Borrowings	(3,886)	(2,366)
	(8,442)	(4,196)
Net financial liabilities at end of the year	(8,387)	(3,966)

There is exposure to foreign currency risk as part of its normal business.

Sensitivity analysis
A 10% strengthening/weakening of the foreign currency against the functional currencies of the respective entities within the Group at the reporting date would increase/(decrease) the results before tax by the amounts above.

The Group	**2026 RM'000**	**2025 RM'000**
Sensitivity analysis		
Loss before tax		
SGD	(830)	(364)
USD	925	860
Thai Baht	(53)	(75)
Chinese Renminbi	(5)	–
The Company		
Loss before tax		
SGD	(839)	(397)

28 Prior year reclassification

The prior-year reclassification relates to the inclusion of the effect of foreign exchange rate changes on cash and cash equivalents, to appropriately present foreign currency translation effects within the statement of cash flows.

The effects of the prior year reclassification on the consolidated statement of cash flows for the financial year ended 28 February 2025 are as follows:

Consolidated statement of cash flows

The Group	As previously stated RM'000	Reclassification RM'000	As restated RM'000
For the financial year ended 28 February 2025			
Net cash used in operating activities	(1,251)	559	(692)
Net decrease in cash and cash equivalents	(6,111)	559	(5,552)
Effect of foreign exchange rate changes	–	(559)	(559)

There is no effect of the prior year reclassification on the statements of financial position as at 1 March 2024. Accordingly, a third statement of financial position is not presented as at the beginning of the preceding period.

There is no effect of the prior year reclassification on the consolidated statement of profit or loss and other comprehensive income.

29 Events after the reporting period

Subsequent to the reporting period, a director has provided an additional loan to the Company of RM461,000, which is unsecured, bears interest at 5.00% per annum, and is repayable within one year.

SHAREHOLDER STATISTICS

AS AT 12 MAY 2026

SHARE CAPITAL

Issued and fully paid-up capital	:	S$16,735,941.67
Number of issued shares	:	135,000,000
Class of shares	:	Ordinary shares
Voting rights	:	1 vote for each ordinary share (excluding treasury shares and subsidiary holdings)
Number of treasury shares	:	Nil
Number of subsidiary holdings	:	Nil

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	0	0.00	0	0.00
100 – 1,000	16	9.94	7,900	0.01
1,001 – 10,000	47	29.19	276,500	0.20
10,001 – 1,000,000	91	56.52	8,087,500	5.99
1,000,001 AND ABOVE	7	4.35	126,628,100	93.80
TOTAL	**161**	**100.00**	**135,000,000**	**100.00**

SHAREHOLDINGS HELD BY THE PUBLIC

Based on the Register of Substantial Shareholders of the Company, information available to the Company and to the best knowledge of the Company as at 12 May 2026, approximately 19.62% of the total issued ordinary shares of the Company is held in the hands of the public as defined in the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**Catalist Rules**”). Accordingly, Rule 723 of the Catalist Rules is complied with.

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	CGS INTERNATIONAL SECURITIES SINGAPORE PTE. LTD.	84,459,000	62.56
2	TRENDY KING LIMITED	30,928,000	22.91
3	YEO KHEE SENG BENNY	4,729,900	3.50
4	LAW BOON SENG	3,185,100	2.36
5	TIGER BROKERS (SINGAPORE) PTE. LTD.	1,210,900	0.90
6	KEK CHIN WU	1,074,900	0.80
7	WONG HON MUI (HUANG HANMEI)	1,040,300	0.77
8	LIM CHYE HUAT @ BOBBY LIM CHYE HUAT	970,000	0.72
9	CHUN KWONG PONG	595,000	0.44
10	LEOW SOY NYUK OR LEOW SOY SEON	500,500	0.37
11	LEOW KAR PING	429,900	0.32
12	HO YEW MING OR WONG PHOOI YEE	360,000	0.27
13	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	299,900	0.22
14	WONG SOO CHAI @ WONG CHICK WAI	284,000	0.21
15	LIM & TAN SECURITIES PTE LTD	260,500	0.19
16	PHILLIP SECURITIES PTE LTD	220,900	0.16
17	TIONG KWAI LAN	203,000	0.15
18	WAN HO YIN	143,100	0.11
19	LAW QI FENG (LIU QIFENG)	131,000	0.10
20	SEN LI NAH	131,000	0.10
	TOTAL	**131,156,900**	**97.16**

