



COMMITTED TO SUSTAINABLE GROWTH

2025
SUSTAINABILITY
REPORT



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

This sustainability 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 sustainability report, including the correctness of any of the statements or opinions made, or reports contained in this sustainability 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.

ABOUT THIS REPORT

REPORTING FRAMEWORK

This report has been prepared with reference to the Global Reporting Initiative (“GRI”) Standards 2021. We chose the GRI Standards as our reporting framework as we believe that it provides robust guidance and is widely accepted as a global standard for sustainability reporting. This report complies with Rules 711A and 711B of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist (the “Catalist Rules”), as well as Practice Note 7F of the Catalist Rules on Sustainability Reporting Guide. Recognising the global importance of climate resilience and the evolving expectations for businesses, we began utilising the Task Force on Climate-related Financial Disclosures (“TCFD”) framework in the financial year ended 29 February 2024 (“FY2024”) for our climate-related reporting.

REPORTING PROCESS

The material environmental, social and governance (“ESG”) factors are identified through a materiality assessment process utilising the GRI Standards.

REPORT CONTENT & QUALITY

This report highlights Versalink Holdings Limited’s (the “Company” or “Versalink”, and together with its subsidiaries, the “Group”) ESG performance for the financial year ended 28 February 2025 (“FY2025”), covering the material ESG factors across the operations of the following key subsidiaries in the Group:

Key Subsidiaries	Country of Operation
Jemaramas Jaya Sdn Bhd	Malaysia
Versalink Marketing Sdn Bhd	Malaysia

We have determined the content of this report by applying GRI’s principles of stakeholder inclusiveness, sustainability context, materiality and completeness.

The content of this report has been prepared using GRI’s principles of accuracy, balance, clarity, comparability, reliability and timeliness to help stakeholders assess our sustainability performance.

The ESG data provided in this report covers our offices and manufacturing facilities in Malaysia, with the majority of data collected from primary sources.

Financial figures are in Ringgit Malaysia unless specified otherwise.

EXCLUSIONS

The ESG performances of other subsidiaries of the Group have not been included in this report as they were considered immaterial due to insignificance of scale and operations.

Performances of our suppliers and customers in our value chains are also excluded from this report as we do not have any operational control or access to their ESG data.



ABOUT THIS REPORT

ASSURANCE

The accuracy and reliability of the data contained in this report have been conveyed in good faith and to the best of our knowledge, and the information provided has been ensured by internal monitoring and verification. Internal review on sustainability reporting process has been conducted by the Company's Internal Auditor in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

We have not obtained external assurance for this sustainability report.

AVAILABILITY

This report, published independently from our Annual Report FY2025, is available for download in PDF form on SGX's website and our corporate website at www.versalink.com.

FEEDBACK

We welcome stakeholders' input on this report at sustainability@versalink.com.

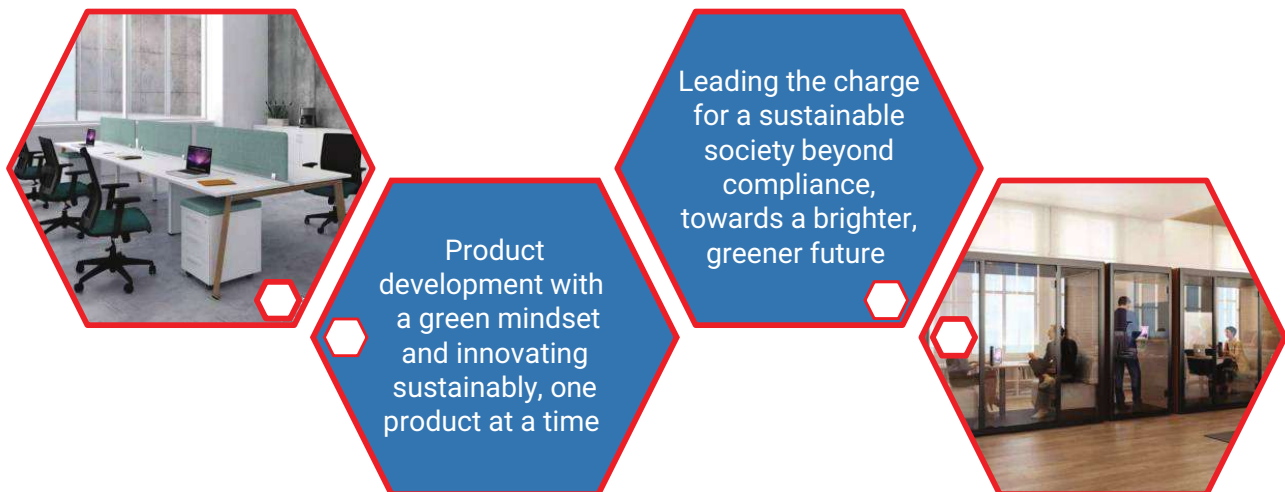
OUR APPROACH TO SUSTAINABILITY

Versalink has long upheld its commitment to ethical business practices, environmental stewardship, and fairness – principles that are becoming increasingly essential in today's global business environment. These values are deeply embedded in our operations and continue to shape the way we conduct business every day.

Sustainability at Versalink begins with product design. By selecting materials that support efficiency and longevity, we create solutions that are not only durable but also environmentally conscious. Our emphasis on repairable designs, easy disassembly, and the use of robust spare parts enables us to extend product life cycles and reduce waste.

We take a proactive approach to managing our environmental impact by regularly assessing our supply chain to ensure it aligns with our sustainability standards. Close collaboration with our trade partners allows us to better understand global expectations and align our practices with the evolving priorities of our stakeholders.

Above all, our aim is to improve the sustainability profile of our products across their entire life cycle. This commitment not only meets customer expectations but also reinforces our role as a responsible and forward-looking organisation in the global market. At Versalink, we recognise that climate change presents a growing challenge to our ecosystems, economies, and the way businesses operate. In FY2025, we took important steps to strengthen our environmental efforts by aligning our sustainability objectives with our key material topics. These include improving energy efficiency across operations through ongoing replacement of outdated equipment with energy-saving alternatives and the wider use of LED lighting, taking measures to reduce our carbon emissions, including optimising delivery trips and improving packing methods to reduce the number of dispatches, minimising waste generation by reinforcing the practice of reduce, reuse, and recycle within our manufacturing facilities, maintaining strict compliance with environmental regulations, with no reported incidents of non-compliance and enhancing our environmental data collection processes to better track performance and support future planning. These actions reflect our practical commitment to environmental responsibility and form part of our broader effort to reduce our environmental impact, support climate action, and contribute to a more sustainable future. We will continue to monitor our progress and review these objectives regularly, ensuring that our actions remain aligned with stakeholder expectations and evolving sustainability standards.



OUR APPROACH TO SUSTAINABILITY

BOARD STATEMENT

The Board of Directors of Versalink (the “Board”) is steadfast in its commitment to upholding the highest standards of ethics, integrity, and corporate responsibility. We recognise that sustainability is no longer an ancillary consideration but a core driver of long-term value, stakeholder trust, and business resilience. In this regard, the Group views its ESG responsibilities with utmost seriousness and is fully committed to complying with all applicable laws, regulations, and industry best practices.

Sustainability is fully integrated into the strategic direction of the Company. The Board actively oversees and supports the development of sustainability strategies that align with Versalink’s broader business objectives and purpose. Material ESG factors identified through our stakeholder engagement and risk assessments are reviewed and endorsed by the Board. This ensures that our strategic planning reflects a clear understanding of the environmental and social impacts of our operations, and that we are taking meaningful action to mitigate risks and capitalise on opportunities.

