

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025**

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DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year/period ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are disclosed in Note 7 to the financial statements.

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

CONVERSION OF COMPANY STATUS

The Company was incorporated in Malaysia on 12 February 2025 as a private limited liability company under the name of Teamstar Sdn. Bhd.. On 24 June 2025, the Company was converted to a public limited liability company under the name of Teamstar Berhad. Subsequently, on 25 February 2026, the Company was listed on the ACE Market of Bursa Malaysia Securities Berhad.

RESULTS

	Group RM	Company RM
Profit/(loss) for the financial year/period, net of tax	<u>18,405,365</u>	<u>(679,917)</u>

DIVIDEND

No dividend has been paid or declared by the Company since the date of incorporation.

The directors do not recommend the payment of any dividend in respect of the financial year/period ended 31 December 2025.

DIRECTORS' REPORT (CONTINUED)

RESERVES OR PROVISIONS

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

BAD AND DOUBTFUL DEBTS

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

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.

CURRENT ASSETS

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

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

VALUATION METHODS

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

CONTINGENT AND OTHER LIABILITIES

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

- (i) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year/period which secures the liabilities of any other person; and
- (ii) any contingent liabilities in respect of the Group and of the Company which has arisen since the end of the financial year/period.

DIRECTORS' REPORT (CONTINUED)

CONTINGENT AND OTHER LIABILITIES (CONTINUED)

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

CHANGE OF CIRCUMSTANCES

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

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

- (i) the results of the operations of the Group and of the Company for the financial year/period were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year/period and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year/period in which this report is made.

AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and of the Company during the financial year/period were RM498,000 and RM36,000.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

ISSUE OF SHARES AND DEBENTURES

The Company issued 1 ordinary share at RM1 per ordinary share to the subscriber on the date of incorporation.

During the financial period, the Company issued 667,999,999 new ordinary shares at RM0.0867 per ordinary share for a total consideration of RM57,915,600 for the acquisition of the entire equity interest in Teamstar Solutions Sdn. Bhd., Benova Marketing Sdn. Bhd., Best-Can Marketing Sdn. Bhd., DG Materials Marketing Sdn. Bhd. and Teammart Sdn. Bhd.

DIRECTORS' REPORT (CONTINUED)

ISSUE OF SHARES AND DEBENTURES (CONTINUED)

The new ordinary shares issued during the financial period rank pari passu in all respects with the existing ordinary shares of the Company.

During the financial period, no new issue of debenture was made by the Company.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial period.

DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

Tan Lee Kueng* (First director)
Ng Choon Tiong* (Appointed on 19 May 2025)
Ling Thik Ping (Appointed on 19 May 2025)
Tan Poh Chan (Appointed on 19 May 2025)
Wong Ley Chan (Appointed on 19 May 2025)
Wong Wen Miin (Appointed on 19 May 2025)

* Directors of the Company and certain subsidiaries

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Yeoh Baby @ Yeoh Lee Lee (Resigned on 8 May 2025)
Tan Jian Wei
Koh Kok Hien
Tan Lee Long

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year/period were as follows:

Interests in the Company

	Number of ordinary shares			At 31 December 2025
	At 12 February 2025	Allotted/ Bought	Sold	
Direct interests:				
Tan Lee Kueng	1	392,711,199	-	392,711,200
Ng Choon Tiong	-	100,742,300	-	100,742,300
Indirect interests:				
Benova Marketing Sdn. Bhd.				
Tan Lee Kueng	-	392,711,200 (1)	-	392,711,200
Ng Choon Tiong	-	100,742,300 (1)	-	100,742,300
Best-Can Marketing Sdn. Bhd.				
Tan Lee Kueng	-	392,711,200 (1)	-	392,711,200
Ng Choon Tiong	-	100,742,300 (1)	-	100,742,300
DG Materials Marketing Sdn. Bhd.				
Tan Lee Kueng	-	392,711,200 (1)	-	392,711,200
Ng Choon Tiong	-	100,742,300 (1)	-	100,742,300
Teammart Sdn. Bhd.				
Tan Lee Kueng	-	392,711,200 (1)	-	392,711,200
Ng Choon Tiong	-	100,742,300 (1)	-	100,742,300
Teamstar Solutions Sdn. Bhd.				
Tan Lee Kueng	-	392,711,200 (1)	-	392,711,200
Ng Choon Tiong	-	100,742,300 (1)	-	100,742,300

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' INTERESTS (CONTINUED)

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year/period were as follows: (continued)

Interests in the Company (continued)

	Number of ordinary shares			At 31 December 2025
	At 12 February 2025	Allotted/ Bought	Sold	
Indirect interests: (continued)				
Teamstar Furniture Fittings Sdn. Bhd.				
Tan Lee Kueng	-	392,711,200 ⁽¹⁾	-	392,711,200
Ng Choon Tiong	-	100,742,300 ⁽¹⁾	-	100,742,300
Teamstar Furniture Hardware Sdn. Bhd.				
Tan Lee Kueng	-	392,711,200 ⁽¹⁾	-	392,711,200
Ng Choon Tiong	-	100,742,300 ⁽¹⁾	-	100,742,300
Teamstar (Melaka) Sdn. Bhd.				
Tan Lee Kueng	-	392,711,200 ⁽¹⁾	-	392,711,200
Ng Choon Tiong	-	100,742,300 ⁽¹⁾	-	100,742,300
Teamstar (Perak) Sdn. Bhd.				
Tan Lee Kueng	-	392,711,200 ⁽¹⁾	-	392,711,200
Ng Choon Tiong	-	100,742,300 ⁽¹⁾	-	100,742,300
Teamstar (Seremban) Sdn. Bhd.				
Tan Lee Kueng	-	392,711,200 ⁽¹⁾	-	392,711,200
Ng Choon Tiong	-	100,742,300 ⁽¹⁾	-	100,742,300

⁽¹⁾ Shares held through company in which the directors have substantial financial interests.

By virtue of his interests in the ordinary shares of the Company and pursuant to Section 8 of the Companies Act 2016 in Malaysia, Tan Lee Kueng and Ng Choon Tiong are deemed to have an interest in the ordinary shares of the subsidiaries to the extent that the Company has an interest.

DIRECTORS' REPORT (CONTINUED)

DIRECTORS' INTERESTS (CONTINUED)

Other than as stated above, none of the other directors in the office at the end of the financial year/period had any interest in ordinary shares or debentures of the Company and its related corporations during the financial year/period.

DIRECTORS' BENEFITS

Since the date of incorporation, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivables, by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

The directors' benefits of the Group and of the Company are as follows:

	Group RM	Company RM
Directors of the Company		
Executive Directors		
- Fees	620,000	80,000
- Salaries, allowances and bonuses	1,258,010	-
- Defined contribution plans	129,662	-
- Other related expenses	18,094	-
	<u>2,025,766</u>	<u>80,000</u>
Non-Executive Directors		
- Fees and allowances	<u>157,750</u>	<u>157,750</u>

The estimated value of benefits-in-kind provided to the director of the Group during the financial year amounted to RM23,950.

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

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial period, the total amount of indemnity insurance coverage and insurance premium paid for the directors and officers of the Company were RM10,000,000 and RM22,474 respectively.

DIRECTORS' REPORT (CONTINUED)

SUBSIDIARIES

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

Name of companies	Principal place of business/ country of incorporation	Ownership interest (%) 2025	Principal activities
Benova Marketing Sdn. Bhd.	Malaysia	100	Trading of home appliances.
Best-Can Marketing Sdn. Bhd.	Malaysia	100	Trading in hardware, furniture accessories and manufacturing in industry coating, petrochemical products and other chemical solvent.
DG Materials Marketing Sdn. Bhd.	Malaysia	100	Trading in decorative surface products, furniture fittings and other related furnishing products.
Teammart Sdn. Bhd.	Malaysia	100	Manufacturing of PVC edge banding products and trading in PVC products, locksets and related accessories and fittings to the furniture industries.
Teamstar Solutions Sdn. Bhd.	Malaysia	100	Trading of general hardware, furniture fittings and board products.
Held through Teamstar Solutions Sdn. Bhd.			
Teamstar Furniture Fittings Sdn. Bhd.	Malaysia	100	Trading of general hardware, furniture fittings and board products.
Teamstar Furniture Hardware Sdn. Bhd.	Malaysia	100	Trading of general hardware, furniture fittings and board products.
Teamstar (Melaka) Sdn. Bhd.	Malaysia	100	Trading of general hardware, furniture fittings and board products.
Teamstar (Perak) Sdn. Bhd.	Malaysia	100	Trading of general hardware, furniture fittings and board products.

DIRECTORS' REPORT (CONTINUED)

SUBSIDIARIES (CONTINUED)

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

Name of companies	Principal place of business/ country of incorporation	Ownership interest (%) 2025	Principal activities
Held through Teamstar Solutions Sdn. Bhd. (continued)			
Teamstar (Seremban) Sdn. Bhd.	Malaysia	100	Trading of general hardware, furniture fittings and board products.
Teamstar Reno Sdn. Bhd.	Malaysia	70	Trading of general hardware, furniture fittings and board products.

The available auditors' reports on the accounts of the subsidiaries did not contain any qualification.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR/PERIOD

a) Acquisition of subsidiaries

i) **Acquisition of Teamstar Furniture Fittings Sdn. Bhd. by Teamstar Solutions Sdn. Bhd.**

On 23 June 2025, Teamstar Solutions Sdn. Bhd. entered into a conditional share sale agreement with the non-controlling interests to acquire the remaining 30.00% equity interest in Teamstar Furniture Fittings Sdn. Bhd. comprising 150,000 ordinary shares for a total purchase consideration of RM660,125 to be satisfied entirely via the allotment and issuance of 7,613,900 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teamstar Furniture Fittings Sdn. Bhd. effectively became a wholly-owned subsidiary of Teamstar Solutions Sdn. Bhd..

DIRECTORS' REPORT (CONTINUED)

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR/PERIOD (CONTINUED)

a) Acquisition of subsidiaries (continued)

ii) Acquisition of Teamstar Furniture Hardware Sdn. Bhd. by Teamstar Solutions Sdn. Bhd.

On 23 June 2025, Teamstar Solutions Sdn. Bhd. entered into a conditional share sale agreement with the non-controlling interests to acquire the remaining 33.00% equity interest in Teamstar Furniture Hardware Sdn. Bhd. comprising 247,500 ordinary shares for a total purchase consideration of RM123,400 to be satisfied entirely via the allotment and issuance of 1,423,300 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teamstar Furniture Hardware Sdn. Bhd. effectively became a wholly-owned subsidiary of Teamstar Solutions Sdn. Bhd..

iii) Acquisition of Teamstar (Melaka) Sdn. Bhd. by Teamstar Solutions Sdn. Bhd.

On 23 June 2025, Teamstar Solutions Sdn. Bhd. entered into a conditional share sale agreement with the non-controlling interests to acquire the remaining 35.00% equity interest in Teamstar (Melaka) Sdn. Bhd. comprising 105,000 ordinary shares for a total purchase consideration of RM502,392 to be satisfied entirely via the allotment and issuance of 5,794,600 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teamstar (Melaka) Sdn. Bhd. effectively became a wholly-owned subsidiary of Teamstar Solutions Sdn. Bhd..

iv) Acquisition of Teamstar (Seremban) Sdn. Bhd. by Teamstar Solutions Sdn. Bhd.

On 23 June 2025, Teamstar Solutions Sdn. Bhd. entered into a conditional share sale agreement with the non-controlling interests to acquire the remaining 35.00% equity interest in Teamstar (Seremban) Sdn. Bhd. comprising 105,000 ordinary shares for a total purchase consideration of RM843,738 to be satisfied entirely via the allotment and issuance of 9,731,700 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teamstar (Seremban) Sdn. Bhd. effectively became a wholly-owned subsidiary of Teamstar Solutions Sdn. Bhd..

v) Acquisition of Teamstar (Perak) Sdn. Bhd. by Teamstar Solutions Sdn. Bhd.

On 23 June 2025, Teamstar Solutions Sdn. Bhd. entered into a conditional share sale agreement with the non-controlling interests to acquire the remaining 40.00% equity interest in Teamstar (Perak) Sdn. Bhd. comprising 400,000 ordinary shares for a total purchase consideration of RM208,470 to be satisfied entirely via the allotment and issuance of 2,404,500 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teamstar (Perak) Sdn. Bhd. effectively became a wholly-owned subsidiary of Teamstar Solutions Sdn. Bhd..

DIRECTORS' REPORT (CONTINUED)

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR/PERIOD (CONTINUED)

a) Acquisition of subsidiaries (continued)

vi) Acquisition of Teamstar Solutions Sdn. Bhd. by Teamstar Berhad

On 23 June 2025, Teamstar Berhad entered into a conditional share sale agreement with the Teamstar Solutions Sdn. Bhd. to acquire the entire equity interest in Teamstar Solutions Sdn. Bhd. comprising 1,000,000 ordinary shares for a total purchase consideration of RM36,393,150 to be satisfied entirely via the allotment and issuance of 419,759,521 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teamstar Solutions Sdn. Bhd. effectively became a wholly-owned subsidiary of the Company.

vii) Acquisition of Benova Marketing Sdn. Bhd. by Teamstar Berhad

On 23 June 2025, Teamstar Berhad entered into a conditional share sale agreement with the Benova Marketing Sdn. Bhd. to acquire the entire equity interest in Benova Marketing Sdn. Bhd. comprising 2,000,000 ordinary shares for a total purchase consideration of RM1,944,546 to be satisfied entirely via the allotment and issuance of 22,428,446 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Benova Marketing Sdn. Bhd. effectively became a wholly-owned subsidiary of the Company.

viii) Acquisition of Best-Can Marketing Sdn. Bhd. by Teamstar Berhad

On 23 June 2025, Teamstar Berhad entered into a conditional share sale agreement with the Best-Can Marketing Sdn. Bhd. to acquire the entire equity interest in Best-Can Marketing Sdn. Bhd. comprising 600,000 ordinary shares for a total purchase consideration of RM4,543,146 to be satisfied entirely via the allotment and issuance of 52,400,759 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Best-Can Marketing Sdn. Bhd. effectively became a wholly-owned subsidiary of the Company.

ix) Acquisition of DG Materials Marketing Sdn. Bhd. by Teamstar Berhad

On 23 June 2025, Teamstar Berhad entered into a conditional share sale agreement with the DG Materials Marketing Sdn. Bhd. to acquire the entire equity interest in DG Materials Marketing Sdn. Bhd. comprising 700,000 ordinary shares for a total purchase consideration of RM9,208,135 to be satisfied entirely via the allotment and issuance of 106,206,858 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and DG Materials Marketing Sdn. Bhd. effectively became a wholly-owned subsidiary of the Company.

DIRECTORS' REPORT (CONTINUED)

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR/PERIOD (CONTINUED)

a) Acquisition of subsidiaries (continued)

x) Acquisition of Teammart Sdn. Bhd. by Teamstar Berhad

On 23 June 2025, Teamstar Berhad entered into a conditional share sale agreement with the Teammart Sdn. Bhd. to acquire the entire equity interest in Teammart Sdn. Bhd. comprising 1,000,000 ordinary shares for a total purchase consideration of RM3,488,498 to be satisfied entirely via the allotment and issuance of 40,236,415 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teammart Sdn. Bhd. effectively became a wholly-owned subsidiary of the Company.

b) Disposal of Investment Property - Leasehold Land and Building

On 22 January 2025, Best-Can Marketing Sdn. Bhd. entered into a sale and purchase agreement for the disposal of a parcel of leasehold land with attached building for a total cash consideration of RM161,000. The disposal of leasehold land and building was completed on 7 April 2025.

c) Disposal of Investment Property - Leasehold Land and Building

On 29 May 2025, Teammart Sdn. Bhd. entered into a sale and purchase agreement for the disposal of a parcel of leasehold land with attached building for a total cash consideration of RM6,433,333. The disposal of leasehold land and building was completed on 9 December 2025.

d) Acquisition of Property, Plant and Equipment - Freehold Building

On 10 July 2025, Teamstar Solutions Sdn. Bhd. entered into a sale and purchase agreement with Venom Properties Sdn. Bhd. for the acquisition of a freehold building for a total cash consideration of RM1,190,000.

The transfer of title in relation to the acquisition of freehold building was completed on 25 November 2025.

DIRECTORS' REPORT (CONTINUED)

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR/PERIOD

a) Listing on the ACE Market of Bursa Malaysia Securities Berhad

On 27 January 2026, the Company issued its prospectus for its IPO entailing the public issue of 204,000,000 shares comprising public issue of 132,000,000 new Shares and offer for sale of 72,000,000 existing Shares, at an issue price of RM0.26 each to be allocated in the following manner

- (i) 40,000,000 IPO Shares made available for application by the Malaysian public;
- (ii) 16,000,000 IPO Shares made available for application by the eligible Directors and employees as well as persons who have contributed to the success of the Group;
- (iii) 48,000,000 IPO Shares by way of private placement to selected investors; and
- (iv) 100,000,000 IPO Shares by way of private placement to identified Bumiputera investors approved by the Ministry of Investment, Trade and Industry.

On 25 February 2026, the Company was listed on the ACE Market of Bursa Malaysia Securities Berhad.

b) Acquisition of Property, Plant and Equipment - Leasehold Land and Building

On 19 March 2026, Teamstar Solutions Sdn. Bhd. entered into a sale and purchase agreement with Vibrant Galaxy Sdn. Bhd. for the acquisition of a leasehold land and building for a total cash consideration of RM7,380,000. The transfer of the title deed has yet to be completed as at the date of this report.

DIRECTORS' REPORT (CONTINUED)

AUDITORS

The auditors, Messrs Baker Tilly Monteiro Heng PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors.