SHAREHOLDER STATISTICS

AS AT 12 MAY 2026

SUBSTANTIAL SHAREHOLDERS AS AT 12 MAY 2026
(AS RECORDED IN THE REGISTER OF SUBSTANTIAL SHAREHOLDERS)

No	Name of Shareholders	Direct Interest No. of Shares	Deemed Interest No. of Shares	Total	Percentage (%)
1	Ge Shuming(1)	–	39,208,500	39,208,500	29.04
2	Trendy King Limited	30,928,000	–	30,928,000	22.91
3	Duanmu Xiaoyi(2)	–	30,928,000	30,928,000	22.91
4	Yu Liangbing(3)	–	18,363,500	18,363,500	13.60
5	Liu Jing(4)	–	6,828,400	6,828,400	5.06
6	Yeo Khee Seng Benny(5)	7,190,400	–	7,190,400	5.33

Notes:

(1) Ge Shuming holds 39,208,500 ordinary shares in the Company in his trading account managed by CGS International Securities Singapore Pte. Ltd..

(2) As Trendy King Limited is wholly owned by Duanmu Xiaoyi, Duanmu Xiaoyi is deemed to have an interest in all the ordinary shares of the Company that are owned by Trendy King Limited.

(3) Yu Liangbing holds 18,363,500 ordinary shares in the Company in his trading account managed by CGS International Securities Singapore Pte. Ltd..

(4) Liu Jing holds 6,828,400 ordinary shares in the Company in her trading account managed by CGS International Securities Singapore Pte. Ltd..

(5) To the best of the knowledge of the Company, under the Register of Members of the Company as at 12 May 2026, Yeo Khee Seng Benny holds 4,729,900 ordinary shares of the Company.

* Percentage is calculated based on the total number of issued shares of the Company of 135,000,000.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Versalink Holdings Limited (the "**Company**") will be held at the Theatrette, Level 2, Raffles Marina, 10 Tuas West Drive, Singapore 638404 on Friday, 26 June 2026 at 10.30 a.m. to transact as Ordinary Resolutions, the following business:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 28 February 2026, together with the Auditor's Report thereon. **(Resolution 1)**

2. To approve the payment of Directors' fees of S$166,000 for the financial year ending 28 February 2027 (FY2026: S$156,000), to be paid quarterly in arrears. **(Resolution 2)**

3. To re-elect Mr Law Kian Siong, who is retiring in accordance with Article 114 of the Company's Constitution and who, being eligible, offers himself for re-election as a Director of the Company. **(Resolution 3)**

   [See Explanatory Notes (i) and (iii)]

4. To re-elect Mr Chong Kwang Shih, who is retiring in accordance with Article 114 of the Company's Constitution and who, being eligible, offers himself for re-election as a Director of the Company. **(Resolution 4)**

   [See Explanatory Notes (ii) and (iii)]

5. To re-appoint Foo Kon Tan LLP as auditors of the Company and to authorise the Directors of the Company to fix their remuneration for the financial year ending 28 February 2027. **(Resolution 5)**

6. To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following as Ordinary Resolution, with or without amendments:

7. **Authority to allot and issue shares** **(Resolution 6)**

   (a) That pursuant to Section 161 of the Companies Act 1967 of Singapore ("**Companies Act**") and subject to Rule 806 of the Listing Manual Section B: Rules of Catalist ("**Catalist Rules**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), authority be and is hereby given to the Directors of the Company to:

      (i) allot and issue shares in the share capital of the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

      (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

      at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may at their absolute discretion deem fit; and

   (b) (notwithstanding that the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided always that:

(i) the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued pursuant to this Resolution does not exceed 100% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b)(ii) below), of which the aggregate number of Shares (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to be issued other than on a *pro-rata* basis to existing shareholders of the Company does not exceed 50% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (b)(ii) below);

(ii) (subject to such manner of calculation or adjustment as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (b)(i) above, the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:

(1) new Shares arising from the conversion or exercise of the Instruments or any convertible securities;

(2) new Shares arising from exercising share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and

(3) any subsequent bonus issue, consolidation or subdivision of Shares,

and provided that adjustments in accordance with sub-paragraphs (b)(ii)(1) or (b)(ii)(2) above are only to be made in respect of new Shares arising from the Instruments, convertible securities, share options or share awards which were issued and are outstanding or subsisting at the time of the passing of this Resolution;

(iii) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the SGX-ST), the Companies Act and the Constitution for the time being of the Company; and

(iv) unless revoked or varied by the Company in a general meeting, such authority conferred by this Resolution shall continue in force until: (1) the conclusion of the next AGM of the Company or by the date by which the next AGM of the Company is required by law to be held, whichever is earlier; or (2) in the case of Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such Shares in accordance with the terms of the Instruments.

[See Explanatory Note (iv)]

By Order of the Board

LIM KOK MENG
Company Secretary

11 June 2026
Singapore

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Mr Law Kian Siong shall, upon re-election, remain as an Executive Director of the Company.

(ii) Mr Chong Kwang Shih shall, upon re-election, remain as the Lead Independent Director of the Company, the Chairman of the Audit Committee, as well as a member of the Nominating Committee and the Remuneration Committee of the Company. Mr Chong Kwang Shih is considered independent by the Board of Directors of the Company for the purpose of Rule 704(7) of the Catalist Rules.

(iii) Please refer to the "Additional Information Required Pursuant to Rule 720(5) of the Catalist Rules on Directors Seeking Re-election" section of the Corporate Governance Report of the Annual Report of the Company for the financial year ended 28 February 2026 (the "**Annual Report**") for the detailed information required pursuant to Rule 720(5) of the Catalist Rules.

(iv) Resolution 6 proposed at item 7 above, if passed, will empower the Directors of the Company, effective from the date of this AGM of the Company until the conclusion of the next AGM of the Company, or the date by which the next AGM of the Company is required by law to be held, or the date such authority is varied or revoked by the Company at a general meeting, whichever is earliest, to allot and issue Shares, make or grant Instruments convertible into Shares and to issue Shares pursuant to such Instruments. The aggregate number of Shares (including any Shares issued pursuant to such Instruments) shall not exceed 100% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings), of which up to 50% may be issued other than on a pro-rata basis to shareholders of the Company.

For the purpose of determining the aggregate number of Shares that may be issued, the percentage of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) will be calculated based on the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed after adjusting for new Shares arising from the conversion or exercise of the Instruments or any convertible securities or the exercise of share options or the vesting of share awards which were issued and are outstanding or subsisting at the time when this Resolution is passed and any subsequent bonus issue, consolidation or subdivision of Shares.

Notes:

1. Members of the Company ("**Members**", each a "**Member**") are invited to attend physically at the AGM. There will be no option for Members to participate virtually. Printed copies of this Notice of AGM, the Proxy Form and the Request Form dated 11 June 2026 will be sent to Members. These documents are also made available on the SGXNet and the Company's corporate website at https://versalink.com/pages/investor-relations. Members are advised to check SGXNet and/or the Company's corporate website regularly for updates.

2. The Annual Report is made available on the SGXNet and the Company's corporate website at https://versalink.com/pages/investor-relations. Printed copies of the Annual Report will not be sent to Members. Members who wish to receive a printed copy of the Annual Report will need to complete and submit the Request Form dated 11 June 2026 to the Company by 5.00 p.m. on 18 June 2026.

3. Members may submit questions relating to the Annual Report and resolutions set out in the Notice of AGM in advance:

   (a) by post or sent personally to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue #14-07, Keppel Bay Tower, Singapore 098632; or

   (b) by electronic mail to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at srs.teamd@boardroomlimited.com.