Management is responsible for the implementation and continuous monitoring of these material factors, working closely with relevant departments to ensure effective execution. The Board maintains oversight through periodic reviews of key performance indicators, sustainability milestones, and regulatory developments, ensuring that the Company remains on course to meet its ESG commitments. In doing so, we continue to evaluate our progress and refine our approach where necessary.

To further strengthen our governance structure, the Board receives input from an independent ESG Committee that provides specialised insight and guidance on sustainability-related policies, frameworks, and performance. This advisory function plays a key role in helping the Board to remain responsive to evolving stakeholder expectations, international reporting standards, and climate-related disclosures.

In FY2025, the Group made notable progress in enhancing its sustainability practices, including the introduction of an internal ESG performance dashboard to improve monitoring and transparency across key environmental and social indicators. Additionally, we conducted our first comprehensive climate risk assessment to better understand potential impacts to our business and supply chain, aligning our disclosures with the recommendations of the TCFD.

The Board views sustainability not only as a compliance requirement but as a strategic priority that underpins Versalink’s ability to create long-term value for shareholders, employees, customers, and the wider community. As we move forward, we will continue to champion a culture of accountability and responsible business, guided by our principles of transparency, inclusivity, and innovation.

Sincerely
The Board of Directors



OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY STRATEGY

At Versalink, our sustainability strategy is deeply embedded in the fabric of our business operations and closely aligned with our core mission-to deliver safe, high-quality, and cost-effective office furniture solutions while safeguarding the environment. Recognising the increasing importance of sustainable practices in today's global marketplace, we are committed to integrating sustainability into every aspect of our value chain, from design and production to delivery and customer satisfaction.

Our approach is shaped by a clear understanding of the evolving landscape of the office furniture industry, including emerging innovations, regulatory changes, and stakeholder expectations. We continuously monitor industry trends and sustainability benchmarks to remain responsive and adaptive, allowing us to refine our practices and maintain a competitive edge.

Value creation across our material ESG factors is central to how we define long-term business success. We strive to minimise our environmental footprint through resource efficiency, responsible sourcing, and waste reduction, while enhancing our positive contributions to the communities and economies in which we operate. Socially, we uphold a commitment to safe working environments, inclusive workplace practices, and fair employment. From a governance perspective, we maintain robust systems that promote ethical conduct, transparency, and accountability.

Our sustainability strategy is brought to life by actively engaging with stakeholders-including customers, employees, suppliers, and regulators-to better understand their expectations and needs. This engagement allows us to respond with targeted actions and measurable goals that reinforce our role as a responsible industry leader. Ultimately, our efforts are guided by a firm belief that sustainable growth is not only achievable, but essential to building long-term resilience and value for all our stakeholders.

OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY GOVERNANCE

The Board recognises the integral role of sustainability in the strategic development and direction of the Company. To ensure that sustainability considerations are thoroughly integrated into our long-term planning, the Board is actively supported by the Group's dedicated Sustainability Working Group. This Working Group, comprised of key personnel including the relevant Finance personnel and the Operations Manager of the Company, is under the direct leadership of the Executive Director, Mr. Matthew Law.

Furthermore, the Board provides its full endorsement to the material ESG factors that are presented within this report. Concurrently, the Group's Sustainability Working Group assumes the critical responsibility of diligently monitoring these material ESG factors on an ongoing basis. This ensures not only the proper management of these factors, but also that they are consistently aligned with the evolving strategic objectives of the organisation.

BOARD DIVERSITY POLICY

The diversity of our Board, including gender, age, and composition, plays a crucial role in shaping our sustainability approach. As per SGX requirements, all our Directors have completed the mandatory training on sustainability as of FY2025. The board composition of Versalink is shown below:

Board Independence Diversity	Number of Headcount	Percentage (%)
Independent Director	3	60%
Non-independent Director	2	40%
Total	5	100%

Board Gender Diversity	Number of Headcount	Percentage (%)
Male	4	80%
Female	1	20%
Total	5	100%

OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY RISKS AND OPPORTUNITIES

The following table summarises the risks and opportunities of the material ESG factors:

Material ESG Factors	Risks	Opportunities
Energy Consumption	High consumption will lead to increase in electricity cost and greenhouse gas emissions	Reduce electricity cost and GHG emissions while creating jobs and improving public health
Greenhouse Gas ("GHG") Emissions	Non-compliance with regulatory will lead to regulatory fines and reputation damage	Reduce GHG emissions while creating jobs and improving public health
Waste	Non-compliance with regulatory will lead to regulatory fines and reputation damage	Reduce, recycle and reuse waste while creating jobs and improving public health
Environmental Compliance	Non-compliance with regulatory will lead to regulatory fines and reputation damage	Reputation as a safe and reputable company attracts investors and employees
Attract, Develop and Retain Talent	Challenges in recruiting the right talent and also in retaining the right talent	Gaining a competitive advantage in having a diverse pool of employees with various skills and experiences
Occupational Health and Safety	Accidents and injuries lead to regulatory penalties and reputational damages	Reputable company attracts investors and employees
Human Rights	Non-compliance with regulatory will lead to regulatory fines and reputation damage	Reputation as a safe and reputable company attracts investors and employees
Local Communities	Estranged relationship with local communities may lead to unawareness of the Group's sustainable actions	Social responsibility programmes increased visibility and safeguard reputation
Economic Performance	Closure or winding up of the Company and loss of employment for the employees	Dividends distributed to the stakeholders and bonus given to the employees
Anti-Corruption	Corruption leads to regulatory fines, reputation damages, prison sentences, and incurring substantial legal fees	Anti-corruption programmes mitigate legal, commercial and reputational risk
Socio-Economic Compliance	Non-compliance with regulatory will lead to regulatory fines and reputation damage	Reputable company attracts investors and employees

OUR APPROACH TO SUSTAINABILITY

MATERIALITY ASSESSMENT

The materiality assessment forms the foundation of our approach to embedding ESG considerations into our core business strategy. It enables us to identify and prioritise the ESG issues most relevant to our stakeholders and operations, ensuring that our sustainability efforts are focused, meaningful, and responsive to the dynamic external environment. By homing in on these key areas, we aim to build a more resilient, accountable, and future-ready organisation – one that is equipped to navigate risks and harness new opportunities as they arise.

To determine the material ESG factors disclosed in this report, the Group followed a structured and inclusive assessment process, which involved the following key steps:

1. Identification: Based on stakeholder input, industry research and regulatory requirements, we identified a comprehensive list of potential ESG issues that may impact our business and stakeholders.
2. Prioritisation: The Sustainability Committee evaluates the identified issues based on their significance, considering both their potential impact on our business and their importance to our stakeholders.
3. Validation: The materiality assessment results is presented to the Board for validation and endorsement, to ensure alignment with our overall business strategy and goals.
4. Review: In subsequent reporting cycles, sustainability topics are reviewed and updated to ensure their continued relevance and significance, taking into account evolving stakeholder expectations and global sustainability trends.