.....
TAN LEE KUENG
Director

.....
NG CHOON TIONG
Director

Date: 15 April 2026

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

		← Group →		
		(Unaudited)	Company	
Note	2025 RM	2024 RM (Note 33)	2025 RM	
ASSETS				
Non-current assets				
Property, plant and equipment	5	25,068,695	21,756,298	76,628
Investment properties	6	-	3,400,457	-
Investment in subsidiaries	7	-	-	55,577,474
Deferred tax assets	8	249,777	190,865	-
Other investments	9	1,500,095	4,098,928	-
Total non-current assets		26,818,567	29,446,548	55,654,102
Current assets				
Inventories	10	35,513,501	30,317,515	-
Trade and other receivables	11	13,246,510	12,015,174	1,628,480
Current tax assets		58,557	37,770	-
Cash and short-term deposits	12	20,459,021	14,569,615	10,821
Total current assets		69,277,589	56,940,074	1,639,301
TOTAL ASSETS		96,096,156	86,386,622	57,293,403
EQUITY AND LIABILITIES				
Equity attributable to owners of the Company				
Share capital/invested equity	13	57,915,601	4,679,000	57,915,601
Reorganisation deficit	14	(39,624,215)	-	-
Retained earnings/(Current financial period loss)		39,471,928	28,842,621	(679,917)
		57,763,314	33,521,621	57,235,684
Non-controlling interests		261,957	9,798,284	-
TOTAL EQUITY		58,025,271	43,319,905	57,235,684

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025 (CONTINUED)**

		← Group → (Unaudited)	Company
	Note	2025 RM	2024 RM (Note 33)
			2025 RM
Non-current liabilities			
Loans and borrowings	15	11,074,095	11,084,048
Deferred tax liabilities	8	12,136	2,347
Total non-current liabilities		11,086,231	11,086,395
Current liabilities			
Loans and borrowings	15	8,815,478	7,623,723
Current tax liabilities		681,658	1,244,240
Contract liabilities	16	2,639,005	2,391,776
Trade and other payables	17	14,848,513	20,720,583
Total current liabilities		26,984,654	31,980,322
TOTAL LIABILITIES		38,070,885	43,066,717
TOTAL EQUITY AND LIABILITIES		96,096,156	86,386,622

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

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025**

	Note	← Group →		Company
		1.1.2025 to 31.12.2025 RM	(Unaudited) 1.1.2024 to 31.12.2024 RM (Note 33)	12.2.2025 (Date of incorporation) to 31.12.2025 RM
Revenue	18	136,507,687	130,220,927	-
Cost of sales		(87,864,214)	(87,390,188)	-
Gross profit		48,643,473	42,830,739	-
Other income	19	4,800,265	1,475,552	-
Selling and distribution expenses		(15,531,118)	(12,697,242)	-
Administrative expenses		(12,748,535)	(8,486,977)	(679,917)
Other operating expenses		(280,981)	(144,972)	-
Operating profit/(loss)		24,883,104	22,977,100	(679,917)
Finance costs	20	(837,016)	(785,052)	-
Profit/(Loss) before tax	21	24,046,088	22,192,048	(679,917)
Income tax expense	23	(5,640,723)	(5,346,248)	-
Profit/(Loss) for the financial year/period representing total comprehensive income/(loss) for the financial year/period		18,405,365	16,845,800	(679,917)
Profit/(Loss) attributable to:				
Owners of the Group		15,057,020	12,904,745	(679,917)
Non-controlling interests		3,348,345	3,941,055	-
		18,405,365	16,845,800	(679,917)
Total comprehensive income attributable to:				
Owners of the Group		15,057,020	12,904,745	(679,917)
Non-controlling interests		3,348,345	3,941,055	-
		18,405,365	16,845,800	(679,917)
Earning per share				
- Basic and diluted	24	0.34	3.05	

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

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025**

	Note	← Attributable to the owners of the Group →			Sub-total RM	Non-controlling interests RM	Total equity RM
		Share capital RM	Reorganisation deficit RM	Retained earning RM			
Group							
At 1 January 2024 (Unaudited)	33	4,209,002	-	30,494,803	34,703,805	11,035,552	45,739,357
Total comprehensive income for the financial year							
Profit for the financial year, representing total comprehensive income for the financial year		-	-	12,904,745	12,904,745	3,941,055	16,845,800
Transaction with owners							
Non-controlling interests arising from acquisition of new subsidiaries		-	-	-	-	400,000	400,000
Disposal of ownership interests in combining entities	13	(30,000)	-	(633,589)	(663,589)	663,589	-
Increased in ownership in interests in combining entities	13	499,998	-	284,452	784,450	(284,452)	499,998
Dividends paid on shares	25	-	-	(14,207,790)	(14,207,790)	(5,957,460)	(20,165,250)
		469,998	-	(14,556,927)	(14,086,929)	(5,178,323)	(19,265,252)
At 31 December 2024 (Unaudited)	33	4,679,000	-	28,842,621	33,521,621	9,798,284	43,319,905
Total comprehensive income for the financial year							
Profit for the financial year, representing total comprehensive income for the financial year		-	-	15,057,020	15,057,020	3,348,345	18,405,365
		4,679,000	-	43,899,641	48,578,641	13,146,629	61,725,270
Transaction with owners							
Issuance of ordinary shares		1	-	-	1	-	1
Issuance of shares for the acquisition of subsidiaries	13	57,915,600	-	-	57,915,600	-	57,915,600
Adjustment pursuant to restructuring exercise	13	(4,679,000)	(39,624,215)	(947,713)	(45,250,928)	(12,664,672)	(57,915,600)
Non-controlling interests arising from incorporation of new subsidiary		-	-	-	-	300,000	300,000
Dividends paid	25	-	-	(3,480,000)	(3,480,000)	(520,000)	(4,000,000)
		53,236,601	(39,624,215)	(4,427,713)	9,184,673	(12,884,672)	(3,699,999)
At 31 December 2025		57,915,601	(39,624,215)	39,471,928	57,763,314	261,957	58,025,271

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED/PERIOD 31 DECEMBER 2025 (CONTINUED)**

	Note	← Attributable to the owners of the Company →		Total equity RM
		Share capital RM	Current period loss RM	
At 12 February 2025 (date of incorporation)	13	1	-	1
Total comprehensive loss for the financial period				
Loss for the financial period representing total comprehensive loss for the financial period		-	(679,917)	(679,917)
Total comprehensive loss		1	(679,917)	(679,916)
Transaction with owners				
Issuance of shares for the acquisition of subsidiaries	13	57,915,600	-	57,915,600
		57,915,600	-	57,915,600
At 31 December 2025		57,915,601	(679,917)	57,235,684

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

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025**

	← Group →		Company 12.2.2025
	1.1.2025 to 31.12.2025 RM	(Unaudited) 1.1.2024 to 31.12.2024 RM (Note 33)	(Date of incorporation) to 31.12.2025 RM
Note			
Cash flows from operating activities			
Profit/(Loss) before tax	24,046,088	22,192,048	(679,917)
Adjustments for:			
Depreciation of property, plant and equipment	5 3,497,677	3,449,746	3,512
Net gain on disposal of property, plant and equipment	(71,104)	(99,976)	-
Property, plant and equipment written off	17,879	1	-
Gain on lease termination	(45,960)	(15,074)	-
Net loss on lease modification	13,112	-	-
Depreciation of investment properties	6 61,259	85,034	-
Gain on disposal of investment property	(3,255,135)	-	-
Fair value gain on other investments	(126,631)	(259,824)	-
Reversal of impairment loss on trade receivables	(9,969)	(18,113)	-
Impairment loss on trade receivables	222,872	124,817	-
Bad debts recovered	-	(1,000)	-
Bad debts written off	34,449	4,230	-
Waiver of debt	-	(7,854)	-
Finance costs	837,016	785,052	-
Finance income	(220,087)	(332,136)	-
Net unrealised foreign exchange (gain)/loss	(70,763)	15,178	-
Operating profit/(loss) before changes in working capital	24,930,703	25,922,129	(676,405)
<u>Changes in working capital:</u>			
Inventories	(5,195,986)	(6,795,365)	-
Trade and other receivables	(1,479,633)	(2,303,858)	(500)
Trade and other payables	(1,745,251)	1,645,457	57,719
Contract liabilities	247,229	299,600	-
Net cash generated from/(used in) operations	16,757,062	18,767,963	(619,186)
Income tax paid	(6,741,815)	(4,661,288)	-
Income tax refund	468,600	-	-
Interest received	220,087	332,136	-
Net cash from/(used in) operating activities	10,703,934	14,438,811	(619,186)

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025 (CONTINUED)**

	← Group →		Company	
	1.1.2025 to 31.12.2025 RM	(Unaudited) 1.1.2024 to 31.12.2024 RM (Note 33)	21.2.2025 (Date of incorporation) to 31.12.2025 RM	
Note				
Cash flows from investing activities				
Purchase of property, plant and equipment	(a)	(3,214,742)	(2,423,683)	(80,140)
Proceeds from disposal of property, plant and equipment		87,323	503,000	-
Proceeds from disposal of investment properties		6,594,333	-	-
Net changes in other investments		2,725,464	(1,820,183)	-
Net cash from/(used in) investing activities		6,192,378	(3,740,866)	(80,140)
Cash flows from financing activities				
Proceeds from issuance of ordinary shares	(b)	300,001	899,998	-
Interests paid		(837,016)	(785,052)	-
Drawdown of term loans		-	245,423	-
Repayment of term loans		(2,585,942)	(395,538)	-
Payment of lease liabilities		(1,934,128)	(2,280,557)	-
Repayment of hire purchase		(112,710)	(87,951)	-
Drawdown of bankers' acceptances		16,792,000	890,000	-
Repayment of bankers' acceptances		(14,574,000)	(1,885,000)	-
Net change in amount owing by subsidiary		-	-	710,146
Net change in amount owing to/(by) related parties		(135,111)	125,693	-
Net change in amount owing to directors		(3,920,000)	(354,689)	-
Dividends paid	25	(4,000,000)	(20,165,250)	-
Net cash (used in)/from financing activities		(11,006,906)	(23,792,923)	710,146
Net increase/(decrease) in cash and cash equivalents		5,889,406	(13,094,978)	10,820
Cash and cash equivalents at the beginning of the financial year/period		14,569,615	27,664,593	1
Cash and cash equivalents at the end of the financial year/period	12	20,459,021	14,569,615	10,821

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025 (CONTINUED)**

- (a) During the financial year/period, the Group and the Company made the following cash payments to purchase property, plant and equipment.

	← Group →	Company	
		21.2.2025	(Date of incorporation)
		(Unaudited)	
		1.1.2024	to
		to	31.12.2025
		31.12.2024	RM
Note	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM (Note 33)	
Purchase of property, plant and equipment	5	8,080,679	80,140
Financed by way of lease arrangements		(4,865,937)	-
		<u>3,214,742</u>	<u>80,140</u>
Cash payments on purchase of property, plant and equipment		2,423,683	80,140

- (b) Reconciliation of changes in liabilities arising from financing activities are as follows:

Group	(Unaudited)	Cash flows	Acquisition	Non-cash		31.12.2025
	1.1.2025			Lease	Termination	
	RM	RM	RM	modification	RM	RM
	(Note 33)			RM		
Term loans	9,355,264	(2,585,942)	-	-	-	6,769,322
Lease liabilities	5,308,168	(1,934,128)	4,865,937	71,616	(1,340,971)	6,970,622
Hire purchase payables	243,339	(112,710)	-	-	-	130,629
Bankers' acceptances	3,801,000	2,218,000	-	-	-	6,019,000
Amount owing to/(by) related parties	135,051	(135,111)	-	-	-	(60)
Amount owing to directors	3,920,000	(3,920,000)	-	-	-	-
	<u>22,762,822</u>	<u>(6,469,891)</u>	<u>4,865,937</u>	<u>71,616</u>	<u>(1,340,971)</u>	<u>19,889,513</u>

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR/PERIOD ENDED 31 DECEMBER 2025 (CONTINUED)**

- (b) Reconciliation of changes in liabilities arising from financing activities are as follows:
(continued)

Group	(Unaudited)	Cash flows	Acquisition	Non-cash		(Unaudited)
	1.1.2024			RM	Waiver of debt	Termination
	RM	RM	RM	RM	RM	RM
	(Note 33)					(Note 33)
Term loans	9,505,379	(150,115)	-	-	-	9,355,264
Lease liabilities	4,782,197	(2,280,557)	3,456,003	-	(649,475)	5,308,168
Hire purchase payables	91,290	(87,951)	240,000	-	-	243,339
Bankers' acceptances	4,796,000	(995,000)	-	-	-	3,801,000
Amount owing to related parties	17,212	125,693	-	(7,854)	-	135,051
Amount owing to directors	4,274,689	(354,689)	-	-	-	3,920,000
	<u>23,466,767</u>	<u>(3,742,619)</u>	<u>3,696,003</u>	<u>(7,854)</u>	<u>(649,475)</u>	<u>22,762,822</u>

Company	(Date of incorporation)	Cash flows	Non-cash	
	21.2.2025		RM	flow
	RM	RM	RM	RM
Amount owing by subsidiary	-	710,146	(2,338,126)	(1,627,980)
	<u>-</u>	<u>710,146</u>	<u>(2,338,126)</u>	<u>(1,627,980)</u>

- (c) Total cash outflows for leases

During the financial year/period, the Group and the Company had total cash outflows for leases of RM2,288,057 and RM47,300 (2024: RM2,768,594 and RM Nil).

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

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

Teamstar Berhad (the “Company”) was incorporated on 12 February 2025 as a private limited liability company and is domiciled in Malaysia. The Company was converted to a public limited liability company on 24 June 2025. Subsequently, on 25 February 2026, the Company was listed on the ACE Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor, Malaysia. The principal place of business of the Company is located at F-01-03, Block F Setiawalk, Persiaran Wawasan, Pusat Bandar Puchong, 47160 Puchong, Selangor, Malaysia.

The Company is principally engaged in investment holding. The principal activities of the subsidiaries are disclosed in Note 7.

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

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 15 April 2026.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”) and International Financial Reporting Standards (“IFRSs”) and the requirements of the Companies Act 2016 in Malaysia.

2.2 Adoption of amendments to MFRS

The Group and the Company have adopted the following applicable amendments to MFRS for the current financial year/period:

Amendments to MFRS

MFRS 121 The Effects of Changes in Foreign Exchange Rates

The adoption of the above amendments to MFRS did not have any significant effect on the financial statements of the Group and the Company and did not result in significant changes to the Group’s and the Company’s existing accounting policies.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective

- (a) The Group and the Company have not adopted the following new MFRS and amendments to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
<u>New MFRS</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 1	First-time Adoption of MFRSs	1 January 2026
MFRS 7	Financial Instruments: Disclosures	1 January 2026
MFRS 9	Financial Instruments	1 January 2026
MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
MFRS 107	Statements of Cash Flows	1 January 2026
MFRS 121	The Effect of Change in Foreign Exchange Rates	1 January 2027
MFRS 128	Investments in Associates and Joint Ventures	Deferred

- (b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below.

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 replaces MFRS 101 Presentation of Financial Statements. It retains many requirements from MFRS 101 without modification.

MFRS 18 introduces two subtotals which are to be presented in the statement of profit or loss – including “operating profit”, which has been specifically defined. Income and expenses shall be presented in five categories: operating, investing, financing, income taxes and discontinued operations.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRSs that have been issued, but yet to be effective (continued)

- (b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (continued)

MFRS 18 Presentation and Disclosure in Financial Statements (continued)

MFRS 18 requires disclosure of explanations of the entity's company-specific measures that are related to the statement of profit or loss, referred to as management-defined performance measures ("MPMs"). The entity is required to reconcile MPMs to a total or subtotal required by MFRS 18 or another MFRS Accounting Standards. MFRS 18 also requires other disclosures, including how each MPM is calculated, what the MPM communication about the entity's financial performance, and any changes made to the MPMs in the year.

MFRS 18 adds new principles for aggregation and disaggregation of information. It requires the entity to classify the expenses in the "operating" category in the profit or loss by nature or function, or both. The entity that classifies operating expenses by functions are required to disclose in the notes to the financial statements, the amount of depreciation, amortisation, employee benefits, impairment losses and write-downs of inventories included in each line in the operating category. Subject to materiality, MFRS 18 requires items presented or disclosed as "other" to be labelled and/or described in as faithfully representative and precise a way as possible.

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures

These narrow scope amendments to MFRS 9 clarify the requirements, including:

- clarify the classification of financial assets, particularly those with environmental, social and corporate governance and similar features. The Amendments clarify how the contractual cash flows on such financial assets should be assessed, specifically the assessment of interest focuses on what an entity is being compensated for, rather than how much compensation it receives. Nonetheless, the amount of compensation the entity receives may indicate that it is being compensated for something other than basic lending risks and costs.
- clarify the date on which a financial asset or a financial liability settled via electronic payment systems is derecognised. The Amendments permit an entity to derecognise a financial liability before it delivers cash on the settlement date if specified criteria are met.

Amendments to MFRS 7 introduces new disclosure requirements relating to investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features that do not relate directly to basic lending risks and costs.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.3 New MFRS and amendments to MFRS that have been issued, but yet to be effective (continued)

- (b) The Group and the Company plan to adopt the above applicable new MFRS and amendments to MFRSs when they become effective. A brief discussion on the above significant new MFRS and amendments to MFRSs that may be applicable to the Group and the Company are summarised below. (continued)

Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates

Amendments to MFRS 121 clarifies how entities should translate financial statements from a non-hyperinflationary currency into a hyperinflationary presentation currency.

- When an entity's functional currency is the currency of a non-hyperinflationary economy but its presentation currency is the currency of a hyperinflationary economy, the results and financial position of the entity shall be translated into the presentation currency by translating all amounts (ie assets, liabilities, equity items, income and expenses, including comparatives) at the closing rate at the date of the most recent statement of financial position.
 - When an entity's functional currency and presentation currency are the currency of a hyperinflationary economy (or are the currencies of different hyperinflationary economies) and the entity translates the results and financial position of a foreign operation whose functional currency is that of a non-hyperinflationary economy, the entity shall restate the comparative amounts of that foreign operation included in the entity's previously issued financial statements by applying the general price index it applies to corresponding figures for the previous reporting period in accordance with paragraph 34 of MFRS 129 *Financial Reporting in Hyperinflationary Economies*.
- (c) The initial application of the above applicable new MFRS and amendments to MFRSs are not expected to have any material impact on the financial statements.

2.4 Functional and presentation currency

The financial statements of the Group and the Company are measured using the currency of the primary economic environment in which it operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which are the Group's and the Company's functional currency, unless otherwise stated.

2.5 Basis of measurement

The financial statements of the Group and the Company have been prepared on the historical cost basis, except as otherwise disclosed.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

(a) Subsidiaries and business combination

The Group applies the acquisition method of accounting except for those business combinations which were accounted for using the merger method of accounting.

A business combination involving entities under common control is a business combination in which all the combining entities or subsidiaries are ultimately controlled by the same party and parties both before and after the business combination, and that control is not transitory. Under the merger method of accounting, the results of subsidiaries are presented as if the business combination had been affected throughout the current and previous financial years. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholder at the date of transfer. On consolidation, the difference between costs of acquisition over the nominal value of share capital of the subsidiaries is taken to reorganisation reserve or reorganisation deficit.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries, are measured at cost less any accumulated impairment losses.

3.3 Financial instruments

Financial assets – subsequent measurement and gains and losses

Financial assets at fair value through profit or loss

The Group and the Company subsequently measure these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company. (continued)

3.3 Financial instruments (continued)

Financial assets – subsequent measurement and gains and losses (continued)

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – subsequent measurement and gains and losses

The Group and the Company classify the financial liabilities at amortised cost.

The Group and the Company subsequently measure financial liabilities at amortised cost under the effective interest method. Interest expenses and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss derecognition is also recognised in profit or loss.

3.4 Property, plant and equipment

Property, plant and equipment other than land and building and right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated. Building under construction included in property, plant and equipment are not depreciated as this asset is not yet available for use. The immature building is not depreciated until such time when it is available for use.

All other property, plant and equipment (other than right-of-use assets as disclosed in Note 3.5) are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.4 Property, plant and equipment (continued)

	Useful lives (years)
Freehold building	50
Leasehold lands and buildings	50
Building under construction	50
Motor vehicles	5
Furniture and fittings	10 - 13
Office equipment	5 - 10
Plant and machinery	5 - 10
Computers	5 - 10
Renovation	5 - 10
Signboard	10

3.5 Leases

Lessee accounting

The Group and the Company present right-of-use assets that do not meet the definition of investment property as property, plant and equipment in Note 5 and lease liabilities as loans and borrowings in Note 15.