   All questions must be submitted by 5.00 p.m. on 18 June 2026 (the "**Cut-Off Time**").

   Members, including SRS investors, who wish to submit their questions by post or by email are required to indicate their full names (for individuals)/company names (for corporates), NRIC/passport/company registration numbers, contact numbers, shareholding types and number of Shares held together with their submission of questions, to the office address or email address provided. Investors who hold Shares through relevant intermediaries (as defined in Section 181 of the Companies Act), excluding SRS investors, should contact their respective relevant intermediaries to submit their questions based on the abovementioned instructions.

   The Company will endeavour to address the substantial and relevant questions received from Members by the Cut-Off Time soonest possible and in any case, not later than forty-eight (48) hours before the closing date and time for the lodgement of Proxy Forms. The responses to substantial and relevant questions received from Members by the Cut-Off Time will be posted on the SGXNet and the Company's corporate website. Any subsequent clarifications sought by Members after the Cut-Off Time, or during the AGM, will be addressed at the AGM. The minutes of the AGM will be published on the SGXNet and the Company's corporate website within one (1) month after the date of the AGM.

4. A Member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such Member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified in the Proxy Form. If the proportion of his shareholding is not specified, the first named proxy shall be deemed to represent 100% of his shareholding and the second named proxy shall be deemed to be an alternate to the first named.

   A Member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different Share or Shares held by such Member. Where such Member appoints more than one (1) proxy, the number of Shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.

   "relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.

5. A proxy need not be a Member.

6. The Proxy Form, duly executed together with the power of attorney or other authority, if any, under which the Proxy Form is signed or a notarially certified copy of that power of attorney or other authority (failing previous registration with the Company), must be submitted:

   (a) if sent personally or by post, to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue #14-07, Keppel Bay Tower, Singapore 098632; or

   (b) if sent by email, to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at srs.proxy@boardroomlimited.com,

   in each case, not less than forty-eight (48) hours before the time appointed for holding the AGM, i.e. by 10.30 a.m. on 24 June 2026.

7. The Proxy Form must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised. Where an instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted personally or by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.

8. Persons who hold Shares through relevant intermediaries (including SRS investors) and wish to exercise their votes by appointing the Chairman of the AGM as proxy should approach their respective relevant intermediaries (which would include SRS operators) through which they hold such Shares at least seven (7) working days before the AGM to submit their voting instructions in order to allow sufficient time for their respective relevant intermediaries to in turn submit a Proxy Form to appoint the Chairman of the AGM to vote on their behalf by 10.30 a.m. on 24 June 2026.

9. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at seventy-two (72) hours before the time appointed for holding the AGM in order for the Depositor to be entitled to attend, speak and vote at the AGM.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM of the Company and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's and its proxy(ies)'s or representative(s)'s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM of the Company (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); and (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior express consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes.

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*This notice has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").*

*This notice has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made or reports contained in this notice.*

The contact person for the Sponsor is Ms Goh Mei Xian, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

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VERSALINK HOLDINGS LIMITED

(Company Registration Number 201411394N)
(Incorporated in the Republic of Singapore)

IMPORTANT:

1. SRS investors may attend, speak and vote at the AGM in person. SRS investors who are unable to attend the AGM but would like to vote, may approach their SRS operators at least seven (7) working days before the AGM to appoint the Chairman of the AGM to act as their proxy and submit their votes, in which case, such SRS investors shall be precluded from attending the AGM.
2. This Proxy Form is not valid for use by the SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

ANNUAL GENERAL MEETING
PROXY FORM

I/We*, ________________________ (Name) (NRIC/Passport/Registration Number ______________)

of ____ (Address)

being a member/members* of **VERSALINK HOLDINGS LIMITED** (the "**Company**") hereby appoint:

Name	NRIC/Passport Number	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport Number	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person or both of the persons above, the Chairman of the 2026 Annual General Meeting ("**AGM**") of the Company as my/our* proxy/proxies* to attend, speak and vote for me/us* on my/our* behalf at the AGM of the Company to be held at the Theatrette, Level 2, Raffles Marina, 10 Tuas West Drive Singapore 638404 on Friday, 26 June 2026 at 10.30 a.m. and at any adjournment thereof.