Based on our assessment, the material ESG factors that were identified and prioritised in the previous sustainability report continues to be relevant and material to the Group's operations. The materiality matrix is as shown below:

<u>Relevant to External Stakeholder</u>	High	• Occupational Health and Safety • Human Rights • Environmental Compliance • GHG Emissions • Waste	• Economic Performance • Anti-Corruption • Socio-Economic Compliance	
	Medium	• Local Communities • Attract, Develop and Retain Talent		
	Low			
		Low	Medium	High
		Relevant to Our Business		

OUR APPROACH TO SUSTAINABILITY

The details of the identified material topics are shown in the table below:

Material Factors		Time Horizon	Impact Boundary	Our Involvement	Management Approach and Action Plan
Environment	Energy Consumption	Mid Term	Use of electricity in offices, factories and retail stores Diesel and petrol consumption of on-site equipment and company vehicles	Direct	Minimise our energy consumption Use of LED lightings in production areas Replace older devices with new energy efficient ones
	GHG Emissions	Long Term	Our carbon dioxide emissions are attributable to electricity and fuel consumption	Direct	Minimise our carbon emissions footprint Optimising delivery trips, the loading volume of each lorry will be increased Better packing sizes that allow safe and volume-optimised dispatch
	Waste	Long Term	Waste is generated mainly in our manufacturing facilities	Direct	Reduce, recycle and reuse waste safe disposal of hazardous waste Continue to practice Reduce, Recycle and Reuse waste
	Environmental Compliance	Short Term	Applicable across the Group	Direct	Ensure compliance with applicable environmental regulations No incident of non-compliance with applicable environmental laws
Social	Attract, Develop and Retain Talent	Mid Term	Applicable across the Group	Direct	Hire the best talent Provide a good working environment to employees Provide competitive remuneration package Provide ongoing training and career advancement opportunities to employees
	Occupational Health and Safety	Short Term	Mainly applicable to our manufacturing operations	Direct and Indirect	Ensure health and safety of all employees at work Zero-accident workplace

OUR APPROACH TO SUSTAINABILITY

Material Factors		Time Horizon	Impact Boundary	Our Involvement	Management Approach and Action Plan
	Human Rights (non-discrimination, forced labour, child labour, freedom of association and collective bargaining)	Long Term	Mainly relevant to our manufacturing operations and supply chain	Direct and Indirect	Committed to protect human rights in accordance with applicable national laws and international conventions No incident of non-compliance with our human rights policies
Communities	Local Communities	Short Term	Applicable across the Group	Indirect	Be a responsible corporate citizen Contribute to the development of local communities through Corporate Social Responsibility Activities
	Economic	Long Term	Applicable across the Group	Direct	Long-term sustainable growth of business with consistent value creation Improve financial performance to achieve profit
Economic	Anti-Corruption	Mid Term	Applicable across the Group	Direct	Maintain zero-tolerance to corruption No incidents on non-compliance with anti-corruption regulations
	Socio-Economic Compliance	Short Term	Applicable across the Group	Direct	Ensure compliance with applicable laws and regulations No incidents on non-compliance with applicable socio-economic regulations

STAKEHOLDERS ENGAGEMENT

We maintain continuous engagement with our key stakeholders as part of our regular business operations. Our significant stakeholder groups include trade and retail customers, suppliers, employees, government agencies and regulators, local communities, and shareholders – each of whom plays a vital role in shaping our business environment and may have a material influence on our operations.

By fostering open and ongoing communication with these stakeholders, we are better positioned to understand their evolving expectations, address concerns proactively, and align our strategies accordingly. A summary of our stakeholder engagement activities is outlined in the table below.

Stakeholders	Their Expectations	How We Engage	How We Respond
Trade Customers and their end customers Retail Customers	Value for money Stylish and aesthetic design High-quality material Green material Good craftsmanship Timely delivery	Regular meetings and communication Regular visits to trade customers Factory audits Visits to our stores (retail customers) Marketing communications, website, and digital media	Investment in research and development Well-equipped design studio and talented designers Stringent quality assurance process
Employees	Personal and professional development Workplace safety	Performance appraisal Training Team meetings Company events	HR policies to promote a conducive work environment, fair employment practices and people development Occupational health and safety system
Suppliers	Regular business Long-term relationship Clarity of specifications Timely payment	Meetings and electronic communications Purchase orders and agreements	Establish fair selection process Pay as per agreement
Government and Regulators	Regulatory compliance Taxes	Inspections and meetings Circulars and notices Regulatory filings	Adhere to the applicable laws and regulations Maintain the necessary records
Local Communities	Support for local communities Responsible business operations	Community development initiatives	Commitment to corporate social responsibility
Shareholders	Regular on investment Sustainable business growth Good governance	Board meetings Annual General Meeting Investor Relations briefings	Ensuring good corporate governance Prudent business and financial planning Risk management

Membership of Associations

We engage with the following relevant trade associations through membership and attending of their events. We play an active role in the Malaysian Furniture Council, the official representative body of Malaysia's furniture and furnishings industry.

- Malaysian Furniture Council (MFC)
- Federation of Malaysian Manufacturers (FMM)

Our Executive Director, Mr. Matthew Law, currently serves on the Board of Trustees of the Malaysian Timber Council. He is also the Deputy President of the Malaysian Furniture Council and the Honorary President as well as a Committee Member of the Kuala Lumpur and Selangor Furniture Association.

VISION, MISSION AND CORE VALUES

VISION

Our Ultimate Vision is to become a conscious-centred ethical global company, where we incorporate social goals in all our business goals, so as to maximise improvements in financial, social and environment well-being for all our stakeholders and the Mother Earth.

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 that lead use to operate based on Higher Consciousness decision-making and actions, and to experience higher levels of success, a more satisfied workforce, growth and longevity. We practice mindful awareness and do what is best for the whole by considering the impact on our employee, customers, suppliers, shareholders, the environment, and our community for each choice we made, so as to ensure a strong foundation of integrity, support, good-will and ethical behaviour in businesses.

CORE VALUES

Act with Integrity

We believe that everything starts with integrity. We act with integrity and being honest, doing the right thing even no one is watching.

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 our commitments by leading ourselves to do our best. We persevere and never give up.

Being Responsible

We believe that we ourselves 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 with the right mental attitude while staying positive at all times, everything is possible. With this, we would then be able to achieve prosperity in our lives, not only financially, but also love, health and happiness for ourselves and the people around us.

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.



ESG PERFORMANCE AND TARGETS

Material ESG Factors	FY2025 Target	FY2025 Performance	FY2026 Target
Energy Consumption	To keep energy consumption intensity within 0.04 Mwh/ Turnover	✓ Target Met	To keep energy consumption intensity within 0.04 Mwh/ Turnover
GHG Emissions	To keep GHG emissions intensity within 0.03 tCO ₂ e/ Turnover	✓ Target Met	To keep GHG emissions intensity within 0.03 tCO ₂ e/ Turnover
Waste	To keep total disposal waste intensity within 4 kg/ Turnover	✓ Target Met	To keep total disposal waste intensity within 4 kg/ Turnover
Environmental Compliance	To maintain zero incident on non-compliance with applicable environmental laws	No Reported Incident ✓ Target Met	To maintain zero incident on non-compliance with applicable environmental laws
Attract, Develop and Retain Talent	To achieve less than 10% turnover rate	✗ Target Not Met	To achieve less than 10% turnover rate
Occupational Health and Safety	To maintain zero fatalities	No Reported Incident ✓ Target Met	To maintain zero fatalities
Human Rights (non-discrimination, forced labour, child labour, freedom of association and collective bargaining)	To maintain zero incident of non-compliance with our human rights policies	No Reported Incident ✓ Target Met	To maintain zero incident of non-compliance with our human rights policies
Local Communities	To complete/execute at least one CSR activity	✓ Target Met	To complete/execute at least one CSR activity
Economic Performance	To achieve budgeted net profits	Loss Reported ✗ Target Not Met	To achieve budgeted net profits
Anti-Corruption	To maintain zero incidents on non-compliance with anti-corruption regulation	No Reported Incident ✓ Target Met	To maintain zero incidents on non-compliance with anti-corruption regulation
Socio-Economic Compliance	To maintain zero incidents on non-compliance with applicable socio-economic laws or regulations	No Reported Incident ✓ Target Met	To maintain zero incidents on non-compliance with applicable socio-economic laws or regulations

Climate change poses profound implications for both society and the business community, demanding an active and informed response. At the Group level, the Board plays a critical role in overseeing sustainability-related matters, including climate-related risks and opportunities. These considerations are integrated into strategic planning and risk management processes to ensure that climate issues of material relevance to our operations are identified, addressed, and appropriately managed. The Board remains committed to ensuring that sustainability issues are assessed in a comprehensive and forward-looking manner.