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.6 Investment properties

Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses.

All investment properties are depreciated on straight line basis by allocating their depreciable amounts over their remaining useful lives.

	Useful lives (years)
Leasehold lands	50
Leasehold buildings	50

3.7 Inventories

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

- retail goods: purchase costs on a first-in first-out basis.
- trading goods and raw materials: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.

3.8 Revenue and other income

a) Sale of goods - retail

The Group and the Company sell a range of general hardware, furniture fittings and board products to local customers. Revenue from sale of retail goods is recognised at a point in time when control of the goods has been transferred, being when the customer accepts the delivery of the goods.

Sales are made with a credit term of cash on delivery to 90 days, which is consistent with market practice, therefore, no element of financing is deemed present.

Revenue is recognised based on the price specified in the contract.

b) Sale of goods – trading and value-added

The Group and the Company manufacture and sell a range of high pressure laminate particleboard and manufacturing of polyvinyl chloride (PVC) product to local customers. Revenue from sale of manufactured goods is recognised at a point in time when control of the goods has been transferred, being when the customer accepts the delivery of the goods.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.8 Revenue and other income (continued)

b) Sale of goods – trading and value-added (continued)

Sales are made with a credit term of 14 to 120 days, which is consistent with market practice, therefore, no element of financing is deemed present.

There is no right of return and warranty provided to the customers on the sale of products.

c) Rental income

Rental income from investment properties is recognised on a straight-line basis over the term of the lease.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

(a) Net realisable value of inventories

Net realisable value is the estimate of selling price in the ordinary course of business, less cost to completion and selling expenses. The review of saleability and valuation of these inventories at lower of cost and net realisable value by the directors are major sources of estimation uncertainty. The directors specifically analyses sales trends and current economic trends when making a judgement to evaluate the adequacy of the write-down of obsolete or slow-moving inventories. Where expectations differ from the original estimates, the differences will impact the carrying amounts of inventories.

The carrying amounts of the Group's inventories are disclosed in Note 10.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT & EQUIPMENT

Group	Note	Freehold land RM	Freehold building RM	Building under construction RM	Motor vehicles RM	Furniture and fittings RM	Office equipment RM	Plant and machinery RM	Computers RM	Renovation RM	Signboard RM	Right-of-use assets RM	Total RM
At 1 January 2025 (unaudited)	33	1,414,962	2,739,238	-	3,165,371	3,030,248	1,054,392	1,107,044	916,484	1,797,862	54,750	17,979,477	33,259,828
Additions		-	1,190,000	-	791,657	573,048	186,945	58,663	295,190	163,339	5,900	4,865,937	8,080,679
Disposal		-	-	-	(278,198)	(188,385)	(68,533)	-	-	(651,387)	-	-	(1,186,503)
Derecognition due to the end of lease term		-	-	-	-	-	-	-	-	-	-	(446,859)	(446,859)
Termination		-	-	-	-	-	-	-	-	-	-	(2,591,084)	(2,591,084)
Lease modification		-	-	-	-	-	-	-	-	-	-	58,504	58,504
Written off		-	-	-	-	(53,493)	(13,047)	(6,900)	(6,405)	(36,335)	-	-	(116,180)
At 31 December 2025		1,414,962	3,929,238	-	3,678,830	3,361,418	1,109,757	1,158,807	1,205,269	1,273,479	60,650	19,865,975	37,058,385
Accumulated depreciation													
At 1 January 2025 (unaudited)	33	-	568,555	-	1,860,925	1,368,507	594,011	893,559	622,902	1,206,125	1,825	4,387,121	11,503,530
Depreciation charge for the financial year	21	-	56,768	-	498,949	252,279	80,347	71,539	111,824	129,627	6,065	2,290,279	3,497,677
Disposal		-	-	-	(278,196)	(186,422)	(67,442)	-	-	(638,224)	-	-	(1,170,284)
Derecognition due to the end of lease term		-	-	-	-	-	-	-	-	-	-	(446,859)	(446,859)
Termination		-	-	-	-	-	-	-	-	-	-	(1,296,073)	(1,296,073)
Written off		-	-	-	-	(51,857)	(11,316)	(6,898)	(6,401)	(21,829)	-	-	(98,301)
At 31 December 2025		-	625,323	-	2,081,678	1,382,507	595,600	958,200	728,325	675,699	7,890	4,834,468	11,989,690
Carrying amount													
At 1 January 2025 (unaudited)	33	1,414,962	2,170,683	-	1,304,446	1,661,741	460,381	213,485	293,562	591,737	52,925	13,592,356	21,756,298
At 31 December 2025		1,414,962	3,303,915	-	1,597,152	1,978,911	514,157	200,607	476,944	597,780	52,760	14,931,507	25,068,695

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

Group	Note	Freehold land RM	Freehold building RM	Building under construction RM	Motor vehicles RM	Furniture and fittings RM	Office equipment RM	Plant and machinery RM	Computers RM	Renovation RM	Signboard RM	Right-of-use assets RM	Total RM
Cost													
At 1 January 2024 (unaudited)	33	1,414,962	2,739,238	5,376,198	3,119,899	2,237,892	831,235	1,048,644	792,572	1,514,356	-	10,796,373	29,871,369
Additions		-	-	316,012	808,136	792,356	226,517	58,400	124,006	283,506	54,750	3,456,003	6,119,886
Disposal		-	-	-	(762,864)	-	(3,360)	-	-	-	-	-	(766,024)
Derecognition due to the end of lease term		-	-	-	-	-	-	-	-	-	-	(524,944)	(524,944)
Termination		-	-	-	-	-	-	-	-	-	-	(1,440,165)	(1,440,165)
Written off		-	-	-	-	-	-	-	(94)	-	-	-	(94)
Reclassification		-	-	(5,692,210)	-	-	-	-	-	-	-	5,692,210	-
At 31 December 2024 (unaudited)	33	1,414,962	2,739,238	-	3,165,371	3,030,248	1,054,392	1,107,044	916,484	1,797,862	54,750	17,979,477	33,259,628
Accumulated depreciation													
At 1 January 2024 (unaudited)	33	-	513,771	-	1,820,505	1,170,412	529,470	817,551	546,107	1,071,006	-	3,278,765	9,747,587
Depreciation charge for the financial year	21	-	54,784	-	400,062	198,095	67,901	76,008	76,888	135,119	1,825	2,439,064	3,449,746
Disposal		-	-	-	(359,642)	-	(3,360)	-	-	-	-	-	(363,002)
Derecognition due to the end of lease term		-	-	-	-	-	-	-	-	-	-	(524,944)	(524,944)
Termination		-	-	-	-	-	-	-	-	-	-	(805,764)	(805,764)
Written off		-	-	-	-	-	-	-	(93)	-	-	-	(93)
At 31 December 2024 (unaudited)	33	-	568,555	-	1,860,925	1,368,507	594,011	893,559	622,902	1,206,125	1,825	4,387,121	11,503,530
Carrying amount													
At 1 January 2024 (unaudited)	33	1,414,962	2,225,467	5,376,198	1,299,394	1,067,480	301,765	231,093	246,465	443,350	-	7,517,608	20,123,782
At 31 December 2024 (unaudited)	33	1,414,962	2,170,683	-	1,304,446	1,661,741	460,381	213,485	293,582	591,737	52,925	13,592,356	21,756,298

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT & EQUIPMENT (CONTINUED)

	Note	Computers RM
Company		
Cost		
At 12 February 2025 (Date of incorporation)		-
Additions		80,140
At 31 December 2025		<u>80,140</u>
Accumulated depreciation		
At 12 February 2025 (Date of incorporation)		-
Depreciation charge for the financial period	21	3,512
At 31 December 2025		<u>3,512</u>
Carrying amount		
At 12 February 2025 (Date of incorporation)		-
At 31 December 2025		<u>76,628</u>

(a) Assets pledged as security

Leasehold land and building with a carrying amount of RM5,568,879 (2024: RM5,682,723) have been pledged as security to secure term loans of the Group and of the Company as disclosed in Note 15(a).

(b) Right-of-use assets

The Group leases lands and buildings for their warehouses, staff accommodation, office space and operations. The leases for warehouses, staff accommodation, office space and operations generally have lease term of 1 to 60 years with an option to renew for a further term of 1 to 3 years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

5. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Right-of-use assets (continued)

Information about leases for which the Group is lessee is presented below:

	Note	Leasehold lands RM	Buildings RM	Total RM
Group				
Carrying amount				
At 1 January 2024 (unaudited)	33	409,232	7,108,376	7,517,608
Additions		-	3,456,003	3,456,003
Transfer from building under construction		1,413,945	4,278,265	5,692,210
Termination		-	(634,401)	(634,401)
Depreciation for the financial year		(13,121)	(2,425,943)	(2,439,064)
At 31 December 2024 (unaudited)	33	1,810,056	11,782,300	13,592,356
Additions		-	4,865,937	4,865,937
Termination		-	(1,295,011)	(1,295,011)
Depreciation for the financial year		(39,044)	(2,251,235)	(2,290,279)
Lease modification		-	58,504	58,504
At 31 December 2025		1,771,012	13,160,495	14,931,507

6. INVESTMENT PROPERTIES

	Note	Leasehold lands RM	Leasehold buildings RM	Total RM
Group				
Cost				
At 1 January 2024/31 December 2024 (unaudited)	33	1,197,904	3,103,557	4,301,461
Disposal		(1,197,904)	(3,103,557)	(4,301,461)
At 31 December 2025		-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

6. INVESTMENT PROPERTIES (CONTINUED)

	Note	Leasehold lands RM	Leasehold buildings RM	Total RM
Group				
Accumulated depreciation				
At 1 January 2024 (unaudited)	33	229,397	586,573	815,970
Depreciation charge for the financial year	21	22,963	62,071	85,034
At 31 December 2024 (unaudited)	33	252,360	648,644	901,004
Depreciation charge for the financial year	21	16,715	44,544	61,259
Disposal		(269,075)	(693,188)	(962,263)
At 31 December 2025		-	-	-
Carrying amount				
At 31 December 2024 (unaudited)	33	945,544	2,454,913	3,400,457
At 31 December 2025		-	-	-

The following are recognised in profit or loss in respect of investment properties:

	2025 RM	(Unaudited) 2024 RM (Note 33)
Group		
Rental income	223,200	297,600
Direct operating expenses:		
- income generating investment properties	5,409	5,075

7. INVESTMENT IN SUBSIDIARIES

	Company 2025 RM
At cost	
Unquoted shares	55,577,474

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

Name of companies	Principal place of business/ country of incorporation	Ownership interest (%)		Principal activities
		2025	2024	
Benova Marketing Sdn. Bhd.	Malaysia	100	100	Trading of home appliances.
Best-Can Marketing Sdn. Bhd.	Malaysia	100	60	Trading in hardware, furniture accessories and manufacturing in industry coating, petrochemical products and other chemical solvent.
DG Materials Marketing Sdn. Bhd.	Malaysia	100	82	Trading in decorative surface products, furniture fittings and other related furnishing products.
Teammart Sdn. Bhd.	Malaysia	100	96	Manufacturing of pvc edge banding products and trading in pvc products, locksets and related accessories and fittings to the furniture industries.
Teamstar Solutions Sdn. Bhd.	Malaysia	100	79	Trading of general hardware, furniture fittings and board products.
Held through Teamstar Solutions Sdn. Bhd.				
Teamstar Furniture Fittings Sdn. Bhd.	Malaysia	100	70	Trading of general hardware, furniture fittings and board products.
Teamstar Furniture Hardware Sdn. Bhd.	Malaysia	100	67	Trading of general hardware, furniture fittings and board products.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows: (continued)

Name of companies	Principal place of business/ country of incorporation	Ownership interest (%)		Principal activities
		2025	2024	
Held through Teamstar Solutions Sdn. Bhd.				
(continued)				
Teamstar (Melaka) Sdn. Bhd.	Malaysia	100	65	Trading of general hardware, furniture fittings and board products.
Teamstar (Perak) Sdn. Bhd.	Malaysia	100	60	Trading of general hardware, furniture fittings and board products.
Teamstar (Seremban) Sdn. Bhd.	Malaysia	100	65	Trading of general hardware, furniture fittings and board products.
Teamstar Reno Sdn. Bhd.	Malaysia	70	-	Trading of general hardware, furniture fittings and board products.

(a) Incorporation of Teamstar Reno Sdn. Bhd.

On 23 April 2025, Teamstar Solutions Sdn. Bhd. incorporated and held 70% equity interest in Teamstar Reno Sdn. Bhd. with 700,000 shares of RM1.00 each for a total cash consideration of RM700,000.

(b) Acquisition of subsidiaries

i) Acquisition of Teamstar Furniture Fittings Sdn. Bhd. by Teamstar Solutions Sdn. Bhd.

On 23 June 2025, Teamstar Solutions Sdn. Bhd. entered into a conditional share sale agreement with the non-controlling interests to acquire the remaining 30.00% equity interest in Teamstar Furniture Fittings Sdn. Bhd. comprising 150,000 ordinary shares for a total purchase consideration of RM660,125 to be satisfied entirely via the allotment and issuance of 7,613,900 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teamstar Furniture Fittings Sdn. Bhd. effectively became a wholly-owned subsidiary of Teamstar Solutions Sdn. Bhd..

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Acquisition of subsidiaries (continued)

ii) Acquisition of Teamstar Furniture Hardware Sdn. Bhd. by Teamstar Solutions Sdn. Bhd.

On 23 June 2025, Teamstar Solutions Sdn. Bhd. entered into a conditional share sale agreement with the non-controlling interests to acquire the remaining 33.00% equity interest in Teamstar Furniture Hardware Sdn. Bhd. comprising 247,500 ordinary shares for a total purchase consideration of RM123,400 to be satisfied entirely via the allotment and issuance of 1,423,300 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teamstar Furniture Hardware Sdn. Bhd. effectively became a wholly-owned subsidiary of Teamstar Solutions Sdn. Bhd..

iii) Acquisition of Teamstar (Melaka) Sdn. Bhd. by Teamstar Solutions Sdn. Bhd.

On 23 June 2025, Teamstar Solutions Sdn. Bhd. entered into a conditional share sale agreement with the non-controlling interests to acquire the remaining 35.00% equity interest in Teamstar (Melaka) Sdn. Bhd. comprising 105,000 ordinary shares for a total purchase consideration of RM502,392 to be satisfied entirely via the allotment and issuance of 5,794,600 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teamstar (Melaka) Sdn. Bhd. effectively became a wholly-owned subsidiary of Teamstar Solutions Sdn. Bhd..

iv) Acquisition of Teamstar (Seremban) Sdn. Bhd. by Teamstar Solutions Sdn. Bhd.

On 23 June 2025, Teamstar Solutions Sdn. Bhd. entered into a conditional share sale agreement with the non-controlling interests to acquire the remaining 35.00% equity interest in Teamstar (Seremban) Sdn. Bhd. comprising 105,000 ordinary shares for a total purchase consideration of RM843,738 to be satisfied entirely via the allotment and issuance of 9,731,700 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teamstar (Seremban) Sdn. Bhd. effectively became a wholly-owned subsidiary of Teamstar Solutions Sdn. Bhd..

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Acquisition of subsidiaries (continued)

v) Acquisition of Teamstar (Perak) Sdn. Bhd. by Teamstar Solutions Sdn. Bhd.

On 23 June 2025, Teamstar Solutions Sdn. Bhd. entered into a conditional share sale agreement with the non-controlling interests to acquire the remaining 40.00% equity interest in Teamstar (Perak) Sdn. Bhd. comprising 400,000 ordinary shares for a total purchase consideration of RM208,470 to be satisfied entirely via the allotment and issuance of 2,404,500 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teamstar (Perak) Sdn. Bhd. effectively became a wholly-owned subsidiary of Teamstar Solutions Sdn. Bhd..

vi) Acquisition of Teamstar Solutions Sdn. Bhd. by Teamstar Berhad

On 23 June 2025, Teamstar Berhad entered into a conditional share sale agreement with the Teamstar Solutions Sdn. Bhd. to acquire the entire equity interest in Teamstar Solutions Sdn. Bhd. comprising 1,000,000 ordinary shares for a total purchase consideration of RM36,393,150 to be satisfied entirely via the allotment and issuance of 419,759,521 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teamstar Solutions Sdn. Bhd. effectively became a wholly-owned subsidiary of the Company.

vii) Acquisition of Benova Marketing Sdn. Bhd. by Teamstar Berhad

On 23 June 2025, Teamstar Berhad entered into a conditional share sale agreement with the Benova Marketing Sdn. Bhd. to acquire the entire equity interest in Benova Marketing Sdn. Bhd. comprising 2,000,000 ordinary shares for a total purchase consideration of RM1,944,546 to be satisfied entirely via the allotment and issuance of 22,428,446 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 Benova Marketing Sdn. Bhd. effectively became a wholly-owned subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Acquisition of subsidiaries (continued)

viii) Acquisition of Best-Can Marketing Sdn. Bhd. by Teamstar Berhad

On 23 June 2025, Teamstar Berhad entered into a conditional share sale agreement with the Best-Can Marketing Sdn. Bhd. to acquire the entire equity interest in Best-Can Marketing Sdn. Bhd. comprising 600,000 ordinary shares for a total purchase consideration of RM4,543,146 to be satisfied entirely via the allotment and issuance of 52,400,759 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Best-Can Marketing Sdn. Bhd. effectively became a wholly-owned subsidiary of the Company.

ix) Acquisition of DG Materials Marketing Sdn. Bhd. by Teamstar Berhad

On 23 June 2025, Teamstar Berhad entered into a conditional share sale agreement with the DG Materials Marketing Sdn. Bhd. to acquire the entire equity interest in DG Materials Marketing Sdn. Bhd. comprising 700,000 ordinary shares for a total purchase consideration of RM9,208,135 to be satisfied entirely via the allotment and issuance of 106,206,858 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and DG Materials Marketing Sdn. Bhd. effectively became a wholly-owned subsidiary of the Company.

x) Acquisition of Teammart Sdn. Bhd. by Teamstar Berhad

On 23 June 2025, Teamstar Berhad entered into a conditional share sale agreement with the Teammart Sdn. Bhd. to acquire the entire equity interest in Teammart Sdn. Bhd. comprising 1,000,000 ordinary shares for a total purchase consideration of RM3,488,498 to be satisfied entirely via the allotment and issuance of 40,236,415 new shares in Teamstar Berhad.