I/We* direct my/our* proxy/proxies* to vote for, against or abstain from the resolutions to be proposed at the AGM as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies* will vote or abstain from voting at his/her/their* discretion, as he/she/they* will on any other matter arising at the AGM and at any adjournment thereof.

NO.	RESOLUTIONS	FOR**	AGAINST**	ABSTAIN**
1	To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 28 February 2026, together with the Auditor's Report thereon.			
2	To approve the payment of Directors' fees of S$166,000 for the financial year ending 28 February 2027.			
3	To re-elect Mr Law Kian Siong as Director of the Company.			
4	To re-elect Mr Chong Kwang Shih as Director of the Company.			
5	To re-appoint Foo Kon Tan LLP as auditors of the Company and to authorise the Directors of the Company to fix their remuneration.			
6	To authorise the Directors of the Company to allot and issue shares.			

* Delete accordingly

** If you wish to exercise all your votes "For", "Against" or "Abstain", please indicate with a tick (✓) within the boxes provided, Alternatively, please indicate the number of votes as appropriate.

Dated this ________ day of ______________ 2026

Total number of Shares in	Number of Shares
(a) Depository Register	
(b) Register of Members	

____
Signature(s) or Common Seal of Member(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF.

Notes:

1. If the member has shares entered against his name in the Depository Register, he should insert that number of shares. If the member has shares registered in his name in the Register of Members, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this Proxy Form will be deemed to relate to all the shares held by the member.

2. A member who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote at the AGM. Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified in this Proxy Form. If the proportion of his shareholding is not specified, the first named proxy shall be deemed to represent 100% of his shareholding and the second named proxy shall be deemed to be an alternate to the first named.

   A member who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than one (1) proxy, the number of shares in relation to which each proxy has been appointed shall be specified in this Proxy Form.

   "relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

3. A proxy need not be a member of the Company.

4. This Proxy Form, duly executed must be submitted:

   (a) if sent personally or by post, to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue #14-07, Keppel Bay Tower, Singapore 098632; or

   (b) if sent by email, to the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at srs.proxy@boardroomlimited.com,

   in each case, not less than forty-eight (48) hours before the time appointed for holding the AGM, i.e. by 10.30 a.m. on 24 June 2026.

5. The appointment of a proxy or proxies shall not preclude a member from attending, speaking and voting in person at the AGM. If a member attends the AGM in person, the appointment of a proxy or proxies shall be deemed to be revoked, and the Company reserves the right to refuse to admit such proxy or proxies to the AGM.

6. This Proxy Form must be signed by the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, it must be executed either under its common seal or signed by its attorney or officer duly authorised.

7. Where this Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or other authority or a notarially certified copy thereof (failing previous registration with the Company) must be lodged with this Proxy Form, failing which this Proxy Form may be treated as invalid.

8. A corporation which is a member may authorise by a resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM in accordance with Section 179 of the Companies Act 1967 of Singapore.

9. Persons who hold shares through relevant intermediaries (including SRS investors) and wish to exercise their votes by appointing the Chairman of the AGM as proxy should approach their respective relevant intermediaries (which would include SRS operators) through which they hold such shares at least seven (7) working days before the AGM to submit their voting instructions in order to allow sufficient time for their respective relevant intermediaries to in turn submit this Proxy Form to appoint the Chairman of the AGM to vote on their behalf by 10.30 a.m. on 24 June 2026.

10. The Company shall be entitled to reject this Proxy Form if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in this Proxy Form (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject any Proxy Form lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting this Proxy Form, the member is deemed to have accepted and agreed to the personal data privacy terms set out in the Notice of AGM of the Company dated 11 June 2026.

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