As part of our ongoing journey toward climate accountability, we have adopted a phased approach to climate risk assessment and disclosure. In line with the TCFD, we are progressively establishing systems and processes to monitor, collect, verify, and report relevant data. Our approach includes reviewing sustainability performance, identifying and prioritising material ESG topics, engaging with stakeholders to better understand their concerns, and setting measurable goals and targets that promote long-term environmental resilience.

We are equally committed to responsible environmental stewardship through sustainable practices embedded in our manufacturing operations. Our environmental strategy includes replacing traditional raw materials with eco-friendlier alternatives wherever feasible and reducing resource consumption across electricity, water, and paper usage. These efforts are reinforced by internal communications such as newsletters that promote awareness on environmental issues.

A structured environmental management system underpins our sustainability initiatives. This system focuses on risk identification, preventive action, continuous employee training, and the setting of clear environmental performance indicators. Through pollution control, process efficiency enhancements, material optimisation, and waste minimisation and recycling initiatives, we continuously work to reduce our environmental footprint. Employee engagement remains central to our strategy, with targeted training programmes designed to build awareness and encourage responsible environmental practices at all levels of the organisation.

SUSTAINABLE MATERIALS

Ethically sourced raw materials, from sustainably managed forests, and recycled materials where feasible, are used by Versalink in our commitment to forest sustainability. Banned chemicals, known as harmful to health and environment, have been removed. High-grade lacquers, paints, coatings, and solvents with low lead, and high-quality resins and glue, are used to minimise formaldehyde emissions. The Group has obtained Programme for the Endorsement of Forest Certification ("PEFC") requirement and is committed to:

- Assure the integrity and validity of the PEFC COC system and its certified products
- Avoid purchase and sales of the timber products from controversial sources
- Sustain the forest resources through the implementation and maintenance of PEFC system practices
- Provide employment opportunities and prioritises employing local people living within the vicinity of the manufacturing plant
- Ensuring equal opportunities to all and preventing discrimination of gender, job treatment, forced labour and child labour
- Maintain and reserve workers' rights in accordance with the Convention 87 & 98 of the International Labor Organisation (ILO)
- Create awareness among the employees who perform activities related to PEFC and provide adequate training to ensure compliance with the PEFC COC requirement
- Utilise the PEFC logo in accordance with MTCS/PEFC requirements as specified in the document of MTCC/PEFC logo

Certifications

CERTIFICATE OF REGISTRATION

intertek
Total Quality Assurance

This is to certify that the management system of:

Jemaramas Jaya Sdn Bhd

Main Site: Lot 6139, Jalan Haji Salleh, Batu 5 1/2, Off Jalan Meru,
41050 Klang, Selangor Darul Ehsan, Malaysia.

has been registered by Intertek as conforming to the requirements of:

ISO 9001:2015

The management system is applicable to:

Manufacture of Office System Furniture

Certificate Number:

0081358

Initial Certification Date:

12 September 2014

Last Certification Expiry Date:

11 September 2023

Date of Last Recertification Audit:

11 August 2023

Certification Cycle Start Date:

23 September 2023

Issuing Date:

23 September 2023

Valid Until:

11 September 2026

Calin Moldovan

Calin Moldovan

President, Business Assurance

Intertek Certification Limited, 524 Victory Park,
Victory Road, Derby DE24 4SD, United Kingdom

Intertek Certification Limited is a 100%

accredited body under schedule of
recognition No. 054.

In the issuance of this certificate, Intertek assumes no liability to any party other than to the Client, and it shall not be used for any other purpose than the agreed upon Certificate Agreement. This certificate's validity is subject to periodic surveillance and during the "valid" status, any action taken will be strictly in accordance with the Client's Certificate Validity. Any modification or renewal of this certificate will be subject to Intertek's approval. For the issuing of this certificate, Intertek is not responsible for the accuracy of the information provided by the client. Intertek reserves the integrity of its brand, its services and its reputation against any misuse.

FIGURE 1: ISO 9001:2015 CERTIFICATE

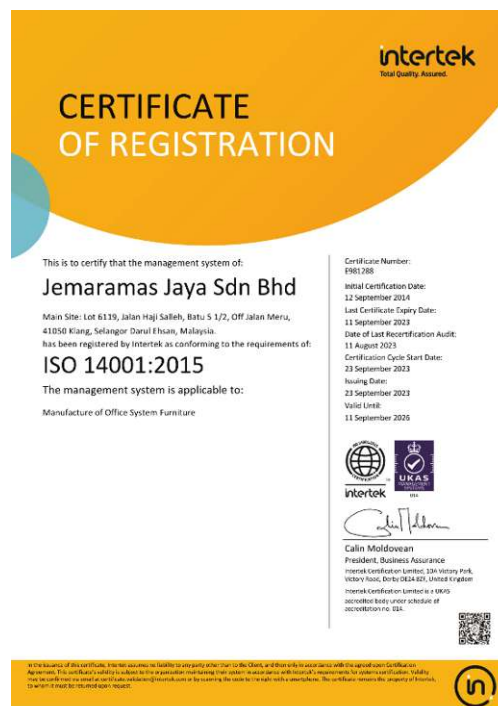


FIGURE II: ISO14001:2015 CERTIFICATE



FIGURE III: FSC CERTIFICATE

ENERGY

To lower costs and minimise our environmental footprint, we are committed to ongoing energy efficiency improvements. We use electricity and diesel in our operations. Electricity, powering lighting, air-conditioning, and equipment in our facilities, is managed by employee energy conservation practices, such as switching off equipment during breaks and after work. Diesel is utilised in both company vehicles and equipment, such as backup power generators.

In FY2025, we recorded total electricity consumption of 1,432 MWh, marking a 5.5% increase from 1,358 MWh in FY2024, though still 4.7% lower than the 1,503 MWh consumed in FY2023. This moderate rise reflects operational adjustments during the year, while remaining below our FY2023 baseline. Electricity intensity remained stable at 0.036 MWh per RM'000 of turnover in both FY2025 and FY2024, representing a 5.9% increase from 0.034 in FY2023.

Versalink continues to monitor and optimise energy consumption across its facilities, with a view toward improving energy efficiency and supporting broader sustainability goals.

	FY2025	FY2024	FY2023
Total Electricity Consumption (MWh)	1,432	1,358	1,503
Electricity Intensity (MWh/Turnover (RM'000))	0.036	0.036	0.034
Diesel consumption (litres)	12,000	12,000	12,000
Total Energy Consumption (MWh)	1,551	1,477	1,622
Energy Intensity (MWh/Turnover (RM'000))	0.039	0.039	0.036

GREENHOUSE GAS (GHG) EMISSIONS

Our GHG emissions primarily originate from electricity, petrol, and diesel usage. To reduce our environmental impact, we are committed to improving energy efficiency. This involves strategic adjustments to our energy consumption and optimising resource use, to lessen our overall GHG footprint.

In FY2025, we saw a total GHG emission of 1,141 tCO₂e, representing a 5.4% increase compared to 1,083 tCO₂e in FY2024, yet still 4.5% lower than the 1,195 tCO₂e recorded in FY2023. This slight year-on-year rise is primarily attributed to increased electricity consumption across operations.