The acquisition was completed on 10 December 2025 and Teammart Sdn. Bhd. effectively became a wholly-owned subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Non-controlling interests in subsidiaries

The financial information of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows:

Equity interest held by non-controlling interests:

Name of companies	Principal place of business/ country of incorporation	Ownership interest (Unaudited)	
		31.12.2025 (%)	31.12.2024 (%) (Note 33)
Best-Can Marketing Sdn. Bhd.	Malaysia	-	40
DG Materials Marketing Sdn. Bhd.	Malaysia	-	18
Teammart Sdn. Bhd.	Malaysia	-	4
Teamstar Solutions Sdn. Bhd.	Malaysia	-	21
Teamstar Furniture Fittings Sdn. Bhd.	Malaysia	-	30
Teamstar Furniture Hardware Sdn. Bhd.	Malaysia	-	33
Teamstar (Melaka) Sdn. Bhd.	Malaysia	-	35
Teamstar (Perak) Sdn. Bhd.	Malaysia	-	40
Teamstar (Seremban) Sdn. Bhd.	Malaysia	-	35
Teamstar Reno Sdn. Bhd.	Malaysia	30	-

Carrying amount of material non-controlling interests:

Name of companies	(Unaudited)	
	31.12.2025 RM	31.12.2024 RM (Note 33)
Best-Can Marketing Sdn. Bhd.	-	2,995,595
DG Materials Marketing Sdn. Bhd.	-	1,274,732
Teammart Sdn. Bhd.	-	292,522
Teamstar Solutions Sdn. Bhd.	-	3,568,884
Teamstar Furniture Fittings Sdn. Bhd.	-	330,002
Teamstar Furniture Hardware Sdn. Bhd.	-	246,742
Teamstar (Melaka) Sdn. Bhd.	-	251,150
Teamstar (Perak) Sdn. Bhd.	-	416,868
Teamstar (Seremban) Sdn. Bhd.	-	421,789
Teamstar Reno Sdn. Bhd.	261,957	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(c) Non-controlling interests in subsidiaries (continued)

The financial information of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows: (continued)

Profit or loss allocated to material non-controlling interests:

Name of companies	31.12.2025	(Unaudited) 31.12.2024
	RM	RM (Note 33)
Best-Can Marketing Sdn. Bhd.	765,527	408,136
DG Materials Marketing Sdn. Bhd.	458,042	522,413
Teammart Sdn. Bhd.	54,520	29,395
Teamstar Solutions Sdn. Bhd.	1,254,908	2,271,646
Teamstar Furniture Fittings Sdn. Bhd.	180,219	189,662
Teamstar Furniture Hardware Sdn. Bhd.	58,050	10,745
Teamstar (Melaka) Sdn. Bhd.	201,622	171,335
Teamstar (Perak) Sdn. Bhd.	140,441	18,777
Teamstar (Seremban) Sdn. Bhd.	273,063	318,946
Teamstar Reno Sdn. Bhd.	(38,047)	-

(d) Summarised financial information of material non-controlling interests

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows:

	Teamstar Reno Sdn. Bhd. RM
Summarised statements of financial position	
As at 31 December 2025	
Current assets	1,013,789
Non-current asset	1,006,073
Current liabilities	(423,850)
Non-current liability	(722,823)
Net assets	<u>873,189</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

**(d) Summarised financial information of material non-controlling interests
(continued)**

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows: (continued)

	Teamstar Reno Sdn. Bhd. RM
Summarised statements of comprehensive income	
Financial period ended 31 December 2025	
Revenue	485,181
Loss for the financial period, representing total comprehensive losses for the financial period	<u>(126,822)</u>
Summarised cash flow information	
Financial period ended 31 December 2025	
Cash flows used in operating activities	(649,944)
Cash flows used in investing activity	(156,764)
Cash flows from financing activities	<u>926,708</u>
Net increase in cash and cash equivalents	<u>120,000</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(d) Summarised financial information of material non-controlling interests (continued)

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows: (continued)

	Best-Can Marketing Sdn. Bhd. RM	DG Materials Marketing Sdn. Bhd. RM	Teammart Sdn. Bhd. RM	Teamstar Solutions Sdn. Bhd. RM	Teamstar Furniture Fittings Sdn. Bhd. RM	Teamstar Furniture Hardware Sdn. Bhd. RM	Teamstar (Melaka) Sdn. Bhd. RM	Teamstar (Perak) Sdn. Bhd. RM	Teamstar (Seremban) Sdn. Bhd. RM
Summarised statements of financial position									
As at 31 December 2024									
Current assets	6,387,116	16,133,960	12,041,046	17,089,953	1,821,665	1,017,618	1,411,214	1,381,383	2,261,928
Non-current assets	3,093,810	1,488,317	4,167,651	16,606,545	539,439	430,575	410,303	234,942	461,630
Current liabilities	(2,072,857)	(10,271,450)	(6,757,722)	(10,231,769)	(1,046,843)	(423,856)	(925,690)	(474,494)	(1,357,723)
Non-current liabilities	(119,082)	(268,984)	(2,137,914)	(6,469,044)	(214,253)	(276,635)	(178,257)	(99,661)	(160,725)
Net assets	7,488,987	7,081,843	7,313,061	16,995,685	1,100,008	747,702	717,570	1,042,170	1,205,110
Summarised statements of comprehensive income									
Financial year ended 31 December 2024									
Revenue	10,760,838	28,616,572	11,754,685	69,864,282	5,574,179	2,076,007	5,125,338	821,492	7,817,996
Profit for the financial year, representing total comprehensive income for the financial year	971,468	2,902,291	724,041	10,817,364	632,205	32,560	489,529	47,809	911,275

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

7. INVESTMENT IN SUBSIDIARIES (CONTINUED)

(d) Summarised financial information of material non-controlling interests (continued)

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material non-controlling interests are as follows: (continued)

	Best-Can Marketing Sdn. Bhd.		DG Materials Marketing Sdn. Bhd.		Teammart Sdn. Bhd.		Teamstar Solutions Sdn. Bhd.		Teamstar Furniture Fittings Sdn. Bhd.		Teamstar Furniture Hardware Sdn. Bhd.		Teamstar (Melaka) Sdn. Bhd.		Teamstar (Perak) Sdn. Bhd.		Teamstar (Seremban) Sdn. Bhd.		
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	
Summarised cash flow information																			
Financial year ended 31 December 2024																			
Cash flows from/(used in) operating activities	883,899	3,185,912	(1,329,422)	10,341,224	261,855	168,851	595,714	731,107											
Cash flows from/(used in) investing activities	1,064,434	(205,791)	(5,309)	(4,843,168)	(92,663)	(850)	(2,403)	(91,497)											
Cash flows (used in)/from financing activities	(6,328,679)	(3,222,568)	900,484	(13,498,449)	(615,055)	(84,881)	(679,647)	988,894											
Net (decrease)/increase in cash and cash equivalents	(4,380,346)	(242,447)	(434,247)	(8,000,393)	(445,863)	83,120	(86,336)	834,184											

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

8. DEFERRED TAX ASSETS/(LIABILITIES)

Deferred tax relates to the following:

	(Unaudited) As at 1 January 2024 RM (Note 33)	Recognised in profit or loss RM (Note 23)	(Unaudited) As at 31 December 2024 RM (Note 33)	Recognised in profit or loss RM (Note 23)	As at 31 December 2025 RM
Group					
Deferred tax assets/(liabilities):					
Property, plant and equipment	(245,048)	(96,070)	(341,118)	(5,978)	(347,096)
Impairment loss for trade receivable	54,959	25,609	80,568	51,097	131,665
Contract liabilities	209,485	64,621	274,106	3,209	277,315
Inventories	124,929	45,469	170,398	26,464	196,862
Unutilised capital allowances	4,110	(416)	3,694	(3,694)	-
Unabsorbed business losses	10,058	(9,674)	384	(384)	-
Unrealised foreign exchange	(9,891)	10,377	486	(21,591)	(21,105)
	<u>148,602</u>	<u>39,916</u>	<u>188,518</u>	<u>49,123</u>	<u>237,641</u>

← **Group** →
(Unaudited)
2025
RM
2024
RM
(Note 33)

**Presented after appropriate
offsetting as follows:**

Deferred tax assets	605,842	529,636
Deferred tax liabilities	(368,201)	(341,118)
	<u>237,641</u>	<u>188,518</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

9. OTHER INVESTMENT

	← Group →	(Unaudited)
	2025	2024
	RM	RM
		(Note 33)
Financial assets designated at fair value through profit or loss		
At fair value:		
Unit trust	1,500,095	4,098,928
	<hr/>	<hr/>

10. INVENTORIES

	← Group →	(Unaudited)
	2025	2024
	RM	RM
		(Note 33)
At lower of cost and net realisable value:		
Raw materials	2,358,612	988,593
Retail and trading goods	33,154,889	29,328,922
	<hr/>	<hr/>
	35,513,501	30,317,515
	<hr/>	<hr/>

The cost of inventories of the Group recognised as an expense in cost of sales during the financial year was RM82,782,931 (2024: RM82,711,374).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. TRADE AND OTHER RECEIVABLES

		← Group → (Unaudited)	Company
	Note	2025 RM	2024 RM (Note 33)
			2025 RM
Trade receivables	(a)		
- Third parties		11,235,763	10,569,177
- Related parties		29,159	35,394
Less: Impairment losses for trade receivables		(548,602)	(335,699)
		10,716,320	10,268,872
Non-trade			
Other receivables		808,139	519,649
Deposits		1,186,864	658,643
Prepayments		535,127	567,005
Amount owing by a subsidiary	(b)	-	-
Amount owing by related parties	(b)	60	1,005
		2,530,190	1,746,302
Total trade and other receivables		13,246,510	12,015,174
			1,628,480

(a) Trade receivables

Trade receivables are non-interest bearing and normal credit terms offered by the Group ranges from cash on delivery to 120 days (2024: 7 days to 90 days) from the date of invoices. Other credit terms are assessed and approved on a case by case basis.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

11. TRADE AND OTHER RECEIVABLES (CONTINUED)

(a) Trade receivables (continued)

Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	← Group → (Unaudited)	
	2025 RM	2024 RM (Note 33)
At 1 January	335,699	228,995
Charge for the financial year		
- Collectively assessed	222,872	124,817
Reversal of impairment losses	(9,969)	(18,113)
At 31 December	548,602	335,699

The information about the credit exposures are disclosed in Note 26(b)(i).

(b) Amount owing by a subsidiary and related parties

Amounts owing by a subsidiary and related parties are unsecured, non-interest bearing and repayable on demand and is expected to be settled by cash.

12. CASH AND SHORT-TERM DEPOSITS

	← Group → (Unaudited)		Company
	2025 RM	2024 RM (Note 33)	2025 RM
Cash in hand	114,705	55,343	-
Cash at bank	20,344,316	14,508,983	10,821
Short-term deposits	-	5,289	-
	20,459,021	14,569,615	10,821

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

13. SHARE CAPITAL/INVESTED EQUITY

	Note	← Group →			
		Number of ordinary shares (Unaudited)		← Amount → Unaudited	
		2025	2024	2025	2024
		Unit	Unit (Note 33)	RM	RM (Note 33)
Issued and fully paid up (no par value):					
		4,679,000	4,209,002	4,679,000	4,209,002
At the beginning of the financial year					
Issued during the financial year	(a)	1	469,998	1	469,998
Issuance of shares for the acquisition of subsidiaries	(b)	667,999,999	-	57,915,600	-
Adjustment pursuant to restructuring exercise	14	(4,679,000)	-	(4,679,000)	-
At 31 December		668,000,000	4,679,000	57,915,601	4,679,000

For the purpose of the combined financial statements, the total number of shares as at 31 December 2024 represent the aggregate number of issued shares of the combining entities within the Group respectively.

	Note	← Company →	
		Number of ordinary shares 2025	Amount 2025
		Unit	RM
Issued and fully paid up (no par value):			
At 12 February 2025 (Date of Incorporation)	(a)	1	1
Issuance of shares for the acquisition of subsidiaries	(b)	667,999,999	57,915,600
At 31 December		668,000,000	57,915,601

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

- (a) On 12 February 2025, the Company was incorporated with 1 ordinary share at RM1 per ordinary share.
- (b) During the financial period, the Company issued 667,999,999 ordinary shares at RM0.0867 per ordinary share on the date of incorporation for a total cash consideration of RM57,915,600.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

14. REORGANISATION DEFICIT

The reorganisation deficit was resulted from the difference between the cost of investment in subsidiaries and the nominal value of the share capital of the Company's subsidiary upon consolidation under the merger method of accounting.

15. LOANS AND BORROWINGS

		← Group →	
		2025	(Unaudited) 2024
	Note	RM	RM (Note 33)
Non-current:			
Term loans	(a)	6,389,645	8,837,333
Lease liabilities	(b)	4,648,467	2,116,243
Hire purchase payables	(c)	35,983	130,472
		11,074,095	11,084,048
Current:			
Term loans	(a)	379,677	517,931
Lease liabilities	(b)	2,322,155	3,191,925
Hire purchase payables	(c)	94,646	112,867
Bankers' acceptances	(d)	6,019,000	3,801,000
		8,815,478	7,623,723
Total loans and borrowings:			
Term loans	(a)	6,769,322	9,355,264
Lease liabilities	(b)	6,970,622	5,308,168
Hire purchase payables	(c)	130,629	243,339
Bankers' acceptances	(d)	6,019,000	3,801,000
		19,889,573	18,707,771

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15 LOANS AND BORROWINGS (CONTINUED)

(a) Term loans

Term loan 1 of the Group of RM Nil (2024: RM2,208,048) bears interest at 4.27% (2024: 4.52%) per annum and is repayable by monthly instalments over 240 months commencing from the day of first drawdown and is secured and supported as follows:

- (i) Legal charge over the leasehold land and building of the Group; and
- (ii) Joint and several guarantee by certain directors of the Group.

Term loan 2 of the Group of RM1,277,969 (2024: RM1,506,189) bears interest at 4.54% (2024: 4.79%) per annum and is repayable by monthly instalments over 180 months commencing from the day of first drawdown and is secured and supported as follows:

- (i) Legal charge over the freehold land and building of the Group;
- (ii) Joint and several guarantee by certain directors of the Group; and
- (iii) Corporate guarantee by the Group.

Term loan 3 of the Group of RM5,491,353 (2024: RM5,641,027) bears interest at 4.00% (2024: 4.26%) per annum and is repayable by monthly instalments over 240 months commencing from the day of first drawdown and is secured and supported as follows:

- (i) Legal charge over the building of the Company; and
- (ii) Joint and several guarantee by directors of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. LOANS AND BORROWINGS (CONTINUED)

(b) Lease liabilities

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	← Group → (Unaudited)	
	2025	2024
	RM	RM
		(Note 33)
Minimum lease payments:		
Not later than one year	2,559,610	2,651,565
Later than one year and not later than five years	4,810,964	3,005,869
Later than five years	95,701	-
	7,466,275	5,657,434
Less: Future finance charges	(495,653)	(349,266)
	6,970,622	5,308,168
Present value of minimum lease payments payable		
Not later than one year	2,322,155	3,191,925
Later than one year and not later than five years	4,553,519	2,116,243
Later than five years	94,948	-
	6,970,622	5,308,168
Less: Amount due within twelve months	(2,322,155)	(3,191,925)
Amount due after twelve months	4,648,467	2,116,243

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. LOANS AND BORROWINGS (CONTINUED)

(c) Hire purchase payables

Hire purchase payables of the Group of RM130,629 (2024:RM243,339) bears interest ranging from 5.79% to 5.85% (2024: 5.79% to 5.85%) per annum and are secured by the Group's motor vehicles under hire purchase arrangements as disclosed in Note 5.

	← Group →	
	2025	(Unaudited) 2024
	RM	RM (Note 33)
Minimum lease payments:		
Not later than one year	99,478	123,792
Later than one year and not later than five years	36,352	135,830
	135,830	259,622
Less: Future finance charges	(5,201)	(16,283)
	130,629	243,339
Present value of minimum lease payments payable		
Not later than one year	94,646	112,867
Later than one year and not later than five years	35,983	130,472
	130,629	243,339
Less: Amount due within twelve months	(94,646)	(112,867)
	35,983	130,472

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

15. LOANS AND BORROWINGS (CONTINUED)

(d) Bankers' acceptances

Bankers' acceptance 1 bears interest from 4.20% to 4.85% (2024: 4.20% to 4.50%) per annum and is secured and supported as follows:

- (i) Legal charge over leasehold land and building of a company in which the director of the Group has financial interests; and
- (ii) Joint and several guarantee by certain directors of the Group; and
- (iii) Corporate guarantee by a company in which a director of the Group has financial interests.

Bankers' acceptance 2 bears interest from 4.20% to 4.50% (2024: 4.20% to 4.50%) per annum and is secured and supported as follows:

- (i) Legal charge over leasehold land and building of a company in which the director of the Group has financial interests; and
- (ii) Joint and several guarantee by certain directors of the Group.

16. CONTRACT LIABILITIES

	← Group →	
	2025	2024
	RM	RM
		(Unaudited)
		(Note 33)
Contract liabilities relating to sale of goods	2,639,005	2,391,776

(a) Contract liabilities

The contract liabilities represent invoice billed for the sale of goods for which performance obligations have not been satisfied. The contract liabilities will only be recognised as revenue when the cash balances are used for purchases or when redemption occurs or upon expiry of the redemption period, and hence the Group applies the practical expedient not to disclose the information pertaining to the timing of revenue recognition from the remaining performance obligations.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

16. CONTRACT LIABILITIES (CONTINUED)

(b) Significant changes in contract balances

	← Group → (Unaudited)	
	2025	2024
	Contract liabilities decrease/ (increase) RM	Contract liabilities decrease/ (increase) RM (Note 33)
Revenue recognised that was included in contract liabilities of the financial year	1,687,558	1,646,164
Increase due to considerations received from customers, but revenue not recognised	<u>(1,934,787)</u>	<u>(1,945,764)</u>

(c) Revenue recognised in relation of contract balances

	← Group → (Unaudited)	
	2025	2024
	RM	RM (Note 33)
Revenue recognised that was included in contract liabilities of the financial year	<u>1,687,558</u>	<u>1,646,164</u>

Revenue recognised that was included in the contract liability balance at the beginning of the year represents primarily revenue from the sale of goods when performance obligations are satisfied.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17. TRADE AND OTHER PAYABLES

		← Group → (Unaudited)	Company
	Note	2025 RM	2024 RM (Note 33)
			2025 RM
Trade			
Trade payables			
	(a)		
- Third parties		11,879,769	11,232,774
- Related parties		156,731	2,493,920
		12,036,500	13,726,694
Non-trade			
Other payables		377,375	511,789
Accruals		2,366,388	2,348,100
Deposits payable		68,250	77,944
Amount owing to related parties	(b)	-	136,056
Amount owing to directors	(b)	-	3,920,000
		2,812,013	6,993,889
Total trade and other payables		14,848,513	20,720,583
			57,719

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group ranges from 30 days to 90 days (2024: 30 days to 90 days).

(b) Amount owing to related parties and directors

Amount owing to related parties and directors are unsecured, non-interest bearing, repayable upon demand and is expected to be settled in cash.

For explanations on the Group's liquidity risk management processes, refer to Note 26(b)(ii).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

18. REVENUE

	← Group → (Unaudited)	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM (Note 33)
At a point in time:		
Sale of goods	136,507,687	130,220,927
Timing of revenue recognition:		
At a point in time	136,507,687	130,220,927

(a) Disaggregation of revenue

The Group reports the following major segments: retail and trading and value added in accordance with MFRS 8 *Operating Segments*. For the purpose of disclosure for the disaggregation of revenue, the Group disaggregates revenue into primary geographical markets, major goods or services, timing of revenue recognition (i.e. goods transferred at a point in time or services transferred over time).

The information about the disaggregation of revenue are disclosed in Note 32.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

19. OTHER INCOME

	← Group → (Unaudited)	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM (Note 33)
Finance income	220,087	332,136
Rental income	402,539	445,700
Net realised foreign exchange gain	527,929	233,551
Net unrealised foreign exchange gain	70,763	-
Reversal of impairment losses on trade receivables	9,969	18,113
Fair value gain on other investment	126,631	259,824
Gain on disposal of property, plant and equipment	81,499	99,976
Gain on disposal of investment property	3,255,135	-
Gain on lease termination	45,960	15,074
Gain on lease modification	2,056	-
Bad debts recovered	-	1,000
Waiver of debt	-	7,854
Others	57,697	62,324
	4,800,265	1,475,552

20. FINANCE COSTS

	← Group → (Unaudited)	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM (Note 33)
Interest expenses on:		
- Term loans	366,820	399,638
- Lease liabilities	254,559	228,337
- Hire purchase payables	11,083	11,620
- Bankers' acceptances	204,554	145,457
	837,016	785,052

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

21. PROFIT/(LOSS) BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged in arriving at profit/(loss) before tax:

	Note	← Group →		Company
		1.1.2025 to 31.12.2025 RM	(Unaudited) 1.1.2024 to 31.12.2024 RM (Note 33)	12.2.2025 (Date of incorporation) to 31.12.2025 RM
Auditors' remuneration - statutory audit:				
- Baker Tilly Monteiro Heng PLT		191,000	113,000	31,000
Other services:				
- Baker Tilly Monteiro Heng PLT		307,000	100,000	5,000
- Member firms of Baker Tilly International		53,719	46,992	-
Bad debts written off		34,449	4,230	-
Depreciation of property, plant and equipment	5	3,497,677	3,449,746	3,512
Property, plant and equipment written off	5	17,879	1	-
Loss on disposal of property, plant, and equipment		10,395	-	-
Loss on lease modification		15,168	-	-
Depreciation of investment properties	6	61,259	85,034	-
Impairment losses on trade receivables	11	222,872	124,817	-
Net unrealised foreign exchange loss		-	15,178	-
Expenses relating to short-term lease:				
- Premises		99,370	259,700	47,300
Expenses relating to lease of low value assets:				
- Motor vehicle		22,614	6,780	-
Incorporation fee		8,302	-	4,268
Employee benefits expense	22	17,185,758	13,232,024	237,750

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

22. EMPLOYEE BENEFITS EXPENSE

	← Group →		Company 12.2.2025 (Date of incorporation) to 31.12.2025 RM
	1.1.2025 to 31.12.2025 RM	(Unaudited) 1.1.2024 to 31.12.2024 RM (Note 33)	
Salaries, wages, allowances and bonuses	13,933,897	10,354,126	237,750
Defined contribution plans	1,595,054	1,355,267	-
Other staff related expenses	1,656,807	1,522,631	-
	17,185,758	13,232,024	237,750
Included in employee benefits are:			
Directors of the Company			
Executive Directors			
- Directors' fees	620,000	460,000	80,000
- Salaries, allowances and bonuses	1,258,010	1,003,798	-
- Defined contribution plans	129,662	126,125	-
- Other related expenses	18,094	13,141	-
	2,025,766	1,603,064	80,000
Non-Executive Directors			
- Fees and allowances	157,750	-	157,750

The estimated value of benefits-in-kind provided to the director of the Group during the financial year amounted to RM23,950 (2024: RM Nil).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

23. INCOME TAX EXPENSE

The major components of income tax expense for the financial years ended 31 December 2025 and 31 December 2024 are as follows:

	← Group →		Company 12.2.2025 (Date of incorporation)
	1.1.2025 to 31.12.2025 RM	(Unaudited) 1.1.2024 to 31.12.2024 RM (Note 33)	to 31.12.2025 RM
Statement of comprehensive income			
Current income tax:			
- Current income tax charge	5,567,849	5,386,164	-
- Adjustment in respect of prior year	(10,689)	-	-
- Real property gain tax	132,686	-	-
	5,689,846	5,386,164	-
Deferred tax (Note 8):			
- Origination of temporary differences	15,675	(39,916)	-
- Adjustments in respect of prior year	(64,798)	-	-
	(49,123)	(39,916)	-
Income tax expense recognised in profit or loss	5,640,723	5,346,248	-

Domestic income tax is calculated at Malaysia statutory income tax rate of 24% (2024: 24%) of the estimated assessable profit for the financial years/period.

The income tax rate applicable to small and medium scale enterprise (“SME”) incorporated in Malaysia with paid-up capital of RM2,500,000 and below is subject to the statutory income tax rate of 15% (2024: 15%) on the first chargeable income of RM150,000 and 17% (2024: 17%) on the next RM450,000. For chargeable income in excess of RM600,000, statutory income tax rate of 24% is still applicable.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

23. INCOME TAX EXPENSE (CONTINUED)

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense are as follows:

	← Group →	Company 12.2.2025 (Date of incorporation)	
	(Unaudited)		
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM (Note 33)	
		to 31.12.2025 RM	
Profit/(Loss) before tax	24,046,088	22,192,048	(679,917)
Tax at Malaysian statutory income tax rate of 24%	5,771,061	5,326,092	(163,180)
SME tax savings	(372,434)	(45,000)	-
Real property gain tax	132,686	-	-
Adjustments:			
Income not subject to tax	(617,620)	(325,243)	-
Non-deductible expenses	777,664	390,399	163,180
Deferred tax assets not recognised	24,853	-	-
Adjustment in respect of current tax of prior year	(10,689)	-	-
Adjustment in respect of deferred tax of prior year	(64,798)	-	-
Income tax expense	5,640,723	5,346,248	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

24. EARNINGS PER SHARE

(a) Basic earnings per ordinary share

Basic earnings per share are based on the profit for the financial years attributable to owners of the Group and the weighted average number of ordinary shares outstanding during the financial years, calculated as follows:

	← Group → (Unaudited)	
	2025 RM	2024 RM (Note 33)
Profit attributable to owners of the Group	15,057,020	12,904,745
Weighted average number of ordinary shares for basic earnings per share (unit)	44,659,993	4,231,925
Basic earnings per share (RM)	0.34	3.05

(b) Diluted earnings per ordinary share

Diluted earnings per share of the Group for the financial years are equivalent to the basic earnings per share of the Group as the Group has no dilutive potential ordinary shares.

25. DIVIDENDS

	2025 RM	(Unaudited) 2024 RM (Note 33)
Group		
Recognised during the financial year:		
- Single-tier interim dividend for the FYE 31 December 2023: RM1.00 per ordinary share, paid on 9 January 2024	-	105,000
- Single-tier interim dividend for the FYE 31 December 2023: RM0.44 per ordinary share, paid on 18 January 2024	-	304,500

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

25. DIVIDENDS (CONTINUED)

	2025	(Unaudited)
	RM	2024
		RM
		(Note 33)
Group		
Recognised during the financial year:		
(continued)		
- Single-tier interim dividend for the FYE 31 December 2023: RM3.30 per ordinary share, paid on 18 January 2024	-	3,300,000
- Single-tier interim dividend for the FYE 31 March 2023: RM0.12 per ordinary share, paid on 19 January 2024	-	69,000
- Single-tier interim dividend for the FYE 31 December 2024: RM0.55 per ordinary share, paid on 23 July 2024	-	385,000
- Single-tier interim dividend for the FYE 31 December 2024: RM1.00 per ordinary share, paid on 23 July 2024	-	105,000
- Single-tier interim dividend for the FYE 31 December 2024: RM1.50 per ordinary share, paid on 23 July 2024	-	157,500
- Single-tier interim dividend for the FYE 31 December 2024: RM2.00 per ordinary share, paid on 23 July 2024	-	2,000,000
- Single-tier interim dividend for the FYE 31 December 2024: RM8.35 per ordinary share, paid on 19 August 2024	-	5,010,000
- Single-tier interim dividend for the FYE 31 December 2024: RM5.00 per ordinary share, paid on 16 October 2024	-	5,000,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

25. DIVIDENDS (CONTINUED)

	2025	(Unaudited)
	RM	2024
		RM
		(Note 33)
Group		
Recognised during the financial year:		
(continued)		
- Single-tier interim dividend for the FYE 31 December 2024: RM0.85 per ordinary share, paid on 19 December 2024	-	89,250
- Single-tier interim dividend for the FYE 31 December 2024: RM0.90 per ordinary share, paid on 19 December 2024	-	135,000
- Single-tier interim dividend for the FYE 31 December 2024: RM1.00 per ordinary share, paid on 19 December 2024	-	105,000
- Single-tier interim dividend for the FYE 31 December 2024: RM2.20 per ordinary share, paid on 23 December 2024	-	2,200,000
- Single-tier interim dividend for the FYE 31 December 2024: RM2.00 per ordinary share, paid on 23 December 2024	-	1,200,000
- Single-tier interim dividend for the FYE 31 December 2025: RM1.67 per ordinary share, paid on 9 May 2025	1,000,000	-
- Single-tier interim dividend for the FYE 31 December 2025: RM3.00 per ordinary share, paid on 29 December 2025	3,000,000	-
	<u>4,000,000</u>	<u>20,165,250</u>

The Group declared dividends of RM4,000,000 (2024: RM20,165,250) to shareholders prior to the Company's listing on Ace Market of Bursa Malaysia Securities Berhad.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statement of financial position by the classes of financial instruments to which they are assigned:

- (i) Amortised cost
- (ii) Fair value through profit or loss ("FVPL")

Group	Carrying amount RM	Amortised cost RM	FVPL RM
At 31 December 2025			
Financial assets			
Other investment	1,500,095	-	1,500,095
Trade and other receivables, less prepayments	12,711,383	12,711,383	-
Cash and short-term deposits	20,459,021	20,459,021	-
	34,670,499	33,170,404	1,500,095
Financial liabilities			
Loan and borrowings, less lease liabilities	(12,918,951)	(12,918,951)	-
Trade and other payables	(14,848,513)	(14,848,513)	-
	(27,767,464)	(27,767,464)	-
At 31 December 2024 (unaudited) (Note 33)			
Financial assets			
Other investment	4,098,928	-	4,098,928
Trade and other receivables, less prepayments	11,448,169	11,448,169	-
Cash and short-term deposits	14,569,615	14,569,615	-
	30,116,712	26,017,784	4,098,928
Financial liabilities			
Loan and borrowings, less lease liabilities	(13,399,603)	(13,399,603)	-
Trade and other payables	(20,720,583)	(20,720,583)	-
	(34,120,186)	(34,120,186)	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (continued)

The following table analyses the financial instruments in the statement of financial position by the classes of financial instruments to which they are assigned: (continued)

Company	Carrying amount RM	Amortised cost RM
At 31 December 2025		
Financial assets		
Trade and other receivables	1,628,480	1,628,480
Cash and short-term deposits	10,821	10,821
	1,639,301	1,639,301
Financial liability		
Trade and other payables	(57,719)	(57,719)
	(57,719)	(57,719)

(b) Financial risk management

The Group's and the Company's activities are exposed to a variety of financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk and interest rate risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders. The Group and the Company do not trade in financial instruments.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's and the Company's senior management. The audit committee provides independent oversight to the effectiveness of the risk management process.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk arises from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit worthiness of a customer is assessed based on a set of evaluation criteria and individual credit limits are defined in accordance with this assessment.

The Group and the Company consider a financial asset to be in default when:

- The counterparty is unable to pay its credit obligations to the Group and the Company in full, without taking into account any credit enhancements held by the Group and the Company; or
- The contractual payment of the financial asset is more than credit term unless the Group and the Company have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

At the end of the reporting period, the Group and the Company assess whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Those events evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the counterparty;
- a breach of contract, including a default event;
- a concession or restructuring of loans granted by the lender of the counterparty relating to the counterparty's financial difficulty; or
- it is probable that the counterparty will enter bankruptcy or other financial reorganisation

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedure for recovery of amounts due.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statement of financial position.

The carrying amounts of trade receivables are not secured by any collateral or supported by any other credit enhancements. The Group and the Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group and the Company use ageing analysis to monitor the credit quality of trade receivables. In managing credit risks of trade receivables, the Group and the Company also takes appropriate actions (including but not limited to legal actions) to recover long past due balances.

Credit risk concentration profile

At the end of the reporting period, the Group does not have significant concentration of credit risk of its trade receivables.

The Group and the Company apply the simplified approach to providing for impairment losses prescribed by MFRS 9 *Financial Instruments*, which permits the use of the lifetime expected loss provision for all trade receivables. The Group and the Company use a provision matrix to measure expected credit losses for trade receivables. To measure the impairment losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The impairment losses also incorporate forward looking information. Forward-looking information considered includes consideration of various external sources of actual and forecast economic information that relate to the Group's and the Company's core operations. The Group and the Company believe that changes in economic conditions over these periods would not materially impact the impairment calculation of the receivables.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables (continued)

The information about the credit risk exposure on the Group's trade receivables are as follows:

	Current RM	Trade receivables				Total RM
		1 to 30 days past due RM	31 to 60 days past due RM	61 to 90 days past due RM	91 to 120 days past due RM	
Group						
31 December 2025						
Gross carrying amount at default	8,064,135	2,070,477	630,236	92,352	32,563	11,264,922
Impairment losses	(447,129)	(76,036)	(16,819)	(3,507)	(692)	(548,602)
Net balance	7,617,006	1,994,441	613,417	88,845	31,871	10,716,320

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Trade receivables (continued)

The information about the credit risk exposure on the Group's trade receivables are as follows: (continued)

	Trade receivables					Total RM
	1 to 30 days past due RM	31 to 60 days past due RM	61 to 90 days past due RM	91 to 120 days past due RM	>120 days past due RM	
Group						
31 December 2024						
(unaudited)						
(Note 33)						
Gross carrying amount at default	7,410,293	493,801	195,731	98,215	107,045	10,604,571
Impairment losses	(254,641)	(12,242)	(2,162)	(722)	(8,095)	(335,699)
Net balance	<u>7,155,652</u>	<u>481,559</u>	<u>193,569</u>	<u>97,493</u>	<u>98,950</u>	<u>10,268,872</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Other receivables and other financial assets

For other receivables and other financial assets (including cash and cash equivalents), the Group and the Company minimises credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statement of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group and the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated, where applicable:

- internal credit rating;
- external credit rating (as far as available);
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;
- actual or expected significant changes in the operating results of the counterparty; and
- significant changes in the expected performance and behaviour of the counterparty, including changes in the payment status of counterparties in the group and changes in the operating results of the counterparty.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than the credit term in making a contractual payment.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(i) Credit risk (continued)

Other receivables and other financial assets (continued)

Some intercompany balances between entities within the Group and the Company comprise loans or advances which are repayable on demand. The Group and the Company regularly monitor the financial performance and position of these entities on an individual basis. When these entities' financial performance and position deteriorates significantly, the Group and the Company assume that there is a significant increase in credit risk, and thereby a lifetime expected credit loss assessment is necessary. As the Group and the Company are able to determine the timing of repayment of the loans or advances, the Group and the Company will consider the loans or advances to be in default when these entities are unable to pay based on the expected manner of recovery and recovery period. The Group and the Company determine the probability of default for these loans or advances using internally available information. The Group and the Company consider the loans or advances to be credit-impaired when the entities are unlikely to repay their debts.

As at the end of the reporting date, the Group and the Company considered the other receivables and other financial assets as low credit risk and any loss allowance would be negligible.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group and the Company's exposure to liquidity risk arises principally from trade and other payables, and loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group and the Company maintain sufficient liquidity and available funds to meet daily cash needs, while maintaining controls and security over cash movements. The Group's and the Company's finance department also ensures that there are sufficient unutilised stand-by facilities, funding and liquid assets available to meet both short-term and long-term funding requirements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis

The maturity analysis of the Group's and of the Company's financial liabilities by its relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

	Carrying amount RM	Contractual cash flows			Total RM
		On demand or within one year RM	Between one and five years RM	More than five years RM	
Group					
At 31 December 2025					
Trade and other payables	14,848,513	14,848,513	-	-	14,848,513
Term loans	6,769,322	663,972	2,740,113	6,643,965	10,048,050
Lease liabilities	6,970,622	2,559,610	4,810,964	95,701	7,466,275
Hire purchase payables	130,629	99,478	36,352	-	135,830
Bankers' acceptances	6,019,000	6,019,000	-	-	6,019,000
	<u>34,738,086</u>	<u>24,190,573</u>	<u>7,587,429</u>	<u>6,739,666</u>	<u>38,517,668</u>
At 31 December 2024					
(unaudited) (Note 33)					
Trade and other payables	20,720,583	20,720,583	-	-	20,720,583
Term loans	9,355,264	938,436	3,753,744	8,786,588	13,478,768
Lease liabilities	5,308,168	2,651,565	3,005,869	-	5,657,434
Hire purchase payables	243,339	123,792	135,830	-	259,622
Bankers' acceptances	3,801,000	3,801,000	-	-	3,801,000
	<u>39,428,354</u>	<u>28,235,376</u>	<u>6,895,443</u>	<u>8,786,588</u>	<u>43,917,407</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(ii) Liquidity risk (continued)

Maturity analysis (continued)

The maturity analysis of the Group's and of the Company's financial liabilities by its relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows: (continued)

	Carrying amount RM	Contractual cash flows			Total RM
		On demand or within one year RM	Between one and five years RM	More than five years RM	
Company					
At 31 December 2025					
Trade and other payables	57,719	57,719	-	-	57,719

(iii) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's and the Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's and the Company's operating activities (when sales, purchases and bank balance that are denominated in a foreign currency).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iii) Foreign currency risk (continued)

The Group's unhedged financial assets and liabilities that are not denominated in their functional currencies are as follows:

	← Group →	
	2025	2024
	RM	RM
		(Unaudited)
		(Note 33)
Financial assets and (liabilities) not held in functional currency:		
<u>Cash and bank balances</u>		
United States Dollar ("USD")	7,724	-
<u>Other receivables</u>		
United States Dollar ("USD")	123,718	-
<u>Trade payables</u>		
United States Dollar ("USD")	(309,775)	(1,521,519)
Singapore Dollar ("SGD")	(560,761)	(508,470)
Chinese Renminbi ("RMB")	(3,503,737)	(2,103,509)
	<u>(4,374,273)</u>	<u>(4,133,498)</u>

Sensitivity analysis for foreign currency risk

The Group's principal foreign currency, exposure related to USD, SGD and RMB.

The following table demonstrates the sensitivity to a reasonably possible change in the USD, SGD and RMB, with all other variables held constant on the Group's total equity and profit for the financial years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iii) Foreign currency risk (continued)

Sensitivity analysis for foreign currency risk (continued)

	Change in rate %	Effect on profit for the financial year/ equity RM
Group		
31 December 2025		
- USD	+ 5%	(6,777)
	- 5%	6,777
- SGD	+ 5%	(21,309)
	- 5%	21,309
- RMB	+ 5%	(133,142)
	- 5%	133,142
<hr/>		
31 December 2024 (Unaudited)		
(Note 33)		
- USD	+ 5%	(57,818)
	- 5%	57,818
- SGD	+ 5%	(19,322)
	- 5%	19,322
- RMB	+ 5%	(79,933)
	- 5%	79,933
<hr/>		

(iv) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's financial instruments as a result of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from its long-term loans and borrowings with floating interest rates.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (continued)

(iv) Interest rate risk (continued)

Sensitivity analysis for interest rate risk

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant on the Group's total equity and profit for the financial year.