Scope 2 emissions, which arise from purchased electricity, rose by 5.5% from FY2024 to FY2025, although this remains 4.6% below FY2023 levels. This trend reflects energy use patterns aligning with fluctuations in electricity consumption. GHG emissions intensity held steady at 0.028 tCO₂e per RM'000 turnover in both FY2025 and FY2024.

GHG Emission	FY2025	FY2024 ¹	FY2023 ¹
Total GHG Emission (tCO ₂ e)	1,141	1,083	1,195
GHG Scope 1 ² (tCO ₂ e)	32	32	32
GHG Scope 2 ³ (tCO ₂ e)	1,109	1,051	1,163
GHG Emissions intensity (tCO ₂ e/Turnover (RM'000))	0.028	0.028	0.026

¹ FY2024 and FY2023 emissions have been restated to reflect updated emissions factors

² Emission factor was taken from Greenhouse Gas Protocol Cross-sector Emission Factors Worksheet V2.0 <https://ghgprotocol.org/calculation-tools-and-guidance>

³ The GHG emission factors are from <https://meih.st.gov.my/documents/10620/cdddb88f-aaa5-4e1a-9557-e5f4d779906b>

ENVIRONMENT

WATER

Although our operations are not water-intensive, we remain steadfast in our commitment to water conservation. We actively monitor our water usage patterns and are continuously exploring and implementing strategies to enhance our efficiency in water utilisation. Measures include the installation of water-saving fixtures, regular maintenance to prevent leakages, and staff awareness campaigns to encourage responsible water use.

In FY2025, total water consumption increased to 7,416 m³, an increase of 13% and 83% compared to FY2024 and FY2023 respectively. The increase in water consumption was due to higher operational activities, including increased production hours, and enhanced cleaning protocols to uphold hygiene standards. Additionally, facility upkeep and minor plumbing maintenance contributed to the temporary rise in water usage.

Total water consumption has increased, accompanied by a similar rise in water consumption intensity, which measures usage relative to turnover. In FY2025, the water consumption intensity was 0.186 m³/turnover, an increase of 7% and 104% compared to FY2024 and FY2023 respectively.

Water Consumption	FY2025	FY2024	FY2023
Total Water Consumption (m ³)	7,416	6,561	4,060
Water Consumption intensity (m ³ /Turnover (RM'000))	0.186	0.174	0.091

WASTE

Guided by our commitment to eco-design principles, we meticulously design all our products to minimise waste generation at every stage of their lifecycle. Our manufacturing facilities are identified as the primary source of waste production within our operations, necessitating rigorous management protocols. Specifically, hazardous waste, which includes chemical solvents, paints, inks, lacquer, contaminated cotton rags, and chemical drums, is handled with utmost care.

We have established comprehensive procedures for the segregation, secure storage, and compliant disposal of hazardous wastes, ensuring strict adherence to all local regulatory requirements. Furthermore, the Company actively promotes and implements the principles of Reduce, Reuse, and Recycle across all facets of its operational activities, reinforcing our dedication to sustainable practices.

In FY2025, the total waste generated was 125,347 kg. This represents an increase of approximately 14.66% compared to the 109,307 kg generated in FY2024. Prior to this, total waste generation had decreased by about 12.77% from FY2023 to FY2024.

Of the total waste generated in FY2025, 40,205 kg was recyclable, and 85,142 kg was non-recyclable. Recyclable waste saw a substantial increase of 66.38% from 24,165 kg in FY2024, which itself was a 40.82% increase from 17,160 kg in FY2023. Non-recyclable waste, on the other hand, showed minimal change from FY2024 to FY2025, decreasing slightly by approximately 0.01% (from 85,142 kg to 85,142 kg). This follows a more significant decrease of about 20.34% between FY2023 and FY2024.

Total waste disposed in FY2025 was 125,347 kg, mirroring the total waste generated. This is composed of 125,205 kg of non-hazardous waste and 142 kg of hazardous waste. Non-hazardous waste increased by roughly 14.70% from 109,165 kg in FY2024, following a decrease of about 12.78% from FY2023. Hazardous waste remained the same at 142 kg in FY2024 and FY2025, after a small decrease of about 0.70% in FY2023.

Waste intensity ratios also show notable changes. In FY2025, total disposed waste intensity was 3.143 kg/RM'000, a rise of approximately 8.50% from 2.898 kg/RM'000 in FY2024. Non-hazardous waste intensity followed the same trend, increasing by roughly 8.50% from 2.894 kg/RM'000 in FY2024 to 3.140 kg/RM'000 in FY2025, after a smaller increase of about 3.65% in FY2023. Recyclable waste intensity reached 1.008 kg/RM'000 in FY2025, representing a 57.25% increase from 0.641 kg/RM'000 in FY2024, which was itself a 67.36% increase from FY2023.

Waste generated	FY2025	FY2024	FY2023
Recyclable (kg)	40,205	24,165	17,160
Non-Recyclable (kg)	85,142	85,142	108,143
Total waste generated (kg)	125,347	109,307	125,303

Waste Disposed	FY2025	FY2024	FY2023
Non-Hazardous Waste (kg)	125,205	109,165	125,160
Hazardous Waste (kg)	142	142	143
Total Disposed Waste (kg)	125,347	109,307	125,303

Waste Intensity (kg/RM'000)	FY2025	FY2024	FY2023
Non-Hazardous Waste Intensity	3.140	2.894	2.792
Hazardous Waste Intensity	0.003	0.004	0.003
Recyclable Waste Intensity	1.008	0.641	0.383
Non-Recyclable waste intensity	2.135	2.257	2.412
Total Disposed Waste Intensity	3.143	2.898	2.795

Environmental Compliance

We maintain an unwavering commitment to full compliance with all pertinent environmental laws and regulations across every country in which we conduct our business operations. We are pleased to report that, throughout the entirety of the reporting period, no instances of known or reported breaches or violations of environmental rules were recorded.

Furthermore, Versalink is deeply committed to the sustainable growth of its business, which we believe is intrinsically linked to creating a positive and lasting impact within the communities where we operate. The welfare and well-being of these local communities are considered an integral and essential component of our holistic approach to sustainability. We firmly believe in cultivating and nurturing trusted, mutually beneficial partnerships with the local communities within which we conduct our business activities, fostering a spirit of collaboration and shared prosperity.

EMPLOYEES

Cultivating a diverse and inclusive culture is a core commitment for us. We prioritise a diverse, inclusive, and collaborative workplace culture, recognising the strategic importance of Board diversity, including skills, knowledge, experience, age, and gender, to support our sustainable development and strategic objectives. This diversity ensures constructive debate and mitigates groupthink, promoting constructive debate and preventing groupthink.

We maintain a policy of equal opportunity employment, hiring based on qualifications, without discrimination regarding age, gender, race, marital status, nationality, or religion, and are committed to non-discriminatory hiring practices, employing qualified candidates regardless of age, gender, race, marital status, nationality, or religion, to create a talented and dedicated workforce, ensuring equal employment opportunities for a talented and diverse workforce. We are proud to continue our record of no incidents of discrimination in FY2025.

We employed 237 full-time staff in Malaysia in FY2025. No contract, temporary, or part-time workers were employed during the year. Our employee profile⁴ is as follows:

Current employment by position:

Employment Position	FY2025		FY2024		FY2023	
	Number	Proportion	Number	Proportion	Number	Proportion
Operation, Support, Workers	194	82%	191	80%	219	82%
Executive	23	10%	27	11%	26	10%
Middle Management	15	6%	16	7%	17	6%
Top Management	5	2%	5	2%	4	2%
Total	237		239		266	

Current employment by gender:

Employment by Gender	FY2025		FY2024		FY2023	
	Number	Proportion	Number	Proportion	Number	Proportion
Male	204	86%	203	85%	228	86%
Female	33	14%	36	15%	38	14%

Current employment by age:

Employment by Age Group	FY2025		FY2024		FY2023	
	Number	Proportion	Number	Proportion	Number	Proportion
<30 years old	92	39%	97	41%	95	36%
30-49 years old	125	53%	127	53%	155	58%
>50 years old	20	8%	15	6%	16	6%

⁴ The number of employees was determined based on the average number of employees per month, not the final headcount as of the end of FY2025.