	Carrying amount RM'000	Change in basis points	Effect on profit for the financial year/ equity RM
Group			
31 December 2025			
Term loans	6,769,322	+50	(25,723)
		-50	<u>25,723</u>
31 December 2024			
(unaudited)			
(Note 33)			
Term loans	9,355,264	+50	(35,550)
		-50	<u>35,550</u>

(c) Fair value measurement

The carrying amounts of cash and short-term deposits, short-term receivables and payables reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

There have been no transfers between Level 1, Level 2, and Level 3 during the financial years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

26. FINANCIAL INSTRUMENTS (CONTINUED)

(c) Fair value measurement (continued)

The following table provides the fair value measurement hierarchy of the Group's financial instruments.

	Carrying amount RM	Fair value of financial instruments not carried at fair value			Total RM
		Level 1 RM	Level 2 RM	Level 3 RM	
Group					
31 December 2025					
Financial asset					
Other investments	1,500,095	1,500,095	-	-	1,500,095
Financial liability					
Term loans	6,389,645	-	-	5,392,671	5,392,671
31 December 2024 (unaudited) (Note 33)					
Financial asset					
Other investments	4,098,928	4,098,928	-	-	4,098,928
Financial liability					
Term loans	8,837,333	-	-	7,521,219	7,521,219

Level 3 fair value

Fair value of financial instruments not carried at fair value

The fair value of term loans is determined using the discounted cash flows method based on discount rates that reflects the issuer's borrowing rate as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

27. COMMITMENTS

The Group has made commitments for the following capital expenditures:

	← Group →	
	2025	2024
	RM	RM
		(Unaudited) (Note 33)
Approved and not contracted for:		
- Retail outlets and warehouses	23,209,000	-
	23,209,000	-

28. RELATED PARTIES

(a) Identity of related parties

Parties are considered to be related to the Group and the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Entities in which directors have substantial financial interests;
- (ii) Subsidiaries;
- (iii) Shareholders; and
- (iv) Key management personnel of the Group, comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

28. RELATED PARTIES (CONTINUED)

(b) Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	← Group →	Company 12.2.2025 (Date of incorporation)
	(Unaudited)	
	1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM (Note 33)
		to 31.12.2025 RM
Sale of goods		
Entities in which directors have substantial financial interests	79,769	198,245
	<hr/>	<hr/>
Purchase of goods		
Entities in which directors have substantial financial interests	1,358,616	6,234,057
	<hr/>	<hr/>
Sale of assets to		
Key management personnel	161,000	-
	<hr/>	<hr/>
Operational and management expenses		
Entities in which directors have substantial financial interests	66,000	956,400
	<hr/>	<hr/>
Other expenses		
Entities in which directors have substantial financial interests	171,928	115,028
	<hr/>	<hr/>
Dividends paid		
Shareholders	4,000,000	20,165,250
	<hr/>	<hr/>
Other income		
Entities in which directors have substantial financial interests	2,975	7,205
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

28. RELATED PARTIES (CONTINUED)

(b) Significant related party transactions (continued)

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows: (continued)

	← Group →	Company 12.2.2025 (Date of incorporation)
	(Unaudited) 1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM (Note 33)
Repayment of advances to		
Director	3,920,000	350,000
	<hr/>	<hr/>
Advances from		
Subsidiary	-	-
	<hr/>	<hr/>
Advances to		
Entities in which directors have substantial financial interests	4,671	-
	<hr/>	<hr/>

(c) Compensation of key management personnel

	← Group →	Company 12.2.2025 (Date of incorporation)
	(Unaudited) 1.1.2025 to 31.12.2025 RM	1.1.2024 to 31.12.2024 RM (Note 33)
Executive Directors' fees	620,000	460,000
Salaries, allowances and bonuses	1,468,110	1,003,798
Defined contribution plans	157,074	126,125
Other staff related expenses	22,475	13,141
	<hr/>	<hr/>
	2,267,659	1,603,064
	<hr/>	<hr/>
Non-Executive Directors		
- Fees and allowances	157,750	-
	<hr/>	<hr/>
	157,750	157,750

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

28. RELATED PARTIES (CONTINUED)

(c) Compensation of key management personnel (continued)

The estimated value of benefits-in-kind provided to the director of the Group during the financial year amounted to RM23,950 (2024: RM Nil).

29. CAPITAL MANAGEMENT

The primary objective of the Group's and of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support their business and maximise shareholder value. The Group and the Company manage their capital structure and make adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies and processes during the financial years/period ended 31 December 2025 and 31 December 2024.

The Group and Company monitor capital using net gearing ratio. The net gearing ratio is calculated as net debts divided by equity. The net gearing ratio as at 31 December 2025, and 31 December 2024 are as follows:

	Note	← Group → (Unaudited)		Company
		2025 RM	2024 RM (Note 33)	2025 RM
Loan and borrowings, less lease liabilities	15	12,918,951	13,399,603	-
Net debts		<u>12,918,951</u>	<u>13,399,603</u>	<u>-</u>
Total equity		<u>58,025,271</u>	<u>43,319,905</u>	<u>57,235,684</u>
Net gearing ratio (times)		<u>0.22</u>	<u>0.31</u>	<u>N/A</u>

There were no changes in the Group's and the Company's approach to capital management during the financial year.

The Group is required to maintain a gearing ratio of no more than 1.5 times to comply with a bank covenant.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

30. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR/PERIOD

a) Disposal of Investment Property - Leasehold Land and Building

On 22 January 2025, Best-Can Marketing Sdn. Bhd. entered into a sale and purchase agreement for the disposal of a parcel of leasehold land with attached building for a total cash consideration of RM161,000. The disposal of leasehold land and building was completed on 7 April 2025.

b) Disposal of Investment Property - Leasehold Land and Building

On 29 May 2025, Teammart Sdn. Bhd. entered into a sale and purchase agreement for the disposal of a parcel of leasehold land with attached building for a total cash consideration of RM6,433,333. The disposal of leasehold land and building was completed on 9 December 2025.

c) Acquisition of Property, Plant and Equipment - Freehold Building

On 10 July 2025, Teamstar Solutions Sdn. Bhd. entered into a sale and purchase agreement with Venom Properties Sdn. Bhd. for the acquisition of a freehold building for a total cash consideration of RM1,190,000.

The transfer of title in relation to the acquisition of freehold building was completed on 25 November 2025.

Other than as disclosed in Note 7 and the abovementioned to the financial statements, there have been no significant events during the financial year/period which require adjustments of or disclosure in the financial statements or notes thereto.

31. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR/PERIOD

a) Listing on the ACE Market of Bursa Malaysia Securities Berhad

On 27 January 2026, the Company issued its prospectus for its IPO entailing the public issue of 204,000,000 shares comprising public issue of 132,000,000 new Shares and offer for sale of 72,000,000 existing Shares, at an issue price of RM0.26 each to be allocated in the following manner

- (i) 40,000,000 IPO Shares made available for application by the Malaysian public;
- (ii) 16,000,000 IPO Shares made available for application by the eligible Directors and employees as well as persons who have contributed to the success of the Group;
- (iii) 48,000,000 IPO Shares by way of private placement to selected investors; and
- (iv) 100,000,000 IPO Shares by way of private placement to identified Bumiputera investors approved by the Ministry of Investment, Trade and Industry.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

31. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR/PERIOD (CONTINUED)

a) Listing on the ACE Market of Bursa Malaysia Securities Berhad (continued)

On 25 February 2026, the Company was listed on the ACE Market of Bursa Malaysia Securities Berhad.

b) Acquisition of Property, Plant and Equipment - Leasehold Land and Building

On 19 March 2026, Teamstar Solutions Sdn. Bhd. entered into a sale and purchase agreement with Vibrant Galaxy Sdn. Bhd. for the acquisition of a leasehold land and building for a total cash consideration of RM7,380,000. The transfer of the title deed has yet to be completed as at the date of this report.

32. SEGMENT INFORMATION

The Group prepared the following segment information in accordance with MFRS 8 *Operating Segments* based on the internal reports of the Group's strategic business units which are regularly reviewed by the Group's Chief Executive Office ("CEO") for the purpose of making decisions about resource allocation and performance assessment.

The three reportable operating segments are as follow:

Segments	Product and services
Retail	Involved in the retail sale of furniture fittings, general hardware, kitchen and home appliances.
Trading and value-added	Engaged in the trading and manufacturing of furniture fittings, decorative surface products, PVC edge banding, HPL and compact laminates and mixing and sale of coatings and solvents.
Others	Engaged as an investment holding.

Segment assets and liabilities

Segment assets and liabilities are not included in the internal reports that are reviewed by the directors, hence no disclosures are made on segment assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

32. SEGMENT INFORMATION (CONTINUED)

	Retail RM	Trading and value-added RM	Others RM	Adjustments and eliminations RM	Total RM
31 December 2025					
Revenue:					
Revenue from external customers	94,009,008	68,296,381	-	(25,797,702)	136,507,687
Segment profit	28,780,855	19,982,459	-	(119,841)	48,643,473
Other income	734,434	4,442,296	-	(376,465)	4,800,265
Unallocated expenses	(16,983,375)	(11,264,411)	(679,917)	367,069	(28,560,634)
Finance costs	(432,650)	(402,907)	-	(1,459)	(837,016)
Income tax expense	(3,295,569)	(2,371,865)	-	26,711	(5,640,723)
Profit for the financial year	8,803,695	10,385,572	(679,917)	(103,985)	18,405,365
Results:					
<i>Included in the measure of segments profit are:</i>					
Depreciation of property, plant and equipment	2,327,984	1,166,181	3,512	-	3,497,677
Depreciation of investment properties	-	61,259	-	-	61,259
Net gain on disposal of property, plant and equipment	(81,498)	10,394	-	-	(71,104)
Gain on lease termination	(9,164)	(23,625)	-	(13,171)	(45,960)
Property, plant and equipment written off	2,019	15,860	-	-	17,879
Impairment loss on trade receivables	1,894	220,978	-	-	222,872
Finance costs	432,650	402,907	-	1,459	837,016
Finance income	(157,918)	(32,416)	-	-	(190,334)
Bad debts written off	1,752	32,697	-	-	34,449
Net unrealised foreign exchange gain	(7)	(70,756)	-	-	(70,763)
Employee benefits expense	8,662,626	8,285,381	237,750	-	17,185,758

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

32. SEGMENT INFORMATION (CONTINUED)

	Retail RM	Trading and value-added RM	Others RM	Adjustments and eliminations RM	Total RM
31 December 2024 (unaudited) (Note 33)					
Revenue:					
Revenue from external customers	91,369,294	61,019,071	-	(22,167,438)	130,220,927
Segment profit	27,412,316	15,605,626	-	(187,203)	42,830,739
Other income	1,852,053	1,018,604	-	(1,395,105)	1,475,552
Unallocated expenses	(12,165,240)	(9,197,362)	-	33,411	(21,329,191)
Finance costs	(407,603)	(379,247)	-	1,798	(785,052)
Income tax expense	(3,760,785)	(1,630,934)	-	45,471	(5,346,248)
Profit for the financial year	12,930,741	5,416,687	-	(1,501,628)	16,845,800
Results:					
<i>Included in the measure of segments profit are:</i>					
Depreciation of property, plant and equipment	1,982,257	1,496,302	-	(28,813)	3,449,746
Depreciation of investment properties	-	85,034	-	-	85,034
Gain on disposal of property, plant and equipment	(99,976)	-	-	-	(99,976)
Gain on lease termination	(6,267)	(8,807)	-	-	(15,074)
Property, plant and equipment written off	1	-	-	-	1
Impairment loss on trade receivables	-	124,817	-	-	124,817
Waiver of debt	(7,854)	-	-	-	(7,854)
Finance costs	407,603	379,247	-	(1,798)	785,052
Finance income	(159,095)	(173,041)	-	-	(332,136)
Bad debts written off	-	4,230	-	-	4,230
Bad debts recovered	-	(1,000)	-	-	(1,000)
Net unrealised foreign exchange loss	-	19,200	-	(4,022)	15,178
Employee benefits expense	7,312,271	5,919,753	-	-	13,232,024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

32. SEGMENT INFORMATION (CONTINUED)

Geographical information

Revenue information based on the geographical location of customers are as follows:

	2025	(Unaudited)
	RM	2024
		RM
		(Note 33)
Central region	95,527,768	93,753,431
Northern region	7,105,292	5,350,825
Southern region	32,340,177	29,843,109
Eastern region	1,534,450	1,273,562
	<u>136,507,687</u>	<u>130,220,927</u>

Information about major customer

The Group's customers comprise both retail customers, which are mostly walk-in customers, and trading customers. Due to the nature of the Group's products and services, none of the Group's retail or trading customers contributed more than 2.00% of its total revenue for the financial years/period, and as such, the Group does not have major customers nor are they dependent on any of their customers.

33. COMPARATIVE FIGURE

The acquisition of the entire issued and paid-up share capital of Teamstar Solutions Sdn. Bhd., Teammart Sdn. Bhd., DG Materials Marketing Sdn. Bhd., Best-Can Marketing Sdn. Bhd. and Benova Marketing Sdn. Bhd. by the Company is a business combination involving entity under common control and did not result in any change in economic substance. Accordingly, the Group is a continuation of the acquired entity and accounted for as follows:

- (a) the assets and liabilities of the acquired entity are recognised and measured in the consolidated financial statements at the pre-combination carrying amounts, without restatement to fair value;
- (b) the retained earnings and other equity balances of acquired entity immediately before the business combination are those of the Group; and
- (c) the equity structure, however, reflects the equity structure of the Company and the difference arising from the change in equity structure of the Group will be accounted for in reorganisation deficit.

The comparative are not audited as the Group was not in existence in the previous financial year.

STATEMENT BY DIRECTORS

(Pursuant to Section 251(2) of the Companies Act 2016)

We, **TAN LEE KUENG** and **NG CHOON TIONG**, being two of the directors of TEAMSTAR BERHAD, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 88 to 164 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the director.

.....
TAN LEE KUENG

Director

.....
NG CHOON TIONG

Director

Date: 15 April 2026

STATUTORY DECLARATION

(Pursuant to Section 251(1) of the Companies Act 2016)

I, **TAN JIAN WEI**, being the officer primarily responsible for the financial management of TEAMSTAR BERHAD., do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 88 to 164 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

.....
TAN JIAN WEI
(MIA Membership No: 53829)

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 15 April 2026.

Before me,

.....
Commissioner for Oaths

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TEAMSTAR BERHAD**
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Teamstar Berhad, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 88 to 164.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and of their cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TEAMSTAR BERHAD**
(Incorporated in Malaysia)

Key Audit Matters

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

Group

Inventories (Note 10 to the financial statements)

The Group has significant inventories as at 31 December 2025. The directors are required to perform an assessment to determine whether these inventories are stated at the lower of cost and net realisable value.

We focused on this area because the review of saleability and valuation of these inventories at the lower of cost and net realisable value by the directors are major source of estimation uncertainty.

Our response:

Our audit procedures included, among others:

- observing year end physical inventory count to observe physical existence and condition of the finished goods and understanding the design and implementation of controls during the count;
- checking subsequent sales and evaluating director's assessment on estimated net realisable values on selected inventory items; and
- reviewing director's assessment on the net realisable values of inventories

Company

We have determined that there are no key audit matters to communicate in our report which arose from the audit of the financial statements of the Company.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TEAMSTAR BERHAD**
(Incorporated in Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TEAMSTAR BERHAD**
(Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
TEAMSTAR BERHAD**
(Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

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

Other Matters

1. We draw attention to the Note 33 to the financial statements which states that the Group's comparative figures disclosed in the financial statements have not been audited.
2. This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

Baker Tilly Monteiro Heng PLT
201906000600 (LLP0019411-LCA) & AF 0117
Chartered Accountants

Desmond Wong Kit-Keong
No. 03902/09/2027 J
Chartered Accountant

Kuala Lumpur

Date: 15 April 2026

UTILISATION OF PROCEEDS FROM CORPORATE EXERCISE

The Company was listed on the ACE Market of Bursa Securities on 25 February 2026 following its IPO, where the Company undertook a public issue of 132,000,000 new ordinary shares at an issue price of RM0.26 per share, raising gross proceeds of RM34.32 million.

As at 31 December 2025, the IPO exercise has yet to be completed and, as such the Company has yet to utilise any of the proceeds raised from IPO :

Details of Utilisation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance Unutilised RM'000	Estimated Timeframe for Utilisation from Listing
Set-up new retail outlets and warehouses	23,209	-	23,209	Within 36 months
Working capital requirements	4,647	-	4,647	Within 24 months
Repayment of bank borrowings	1,464	-	1,464	Within 12 months
Defrayfees and expenses relating to IPO	5,000	-	5,000	Within 3 months
Total	34,320	-	34,320	

As the allotment of shares was only completed on 23 February 2026, no IPO Proceeds had been utilised as at that date.

AUDIT AND NON-AUDIT FEES

During the FYE 2025, the audit fees and non-audit fees paid or payable to the External Auditors, namely Baker Tilly Monteiro Heng PLT, by the Company and the Group were as follows:-

	Company RM	Group RM
Audit Fees	31,000	191,000
Non-Audit Fees ⁽¹⁾	5,000	360,719
Total	36,000	551,719

Note:-

⁽¹⁾ The non-audit fees of the Group related to the professional fees incurred for the IPO exercise, tax compliance fee and review of Statement on Risk Management and Internal Control.

MATERIAL CONTRACTS

There was no material contract entered into by the Group involving the interest of the Directors and/or major shareholders which was either still subsisting as at 31 December 2025 or entered into since the end of the previous financial year.

RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF A REVENUE OR TRADING NATURE

In conjunction with our recent listing on 25 February 2026, there was no mandate for shareholders' approval for RRPT during FYE 2025.

The Company will seek for shareholders' mandate for RRPTs, for which the subsequent approval will be sought at the forthcoming 1st Annual General Meeting ("AGM"), scheduled to be held on 10 June 2026. Kindly refer to the Circular to Shareholders dated 30 April 2026, which is made available on Bursa Securities' website.

EMPLOYEE SHARE SCHEME

The Company did not establish any employee share scheme and does not have any subsisting employee share scheme during the FYE 2025.

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Rule 9.25A of the AMLR, below are the financial data that are relevant for the purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2025 (RM)	2024 (RM)
Revenue		136,507,687	130,220,927
Interest/Finance income		220,087	332,136
Other Income		4,580,178	1,143,416
Total		141,307,952	131,696,479
Total Assets		96,096,156	86,386,622

(b) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2025 (RM)	2024 (RM)
N/A		N/A	N/A
Total		N/A	N/A

(c) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		2025 (RM)	2024 (RM)
Cash and bank balances (exclude cash in hand)		18,785,063	12,809,731
Cash in hand (to be placed under Islamic Account/ Instruments only)		114,705	55,343
Money Market Instrument		1,500,095	-
Short-term deposits		-	5,289
Total Cash		20,399,863	12,870,363

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (Cont'd)

(c) Component of Financial Position (Cont'd)

(i) Cash Component (cont'd)

	Remarks	Group	
		2025 (RM)	2024 (RM)
Conventional Account/Instruments			
Cash and bank balances (exclude cash in hand)		1,559,253	1,699,252
Money Market Instrument		-	4,098,928
Total Cash		1,559,253	5,798,180

(ii) Debt Component

	Remarks	Group	
		2025 (RM)	2024 (RM)
Islamic Financing			
Current		N/A	N/A
Non-current		N/A	N/A
Total Financing		N/A	N/A

	Remarks	Group	
		2025 (RM)	2024 (RM)
Conventional Borrowing			
Current			
Term loans		379,677	517,931
Hire purchase payables		94,646	112,867
Banker's acceptances		6,019,000	3,801,000
Non-Current			
Term loans		6,389,645	8,837,333
Hire purchase payables		35,983	130,472
Total Debt		12,918,951	13,399,603

No.	Title No.	Property Address	Tenure/ Date of Expiry of Lease	Description of Property/ Existing Use	Category of Land Use/ Land Area/ Built-up Area (sq. ft.)	Acquisition Date	Approximate Age of Building	Audited Net Book Value as at 31 December 2025 (RM)
1	Geran 43746, Lot No. 51879, Mukim Kuala Lumpur, Daerah Lumpur, Negeri Wilayah Persekutuan	No. 24-G, 24-1, 24-2, Jalan Wan Kadir 4, Off Jalan Damansara Bypass, Taman Tun Dr. Ismail 6000, Kuala Lumpur, Wilayah Persekutuan	Freehold	Description of property. Three-storey terraced building Existing use Ground floor: Tenant's business use (retail outlet and showroom) ⁽¹⁾ 1st and 2nd floor: Retail outlet	Category of land use Building Land area 1,916 Built-up area 5,670	16 June 2014	26 years	3,530,860
2	H.S.(D) 55702, PTD 47277, Mukim Simpang Kanan, Daerah Batu Pahat, Negeri Johor	PL0 419, Jalan Wawasan 14, Taman Perindustrian Sri Gading, 83300 Batu Pahat, Johor	Leasehold for 60 years/ expiring on 8 October 2066	Description of property. One storey detached building with two-storey annexed building Existing use Factory, warehouse and office	Category of land use Industrial Land area 65,340 Built-up area 32,898	25 July 2002	24 years	1,483,308
3	HSD 61090, PT 73077, Mukim Dengkil, Daerah Sepang, Negeri Selangor	No. 18, Jalan MJ 17, Lake 6 Entrepreneurs Park, Taman Industri Meranti Jaya, 47120 Puchong Selangor	Leasehold for 99 years/ expiring on 11 October 2122	Description of property. Two-storey semidetached building Existing use Warehouse	Category of land use Industrial Land area 14,524 Built-up area 9,628	12 January 2024	3 years	5,568,879
4	PN 60660, Lot 3125, Pekan Puchong Perdana, Daerah Petaling, Negeri Selangor	No. 1, Jalan Utama 2/8, Taman Perindustrian Puchong Utama, 47100 Puchong, Selangor	Leasehold for 99 years/ expiring on 28 September 2096	Description of property. 1½ storey corner-lot building Existing use Storage and retail outlet	Category of land use Industrial Land area 5,371 Built-up area 5,900	15 November 2010	28 years	1,168,447
5	Geran 314162/M4- I/4/1185, Lot 68405, Accessory Parcel No. A1603, Pekan Kinrara, Daerah Petaling, Negeri Selangor	F-01-3, Third Floor, Block F, SetiaWalk, Persiaran Wawasan, Pusat Bandar Puchong, 47160 Puchong, Selangor	Freehold	Description of property. Office unit in a four-storey building Existing use Corporate Office	Category of land use Commercial Land area N/A Built-up area 3048	10 July 2025	16 years	1,188,017

Note:-

(1) Benova Marketing Sdn. Bhd. (as landlord) and Rozel Corporation Sdn. Bhd. (as tenant) entered into a tenancy agreement dated 28 February 2020, for the rental of property earing postal address, No. 24-G, Jalan Wan Kadir 4, Taman Tun Dr Ismail, 60000 Kuala Lumpur for the period of 1 April 2020 to 31 March 2023, for a monthly rental of RM7,500. By a letter of extension dated 13 February 2023, this tenancy was further extended until 31 March 2026 for a monthly rental of RM7,875. Subsequently, the tenancy agreement was further extended until 31 March 2029 for a monthly rental of RM8,269. Rozel Corporation Sdn. Bhd. is not a related party of Teamstar Group.

ISSUED SHARES OF THE COMPANY

Total Number of Issued Shares	:	800,000,000
Class of Shares	:	Ordinary Shares
Number of Shareholders	:	2,439
Voting Rights	:	One vote per share

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Holders	%	No. of Issued Shares	%
Less than 100	-	-	-	-
100 – 1,000	755	30.96	249,600	0.03
1,001 – 10,000	875	35.87	4,910,700	0.61
10,001 – 100,000	578	23.70	23,879,500	2.99
100,001 to less than 5% of issued shares	229	9.39	268,963,000	33.62
5% and above of issued shares	2	0.08	501,997,200	62.75
Total	2,439	100.00	800,000,000	100.00

SUBSTANTIAL SHAREHOLDERS (AS PER REGISTER OF SUBSTANTIAL SHAREHOLDERS)

Name of Shareholders	Direct Interest		Indirect Interest	
	No. of Issued Shares	%	No. of Issued Shares	%
LK Vision Capital Sdn. Bhd.	409,029,100	51.13	-	-
Tan Lee Kueng	14,175,000	1.77	⁽¹⁾ 409,029,100	51.13
Ng Choon Tiong	92,968,100	11.62	⁽²⁾ 1,744,000	0.22
Yeoh Baby @ Yeoh Lee Lee	-	-	⁽¹⁾ 409,029,100	51.13
Tan Jian Wei	-	-	⁽¹⁾ 409,029,100	51.13

Notes: -

- (1) Deemed interest through shares held in LK Vision Capital Sdn. Bhd. pursuant to Section 8(4) of the CA 2016.
- (2) Deemed interest through shares held by spouse, Yee Kuan Yeok and children, Ng Boon Fong, Ng Boon Peng and Ng Boon Yi pursuant to Section 8(6)(d) of the CA 2016.

DIRECTORS' SHAREHOLDINGS (AS PER REGISTER OF DIRECTORS' SHAREHOLDINGS)

Name of Directors	Direct Interest		Indirect Interest	
	No. of Issued Shares	%	No. of Issued Shares	%
Ling Thik Ping	450,000	0.06	-	-
Tan Lee Kueng	14,175,000	1.77	⁽¹⁾ 409,029,100	51.13
Ng Choon Tiong	92,968,100	11.62	⁽²⁾ 1,744,000	0.22
Tan Poh Chan	450,000	0.06	-	-
Wong Ley Chan	450,000	0.06	-	-
Wong Wen Miin	470,000	0.06	-	-

Notes: -

- (1) Deemed interest through shares held in LK Vision Capital Sdn. Bhd. pursuant to Section 8(4) of the CA 2016.
- (2) Indirect interest through shares held by spouse, Yee Kuan Yeok and children, Ng Boon Fong, Ng Boon Peng and Ng Boon Yi pursuant to Section 59(11)(c) of the CA 2016.

AS AT 24 MARCH 2026

List of thirty largest shareholders

No.	Shareholders	No. of Issued Shares	%
1	LK Vision Capital Sdn Bhd	409,029,100	51.13
2	Ng Choon Tiong	92,668,100	11.58
3	Yeoh Chuen Teik	24,211,500	3.03
4	Ng Choon Sin	23,703,400	2.96
5	Eco Asia Ventures Sdn Bhd	19,180,000	2.40
6	Citi group Nominees (Tempatan) Sdn Bhd Employees Provident Fund Board (PHEIM)	8,950,000	1.12
7	Low Su Yang	8,901,400	1.11
8	Tan Lee Kueng	8,000,000	1.00
9	Wong Teck Way	7,507,300	0.94
10	Leow Pui Goon	6,852,500	0.86
11	Tan Lee Kueng	6,175,000	0.77
12	Koh Kok Hien	5,240,100	0.66
13	Tan Lee Long	5,240,100	0.66
14	CIMB Islamic Nominees (Tempatan) Sdn Bhd CIMB Islamic Trustee Berhad - Amanah Saham Kedah	5,000,000	0.62
15	Chai Jacky	4,779,300	0.60
16	Low Ban Loong	4,779,300	0.60
17	Teo Hong Lin	4,480,100	0.56
18	Lim Show Fang	4,200,000	0.52
19	Norlida Binti Ghazali	4,000,000	0.50
20	Nur Adriana Binti Razali	4,000,000	0.50
21	Razali Bin Abdullah	4,000,000	0.50
22	Tan Lye Choon	3,244,800	0.40
23	Teo Yau Hua	3,160,700	0.39
24	Low Bien Fong	2,867,600	0.36
25	Oung Shoo Teik	2,800,000	0.35
26	Oung Hang Bon	2,404,500	0.30
27	Abu Samah Bin Mohd Tawi	2,000,000	0.25
28	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. Pledged Securities Account for Won Wei Zhang (MY3382)	2,000,000	0.25
29	Citigroup Nominees (Tempatan) Sdn Bhd Urusharta Jamaah Sb.(SC KAF)	2,000,000	0.25
30	DB(Malaysia) Nominee(Tempatan) Sendirian Berhad Exempt an for AHAM Asset Management Berhad (TSTAC/CLNTT)	2,000,000	0.25
Total		683,374,800	85.42

TEAMSTAR BERHAD
[Registration No.:202501005743 (1607157-X)]
(Incorporated in Malaysia)

NOTICE OF FIRST (1ST) ANNUAL GENERAL MEETING

NOTICE IS GIVEN THAT the 1st Annual General Meeting (“AGM”) of the Company will be held at Four Points by Sheraton Puchong, The Heron, 1201, Tower 3, Puchong Financial Corporate Centre (PFCC), Jalan Puteri 1/2, Bandar Puteri, Puchong, 47100, Selangor Darul Ehsan on Wednesday, 10 June 2026 at 10.00 a.m. to transact the following businesses:-

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Directors’ and the Auditors’ Reports thereon. **(Please refer to Note 1 of the Explanatory Notes on Ordinary Business)**
2. To re-elect the following Directors who are retiring in accordance with Clause 76(2) of the Company’s Constitution:
 - (i) Tan Lee Kueng **(Resolution 1)**
 - (ii) Ng Choon Tiong **(Resolution 2)**
 - (iii) Wong Wen Miin **(Resolution 3)**
 - (iv) Ling Thik Ping **(Resolution 4)**
 - (v) Tan Poh Chan **(Resolution 5)**
 - (vi) Wong Ley Chan **(Resolution 6)**
3. To approve the payment of Directors’ fees to each of the following Independent Non-Executive Directors for the period from 19 May 2025 until the 1st AGM of the Company:
 - (i) Ling Thik Ping - RM69,500 **(Resolution 7)**
 - (ii) Tan Poh Chan - RM63,500 **(Resolution 8)**
 - (iii) Wong Wen Miin - RM63,500 **(Resolution 9)**
 - (iv) Wong Ley Chan - RM63,500 **(Resolution 10)**
4. To approve the payment of Directors’ fees to each of the following Independent Non-Executive Directors for the period from the 1st AGM until the next AGM of the Company:
 - (i) Ling Thik Ping - RM66,000 **(Resolution 11)**
 - (ii) Tan Poh Chan - RM63,600 **(Resolution 12)**
 - (iii) Wong Wen Miin - RM62,400 **(Resolution 13)**
 - (iv) Wong Ley Chan - RM60,000 **(Resolution 14)**
5. To approve the payment of meeting attendance allowance of RM500 per meeting for each Independent Non-Executive Director for the period from 19 May 2025 until the next AGM of the Company. **(Resolution 15)**
6. To re-appoint Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 16)**

Special Business

To consider and if thought fit, to pass the following resolutions, with or without modifications:

7. ORDINARY RESOLUTION

(Resolution 17)

AUTHORITY TO ALLOT SHARES OF THE COMPANY PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016, ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“**New Shares**”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Directors may in their absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“**Proposed General Mandate**”).

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

- (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company held after the approval was given;
- (ii) the expiration of the period within which the next AGM of the Company is required to be held after the approval was given; or
- (iii) revoked or varied by resolution passed by the shareholders of the Company in a general meeting;

whichever is the earlier.

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

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.”

8. ORDINARY RESOLUTION

(Resolution 18)

PROPOSED NEW SHAREHOLDERS’ MANDATE FOR THE COMPANY AND/OR ITS SUBSIDIARIES TO ENTER INTO RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH RELATED PARTIES (“PROPOSED SHAREHOLDERS’ MANDATE”)

“THAT subject to the provisions of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company and/or its subsidiaries (“the Group”) be and are hereby authorised to enter into any of the recurrent related party transactions of a revenue or trading nature as set out in Section 2.4 of the Circular to Shareholders of the Company dated 30 April 2026 with the related parties mentioned therein which are necessary for the Group’s day-to-day operations, provided that the transactions are in the ordinary course of business and are on terms which are not more favourable to the related parties than those generally available to the public and are not detrimental to the minority shareholders of the Company.

THAT such approval shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the general meeting at which such resolution was passed, at which time it will lapse, unless by a resolution passed at the meeting, the authority is renewed;
- (b) the expiration of the period within which the next AGM of the Company after that date is required to be held pursuant to Section 340(2) of the Companies Act 2016 (“the Act”) (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or
- (c) revoked or varied by an ordinary resolution passed by the shareholders of the Company at a general meeting,

whichever is the earlier.

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including execute such documents as may be required) as they may deemed fit and expedient in the interest of the Company to give full effect to the Proposed Shareholders’ Mandate.”

9. To consider any other business of which due notice shall be given in accordance with the Companies Act 2016 and the Constitution of the Company.

By Order of the Board

YENG SHI MEI (SSM PC NO. 202008001282) (MAICSA 7059759)
REBECCA KONG SAY TSUI (SSM PC NO. 202008001003) (MAICSA 7039304)
Company Secretaries

Selangor Darul Ehsan
30 April 2026

NOTES:-

1. For the purpose of determining who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the Record of Depositors as at **29 May 2026**. Only a member whose name appears on a Record of Depositors shall be entitled to attend this AGM or appoint a proxy to attend, speak and vote (collectively, "**participate**") on his/her/its behalf.
2. A member entitled to attend and vote at this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to participate instead of the member at the AGM.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**").
5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("**Central Depositories Act**"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote:
 - (i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited at the registered office of the Company situated at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan.
 - (ii) By electronic means (for individual members only).

The proxy form can be electronically lodged with the Share Registrar of the Company via **Dvote Online** website at <https://www.dvote.my>.

9. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
10. Last date and time for lodging the proxy form is **Monday, 8 June 2026 at 10.00 a.m.**
11. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification upon request:
 - (i) Identity card (NRIC) (Malaysian); or
 - (ii) Police report (for loss of NRIC) / Temporary NRIC (Malaysian); or
 - (iii) Passport (Foreigner).
12. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposed to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
13. For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative at the registered office of the Company at Office Suite No. 603, Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan. Alternatively, please bring the **ORIGINAL** certificate of appointment of authorised representative if it has not been deposited at the Company's registered office earlier. The certificate of appointment of authorised representative should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

Explanatory Notes on Ordinary Business

1. Audited Financial Statements for the Financial Year Ended 31 December 2025

This agenda item is meant for discussion only as the provisions of Sections 248(2) and 340(1) of the Companies Act 2016 do not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item on the agenda is not put forward for voting.

2. Resolutions 1 to 6 – Re-election of Directors

Tan Lee Kueng, Ng Choon Tiong, Wong Wen Miin, Ling Thik Ping, Tan Poh Chan and Wong Ley Chan (collectively, “**Retiring Directors**”) are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 1st AGM.

Save as disclosed in the Annual Report 2025 of the Company, the Retiring Directors have no conflict of interest or potential conflict of interest with the Company or its subsidiaries and have no family relationship with any Director and/or major shareholder of the Company.

The Board had through the Nomination and Remuneration Committee (“**NRC**”) carried out the assessment on the Retiring Directors and are satisfied that they have met the criteria as prescribed by Rule 2.20A of the Listing Requirements of Bursa Securities and Directors’ Fit and Proper Policy on character, experience, integrity, competence and time to effectively discharge their role as Directors.

The Board had also through the NRC evaluated the independence of Ling Thik Ping, Tan Poh Chan, Wong Wen Miin and Wong Ley Chan and is satisfied that they have met the criteria of independence as prescribed in the Listing Requirements of Bursa Securities.

The Board believes that the contribution, commitment, and performance of the Retiring Directors continue to be invaluable and relevant to the long-term sustainable goals and success of the Company and supports the re-election of the Retiring Directors as Directors.

3. Resolutions 7 to 15 – Directors’ Fees and Meeting Attendance Allowance

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved by shareholders at a general meeting.

The proposed Directors’ fees for the period from 19 May 2025 (date of appointment) until the date of next AGM under Resolutions 7 to 14 are calculated based on the current Board composition. The Resolutions 11 to 14 are to facilitate the payment of the Directors’ fees and benefits to the Independent Non-Executive Directors from the 1st AGM until the next AGM of the Company. In the event the proposed amount is insufficient (e.g. due to enlarged Board size or increased responsibilities), approval will be sought at the next AGM for the shortfall.

Resolution 15 is to seek shareholders’ approval for the payment of meeting attendance allowance to the Independent Non-Executive Directors of the Company. If Resolution 15 is passed, the meeting attendance allowance will be payable for the period from 19 May 2025 until the next AGM of the Company at the quantum specified.

4. Resolution 16 – Re-appointment of Auditors

The Board had on 15 April 2026 through the Audit and Risk Management Committee (“**ARMC**”) assessed the suitability, objectivity and independence of the External Auditors, Messrs Baker Tilly Monteiro Heng PLT and considered the re-appointment of Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company in accordance with the External Auditor Policy of the Company. The Board and the ARMC collectively agreed and are satisfied that Messrs Baker Tilly Monteiro Heng PLT has the relevant criteria prescribed by Rule 15.21 of the Listing Requirements of Bursa Securities.

Explanatory Notes on Special Business

1. Resolution 17– Authority to Allot Shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016

The proposed Resolution 17, if passed, will empower the Directors of the Company to issue and allot ordinary shares of the Company from time to time and to grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer, provided that the aggregate number of shares allotted pursuant to this resolution does not exceed 10% of the total number of issued shares (excluding treasury shares) of the Company for the time being (“**Proposed General Mandate**”).

The authority for the Proposed General Mandate will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier.

This Proposed General Mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meetings to obtain its shareholders’ approval so as to avoid incurring additional costs and time.

The purpose of this general mandate, if passed, is to enable the Directors to take swift action in case of a need to issue and allot new shares in the Company for fund raising activities including but not limited to further placement of shares for purpose of funding current and/or future investment projects, working capital, acquisitions and/or issuance of shares as settlement of purchase consideration, or other circumstances that may arise which involves grant of rights to subscribe for shares, conversion of any securities into shares, or allotment of shares under an agreement or option or offer, or such other application as the Directors may deem fit in the best interest of the Company.

This is the first general mandate to be sought by the Company since its listing on the ACE Market of Bursa Securities on 25 February 2026. As at the date of this notice, there is no decision to issue new shares. Should there be a decision to issue new shares after the general mandate is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of shares.