New hires and turnover

In FY2025, Versalink saw a new hire rate⁵ of 8% (FY2024: 26%) and a turnover rate⁶ of 23% (FY2024: 30%). Both new hires and turnover have decreased significantly, due to improved workforce stability, internal staff development, and more targeted recruitment efforts. The Company also placed greater emphasis on internal mobility, employee engagement, and multi-tasking capabilities among existing employees. These efforts helped reduce the need for new recruitment while supporting operational continuity.

The overall number of new hires decreased significantly from 63 in FY2024 to 19 in FY2025. Males represented 79% of new hires, a decrease from 86% in FY2024 and 90% in FY2023. Conversely, the proportion of female new hires increased to 21% in FY2025, compared to 14% in FY2024 and 10% in FY2023.

Employees under 30 years old accounted for 53% of new hires, which is a decrease from 63% in FY2024 but still a significant portion compared to prior years. The share of new hires aged 30-49 years rose to 42% in FY2025, reflecting an increase from 37% in FY2024. The number of new hires over the age of 50 remained small, comprising just 5% of new hires in FY2025, up from 0% in FY2024 and 2% in FY2023.

In terms of employee turnover, the gender distribution has remained relatively consistent over the past three fiscal years. In FY2025, males represented 80% of the total turnover, which is a slight decrease from 88% in FY2024 and 88% in FY2023. Female turnover increased to 20% in FY2025, compared to 12% in FY2024 and 12% in FY2023, marking a steady rise in the proportion of female employees leaving the organisation. Despite the increase in female turnover, the overall turnover rate has decreased from 77 employees in FY2023 to 55 in FY2025, which suggests an overall reduction in employee attrition.

Employees aged 30-49 years continued to account for the majority of turnover, making up 71% in FY2025, consistent with 70% in FY2024 but higher than 56% in FY2023. The proportion of turnover among employees under 30 years old dropped to 26% in FY2025, down from 37% in FY2024 and 17% in FY2023. Conversely, the turnover of employees aged over 50 years increased slightly to 3% in FY2025, compared to 13% in FY2023, though this remains a small proportion of the total turnover.

New hires by gender:

New Hires by Gender	FY2025		FY2024		FY2023	
	Number	Proportion	Number	Proportion	Number	Proportion
Male	15	79%	54	86%	108	90%
Female	4	21%	9	14%	12	10%
Total	19		63		120	

New hires by age:

New Hires by Age Group	FY2025		FY2024		FY2023	
	Number	Proportion	Number	Proportion	Number	Proportion
<30 years old	10	53%	40	63%	68	56%
30-49 years old	8	42%	23	37%	50	42%
>50 years old	1	5%	0	0%	2	2%
Total	19		63		120	

⁵ New hire rate = total new hires/total employees

⁶ Turnover rate = total resignees/total employees

Employee turnover by gender:

Employee Turnover by Gender	FY2025		FY2024		FY2023	
	Number	Proportion	Number	Proportion	Number	Proportion
Male	44	80%	63	88%	68	88%
Female	11	20%	9	12%	9	12%
Total	55		72		77	

Employee turnover by age group:

Employee Turnover by Age Group	FY2025		FY2024		FY2023	
	Number	Proportion	Number	Proportion	Number	Proportion
<30 years old	20	36%	19	26%	13	17%
30-49 years old	31	56%	31	71%	54	70%
>50 years old	4	7%	2	3%	10	13%

Benefits and Welfare

Our Group ensures compliance with local minimum wage laws wherever our factories operate, and we provide full-time employees with a robust benefits package, aligned with local legal requirements. These benefits include various leave types (annual, marriage, maternity, paternity, medical), comprehensive insurance coverage (medical, life, disability), retirement plans, and stock ownership options.

Beyond legal requirements, we promote employee well-being and engagement through recreational activities. To enhance employee morale, we regularly organise recreational and social activities, such as corporate social responsibility projects, annual dinners, team building events, cultural festival celebrations, and year-end parties.

Human Rights

We demonstrate our respect for fundamental human rights through unwavering compliance with all applicable national laws and established international conventions, including the comprehensive standards set forth by the International Labor Organisation (ILO). Our meticulously crafted policies explicitly prohibit any form of child labour, forced labour, and discrimination within employment and occupation, ensuring a fair and equitable workplace. Furthermore, we are deeply committed to upholding the freedom of association for all employees across every facet of our operational activities, recognising its importance in fostering a positive and collaborative work environment.

During the entire reported period, there were no known or confirmed incidents of any human rights issues, underscoring our dedication to maintaining ethical and responsible practices.

Grievance Resolution

To ensure fair and transparent resolution of worker grievances, we have implemented a formal grievance resolution mechanism within our facilities. Additionally, we encourage proactive and open communication between managers and workers to cultivate harmonious working relations and minimise complaints. By addressing grievances fairly and promoting open dialogue, we aim to build positive relationships and prevent issues before they escalate.

Performance Management

We believe in the fair and objective recognition of employee performance, which is achieved through a company-wide, comprehensive appraisal system. To this end, during FY2025, we conducted performance appraisals for all employees, ensuring a consistent and equitable evaluation across the organisation.

TRAINING

To ensure productivity and efficiency, employees require continuous skill and knowledge development. We have implemented a comprehensive training policy to support ongoing learning at all levels, with year-round on-job training practiced company-wide. The HR department, in consultation with department heads, prepares an annual training plan for all employees. This program addresses topics based on a thorough needs assessment.

In FY2025, the Group saw a decrease in total training hours compared to the previous year, with 321 hours recorded, down from 475 hours in FY2024. From FY2023 to FY2024, there was a significant increase in training hours, with the total number of hours rising by 57.81%. This occurred while the total number of employees decreased by 10.15%, resulting in a substantial 76.11% increase in average training hours per employee. However, the trend reversed from FY2024 to FY2025. Total training hours decreased by 32.42%, and average training hours per employee dropped by 32.16%. The total number of employees remained relatively stable during this period, with a slight decrease of 0.84%. Despite the lower overall training hours, the average training hours per employee increased to 1.35 in FY2025, compared to 1.13 in FY2023, but remained lower than the 1.99 hours per employee recorded in FY2024.

Breaking down the training hours by employment position, employees in operations, support, and worker roles received 102.3 hours of training in FY2025, which is lower than the 130 hours in FY2024 but higher than the 97 hours in FY2023. Training hours for executives showed a significant decrease, from 191 hours in FY2024 to 79.52 hours in FY2025. However, the training hours for middle and top management increased to 139.26 hours in FY2025, compared to 154 hours in FY2024, reflecting a shift in focus to developing leadership skills within the organisation.

When considering training hours by gender, male employees received 122 hours of training in FY2025, a significant drop from the 241 hours in FY2024 and 190 hours in FY2023. Female employees also saw a drop in training hours, receiving 32 hours of training in FY2025, a decrease from 234 hours in FY2024 and 111 hours in FY2023.

Training hours	FY2025	FY2024	FY2023
Total Training Hours	321	475	301
Total Number of Employee	237	239	266
Average Training Hours per Employee	1.35	1.99	1.13

Employment position	FY2025	FY2024	FY2023
Operation, Support, Workers	102.3	130	97
Executive	79.52	191	121
Middle & Top Management	139.26	154	83

Gender	FY2025	FY2024	FY2023
Male	122	241	190
Female	32	231	111

LOCAL COMMUNITIES

“Shaping sustainable spaces today, inspiring leaders tomorrow.”

As part of our ongoing commitment to corporate social responsibility, Versalink remains focused on initiatives that create lasting value for the communities we serve. In FY2025, although less than 10% of our operations involved direct community engagement, we made a meaningful impact by supporting two local government schools in Malaysia: SJK(C) Tiong Hua Kok Bin in Jalan Meru Klang and SMJK Chung Hwa in Shah Alam, Selangor.

This year’s initiative centred on improving the functionality and comfort of classroom spaces to create a more conducive learning environment. In collaboration with school representatives, we identified key areas for enhancement, which included upgrading teachers’ desks and workspaces, refurbishing student classrooms with new furniture, and installing comprehensive storage cabinet systems. These upgrades aimed to promote focus, creativity, and a sense of pride among both students and educators.

Positive outcomes were reported across both schools. Classrooms became cleaner and more organised, while teachers noted improved satisfaction with their personal workspaces. These changes contributed to a more efficient and engaging learning environment.

However, the initiative also presented some challenges. Delivery and installation activities temporarily disrupted class schedules, while limited classroom space required careful planning and repositioning of existing furniture. Additionally, concerns were raised about long-term maintenance and the perception of inequity among other nearby schools not included in the program.

To mitigate these risks, we took proactive measures such as scheduling installations outside peak academic hours, engaging school stakeholders on shared maintenance responsibilities, and designing flexible furniture layouts to suit compact classroom settings. Feedback and on-site evaluations were conducted to ensure the solutions were effective and well-received.

Through this targeted engagement, Versalink reinforced its commitment to empowering communities – particularly through education – by shaping sustainable spaces today to inspire the leaders of tomorrow.

HEALTH AND SAFETY

At Versalink, occupational safety and health (OSH) are fundamental pillars of our commitment to responsible corporate citizenship. We place the highest priority on creating and maintaining a safe, healthy, and productive workplace for all employees. Our approach is led by senior management and managers, who are actively engaged in reducing workplace risks and continuously improving health and safety performance.

A dedicated Health and Safety Committee has been established to oversee compliance with internal safety protocols and applicable laws, including the Occupational Safety and Health Act 1994. This committee facilitates regular and structured communication between management and workers’ representatives, ensuring transparency, accountability, and proactive risk management across our operations.

We are firmly committed to:

- Providing a safe and healthy working environment for all employees;
- Raising awareness and promoting a strong safety culture among workers and contractors;
- Preventing incidents and accidents through vigilant adherence to safety standards; and
- Complying fully with all relevant occupational safety and health regulations.

OHS Management System

Our health and safety management system is designed to mitigate risks through the enforcement of safe work practices and the implementation of preventive measures. Within our furniture manufacturing operations, we recognise potential hazards such as the use of industrial machinery, handling of heavy materials, exposure to wood dust, and chemical fumes from spraying processes.

To address these risks, all manufacturing employees are equipped with appropriate personal protective equipment (PPE), including face masks, respirators, safety glasses, and gloves. In addition, we conduct regular safety training to ensure that all staff understand and follow best practices.

Engineering controls are also in place to safeguard worker health. Our facilities are equipped with dust collectors and local exhaust ventilation systems to reduce airborne contaminants. Spray painting is performed within secure booths to contain chemical exposure. To ensure the ongoing safety of operations, all machinery and tools undergo routine maintenance and scheduled inspections.

We have also established a robust framework for tracking key health and safety indicators, such as injury rates, accident frequency, occupational illnesses, and fatalities. These metrics help guide our continuous improvement efforts, reinforcing our objective of maintaining a workplace where safety is embedded in every action and decision.

Chemical Safety

We exercise careful selection of chemicals, such as paints, resins, lacquers, and solvents with reduced lead content, for our production processes in order to minimise harmful effects on our workers' health. We maintain Material Safety Data Sheets (MSDS) for all chemicals utilised in our production processes to ensure adherence to safety procedures during chemical handling. Common injuries include finger or hand injuries from carrying boards.

The Group reported health and safety injuries for FY2024 and FY2023, but none for FY2025 as follows:

Number of Health & Safety Injuries – Cases	FY2025	FY2024	FY2023
Workplace Injuries	0	5	10
Recordable Work-Related Ill Health Cases	0	0	0
High Consequence Injuries	0	0	0
Fatalities	0	0	0



GOVERNANCE

At Versalink, we firmly believe that good corporate governance and transparency are the cornerstones of the Company's long-term sustainability. We adhere to the highest standard of professional conduct and accountability. Please refer to our Corporate Governance Report sets out in our Annual Report FY2025 for more details.

ANTI-CORRUPTION

We are committed to the highest standards of ethics and integrity, with strict adherence to anti-corruption laws and regulations. To support this, our subsidiary has implemented comprehensive Anti-Bribery Policies & Procedures, designed to promote transparency and mitigate corruption risks across all operations.

As part of our ongoing commitment, all subsidiary employees are required to review and sign an annual Reminder and Acknowledgement, confirming their understanding and compliance with the Company's Policies and Procedures. This annual exercise reinforces awareness of potential corruption risks and ensures that employees remain informed of their responsibilities in upholding ethical business practices.

In addition, management maintains continuous oversight of business activities and transactions to detect and address any signs of non-compliance, further reinforcing our culture of accountability.

We are dedicated to the conduct of our business with integrity and honesty. In accordance with our commitment to anti-corruption, we have established the following corporate policies and procedures:

- Anti-Bribery Policies and Procedures;
- Code of Ethics; and
- Whistle Blowing Policies and Procedures.

We are pleased to confirm the following for FY2025:

- There were no known or reported incidents and public legal cases related to corruption;
- No employees in Versalink have been dismissed or disciplined for corruption;
- No contracts with business partners were terminated or not renewed due to violations related to corruptions; and
- No whistle blowing reports were received.

ECONOMIC PERFORMANCE

We are committed to the generation of long-term economic value for our shareholders and stakeholders, encompassing our customers, employees, suppliers, and the local communities.

DIRECT ECONOMIC PERFORMANCE

A concise version of our economic performance, obtained from our audited financial statements for FY2025, is provided in the table below. In FY2025, the Group generated RM39.88 million in revenue, marking a 5.71% increase from FY2024. However, this remained 11.05% lower than FY2023's revenue of RM44.84 million, indicating a partial recovery after a dip in the previous year.

Between FY2024 and FY2025, the Group recorded an overall improvement in economic performance. Revenue grew by 5.71% to RM39.88 million, while operating costs rose marginally by 1.12%. Employee compensation also increased by 6.16%, reflecting the Group's commitment to fair remuneration. At the same time, payments to providers of capital declined by 37.42%. Our income tax credit has reduced by 99.0% from RM196,000 to RM 2,000. Collectively, these developments reduced the Economic Value Retained deficit from RM6.42 million to RM5.40 million, a 15.71% improvement.

Due to higher distributions and a moderated revenue increase, economic value retained was negative RM5,408,000 in FY2025, a 15.71% decrease and 485.28% increase compared to FY2024 and FY2023 respectively.

For more information on our financial performance, please refer to the Company's Annual Report for FY2025 announced on SGXNet and the Company's corporate website.