2. Resolution 18 – Proposed New Shareholders’ Mandate for Recurrent Related Party Transactions (“Proposed Shareholders’ Mandate”)

The proposed Resolution 18, if passed, will authorise the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature in the ordinary course of business. For further information on the Proposed Shareholders’ Mandate, please refer to the Circular to Shareholders dated 30 April 2026.

TEAMSTAR BERHAD
[Registration No.: 202501005743 (1607157-X)]
(Incorporated in Malaysia)

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING PURSUANT TO RULE 8.29(2) OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. Details of Individuals who are Standing for Election as Directors (Excluding Directors Standing for Re-election)

There are no individuals who are standing for election as Directors at the First Annual General Meeting of the Company.

2. General Mandate for Issue of Securities in accordance with Rule 6.04(3) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad

Details of authority for Directors to allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 are set out in item (1) of Explanatory Notes on Special Business at page 185.

TEAMSTAR BERHAD
[Registration No.: 202501005743 (1607157-X)]
(Incorporated in Malaysia)

ADMINISTRATIVE DETAILS FOR THE FIRST (1ST) ANNUAL GENERAL MEETING (“AGM”)

Date	: Wednesday, 10 June 2026
Time	: 10.00 a.m.
Venue	: Four Points by Sheraton Puchong, TheHeron 1201, Tower 3, Puchong Financial Corporate Centre(PFCC) Jalan Puteri 1/2, Bandar Puteri Puchong, 47100, Selangor Darul Ehsan

MEMBERS’ ENTITLEMENT TO ATTEND, SPEAK AND VOTE AT THE 1ST AGM

Only members whose names appear on the **Record of Depositors as of 29 May 2026** of the Company shall be eligible to attend, speak and vote (collectively, “**participate**”) in the 1st AGM or to appoint proxy(ies), authorised representative(s) or attorney(s) to participate on their behalf in the 1st AGM.

Members who are unable to participate in the 1st AGM are encouraged to appoint proxy(ies) or the Chairperson of the Meeting to vote on their behalf in the 1st AGM by indicating the voting instructions in the proxy form in accordance with the notes printed therein.

Members who wish to participate in the 1st AGM, please **DO NOT** submit any proxy form for the 1st AGM. A member will not be allowed to participate in the 1st AGM together with the appointed proxy(ies).

PROCEDURES TO REGISTER AND PARTICIPATE AT THE 1ST AGM

Member(s), proxy(ies), authorised representative(s) or attorney(s) who wish to participate in the 1st AGM are **required to register as a Dvote user** at <https://www.dvote.my>. Once you have successfully registered and activated your Dvote user account, please proceed to pre-register your attendance for the 1st AGM.

Kindly refer to the following procedures for guidance on registering as a Dvote user and pre-meeting registration for the 1st AGM:

Prior to the 1st-AGM Day



Pre-Registration (Prior to Meeting Day)

1. Login

Log in with your registered email address.

Login

Email

Password

Remember me?

Login

[Forgot your password?](#)

[Sign up as a new user](#)

2. Meeting Selection

Select the relevant meeting from the event list and click register now

Meeting	Date/Time	Task	Action
Dvote Physical meeting	Friday, 29 November 2024, 3:45 PM	Physical Meeting	Select
Chairman Resumes Berhad - The 30th Annual General Meeting	Tuesday, 03 December 2024, 11:30 AM		Select
Dvote virtual meeting	Friday, 29 November 2024, 5:30 PM	Virtual Meeting	Select
Dvote Hybrid Meeting	Monday, 26 December 2024, 11:00 AM	Hybrid Meeting	Select

Dvote Physical meeting

Meeting Date/Time : *Monday, 02 December 2024, 3:45 PM*

Hi, LAI SIEW WAI

Registration Status

[Register Now](#)

WE STRONGLY ENCOURAGE ALL MEMBER(S) AND PROXY(IES) TO REGISTER FOR THE EVENT PRIOR TO THE MEETING DAY. THIS WILL ALLOW THE COMPANY TO HAVE THE NECESSARY INFORMATION TO PREPARE THE MEETING VENUE AND THE NECESSARY ARRANGEMENTS.

THERE WILL BE NO REGISTRATION COUNTER AT THE MEETING VENUE. MEMBER(S) OR PROXY(IES) WHO HAVE NOT REGISTERED IN ADVANCE BEFORE THE MEETING DAY WILL BE REQUIRED TO SPEND MORE TIME DOING THE ONLINE REGISTRATION ON-SITE (USING YOUR OWN DEVICE) BEFORE YOU ARE ALLOWED TO ENTER THE MEETING VENUE.

REGISTRATION OF ATTENDANCE ON THE DAY OF THE 1ST AGM

1. There **will be no registration counter** set-up to mark attendance. Members and proxies are required to mark your attendance by scanning the QR code provided at the meeting venue using your own device via **Dvote Online** platform and obtain an identification wristband before entering the meeting venue. For this purpose, please ensure you have the following
 - (i) Mobile device that has a camera function to scan QR code; and
 - (ii) Active data plan to access **Dvote Online** platform.

On Meeting Day (Physical Participation)



1

Scan the QR Code

Scan the QR code provided at the meeting venue



2

Platform Login

Access DVote platform with your password



3

Mark Your Attendance

Register your presence at the meeting



4

Access Your e-Pass

Use your e-Pass as verification to gain access to meeting room

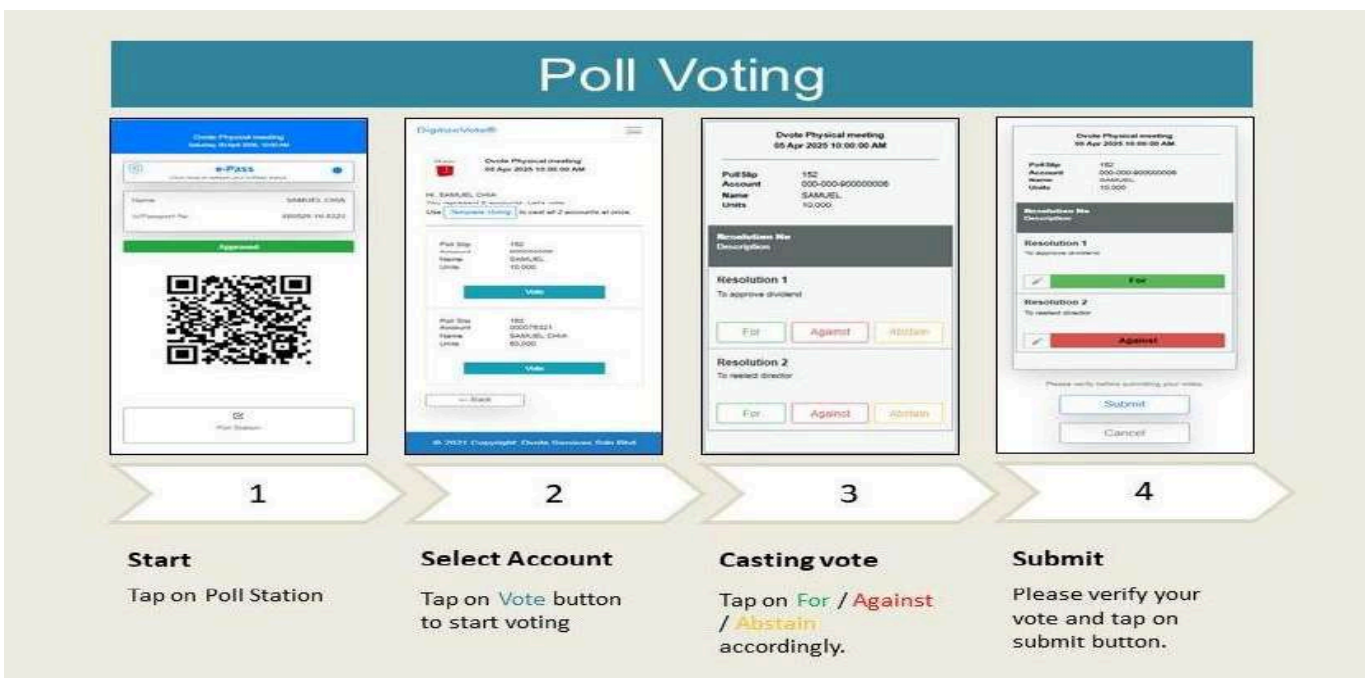
2. The AGM will start promptly at 10.00 a.m. We strongly encourage everyone to arrive early to facilitate a smooth registration process. You may enter the meeting venue from 9.30 a.m. onwards.
3. Please bring your **ORIGINAL** National Registration Identity Card (“**NRIC**”) or passport (for non-Malaysian). The Poll Administrator and/or Scrutineer may request you to present your identification wristband and your NRIC or passport for verification purposes, upon marking your attendance via **Dvote Online** system. A photocopy of your NRIC or passport **WILL NOT BE ACCEPTED**.
4. No person will be allowed to enter the meeting venue without the identification wristband. If you are attending the 1st AGM as both a shareholder and a proxy, you will only need to register once and will be given a single identification wristband to enter the meeting venue. Please note that no replacement will be provided in the event the wristband is lost or misplaced.
5. All members and proxies are encouraged to enter the meeting venue and be seated at least ten (10) minutes before the commencement of the 1st AGM.

POLL VOTING AT THE MEETING

The voting at the 1st AGM will be conducted by poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

The Company has appointed AscendServ Capital Markets Services Sdn. Bhd. (“**AscendServ**”) as the Poll Administrator to conduct the poll by way of electronic voting via its **Dvote Online** platform at <https://www.dvote.my> and In.Corp Global (M) Sdn. Bhd. as Independent Scrutineer to verify the poll results.

All eligible voters will be required to cast their votes via **Dvote Online** platform using their own smartphone or mobile device. The voting session will take place concurrently upon the commencement of the 1st AGM and will end upon the closing of the voting session announced by the Chairperson.



Upon completion of the voting session for the 1st AGM, the Independent Scrutineer will verify the poll results, followed by the Chairperson’s declaration whether the resolution(s) tabled for voting is carried or otherwise.

APPOINTMENT OF PROXY/AUTHORISED REPRESENTATIVE/ATTORNEY

The appointment of a proxy/authorised representative/attorney for the 1st AGM may be made in hard copy form or by electronic means. The duly executed instrument appointing a proxy/authorised representative/attorney must be deposited or submitted in the following manner, no later than **Monday, 8 June 2026 at 10.00 a.m.**:

(i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited at the registered office of the Company at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan, Malaysia (“**Registered Office**”); **OR**

(ii) By electronic means (for individual members only)

The proxy form can be electronically lodged with the Share Registrar of the Company via **Dvote Online** website at <https://www.dvote.my>.

Corporate member(s) who wish to appoint authorised representative(s) instead of a proxy(ies), please deposit the **ORIGINAL** certificate of appointment of authorised representative at the Registered Office before the 1st AGM or bring the **ORIGINAL** certificate of appointment of authorised representative to the 1st AGM.

Attorney(s) appointed by Power of Attorney **MUST** deposit the **ORIGINAL** Power of Attorney at the Registered Office no later than **Monday, 8 June 2026 at 10.00 a.m.** to participate in the 1st AGM.

Submission of Electronic Proxy Form

Pre-meeting Submission
Closing Date/Time 31-12-2024 03:00 PM

Hi, LAI SIEW WAI
You have 1 account(s)
Select account which you wish to submit e-Proxy

Security Account	Name	Action
000-000-900000007	ALVEN	<input type="button" value="Selected"/>

CDS Account No: 000-000-900000007

I, ALVEN (860516-33-5507) being a member of Dvote services SDN BHD, hereby appoint :-
 The Chairman of the Meeting as my proxy

(1) First Proxy Only

Name of proxy: LEONARDO
 MyKad: XXXXXXXX
 Represent Proportion %: 100

OR falling him/her, the Chairman of The Meeting as my proxy.

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf and to represent my/our security holdings as per the proportion indicated above.

My/our proxy/proxies is/are to vote as indicated below:

Resolution No	Description	For	Against	Abstain
Resolution 1	To approve dividend	<input type="button" value="For"/>	<input type="button" value="Against"/>	<input type="button" value="Abstain"/>
Resolution 2	To renew director	<input type="button" value="For"/>	<input type="button" value="Against"/>	<input type="button" value="Abstain"/>
Resolution 3	To appoint auditor	<input type="button" value="For"/>	<input type="button" value="Against"/>	<input type="button" value="Abstain"/>

REVOCAION OF PROXY

If you have submitted the proxy form and subsequently decide to change your proxy(ies) or revoke your appointment(s) to participate in the 1st AGM, please write in to the Company's Share Registrar at generalmeeting@ascendserv.com no later than **Monday, 8 June 2026 at 10.00 a.m.**

Upon revocation, your proxy(ies) will not be allowed to participate in the 1st AGM. Please advise your proxy(ies) accordingly.

PARKING

A flat rate of RM7 per entry is applicable, subject to validation at reception.

REFRESHMENT

Refreshments will be served.

NO DOOR GIFTS OR VOUCHERS

There will be **no distribution** of door gifts or vouchers for the 1st AGM.

ANNUAL REPORT AND/OR CIRCULAR TO SHAREHOLDERS

You may request for a printed copy of the Annual Report 2025 and/or the Circular to Shareholders of the Company by emailing to AscendServ at generalmeeting@ascendserv.com.

NO RECORDING

Strictly no recording of the 1st AGM proceedings is allowed.

ENQUIRY

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

AscendServ Capital Markets Services Sdn. Bhd.

Contact Person : Mr Alven Lai/Ms Stephanie Wee
Telephone No. : +603-78900238
E-mail Address : generalmeeting@ascendserv.com



TEAMSTAR BERHAD
[Registration No.: 202501005743 (1607157-X)]
(Incorporated in Malaysia)

PROXY FORM

CDS Account No.	
No. of Shares held:	

I/We _____ Tel: _____
[Full name in block, NRIC/Passport/Registration No.]
of _____
[Address]

being member(s) of **TEAMSTAR BERHAD**, hereby appoint:

Full Name <i>(in block capitals and as per NRIC/Passport)</i>	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

^and / or

Full Name <i>(in block capitals and as per NRIC/Passport)</i>	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Mobile Phone No.			

or failing him/her, the Chairperson of the Meeting, as ^my/our proxy/proxies to vote for ^me/us and on ^my/our behalf at the First (1st) Annual General Meeting (“**AGM**”) of the Company, which will be held at Four Points by Sheraton Puchong, The Heron, 1201, Tower 3, Puchong Financial Corporate Centre (PFCC), Jalan Puteri 1/2, Bandar Puteri, Puchong, 47100, Selangor Darul Ehsan on Wednesday, 10 June 2026 at 10.00 a.m. or any adjournment thereof, and to vote as indicated below:

Resolution No.	Description of Resolution	For	Against
1	Re-election of Tan Lee Kueng as Director of the Company.		
2	Re-election of Ng Choon Tiong as Director of the Company.		
3	Re-election of Wong Wen Miin as Director of the Company.		
4	Re-election of Ling Thik Ping as Director of the Company.		
5	Re-election of Tan Poh Chan as Director of the Company.		
6	Re-election of Wong Ley Chan as Director of the Company.		
7	Approval on payment of Director’s fees to Ling Thik Ping amounting to RM69,500 for the period from 19 May 2025 until the 1st AGM of the Company.		
8	Approval on payment of Director’s fees to Tan Poh Chan amounting to RM63,500 for the period from 19 May 2025 until the 1st AGM of the Company.		
9	pproval on payment of Director’s fees to amounting to Wong Wen Miin amounting to RM63,500 for the period from 19 May 2025 until the 1st AGM of the Company.		

10	Approval on payment of Director's fees to Wong Ley Chan amounting to RM63,500 for the period from 19 May 2025 until the 1st AGM of the Company.		
11	Approval on payment of Director's fees to Ling Thik Ping amounting to RM66,000 for the period from the 1st AGM until the next AGM of the Company.		
12	Approval on payment of Director's fees to Tan Poh Chan amounting to RM63,600 for the period from the 1st AGM until the next AGM of the Company.		
13	Approval on payment of Director's fees to Wong Wen Miin amounting to RM62,400 for the period from the 1st AGM until the next AGM of the Company.		
14	Approval on payment of Director's fees to Wong Ley Chan amounting to RM60,000 for the period from the 1st AGM until the next AGM of the Company.		
15	Approval on payment of meeting attendance allowance of RM500 per meeting for each Independent Non-Executive Director for the period from 19 May 2025 until the next AGM of the Company.		
16	Re-appointment of Messrs Baker Tilly Monteiro Heng PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.		
17	Authority to allot shares of the Company pursuant to Sections 75 and 76 of the Companies Act 2016.		
18	Proposed Shareholders' Mandate.		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fits.

Signed this day of, 2026

Signature*
Member

[^]Delete whichever is inapplicable

*Manner of execution:

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

NOTES:-

1. For the purpose of determining who shall be entitled to attend this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the **Record of Depositors as at 29 May 2026**. Only a member whose name appears on a Record of Depositors shall be entitled to attend this AGM or appoint a proxy to attend, speak and vote (collectively, "**participate**") on his/her/its behalf.
2. A member entitled to attend and vote at this AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a general meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the AGM.
4. If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the ACE Market Listing Requirements ("**Listing Requirements**") of Bursa Malaysia Securities Berhad ("**Bursa Securities**").

5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 (“**Central Depositories Act**”), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
6. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“**omnibus account**”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
8. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
 - (i) In hard copy form

In the case of an appointment made in hard copy form, the proxy form must be deposited at the registered office of the Company situated at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan.
 - (ii) By electronic means (for individual members only)

The proxy form can be electronically lodged with the Share Registrar of the Company via **Dvote Online** website at <https://www.dvote.my>.
9. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
10. Last date and time for lodging the proxy form is **Monday, 8 June 2026 at 10.00 a.m.**
11. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification upon request:
 - (i) Identity card (NRIC) (Malaysian); or
 - (ii) Police report (for loss of NRIC) / Temporary NRIC (Malaysian); or
 - (iii) Passport (Foreigner).
12. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company at Office Suite No. 603 Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposed to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
13. For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative at the Registered office of the Company at Office Suite No. 603, Block C, Pusat Dagangan Phileo Damansara 1, No. 9, Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor Darul Ehsan. Alternatively, please bring the **ORIGINAL** certificate of appointment of authorised representative if it has not been deposited at the Company’s registered office earlier. The certificate of appointment of authorised representative should be executed in the following manner:
 - (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registrar
TEAMSTAR BERHAD
[Registration No.: 202501005743 (1607157-X)]
Office Suite No. 603 Block C,
Pusat Dagangan Phileo Damansara 1,
No. 9, Jalan 16/11, Off Jalan Damansara,
46350 Petaling Jaya

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KEDAI BARANGAN LOGAM

TEAMSTAR

DGTango

TEAMSTAR

TEAMSTAR BERHAD

(Registration No. 202501005743 (1607157-X)
Incorporated in Malaysia under the Companies Act 2016

F-01-3, Block F, SetiaWalk, Persiaran Wawasan, Pusat Bandar Puchong,
47160 Puchong, Selangor.

+603-9213 0666

enquiries@teamstar.com.my

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