	FY2025 (RM'000)	FY2024 (RM'000)	FY2023 (RM'000)
Economic Value Generated			
Revenue	39,878	37,724	44,837
Economic Value Distributed			
Operating costs	32,941	32,575	33,951
Employee wages and benefits	12,139	11,435	11,596
Payments to providers of capital	204	326	214
Payments to government by country	(2)	(196)	286
Community Investments	–	–	–
Economic Value Retained⁷	(5,404)	(6,416)	(924)

Indirect Economic Contribution

Our operations generate significant direct and indirect employment, particularly in Malaysia where our manufacturing facilities are located. Through employee wages and tax contributions, we play an active role in supporting the economic development and well-being of local communities.

Supply Chain Management

Our supply chain primarily consists of suppliers providing raw materials such as boards, metals, components, and paint products. We maintain active engagement with our suppliers to ensure they uphold our standards for social responsibility, environmental stewardship, and product quality. As part of our standard supplier evaluation process, we assess their alignment with our social and environmental expectations. Key criteria in this assessment include adherence to health and safety practices, as well as measures for environmental protection.

⁷ Economic value retained = economic value generated – economic value distributed

GOVERNANCE

The Group regularly reviews and benchmarks its operations to stay aligned with key sustainability. In response to emerging sustainability challenges and opportunities, the Group continuously refines its approach to reflect the dynamic business environment, evolving global trends, stakeholder expectations, and updates in regulatory requirements. Aligned with Rules 711A and 711B of the Catalist Rules, as well as the Sustainability Reporting Guide (Practice Note 7F, paragraphs 4.7 to 4.9), the Company has initiated climate-related disclosures based on the recommendations of the TCFD. This step has further sharpened our focus on environmental priorities while maintaining a comprehensive approach that encompasses other vital ESG dimensions.

The Board holds primary responsibility for shaping and articulating the sustainability vision of the Group, ensuring it aligns with our broader long-term strategic goals. In fulfilling this role, the Board identifies and prioritises key ESG factors, while also assessing associated risks and opportunities. It maintains oversight to ensure that these areas are effectively addressed and managed by the Sustainability Working Group.

The Sustainability Working Group is instrumental in embedding sustainability principles into the fabric of our operations. It oversees the systematic collection, monitoring, and disclosure of relevant ESG data, ensuring our sustainability targets are measurable and progress is transparent. By regularly evaluating performance and driving implementation, the Sustainability Working Group contributes significantly to the achievement of our environmental and social commitments, reinforcing the Group's long-term sustainability vision.

METRICS AND TARGETS

Metrics used

To monitor and manage our climate-related impacts, we track key environmental metrics, particularly GHG emissions and energy consumption. Our Scope 1 and Scope 2 GHG emissions, which reflect direct emissions from operations and indirect emissions from purchased electricity and energy, are disclosed in our Sustainability Report on page 17.

Additionally, we report on our electricity and fuel consumption – key inputs for calculating emissions – which are detailed in this Sustainability Report on page 17. These metrics enable us to evaluate operational efficiency, identify emission reduction opportunities, and support progress toward our climate-related goals.

These disclosures are part of our broader commitment to transparency and are aligned with the recommendations of the TCFD.

Emissions

Scope 1 and Scope 2 GHG emissions can be found on page 17.

We are committed to continuously enhancing our climate-related disclosures and will review, develop, and report our Scope 3 GHG emissions as appropriate in the future. Scope 3 GHG emissions, which encompass the value chain impacts of our activities, will be addressed in due course as we gather the necessary data and refine our methodologies.

Climate-related Targets

Versalink is adopting a progressive strategy for managing climate-related risks and is committed to setting meaningful and achievable targets. As part of our ongoing efforts to address climate impacts, we will conduct a comprehensive analysis and establish appropriate climate-related targets by FY2026. These targets will guide our long-term strategy for reducing emissions, improving energy efficiency, and mitigating climate risks across our operations.

Statement of Use	Versalink Holdings Limited has reported this information cited in this GRI Content Index for the period from 1 March 2024 to 28 February 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standards	Disclosure No.	Disclosure Title	Page Reference
GRI 2: General Disclosures 2021			
The organisation and its reporting practices	2-1	Organisational details	2
	2-2	Entities included in the organisation's sustainability reporting	2
	2-3	Reporting period, frequency and contact point	2
	2-4	Restatements of information	17
	2-5	External assurance	3
Activities and workers	2-6	Activities, value chain and other business relationships	4, 13, 27
	2-7	Employees	20
	2-8	Workers who are not employees	NA
Governance	2-9	Government structure and composition	7, AR pg 3
	2-10	Nomination and selection of the highest governance body	AR pg 23-26
	2-11	Chair of the highest governance body	AR pg 23
	2-12	Role of the highest governance body in overseeing the management of impacts	AR pg 30-34
	2-13	Delegation of responsibility for managing impacts	AR pg 30-34
	2-14	Role of the highest governance body in sustainability reporting	7
	2-15	Conflicts of interests	AR pg 18
	2-16	Communication of critical concerns	AR pg 30-34
	2-17	Collective knowledge of the highest governance body	7
	2-18	Evaluation of the performance of the highest governance body	AR pg 26
	2-19	Remuneration policies	AR pg 26-29
	2-20	Process to determine remuneration	AR pg 26-29

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GRI Standards	Disclosure No.	Disclosure Title	Page Reference
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	2-23	Policy commitments	14
	2-24	Embedding policy commitments	14
	2-25	Processes to remediate negative impacts	10-11
	2-26	Mechanisms for seeking advice and raising concerns	26
	2-27	Compliance with laws and regulations	10-11
	2-28	Membership associations	12
Stakeholder Engagement	2-29	Approach to stakeholder engagement	12
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GRI 3: Material Topics 2021			
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	201-2	Financial implications and other risks and opportunities due to climate change	8
GRI 205: Anti-corruption 2016	3-3	Management of material topics	26
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GRI 302: Energy 2016	3-3	Management of material topics	17
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GRI 303: Water and Effluents 2018	3-3	Management of material topics	18
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GRI 305: Emissions 2016	3-3	Management of material topics	17
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	305-2	Energy indirect (Scope 2) GHG emissions	17
	305-4	GHG emissions intensity	17

GRI Standards	Disclosure No.	Disclosure Title	Page Reference
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	306-2	Management of significant waste-related impacts	18
	306-3	Waste generated	19
	306-4	Waste diverted from disposal	19
	306-5	Waste directed to disposal	19
GRI 401: Employment 2016	3-3	Management of material topics	21
	401-1	New employee hires and employee turnover	21-22
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	22
GRI 403: Occupational Health and Safety 2018	3-3	Management of material topics	24-25
	403-1	Occupational health and safety management system	24-25
	403-9	Work-related injuries	25
GRI 404: Training and Education 2016	3-3	Management of material topics	23
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GRI 405: Diversity and Equal Opportunity 2016	3-3	Management of material topics	20
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GRI 406: Non-discrimination 2016	3-3	Management of material topics	20
	406-1	Incidents of discrimination and corrective actions taken	20
GRI 413: Local Communities 2016	3-3	Management of material topics	24
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	413-2	Operations with significant actual and potential negative impacts on local communities	24

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TCFD Recommendations		Reference
Governance	(a) Describe the board's oversight of climate-related risks and opportunities.	pg 28
	(b) Describe management's role in assessing and managing climate-related risks and opportunities.	pg 28
Strategy	(a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	We are assessing both the current and potential impacts of climate-related risks and opportunities across our operations, and aim to provide these disclosures in future reports
	(b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	
	(c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	
Risk Management	(a) Describe the organisation's processes for identifying and assessing climate-related risks.	We are currently refining our processes for climate-related risk management across our operations, and aim to provide these disclosures in future reports
	(b) Describe the organisation's processes for managing climate-related risks.	
	(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	
Metrics and Targets	(a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	pg 28
	(b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions, and the related risks.	pg 28
	(c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	pg 28

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